



where **Passion**
meets **Performance**

www.pclindia.in

info@pclindia.in

+91 217 2357645

+91 9168646531/32/33

L24231PN1992PLC067126

PCL/SEC/26-27/021

July 08, 2026

To, National Stock Exchange of India Limited, "Exchange Plaza" 5 th Floor, Plot No. C-1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400051 NSE Scrip Code - PRECAM	To, BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001 BSE Scrip Code – 539636
--	--

Subject: Notice of 34th Annual General Meeting (AGM), Annual Report for Financial Year (FY) 2025-26.

Dear Sir/Madam,

This is to inform that pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 amended from time to time, please find attached herewith a copy of Annual Report for the FY 2025-26 along with the Notice of the 34th AGM, which has been sent through electronic mode to the Members of the Company. It is also available at the website of the Company www.pclindia.in.

Further pursuant to Regulation 42 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Register of Members and Share Transfer Books will remain closed from **Friday, July 24, 2026**, to **Thursday, July 30, 2026** (both days inclusive) for the purpose of AGM and payment of dividend.

You are requested to take note of the same and take the Annual Report on record.

Thanking you,

For **Precision Camshafts Limited**

Harshal J. Kher

Company Secretary and Compliance Officer

Membership No. [A69147](#)

Encl: A/a

Precision Camshafts Limited

Solapur : D5 MIDC, Chincholi, Solapur, India – 413255

Solapur : E102 MIDC, Akkalkot Road, Solapur, India – 413006

Pune : 3rd Floor, "Kohinoor B Zone Baner", Mumbai – Bangalore Highway, Baner, Pune – 411045



where **Passion**
meets **Performance**



EXECUTION
THAT DELIVERS
GROWTH
THAT ENDURES

PRECISION CAMSHAFTS LIMITED
34th Annual Report 2025-26

CONTENTS

CORPORATE OVERVIEW

02 - 42

A Transforming Automotive Space	02
A Performance Built on Discipline	04
Where Passion Meets Performance	06
A Globally Connected Engineering Platform	08
A Journey Shaped by Strategic Choices	10
A Multi-Segment Offering	12
A Strong International Presence	14
A Trusted Customer Portfolio	15
A Strategic Overview	16
A Scalable Value-creation Framework	20
A Solid Financial Performance	21
An Integrated Manufacturing Value Chain	22
A Structured Approach to Operational Excellence	24
A Structured Roadmap for Long-term Growth	26
A Commitment to Environmental Responsibility	28
A People-centric Culture	30
A Foundation for Inclusive Community Growth	32
A Holistic Approach to Sustainable Development	34
A Pathway to Meaningful Engagement	36
A Responsible Oversight Structure	38
Board of Directors	39
Management Team	40
A Reflection of Industry Recognition	41
Corporate Information	42

STATUTORY REPORTS

43 - 156

Management Discussion and Analysis	43
Board's Report	60
Report on Corporate Governance	78
Business Responsibility and Sustainability Report	111

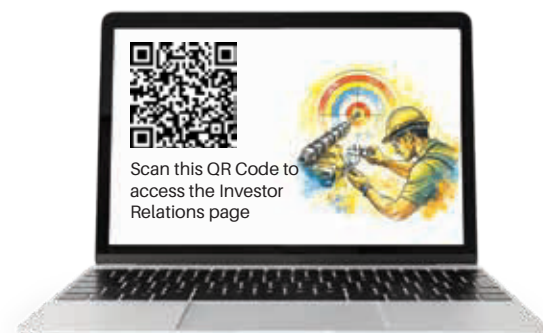
FINANCIAL STATEMENTS

157 - 302

Standalone	157
Consolidated	233

NOTICE

303 - 320



INVESTOR INFORMATION

Market Capitalization (as of March 31, 2026)	₹ 1,777.22 Crores
CIN:	L24231PN1992PLC067126
BSE Code:	539636
NSE Symbol:	PRECAM
Bloomberg Code:	PRECAM:IN
Dividend Declared:	₹ 1/- per Equity Share
AGM Date:	July 30, 2026
AGM Mode:	Video Conferencing/Other Audio-Visual Means

Disclaimer

This document contains statements about expected future events and financials of Precision Camshafts Limited ('The Company'), which are 'forward-looking.' By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and is qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.

EXECUTION THAT DELIVERS GROWTH THAT ENDURES

At Precision Camshafts Limited, we believe enduring growth rests on disciplined execution. In an environment shaped by volatility and shifting demand, we respond with focus, resilience, and clarity of purpose. Each decision reflects operational rigor and prudent capital allocation, ensuring performance today strengthens the foundation for tomorrow.

We reinforce this foundation through margin resilience and sharper execution, supported by a robust domestic market and stronger long-term order visibility. These strengths provide stability while allowing us to move forward with confidence. At the same time, targeted investments in

advanced technologies strengthen our readiness for a rapidly transforming industry.

When challenges emerge, we act decisively. Through thoughtful restructuring and rigorous financial discipline, we safeguard profitability

while preparing for sustainable progress. By bringing together precision engineering, cost leadership, and enduring customer partnerships, we shape a cohesive, cycle-resilient platform, one that delivers consistently today while creating lasting value for the future.



Operating Environment

A Transforming Automotive Space

The automotive industry stands at a defining moment. Across the world, mobility is being reshaped by technology, sustainability imperatives, and shifting trade dynamics. What was once a scale-driven manufacturing sector has evolved into a highly integrated, technology-enabled ecosystem where resilience, innovation, and efficiency determine leadership.



Globally, manufacturers are recalibrating strategies in response to supply chain disruptions and changing consumer expectations. Artificial intelligence, automation, and Industry 4.0 are transforming production systems, while sustainability now sits at the center of strategic decision making. Governments and industry leaders across Asia-Pacific, North America, and Europe are accelerating initiatives to reduce carbon emissions and promote energy-efficient solutions.

Amid this global transition, India is emerging as a confident and influential participant. The Indian automotive sector continues to record strong growth, supported by rising exports, progressive policy measures, and deeper technological integration. Consequently, the country is strengthening its position as both a manufacturing hub and a strategic partner within global supply chains.



A pivotal development reinforcing this momentum is the landmark Free Trade Agreement between India and the European Union. By creating one of the world's largest free trade zones and reducing tariffs across a majority of product lines, the agreement is expected to deepen trade flows and expand market access. For Indian automotive manufacturers, this strengthens export competitiveness and opens meaningful opportunities to expand their presence in Europe while integrating further into global value chains.

Within this dynamic and interconnected environment, Precision Camshafts Limited operates at the intersection of policy support, global trade expansion, and technological transformation. The Company's business landscape reflects not only domestic growth but also international demand, sustainability expectations, and the increasing sophistication of automotive engineering. As the industry enters its next phase of evolution, the operating environment continues to expand in scale, strengthen in capability, and shape the future of mobility.



FY 2025-26 Highlights

A Performance Built on Discipline

Financial Snapshot

₹ **772.87** Crores
Revenue

₹ **117.18** Crores
EBITDA

₹ **51.24** Crores
PAT

0.05 x
Debt-to-Equity Ratio

15.16 %
EBITDA Margin

6.63 %
PAT Margin

Revenue by Geography

65 %
Domestic

35 %
Exports

Operational

10.8 Million
Total Camshafts Produced

10+
Projects Launched

80 %
Capacity Utilization of
Machine Camshafts

76 %
Capacity Utilization of
Camshaft Casting



Environmental

76,487.74 GJ
Electricity Generated

81,988.42 KL
Water Consumption

38,551.09 MTCO₂e
Total GHG Emissions

15.47 MT
Waste Management

Social

713
Employees

15:1
Male-to-Female Employee Ratio

13,79,877
CSR Beneficiaries (Cumulative)

₹ **1.72** Crores
CSR Expenditure

Governance

9
Directors on Board

4
Female Directors



About Precision Group

Where Passion Meets Performance

Precision Group ('The Group') is an integrated automotive engineering and manufacturing platform delivering end-to-end solutions across precision components, powertrain systems and electric mobility. The Group has evolved from a single-product business into a diversified platform that now unites Precision Camshafts Limited, MEMCO Engineering Private Limited and EMOSS Mobile Systems B.V.

This integrated structure combines global manufacturing scale with innovation-led execution while enabling closer collaboration with customers. Through this approach, the Group delivers sustained value across the evolving mobility ecosystem.

Our Structure

MEMCO Engineering Private Limited

MEMCO Engineering Private Limited is a precision machining company and trusted supplier to Tier 1 automotive and non-automotive customers. Guided by a strong commitment to excellence, integrity, and quality, MEMCO continues to strengthen its capabilities and grow as an integral part of the Group.

7%
Revenue Contribution



PCL (International) Holding

PCL (International) Holding B.V., a wholly owned subsidiary incorporated in the Netherlands, was established to strengthen engagement with the Group's European customer base. The entity holds 100% equity in EMOSS Mobile Systems B.V. in the Netherlands. This structure enables centralized oversight, stronger governance, and effective performance monitoring across the Group's European operations.



EMOSS Mobile Systems

EMOSS brings over a decade of expertise in electric mobility, partnering with bus and truck manufacturers on powertrain development and system integration. Operating as an OEM partner, it designs and manufactures EV powertrains and battery systems for complex and niche applications. Headquartered in the Netherlands, EMOSS employs around 60 professionals across R&D, production, and sales, and delivers tailored engineering solutions to retrofit existing diesel vehicles into electric and supplying ready to assemble electric kits to various OEMs.

11.83%
Revenue Contribution



About Precision Camshafts

A Globally Connected Engineering Platform

Precision Camshafts Limited ('PCL,' 'The Company' or 'We') is a global leader in precision-engineered camshaft solutions, built on decades of manufacturing excellence. We anchor our reputation in advanced engineering, uncompromising quality standards, and disciplined execution at scale. Leading automotive OEMs worldwide partner with us for our consistency, technological depth and ability to deliver complex solutions reliably across markets.

Our camshaft solutions range from cast iron and ductile iron to hybrid and assembled variants, engineered to meet demanding standards of performance and durability. Beyond camshafts, we manufacture critical injector components, and electric drivetrains helping customers address the evolving demands of next-generation mobility.

We support this capability through a strategically distributed manufacturing footprint across India and international locations. Our integrated global network enables us to serve customers worldwide with speed, consistency and operational excellence.

Our Mission



To gain a larger market share, ensure profitable growth, embrace change, and drive continuous improvement in operations, product quality, technology, sustainability, employee development and community enhancement.

Core Values



We operate on the principle of 'C.R.E.A.T.E' - Customer Focus, Respect, Excellence, Agility, Teamwork, Entrepreneurship. An acronym for an exemplary set of principles that are perceptible in every interaction and interface with our employees.

Our Vision



To become a solution provider of automotive components, systems, and services to OEMs across the globe with a strategic focus on electric mobility.

DNA



Our DNA is a work culture rooted on sharp customer focus, transparency in operations, a sense of ownership, keen attention to details, conservative financial approach and high level of discipline and upkeep.

The Precision DNA is 'FIIERCE', which stands for forward-looking, ingenious, indomitable, excellence, result-oriented, competence, and energy.



Forward-Looking

We are a future-ready team with a progressive business approach.

Ingenious



Solution-oriented, innovative, and resourceful problem-solving

Indomitable



Raising the benchmark with a 'never-say-die' attitude

Result Oriented



Keen attention to detail with sharp focus on the finish line

Competence



Process-driven company with strong technical and manufacturing expertise

Excellence



Constantly striving towards perfection

Energy



High levels of enthusiasm and restless in the face of challenges

What Sets PCL Apart?

Strategic direction and oversight are provided by a seasoned management team and Board with a long-term vision

Global quality benchmarks are achieved through advanced, state-of-the-art manufacturing capabilities

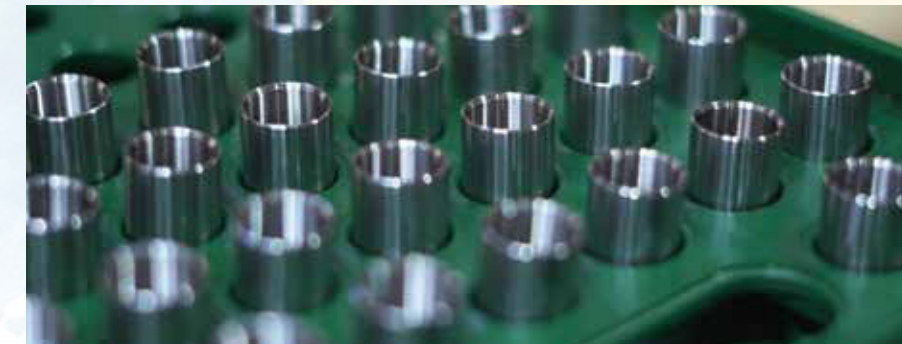
A diversified and scalable manufacturing footprint supports operations across key global markets

Enduring partnerships are built as a preferred supplier to marquee global OEMs

Public market discipline and financial strength underpin the Company's listed status

Comprehensive, precision-engineered solutions are offered for niche machined components, including camshafts, fuel injectors, and instrumentation components

Integrated electric drivelines and power solutions are delivered for heavy-duty and specialized equipment



13

Facilities

30+

Years of Experience in the Automotive Industry

25+

Years of Strong Relationships with OEMs

200+

Camshaft Variants

500+

Engineers

30+

Customers

Our Journey

A Journey Shaped by Strategic Choices

Our journey reflects deliberate choices to think bigger, deepen capabilities and stay ahead of change. We strengthened our foundation through disciplined investments in people, processes and advanced manufacturing, while building enduring partnerships with leading automotive OEMs. Each step has shaped us into a globally connected engineering partner that delivers reliably and continues to evolve with mobility.

1992-1999

1992

Incorporated

1997

Received Private Equity (PE) investment from CDC

1999

Entered into a joint venture in India with G Clancey Limited, UK

2006-2019

2006

Acquired 51% stake in G Clancey Limited in the JV

2008

Received a PE investment from TATA Capital

2011

Incorporated PCL (Shanghai) Company Limited

2012-13

Entered into two joint ventures in China with Shenlong: SLPCL and PCLSL

2016

Launched IPO and was listed on BSE Limited and NSE

2017

Acquired 95% of equity in MEMCO

2018

- Acquired 76% stake in MFT
- Acquired 51% stake in EMOSS

2019

- Acquired balance 5% equity of MEMCO
- Disinvested from joint ventures in China: SLPCL and PCLSL

2020-2023

2020

- Acquired balance 49% stake in EMOSS
- Acquired balance 24% stake in MFT

2021

- Developed India's first retrofitted electric mid-size bus called Oranje Tiger
- Entered into an MOU with Solapur Municipal Corporation and other private companies for Electric LCV
- Expanded EMOSS B.V. with the addition of a second manufacturing facility

2022

- Started development of retrofitted e-LCV
- Diversified product portfolio (other than camshafts)

2023

- Commissioned first solar power plant having capacity of 15MWp
- Entered into MoUs with prospective customers for e-LCV
- Achieved a remarkable milestone, surpassing a turnover of ₹1,000 Crores by the Precision Group

2024-2026

2024

- Started construction of a 25-acre greenfield site for specialized machining facility and EVs
- Started research on lightweight materials for EV components
- Enhanced hybrid and assembled camshafts
- Transitioned to EV-specific components like drivetrains and transmission parts

2025

- Commercialized the Indian EV retrofit program, a strategic leap toward sustainable mobility
- Initiated insolvency and liquidation of German subsidiary MFT following a sharp demand decline and continued European slowdown
- Secured major wins from leading OEMs

2026

- Commissioned second solar power plant having capacity of 14MWp
- Commenced manufacturing of assembled camshafts
- Executed a major expansion involving new manufacturing facilities



Product Portfolio

A Multi-Segment Offering

Our product portfolio reflects the demands of precision, reliability and evolving mobility needs. We manufacture a wide range of camshafts across material types and configurations, engineered to perform consistently under demanding operating conditions.

Alongside these, we produce critical components such as fuel injector parts and specialized machined elements that require exacting standards and repeatability. This capability allows us to support diverse applications today while staying aligned with the changing requirements of future powertrain technologies.



Camshafts

Engineered for durability in high-stress and low-lubrication environments, our products combine wear resistance, consistent performance and cost efficiency while supporting emissions reduction. We manufacture both as-cast and fully machined camshafts, tailored to precise customer specifications. We serve automotive OEMs across North and South America, Europe, Asia and the Indian Subcontinent, supporting diverse engine platforms including SOHC, DOHC, V6 and V8 configurations.

Chilled Cast Iron Camshafts

Chilled cast iron remains widely preferred for camshaft manufacturing due to its corrosion resistance, consistent castability and uniform hardness. We strengthen this material advantage through precise manual chill placement, selectively hardening cam lobes to enhance wear resistance. The result is a camshaft that delivers superior durability and reliable performance, well suited for high-load engine applications.

Ductile Iron Camshafts

Ductile iron, also known as nodular or spheroidal cast iron, represents a key advancement in camshaft metallurgy by combining high strength with inherent flexibility. When enhanced through heat treatment, it offers greater toughness, ductility and long-term durability. These properties make ductile iron camshafts ideal for applications requiring resilience and consistent performance under dynamic, high-load conditions.

Hybrid Camshafts

Hybrid camshafts combine the strength of chilled cast iron or ductile iron with integrated components such as steel trigger wheels and gears. This modular configuration enables customised solutions that address specific performance requirements while maintaining structural integrity and functional reliability.

Assembled Camshafts

Assembled camshafts involve fitting cam lobes, fuel lobes, trigger wheels and other components onto a high-grade steel tube using advanced force-free heat-shrink technology. This precision process minimizes internal stresses, improves structural integrity and extends service life. With no castings involved, assembled camshafts also reduce carbon footprint, supporting more sustainable manufacturing outcomes.

MEMCO Engineering

Fuel Injector Components

Through MEMCO, we manufacture precision-engineered components for fuel injection systems used in conventional and DRDi diesel engines. Our portfolio includes nozzle holder bodies, nozzle retaining nuts and other critical components that ensure accurate fuel delivery and reliable engine performance.

Stainless Steel Components

Through MEMCO, we also produce high-quality stainless-steel components for instrumentation and other precision applications. Designed for corrosion resistance, durability and consistent performance, these components meet stringent quality requirements across diverse industrial applications.



EMOSS

Drivelines

Through EMOSS, we design, develop and manufacture advanced electric drivelines and battery systems that support the shift from conventional to electric mobility. As transport systems face growing pressure to reduce emissions and noise without compromising efficiency and reliability, our solutions enable seamless vehicle electrification while delivering dependable performance and lower environmental impact.

Powering Versatility

We offer end-to-end capabilities spanning the design, development, production, and testing of modular electric drivelines. This flexible architecture enables electrification across a wide range of vehicle platforms, from road sweepers, delivery vans and city buses to fully electric trucks and range-extended electric semi-trucks. Engineered for efficiency, scalability, and long-term sustainability, our driveline solutions are built to support the evolving demands of modern transportation networks.

Advancing Sustainable Mobility

Our commitment to sustainable mobility extends beyond technology to real-world applicability. At EMOSS, we develop zero-emission drivelines for public transportation systems that require quiet operation, durability, and adaptability across diverse operating conditions. In regions with smaller or specialized routes, our solutions are engineered to make electric mobility practical and inclusive, incorporating features such as smooth drivability and wheelchair accessibility to ensure broader social impact.



EMOSS India

Over the past two years, we transferred technical expertise from EMOSS Netherlands to India, enabling deep localisation to serve the domestic market. Building on this foundation, EMOSS India launched retrofit solutions for widely used light commercial vehicles in late 2024 and has since deployed vehicles across more than eight cities to a growing customer base.

Our solutions remain cost-effective and application-specific, offering customised range and performance configurations based on operating requirements. Beyond light commercial vehicles, EMOSS India is developing electric powertrain solutions for special purpose heavy commercial vehicles, a segment with strong potential as electrification accelerates in India.

A Globally Integrated Footprint

A Strong International Presence

Our globally integrated footprint supports scale, speed and reliability, bringing together manufacturing, engineering and assembly capabilities across India and key international markets. This network keeps us close to customers and supply chains, enabling efficient coordination, consistent quality and agile execution. As a result, we respond quickly to regional requirements while delivering dependable performance across geographies.

Our Global Presence



- 1
United States of America
- 2
Mexico
- 3
Brazil
- 4
Canada
- 5
Norway
- 6
Sweden
- 7
Poland
- 8
Austria
- 9
The United Kingdom
- 10
Spain
- 11
France
- 12
Germany
- 13
Hungary
- 14
Uzbekistan
- 15
China
- 16
India
- 17
South Korea
- 18
New Zealand

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

Clientele

A Trusted Customer Portfolio

02-42 Corporate Overview

43-156 Statutory Reports

157-302 Financial Statements

Chairman and Managing Director's Message

A Strategic Overview



“ We advanced growth initiatives where visibility remained strong and addressed emerging challenges with resolve. This balanced approach ensures that current performance strengthens the foundation for sustainable growth. ”



Dear Stakeholders,

The past year tested the resilience of businesses across the global automotive ecosystem as shifting demand and regional imbalances shaped the operating environment. In such times, clarity of purpose becomes critical. Accordingly, we responded with disciplined execution and measured decisions. We advanced growth initiatives where visibility remained strong and addressed emerging challenges with resolve. This balanced approach ensures that current performance strengthens the foundation for sustainable growth.

India on Global Stage

Global economic tensions continued to influence the business environment during the year. Geopolitical conflicts, supply chain realignments, inflationary pressures and evolving trade policies heightened uncertainty. Advanced economies experienced moderated growth, while manufacturing and automotive sectors adapted to energy transitions and changing demand patterns. Protectionist measures and currency volatility also reshaped global trade flows, encouraging companies to diversify sourcing and production bases.

Amid this dynamic scenario, India emerged as a resilient growth engine. Structural reforms, strong domestic consumption, expanding infrastructure and production-linked incentives supported this momentum. As a result, India strengthened its position as a preferred global manufacturing hub. Rising investments in automotive and industrial sectors, alongside policy stability, further enhanced competitiveness and export potential.

This environment created meaningful opportunities for us. As global customers sought reliable and cost-efficient partners, we benefited from India's manufacturing strength, skilled workforce and expanding OEM relationships. Through innovation, operational excellence and strategic capacity expansion, we remained well positioned to benefit from global supply chain diversification and sustained domestic growth.

Our Business Performance

The year under review unfolded against a backdrop of contrasting global conditions. While Europe experienced a pronounced slowdown, the Indian automotive market continued to demonstrate resilience and steady growth. In

this environment, we remained focused on operational stability, disciplined execution, and long-term value creation.

Camshafts Business

Our core camshaft business maintained healthy volumes, supported by strong demand from domestic OEM partners. While global headwinds affected certain geographies, the strength of the Indian market provided balance and reinforced the value of our diversified customer base.

During the year, we significantly expanded our long-term order book with prestigious new programs from leading OEMs including Maruti Suzuki, Hyundai India through a Tier 1 supplier, Mahindra and UzAuto. These wins represent substantial lifetime revenues and provide strong business visibility through 2032. More importantly, they reaffirm our position as a trusted, technology-driven partner to global automotive manufacturers.

To support these programs, we initiated capacity expansion at our Solapur facility with a planned investment of approximately ₹120 Crores. We are firmly in execution mode, aligning infrastructure

development with upcoming production schedules.

Strategically, we also entered assembled camshaft technology, securing a landmark order from Mahindra for its flagship engine platform. This move into higher-value precision assemblies marks an important step in strengthening our product portfolio. As production scales up, this segment is expected to improve realizations, enhance product mix and support profitability.

EV Business in India

In India, we continue to advance our electric mobility initiative with measured progress and sharper strategic focus. During the past year, we strengthened our presence in vehicle conversion and retrofitting while refining our portfolio towards higher-value, technologically differentiated applications.

We secured domestic orders to convert diesel vehicles into fully electric platforms across Mumbai, Pune and Nagpur. We are executing these projects in phases to ensure seamless integration with customer operations. This structured rollout reflects our disciplined approach to execution and

reinforces our capability in end-to-end electric powertrain integration.

At the same time, we moderated our participation in the light commercial vehicle conversion segment, particularly the Tata Ace category. Evolving certification requirements and limited demand visibility influenced this decision. Our approach remains pragmatic as we prioritize capital efficiency and sustainable scalability over short-term volume expansion.

Our EV initiatives have already begun contributing to the Company's financials. While the contribution remains modest at this stage, we expect meaningful scale-up from FY 2026-27 as current projects mature and heavy commercial vehicle programs move into commercial production.

Subsidiary Performance

EMOSS and Global EV Space

The global electric mobility environment faced significant macroeconomic pressure, particularly across Europe's automotive sector. Recessionary conditions and demand volatility shaped a challenging operating environment. In North America, customers adopted a cautious investment stance and

pursued measured program rollouts. Against this backdrop, our Netherlands-based subsidiary, EMOSS, focused on operational consolidation, disciplined cost management and selective order execution.

Despite lower customer forecasts and delayed procurement decisions across the region, EMOSS delivered sequential revenue improvement and moved from operating losses to positive EBITDA during the period. More importantly, the business operated on a self-sustaining basis and generated sufficient order inflows to cover operational expenditure without support from the parent company. This transition reflected tighter financial controls, sharper project selection and disciplined resource deployment.

In response to the uncertain global developments, we refined our EV strategy to emphasize higher-value and niche applications. Our focus was directed toward heavy commercial vehicle platforms, which offer superior realization per vehicle and stronger economic viability compared to light commercial vehicle conversions. Development programs in this segment continue to progress in line with planned milestones, subject to final validations.

MEMCO continued to demonstrate steady progress, delivering consistent revenue growth and sustained profitability. Strengthened customer relationships, new client additions, and improved operating efficiencies have enhanced EBITDA performance, reinforcing MEMCO's role as a dependable and strategically important contributor to the Group's overall stability and growth.

Amid a severe European automotive downturn, **MFT GmbH** faced sustained demand contraction and liquidity pressures, resulting in insolvency proceedings. We have prudently recognized a full one-time impairment and deconsolidated the subsidiary, decisively containing the impact and strengthening our focus on core, resilient operations.

Financial Resilience

Our revenue from operations stood at ₹772.87 Crore on a consolidated basis, reflecting resilience in a competitive and evolving market. EBITDA reached ₹117.18 Crores, supported by improved operational efficiency and rigorous cost management across businesses.

Profit After Tax stood at ₹51.24 Crores, compared with ₹54.10 Crores in the previous year. This performance reflects the impact of external

headwinds and exceptional factors during the period. Exports remained a strong pillar of our revenue mix, contributing 35% of total sales, while domestic markets accounted for 65%, ensuring balanced participation across geographies.

On a standalone basis, our Revenue from Operations stood at ₹577.54 Crore, while EBITDA was ₹108.17 Crore during the year. The Company reported a profit after tax of ₹5.78 Crore. This performance includes an exceptional charge of ₹48.89 Crore, relating primarily to the impairment of our investment in our step-down subsidiary, MFT Germany, which is currently undergoing insolvency proceedings. Excluding this exceptional item, the underlying operating performance remained stable and resilient, demonstrating the inherent strength of our core business and the effectiveness of our strategic initiatives.

As we look ahead, we remain focused on strengthening our revenue streams, enhancing profitability and delivering sustainable long-term value to our stakeholders.

Sustainability Commitment

We believe enduring progress requires balance between business performance, environmental stewardship and social responsibility. Our sustainability journey reflects this belief through clear intent and measurable action. From recycling water through in-house treatment facilities to expanding green cover across our plants, we continue to reduce our environmental footprint while supporting healthier ecosystems.

For us, sustainability is equally about people. We are committed to creating a workplace where safety, respect, and

opportunity are fundamental. Beyond compliance, we foster a culture that prioritizes employee wellbeing and embeds rigorous health and safety practices into everyday operations. Continuous learning remains central to our philosophy. Through structured training programs, mentorship initiatives, and performance-driven development, we empower our teams to grow professionally and personally.

We also recognize that diversity, inclusion, and engagement strengthen innovation and organizational resilience. By cultivating a collaborative environment built on mutual respect, we ensure that every individual feels valued and encouraged to contribute meaningfully.

Our responsibility extends beyond our operations. Through focused initiatives in education, healthcare, rural development and sustainability we actively support the communities around us, contributing to inclusive growth and long-term sustainable development.

Concluding Note

As we look ahead, electrification, lightweight engineering, and sustainable mobility present transformative opportunities. We are steadily evolving from a specialized component manufacturer into a broader solutions provider serving the expanding powertrain and mobility ecosystem. Through focused execution and continued innovation, we are preparing the organization for a future that is technologically advanced, environmentally responsible and strategically diversified.

I extend my sincere appreciation to my esteemed colleagues on the Board for their continued guidance

and steadfast support. Their insights have been invaluable in shaping our strategic direction. I also thank our Management Team, employees, and supplier partners whose dedication, discipline, and commitment to excellence underpin our progress.

Above all, I thank our customers, investors and stakeholders for the trust they place in us. Your confidence motivates us to pursue higher standards and sustainable growth as we shape our next chapter.

Warm Regards,

Yatin S. Shah

Chairman and Managing Director



“ Our EV initiatives have already begun contributing to the Company's financials. ”



Business Model

A Scalable Value-creation Framework

Our business model centers on manufacturing and supplying camshafts and other critical engine components to global automotive OEMs. We focus on long-term customer relationships, efficient and integrated manufacturing, and geographic diversification to deliver stable volumes and consistent performance across market cycles. This approach allows us to scale with customers while sustaining cost competitiveness and consistent quality.



Revenue Model

We generate revenue through the design, manufacture and supply of camshafts and related engine components. These serve passenger vehicles, commercial vehicles, tractors, and industrial engine applications. Our revenues are largely B2B, supported by multi-year supply agreements with OEMs and Tier 1 suppliers. A significant share comes from exports, strengthening geographic diversification.



Customer Engagement

We collaborate with OEM customers from early engine development stages, enabling long-term participation across the engine lifecycle. This engagement supports:

- High customer stickiness and switching costs
- Long product life cycles
- Stable and recurring order inflows



Cost Structure

Our primary cost components include raw materials such as iron castings and alloys, power and fuel, employee costs, logistics and depreciation. We emphasize scale efficiencies, automation and continuous process improvements to sustain margins despite raw material volatility.



Value Proposition

Our value proposition is centered on:

- High-precision, reliable engine components
- Competitive pricing supported by operational efficiencies
- Global delivery capability
- Strong engineering expertise and quality systems



Risk Management

We mitigate business risks through customer and geographic diversification, long-term contracts, operational discipline, and prudent capital allocation.



Manufacturing and Operations

We operate a vertically integrated manufacturing model covering casting, machining and finishing processes. This integration allows us to:

- Maintain stringent quality control
- Optimize costs across the value chain
- Scale efficiently across high-volume programs

Our manufacturing facilities are strategically located in India and overseas, enabling us to serve both domestic and international customers effectively.



Growth Drivers

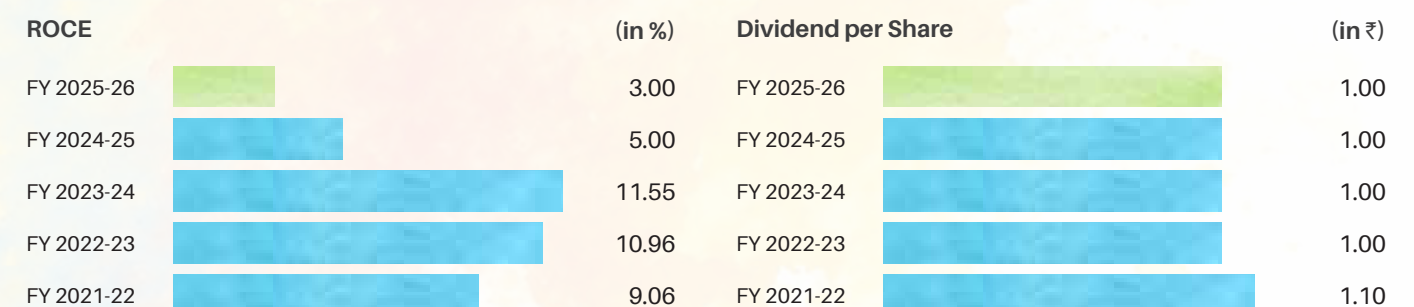
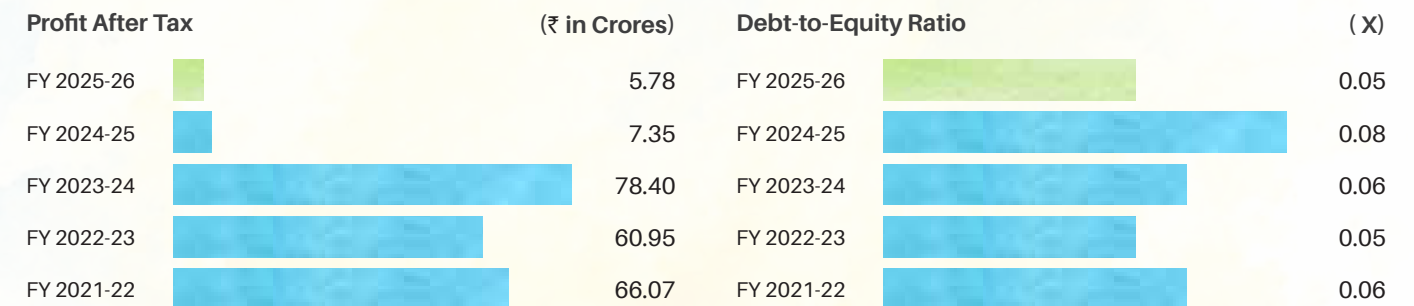
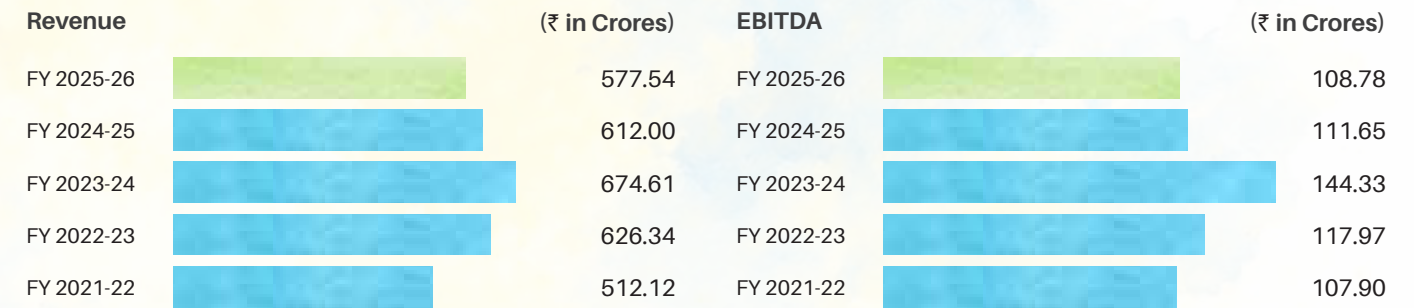
Our business model supports growth through:

- Increasing content per engine and share of wallet with existing OEMs
- Expansion into new geographies and customer programs
- Product diversification beyond traditional camshafts
- Alignment with evolving powertrain technologies, including hybrid engines

Financials

A Solid Financial Performance

The year under review delivered stable financial performance, supported by consistent revenue from long-term OEM programs and a strong export mix. We maintained margin discipline through cost optimization and operating leverage while managing raw material and energy costs volatility. Healthy cash flows supported capital expenditure, debt servicing and liquidity management, while the balance sheet remained resilient.



All numbers on standalone basis

Strengths

An Integrated Manufacturing Value Chain

Our success rests on engineering excellence, manufacturing scale and enduring customer partnerships. We combine deep expertise in camshafts and precision engine components with advanced manufacturing capabilities, robust quality systems and continuous process innovation. Our diversified portfolio and global customer base enable us to meet stringent performance, cost and delivery expectations while creating long-term value for stakeholders.

Engineering-led Manufacturing Excellence

Precision and durability guide our operations. We engineer each camshaft to perform reliably under demanding operating conditions, supported by rigorous testing and strict quality controls. Strong process discipline and manufacturing craftsmanship enable us to consistently meet OEM performance and longevity expectations.



Integrated and Advanced Manufacturing Infrastructure

Our operations include four advanced foundries and four machining facilities, enabling us to manage the value chain from casting to finished components. This integrated structure strengthens quality consistency, improves operational efficiency and enhances delivery reliability across global markets.



Broad and Diversified Product Portfolio

We offer a comprehensive camshaft range for passenger vehicles, light commercial vehicles and tractors, with more than 200 variants. Beyond camshafts, our portfolio includes fuel injector components and other automotive and non-automotive parts, positioning us as a multi-product supplier to OEMs.



Strong Global OEM Relationships

We maintain long-standing partnerships with leading OEMs including GM, Ford, Maruti Suzuki, Hyundai, Porsche and Toyota. Our products reach key automotive markets across Europe, India, Brazil, Mexico, Korea and China, with exports contributing approximately 35% of total revenue, reflecting our global reach and customer confidence.



Technology and Process Capability

We support our manufacturing operations through sustained investments in tooling, process automation and product development. These capabilities allow us to align with evolving engine technologies while consistently meeting stringent global OEM quality standards.

Strategic Expansion into E-Mobility

We are selectively expanding into the electric mobility ecosystem by supplying end-to-end electric driveline solutions for heavy equipment and vehicles. This initiative allows us to leverage our manufacturing strengths while addressing emerging opportunities in the evolving mobility space.



Strategies

A Structured Approach to Operational Excellence

Guided by a clear long-term vision, we have defined strategic pillars to strengthen our core camshaft business, expand into value-added and adjacent precision components, and deepen our global presence. We emphasize operational excellence through cost leadership, consistent quality and technology-led manufacturing. Disciplined capital allocation, sustainability integration and talent development support these priorities and drive long-term value.



Product Diversification and Innovation

We continue expanding beyond traditional camshaft expertise to build a broader and more resilient product portfolio. Alongside camshafts, we manufacture fuel injector components, specialty precision parts and electric driveline solutions supporting evolving automotive platforms. This diversification enables us to serve customers across conventional, hybrid and electric vehicle segments.

As a globally integrated camshaft manufacturer, we provide end-to-end capabilities spanning casting, machining and assembly under one roof. Our continued focus on innovation, including lightweight materials and power-neutral components, strengthens our readiness for the future of mobility.



Operational Efficiency

We prioritize operational efficiency as a key driver of competitiveness and profitability. Continuous investments in automation, process optimization and workflow integration have strengthened our manufacturing ecosystem. High automation across camshaft assembly lines, combined with backward integration, ensures consistent quality and cost discipline.

We maintain disciplined working capital management through optimized inventory and receivable cycles. Increasing the share of value-added machined camshafts and improving asset utilization further strengthen margins while supporting scalable manufacturing.



Sustainability and Renewable Energy

We integrate sustainability into our operations and decision-making processes. Our initiatives focus on waste reduction, water conservation and lowering greenhouse gas emissions across facilities. Investments in renewable energy, including solar power installations, support cleaner operations and reduce our environmental footprint.

These practices operate through structured green policies and responsible manufacturing processes. By aligning sustainability with operational performance, we strengthen resilience, meet regulatory expectations and build long-term stakeholder trust.



Financial Risk Mitigation

We follow a prudent financial strategy to maintain long-term stability and resilience. Our focus on low leverage supports flexibility across market cycles. A diversified revenue base across customers, geographies and product segments reduces concentration risk.

At the same time, our emphasis on higher-margin products and expanded machining capabilities improves earnings quality. This disciplined approach to capital allocation and risk management helps us navigate volatility while protecting long-term value creation.



Investment in Technology

We consistently invest in advanced technologies to support growth and maintain our competitive edge. Our focus includes automation, modern manufacturing systems and continuous process upgrades that improve precision and productivity. Dedicated facilities for EV transmission components and ongoing machining upgrades align us with shifts in the automotive space.

By embedding innovation across operations, we strengthen efficiency, enhance quality and deliver greater value to customers in domestic and international markets.



Lakshya 2030

A Structured Roadmap for Long-term Growth

As we continue to evolve across geographies and markets, a clear, shared long-term direction has become essential. In response, we conceived Lakshya 2030 as a structured framework to align ambition with execution across the organization. In March 2024, colleagues from our global operations gathered in India for our first annual offsite, creating a platform to align priorities, reflect on collective strengths, and define the path ahead. The meeting brought together teams from India, Germany and the Netherlands, reinforcing a unified approach to growth, collaboration, and execution.



Looking Ahead

As we progress on this journey, Lakshya 2030 provides clarity and direction while reinforcing our commitment to disciplined execution and long-term value creation. Energized by shared purpose and aligned ambitions, we move forward with focus, confidence and conviction.

Our Strategic Pillars

Lakshya 2030 is anchored in four core pillars that guide our decisions and actions across the organization:



Innovation

We focus on developing forward-looking solutions that challenge conventions and support sustainable progress.



Customers

We prioritize deep, trust-based relationships, delivering consistent quality, reliability, and value across every engagement.



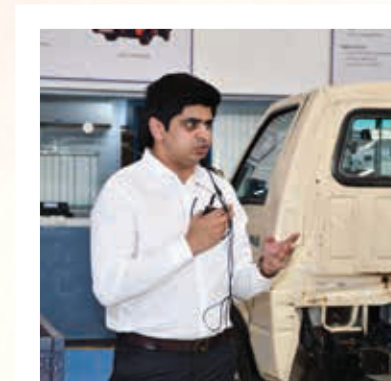
Technology

We invest in modern tools, systems, and capabilities that enable us to adapt to changing industry requirements and stay competitive.



Efficiency

We continuously refine our processes to improve productivity, strengthen execution, and deliver outcomes more effectively.



Environment

A Commitment to Environmental Responsibility

Environmental responsibility is an integral part of how we operate and plan for the future. Our sustainability efforts focus on reducing environmental impact, improving resource efficiency and embedding responsible practices across our manufacturing footprint. Through targeted investments, continuous monitoring and structured systems, we continue to strengthen a more resilient and environmentally conscious organization.

Transition to Renewable Energy

PCL has undertaken a significant step towards environmental sustainability by installing a Solar Power Plant in Mangalwedha, District Solapur, Maharashtra, with a power generation capacity of 15 MW. The commissioning of the plant began in 2025, marking a milestone in our long-term commitment to adopting cleaner and greener energy alternatives.

This solar initiative is aligned with our strategic objective of reducing our reliance on non-renewable sources of energy and minimizing our carbon footprint. By leveraging solar energy for captive consumption, we aim to not only achieve substantial energy cost savings but also contribute meaningfully to the global movement for sustainable development.

Through such initiatives, we continue to demonstrate our commitment to responsible corporate citizenship and our goal for building an environmentally conscious manufacturing ecosystem.

The second tranche of the Solar Power Plant located at Mangalwedha, Solapur, with an installed capacity of 14 MWp, was successfully commissioned in December 2025. With this addition, the total installed capacity of the Company's solar power infrastructure has increased to 29 MWp, marking a significant milestone in its renewable energy journey. By increasing the share of renewable energy in its overall power consumption mix, the Company is strategically reducing its reliance on conventional, non-renewable energy sources. This transition is anticipated to result in improved cost efficiencies through reduced exposure to fluctuations in grid power tariffs, while also ensuring greater energy security.



Carbon Emissions Management

Reducing emissions remains a key priority within our environmental strategy. We continue to improve energy efficiency and adopt cleaner technologies to manage Scope 1 and Scope 2 emissions, while strengthening oversight of Scope 3 emissions. We have set a target to reduce Scope 1 and Scope 2 emissions by 7% by 2030, supported by initiatives such as process optimization, energy monitoring and the adoption of renewable energy. To ensure transparency and consistency, we are implementing a comprehensive Greenhouse Gas (GHG) Management System aligned with international standards.



Responsible Waste Management

Waste reduction and responsible disposal form an important part of our sustainability framework. We follow a structured approach aligned with the principles of Reduce, Reuse and Recycle, ensuring waste minimization at source and proper segregation across operations. Our waste management practices comply with applicable regulatory requirements while emphasizing safe handling, treatment and disposal. Where possible, treated waste by-products are repurposed for beneficial use, reinforcing our commitment to circularity and resource efficiency.



Water and Energy Conservation

Water stewardship remains critical to our operations, particularly given our reliance on groundwater resources. We continuously monitor and analyze water consumption to identify opportunities for conservation and improved efficiency across industrial processes, cooling systems and cleaning operations. In parallel, we are pursuing initiatives to reduce energy consumption by 5% through energy-efficient equipment, process improvements and innovative manufacturing practices, supporting both environmental and operational objectives.

We place strong emphasis on responsible effluent management to minimize environmental impact and protect local ecosystems. Our facilities operate advanced Effluent Treatment Plants (ETPs) and Sewage Treatment Plants (STPs), enabling effective treatment of wastewater before reuse. Treated water supports non-potable uses such as flushing and landscaping, allowing us to reclaim nearly all wastewater generated and significantly reduce freshwater withdrawal.



Employees

A People-centric Culture

Sustained performance rests on the strength, capability and commitment of our people. Across our operations, we create a workplace where employees feel supported, respected and empowered to contribute meaningfully. Our people strategy focuses on capability building, inclusive practices, and a strong commitment to safety, ethics and well-being.

Key Highlights of the Year

713
Employees

15:1
Male-to-Female Ratio

31
Trainings Offered

142
Hours of Training



Skills and Capabilities

Continuous learning remains central to our workforce development approach. We invest in structured training programs that strengthen technical expertise, leadership capabilities and functional skills across levels. Supervisors identify development needs and align training interventions with organizational priorities and individual aspirations.



Diversity, Equity and Inclusion

We foster a diverse and inclusive workplace that values fairness, merit and equal opportunity. Our people practices attract and retain talent from varied backgrounds while encouraging respectful collaboration across teams. Through focused initiatives, we strengthen representation, advance gender diversity and build an environment where employees feel valued and empowered.



Ethics, Integrity and Human Dignity

Ethical conduct and respect for human rights guide our operations. We implement robust policies and procedures that support compliance with labor laws, fair employment practices and a workplace free from discrimination and harassment. Regular audits, grievance mechanisms and awareness programs reinforce accountability and ethical conduct across the organization.



Health, Safety and Well-being

A safe and healthy work environment remains a top priority. We follow comprehensive safety management systems supported by risk assessments, safety audits, training programs and emergency preparedness measures. Beyond compliance, we promote a culture of vigilance and shared responsibility to safeguard employee well-being across locations.



Communities

A Foundation for Inclusive Community Growth

Our responsibility extends beyond manufacturing excellence to the communities around our operations. We believe sustainable progress grows through meaningful partnerships, long-term thinking and a deep understanding of local needs.

Key Highlights of the Year

19,454

CSR Beneficiaries

₹1,72,69,019

CSR Expenditure

Across our plant locations, we engage closely with neighboring communities to identify priority areas where our support can create lasting outcomes. Through structured assessments and on-ground engagement, we design initiatives that respond to local realities rather than adopt a one-size-fits-all approach.

Our programs focus on education, healthcare, environmental stewardship and social development. We implement these initiatives with strong emphasis on inclusivity, accountability and impact, ensuring resources reach areas where they make the greatest difference.

By investing in community well-being and social infrastructure, we strengthen local ecosystems and support shared growth. Through these efforts, we reaffirm our commitment to responsible corporate citizenship and value creation beyond our business operations.



Rural Development Program

Under its Rural Development Program, Precision Foundation, in collaboration with Sevavardhini Pune, has undertaken the Samruddhi Gram Development Campaign in Kasegaon, South Solapur, with the objective of fostering a self-reliant, inclusive, and empowered rural community. The initiative has been conceptualized as a comprehensive village development model aimed at improving the social, economic, and environmental well-being of the community through participative and sustainable interventions. By integrating community participation, women's empowerment, youth engagement, and ecological conservation, the Program seeks to create long-term village resilience and strengthen the overall quality of life in rural areas.

A key focus area of the campaign has been community mobilization and awareness generation. In order to encourage active participation from villagers and create awareness regarding collective development, a social awareness play titled "With Eyes Open, Without Blindness" was organized for the local community. The performance highlighted the importance of social responsibility, unity, and proactive involvement in village development activities, thereby inspiring residents to contribute meaningfully toward the transformation of Kasegaon. Such initiatives have helped in fostering a sense of ownership and accountability among villagers, which is essential for

the long-term sustainability of development programs.

Recognizing the pivotal role of women in driving grassroots transformation, the programme has introduced several women-centric initiatives aimed at enhancing participation, confidence, leadership, and social inclusion. Activities such as Haldi-Kumkum gatherings have been organized to strengthen social cohesion and preserve cultural identity within the community. Distribution of kitchen garden (Paras bagh) kits has encouraged households to adopt small-scale nutritional gardening practices, promoting self-sufficiency and awareness regarding healthy food habits. Community celebrations such as Nag Panchami have further strengthened social harmony while preserving local traditions and cultural values. In addition, regular Women's Corner meetings are conducted to provide a platform for dialogue, planning, and collective decision-making, enabling women to actively participate in matters concerning community welfare and development. Dedicated development sessions for adolescent girls (Kishori groups) have also been undertaken to build awareness regarding health, hygiene, education, life skills, and confidence-building, thereby nurturing the next generation of informed and empowered young women.

In parallel, the campaign places significant emphasis on environmental sustainability and water resource management, recognizing water conservation as a critical requirement for rural prosperity. The construction of Kolhapur-type check dams

along the village stream has been undertaken to improve water retention and groundwater recharge within the village ecosystem. These structures are expected to support agricultural activities, improve water availability for livestock, reduce dependence on external water sources, and strengthen climate resilience within the community. By reviving traditional water conservation systems and encouraging responsible use of natural resources, the program aims to ensure long-term water security and ecological balance in the region.

The initiative also promotes sustainable agricultural practices, environmental stewardship, and community participation in preserving natural resources. Through continuous engagement, awareness programs, and infrastructure support, the campaign seeks to strengthen the economic and environmental fabric of the village while encouraging self-reliance and collective growth. Through a combination of cultural engagement, social empowerment, women-led development, youth participation, infrastructure development, and ecological restoration, the Samruddhi Gram Development Campaign is progressively transforming Kasegaon into a resilient and empowered model village. The initiative reflects Precision Foundation's broader commitment to driving sustainable and inclusive rural development, while creating scalable and community-driven development models capable of generating meaningful and lasting social impact across rural communities.

SDG Mapping

A Holistic Approach to Sustainable Development

Sustainability at Precision Camshafts aligns with globally recognized development priorities. Our business practices, operational decisions and community initiatives contribute directly and indirectly to the United Nations Sustainable Development Goals. Through responsible manufacturing, employee-focused policies, environmental stewardship and collaborative partnerships, we advance inclusive growth and create long-term value across our stakeholder ecosystem.

SDGs

Our Actions

	Supporting inclusive economic participation through stable employment, skill development and local sourcing across our value chain
	Rolling out employee welfare and community programs to improve nutrition and food security
	Prioritizing workplace safety, preventive healthcare and well-being programs to protect our workforce
	Strengthening long-term employability through continuous learning, technical training and structured upskilling
	Promoting equal opportunity through inclusive policies across hiring, development and leadership roles
	Implementing responsible water management, recycling and conservation practices across facilities

SDGs

Our Actions

	Increasing renewable energy usage, including solar power, to reduce reliance on conventional sources
	Driving sustainable economic growth through responsible manufacturing and fair employment practices
	Investing in automation, advanced manufacturing technologies and precision engineering capabilities
	Supporting equitable growth through inclusive employment opportunities and community engagement initiatives
	Contributing to local development through responsible operations and community partnerships
	Enhancing resource efficiency through waste reduction, recycling and process optimization
	Reducing emissions through energy efficiency measures and renewable energy adoption
	Preventing adverse impact on aquatic ecosystems through effluent treatment and pollution control systems
	Minimizing environmental impact through responsible waste management and biodiversity-conscious practices
	Upholding ethical conduct, transparency and strong governance across the organization
	Advancing shared sustainability goals through collaboration with customers, suppliers, communities and institutions

Stakeholder Engagement

A Pathway to Meaningful Engagement

Our engagement framework ensures transparent communication, timely feedback and meaningful dialogue through structured, ongoing interactions. By aligning stakeholder insights with our strategic priorities and operational decisions, we strengthen performance, manage risks effectively and create shared value across our ecosystem.

Stakeholder Group	Customers	Shareholders	Suppliers	Employees	Community	Government
Importance	The biggest supporters driving PCL forward	Provide financial capital	Guarantee the timely supply of high-quality raw materials	Central to driving operational excellence, innovation, and productivity	Essential for maintaining social license to operate	Critical to ensuring smooth business functioning
Key Concerns and Expectations	<ul style="list-style-type: none"> Cost-effective and innovative solutions Diverse product portfolio catering to varied needs Superior customer satisfaction driving repeat business Efficient, zero-failure delivery, ensuring reliability Integration of advanced technologies and materials Strong focus on localization for optimized production 	<ul style="list-style-type: none"> Insights into Company performance Financial stability and growth trajectory Dividend distribution and returns 	<ul style="list-style-type: none"> Operational transparency Long-term, quality-driven partnerships Consistent supply and on-time delivery 	<ul style="list-style-type: none"> Employee development initiatives Training, recognition, and rewards Performance assessments and feedback Health and safety programmes 	<ul style="list-style-type: none"> Focus on underserved segments Initiatives focused on healthcare and education Address pressing social issues Investments in environmental sustainability and community development 	<ul style="list-style-type: none"> Adherence to laws and regulations Commitment to ethical practices Efficient litigation resolution Strong governance and timely tax payments
Approach of Engagement	<ul style="list-style-type: none"> Physical and digital customer touchpoints Comprehensive product information sharing Robust feedback and complaint resolution system 	<ul style="list-style-type: none"> Shareholder engagement through annual general meetings Regular investor communications via quarterly calls and presentations Analyst briefings and official press communications 	<ul style="list-style-type: none"> Supplier engagement sessions In-person meetings Conferences, workshops, and digital communication channels 	<ul style="list-style-type: none"> Flexible working hours Regular performance reviews Employee feedback and wellness initiatives 	<ul style="list-style-type: none"> Employee volunteer programs Health and wellness camps Community development initiatives Blood donation drives 	<ul style="list-style-type: none"> Email and postal correspondence Regulatory compliance reporting Industry partnerships and collaborations
Frequency of Communication	<ul style="list-style-type: none"> Need-based Ongoing 	<ul style="list-style-type: none"> Annually Quarterly Need-based Ongoing 	<ul style="list-style-type: none"> Need-based Ongoing 	<ul style="list-style-type: none"> Need-based Ongoing 	<ul style="list-style-type: none"> Need-based Ongoing 	<ul style="list-style-type: none"> Annually Need-based

Governance

A Responsible Oversight Structure

Strong corporate governance anchors Precision Group’s approach to sustainable value creation. The Group maintains high standards of transparency, accountability and ethical conduct across its operations. Its governance framework protects stakeholder interests, supports informed decision-making and ensures compliance with applicable laws, regulations and industry standards.

The Board provides strategic direction and oversight, supported by a robust committee structure that strengthens governance across audit, risk management, remuneration and stakeholder engagement. Independent Directors contribute diverse experience and objective judgment, enriching board deliberations and enabling balanced decisions. Clearly defined roles, responsibilities and performance evaluations further strengthen the effectiveness of the governance structure.

Risk management and internal controls remain central to the governance framework. The Group follows disciplined processes to identify, assess and mitigate operational, financial and strategic risks, supported by internal audits and periodic reviews. It also promotes a culture of integrity through well-defined policies, codes of conduct and whistleblower mechanisms, reinforcing ethical behavior and responsible business practices across the organization.



BoD

Board of Directors



Mr. Yatin Shah
Chairman & Managing Director



Dr. Suhasini Shah
Non-Executive Director,
PCL/Chairperson, Precision
Foundation



Mr. Ravindra Joshi
Whole-time Director &
Group CFO



Mr. Karan Shah
Whole-time Director, Business
Development



Mrs. Savani Laddha
Independent Director



Mr. Ameet David
Independent Director



Ms. Apurva Joshi
Independent Director



Mr. Suhas J. Ahirrao
Independent Director



Mrs. Anagha Anasingaraju
Independent Director

Management Team



Mr. Rajkumar Kashid
GM - Human Resources



Mr. Viplav Roy
DGM - Projects and Machine Shop



Mr. Deepak Kulkarni
DGM - Projects



Mr. C S Mundodagi
DGM - Foundry



Ms. Aarohi Deosthali
DGM - Accounts



Mr. P M Mahindrakar
AGM - Machine Shop



Mr. Jeffrey van Nunen
Operations Manager - EMOSS



Mr. Toine Frazer
Business Development Manager - EMOSS



Mr. Patrick Heuts
CTO - EMOSS

Awards and Accolades

A Reflection of Industry Recognition



Rotary National CSR Awards For Mukti
Project for alternative livelihood opportunities for women and overall contribution to community and economic development

For the year 2025



Environmental Social, Governance (ESG) Award from the Machinist Super Shopfloor Award

For the year 2025



Zero Defect Supplies Award from Toyota Industries Engine Private Limited

For the year 2024



Corporate Information

Board of Directors

Mr. Yatin S. Shah
Chairman & Managing Director

Mr. Ravindra R. Joshi
Whole-time Director & Chief Financial Officer

Mr. Karan Y. Shah
Whole-time Director - Business Development

Dr. Suhasini Y. Shah
Non-Executive, Non-Independent Director

Mrs. Savani A. Laddha
Independent Woman Director

Dr. Ameet N. Dravid
Independent Director

Ms. Apurva P. Joshi
Independent Director

Mrs. Anagha S. Anasingaraju
Independent Director

Mr. Suhas J. Ahirrao
Independent Director

Company Secretary & Compliance Officer

Mr. Harshal J. Kher

Statutory Auditors

M S K A & Associates LLP (Formerly known as M S K A & Associates)
Chartered Accountants, Pune
Firm Registration No. 105047W/
W101187

Secretarial Auditors

Ms. Ruchi Bhav
Practicing Company Secretary
CP No.: 27019

Registrar and Transfer Agent

MUFG Intime India Private Limited,
Pune

SEBI Registration No.: INR000004058

Bankers

Bank of India
Bank of Baroda

Registered Office

D 5, MIDC Chincholi,
Solapur - 413 255,
Maharashtra, India
Phone: + 91 91686465/31/32/33
36/37

Fax: (0217) 2653398

E-mail: cs@pclindia.in/investor.
redressal@pclindia.in

Website: www.pclindia.in

Corporate Office

3rd Floor, 'Kohinoor B Zone Baner',
Mumbai - Bangalore Highway, Baner,
Pune - 411 045

Factories

1. E 102/103, M.I.D.C., Akkalkot Road,
Solapur - 413 006, Maharashtra,
India
2. D 5, MIDC Chincholi,
Solapur - 413 255, Maharashtra,
India
3. D 6, D 7, D 7-1 M.I.D.C., Chincholi,
Solapur - 413 255, Maharashtra,
India
4. F 6, M.I.D.C. Chincholi,
Solapur - 413 255, Maharashtra,
India

Board Committees as of March 31, 2026

Audit Committee

Ms. Savani A. Laddha
Chairperson & Independent Director

Mr. Ravindra R. Joshi
Whole-time Director & CFO

Dr. Ameet N. Dravid
Independent Director

Ms. Apurva P. Joshi
Independent Director

Mrs. Anagha S. Anasingaraju
Independent Director

Mr. Suhas J. Ahirrao
Independent Director

Nomination Remuneration Committee

Ms. Savani A. Laddha
Chairperson

Dr. Ameet N. Dravid
Independent Director

Ms. Anagha S. Anasingaraju
Independent Director

Ms. Apurva P. Joshi
Independent Director

CSR Committee

Mr. Yatin Shah
Chairman (Managing Director)

Dr. Suhasini Y. Shah
Non-Executive Non-Independent Director

Dr. Ameet N. Dravid
Independent Director

Ms. Apurva P. Joshi
Independent Director

Mr. Suhas J. Ahirrao
Independent Director

Stakeholders' Relationship Committee

Dr. Suhasini Y. Shah
Chairperson (Non-Executive Non-Independent Director)

Dr. Ameet N. Dravid
Independent Director

Mr. Karan Y. Shah
Whole-time Director

Ms. Anagha S. Anasingaraju
Independent Director

MANAGEMENT DISCUSSION AND ANALYSIS



Global Economy



Global growth is expected to remain largely steady over the coming years. According to the International Monetary Fund's World Economic Outlook Update (April 2026), the global economy is projected to grow at 3.1% in CY 2026, followed by a slight moderation to 3.2% in CY 2027, broadly in line with the estimated 3.4% growth recorded in CY 2025. While this points to a stable near-term trajectory, underlying conditions remain more complex.

GDP Growth Projections (in %)



Global Economy
Advanced Economies
Emerging Markets & Developing Economies

F: Forecasted; P: Projected

(Source: <https://www.imf.org/en/publications/weo/issues/2026/04/14/world-economic-outlook-april-2026>)

Even as growth remains stable, the global trade environment is witnessing renewed policy intervention. Fresh tariffs, initially set at 10% and with indications of further increases, now cover a significant share of imports, raising costs across supply chains. Sector-specific duties on key industries such as steel and automobiles remain in effect, reinforcing pricing pressures and altering trade flows. As a result, higher import costs are being passed through to businesses and households, contributing to broader inflationary pressures.

As these measures take hold, global trade dynamics are becoming more complex. Trading partners are reassessing their exposure and

adjusting supply chains, while the continued use of tariffs and related policy tools is reducing efficiency in cross-border exchanges. This is beginning to weigh on corporate margins and keeping price levels elevated across several sectors.

These pressures are being further intensified by geopolitical tensions in the Middle East. Disruptions in critical energy transit routes, including the Strait of Hormuz, have constrained the flow of oil and liquefied natural gas, pushing crude prices above USD 110 per barrel. Higher energy costs are feeding into production and transportation expenses, adding to supply chain disruptions and reinforcing inflation globally.

The impact is also expanding beyond energy. Rising input costs, including fertilizers and fuel, are placing upward pressure on global food prices, adding another layer to inflation concerns. In this environment, central banks are balancing persistent price pressures with the need to sustain growth. Emerging and developing economies are experiencing these shocks more sharply, reflected in higher import costs, increased fiscal strain, and moderated external demand. At the same time, continued trade disruptions and elevated logistics costs are affecting export competitiveness, while uncertainty in global markets is influencing investment sentiment.

(Source: <https://africa-news-agency.com/war-in-the-middle-east-the-global-economy-under-intense-strain/>)

Outlook

Against this backdrop, the global outlook remains delicate, with downside risks still prominent. Any renewed escalation in trade frictions or a sharp adjustment in financial markets could increase volatility and dampen demand. Nevertheless, the policy environment will continue to remain a critical lever. Greater clarity in trade policies, supported by credible fiscal frameworks and well-aligned monetary measures, will be important in anchoring expectations and reinforcing medium-term stability.

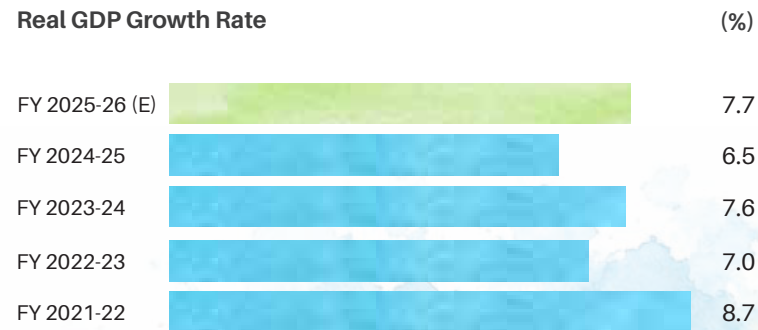


Indian Economy



India's economy continued to grow steadily in FY 2025-26, supported by a stable policy environment and consistent economic fundamentals. Domestic demand remained strong, and key sectors performed well. As per provisional estimates, real GDP is reported at 7.7% in FY 2025-26, reflecting the underlying strength of the economy.

Despite a challenging global environment, including trade tensions and external uncertainties, the economy remained stable. Lower inflation, improving employment conditions, and stronger financial and external positions helped sustain this stability. Supported by careful fiscal and monetary management, the economy remained well placed to manage these external pressures.



E: Estimated

(Source: <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2269286®=48&lang=1>)

A supportive policy environment continues to reinforce this trajectory. The Union Budget 2026-27 outlines a forward-looking strategy centered on accelerating growth, strengthening human capital, and ensuring inclusive development. It places emphasis on expanding manufacturing across sectors such as biopharma, semiconductors, electronics, textiles, and critical minerals, with the aim of strengthening domestic value chains and improving supply resilience. Targeted support for MSMEs, revival of traditional industrial clusters, and focused capital investments are expected to enhance productivity and generate employment.

Infrastructure development remains a key priority, with increased public capital expenditure directed toward transport, logistics, and urban infrastructure. Measures to encourage private investment, improve risk-sharing mechanisms, and promote sustainable mobility continue to support long-term asset creation. In parallel, investments in emerging technologies and diversification of energy sources are strengthening energy security and reducing exposure to global volatility.

These efforts are complemented by continued investment in social and human capital. Focus on education, healthcare, skill development,

and tourism is supporting a more inclusive growth process, while tax reforms and regulatory simplification are improving the ease of doing business and strengthening the investment environment.

There is increasing global interest in strengthening trade relations with India, reflecting growing confidence in its economic stability and long-term growth potential. Over the past three years, India has entered into trade agreements with 38 countries, expanding market access and creating new opportunities for exporters. As these agreements become fully operational, they are expected to significantly enhance

export performance and deepen global trade integration. Although merchandise exports remain largely stable, the trends indicate an improving trajectory. This pattern highlights the underlying strength and adaptability of India's export sector amid external challenges.

(Source: <https://www.newsonair.gov.in/union-minister-piyush-goyal-says-indian-economy-remains-strong-despite-west-asia-crisis/>)

A significant development in this context is the recent trade understanding between India and the United States, under which tariffs on 'Made in India' products have been reduced to 18% from earlier higher levels. This is expected to provide relief to exporters across sectors such as textiles, pharmaceuticals, engineering goods, and electronics. Lower tariff

barriers enhance competitiveness in a key market, support bilateral trade, and strengthen overall business sentiment, with positive implications for exports, employment, and foreign exchange earnings.

(Source: https://www.thehindu.com/news/national/donald-trump-holds-telephone-discussion-with-pm-modi-as-jaishankar-reaches-us/article70584558.ece#google_vignette)

Outlook

India's medium-term growth trajectory remains steady, with potential growth projected at 6.8% to 7.2% for FY 2026-27. This reflects the economy's ability to sustain momentum even as the global environment becomes more complex.

As India moves closer to becoming the world's fourth-largest economy, surpassing Japan, its growing

presence in the global landscape is becoming more pronounced. At the same time, the need to advance structural reforms remains in focus, particularly to strengthen competitiveness and support higher productivity.

Looking ahead, the growth in 2026 is expected to be led by strong domestic demand, supported by ongoing policy measures across fiscal, monetary,

and labour areas. A measured approach to trade policy is also likely to play a role in maintaining external balance. Together, these factors are expected to help sustain economic stability while supporting the country's long-term growth trajectory.

(Source: <https://www.scmp.com/week-asia/economics/article/3312005/india-set-be-worlds-no-4-economy-calls-deeper-reforms-get-louder>)



Global Automotive Industry



The global automotive industry is undergoing a structural transformation, with the market estimated at USD 2.75 Trillion in CY 2025 and projected to reach USD 3.26 Trillion by CY 2030, exhibiting a CAGR of 3.46%. This growth is supported by tightening emission regulations, declining battery costs, and increasing integration of digital technologies, all of which are accelerating the shift toward electrified and connected vehicles.



(Source: <https://www.mordorintelligence.com/industry-reports/global-automotive-market>)

The global automotive industry is undergoing a structural transition, with electrification emerging as an important growth driver alongside continued demand for internal combustion engine (ICE) vehicles. Improving cost economics, particularly in fleet applications where utilization is high and payback periods are shortening, is supporting adoption. However, this growth remains incremental, with ICE vehicles continuing to account for the majority of global sales. Demand for ICE vehicles remains resilient in several regions, especially in cost-sensitive and infrastructure-constrained markets, resulting in a gradual and uneven transition toward electrification.

As this transition progresses, technology is playing an increasingly central role in shaping value creation. Greater integration of semiconductors, artificial intelligence, and connected features is enabling new revenue streams through software-driven services. Subscription-based models,

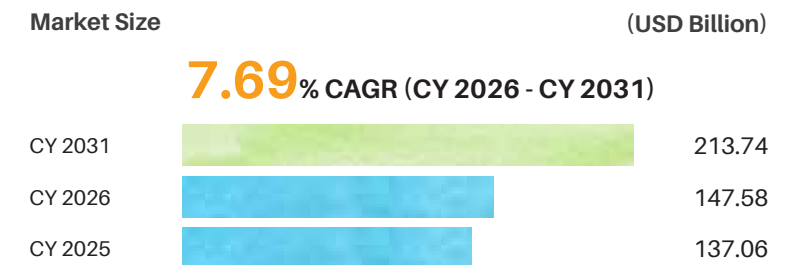
enhanced digital cockpit experiences, and predictive maintenance solutions are improving margins and increasing lifetime value per vehicle. This shift toward software-led monetization is helping offset pressures on traditional hardware revenues and reinforcing pricing power for technology-enabled models.

At the same time, supply chain strategies are evolving to enhance resilience and reduce external dependencies. Onshoring initiatives, supported by policy incentives such as semiconductor manufacturing programs, are driving investments in localized production. Automakers and suppliers are expanding capacity in batteries, power electronics, and critical materials, while also continuing to support existing ICE supply chains. Although near-term constraints in semiconductors and battery materials persist, these investments are expected to support long-term cost efficiency, supply stability, and operational continuity across both EV and ICE ecosystems.

Indian Automotive Industry



The Indian automobile industry is on a steady growth trajectory, with the market expected to expand from USD 137.06 Billion in CY 2025 to USD 147.58 Billion in CY 2026, and further to USD 213.74 Billion by CY 2031, registering a CAGR of 7.69% over CY 2026 to CY 2031. This growth is supported by strong underlying demand, driven by rising incomes, favorable demographics, policy-led electrification, and a robust domestic manufacturing base. Growth across segments like two-wheelers, passenger vehicles, commercial vehicles, and three-wheelers, along with infrastructure initiatives such as rural road expansion, continues to improve market reach and support overall resilience.



(Source: <https://www.mordorintelligence.com/industry-reports/analysis-of-automobile-industry-in-india>)

A key structural driver underpinning this expansion is the rise in disposable incomes and rapid urbanization, particularly across Tier-2 and Tier-3 cities. A young population profile, with a significant share in prime earning years, is supporting first-time vehicle ownership. Migration patterns are also shaping demand dynamics, with urban mobility needs rising alongside rural consumption supported by remittances. The expansion of suburban employment hubs and innovative ownership models, including subscription-based access, are further broadening market penetration. Additionally, the reduction in GST rates (from 28%

to 18% for most vehicle categories) has supported affordability and aided demand, although variations in state-level taxation continue to introduce complexity in pricing and cost management.

Alongside these demand drivers, regulatory developments are influencing cost structures and industry dynamics. The transition toward stricter emission norms and enhanced safety standards is increasing compliance requirements and raising production costs, particularly for smaller manufacturers.

These pressures are compounded by supply-side challenges, particularly

in the semiconductor ecosystem. Extended lead times for automotive-grade chips, combined with reliance on global supply chains, continue to expose manufacturers to disruptions stemming from logistical bottlenecks and geopolitical developments. While inventory buffers are being maintained to support production continuity, they are increasing working capital requirements and affecting profitability. Addressing these challenges through domestic capacity expansion and supplier diversification remains critical for sustaining growth.

Domestic Sales Trend for Automobiles

(in Units)

Category	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Passenger Vehicles	27,11,457	30,69,523	38,90,114	42,18,746	43,01,848	55,39,115
Commercial Vehicles	5,68,559	7,16,566	9,62,468	9,67,878	9,56,671	11,70,150
Three-Wheelers	2,19,446	2,61,385	4,88,768	6,91,749	7,41,420	13,00,805
Two-Wheelers	1,51,20,783	1,35,70,008	1,58,62,087	1,79,74,365	1,96,07,332	2,66,91,916
Quadricycles	(12)	124	725	725	120	6,998
Total	1,86,20,245	1,76,17,482	2,12,03,437	2,38,52,738	2,56,07,391	3,47,08,984

(Source: <https://www.siam.in/>)

Growth Drivers

Expanding Economy

Sustained economic growth continues to strengthen purchasing power, supporting demand across both personal and commercial vehicle segments. As income levels rise and economic activity broadens, vehicle ownership is becoming increasingly accessible across regions.

Infrastructure Development

Large-scale investments in highways, rural roads, and urban transit systems are improving connectivity and accessibility. Initiatives such as rural road development are expanding market reach and enabling higher vehicle adoption in previously underserved regions.

Electrification and Clean Mobility Shift

Stricter emission norms and rising environmental awareness are accelerating the transition toward electric and alternative fuel vehicles. Policy incentives, along with growing consumer acceptance, are supporting the shift toward sustainable mobility solutions.

Rising Middle-Class Consumption

A growing middle class with higher disposable incomes is driving vehicle penetration. This is particularly evident across two-wheelers, passenger vehicles, and utility vehicles, reflecting evolving consumption patterns and lifestyle aspirations.

Policy Push and Manufacturing Focus

Government initiatives such as production-linked incentives and automotive-focused programs are strengthening domestic manufacturing capabilities. These measures are attracting global investments, enhancing localization, and positioning India as a competitive automotive hub.

Technological Advancements

Innovations in artificial intelligence, connectivity, 5G, and advanced driver assistance systems are reshaping vehicle design and user experience. Increasing software integration is also enabling new revenue streams and enhancing overall product value.

Rapid Urbanization

Migration toward urban and semi-urban areas is increasing the need for efficient mobility solutions. The expansion of suburban clusters and employment hubs is further supporting demand for both personal and shared mobility.

FDI and Global Integration

Liberalized foreign direct investment policies are increasing global participation in India's automotive sector. Collaboration with international players is supporting technology transfer, strengthening supply chains, and improving overall competitiveness.

Connected Mobility Ecosystem

The evolution of connected vehicle technologies is enabling new business models and improving user experience. Features such as real-time diagnostics, navigation, and remote access are enhancing customer engagement and product differentiation.

Export Growth and Global Demand

India's automobile exports continue to grow, supported by rising global demand and improving manufacturing competitiveness.

Alternative Fuels Expansion

The adoption of CNG and other alternative fuels is increasing, supported by government initiatives and cost efficiencies. This shift is diversifying fuel options and reducing dependence on conventional fuels.

Tax Reforms and Regulatory Support

GST rationalization and supportive regulatory measures are improving affordability and simplifying compliance. These reforms are enhancing ease of doing business and encouraging long-term investments.

India-EU FTA

Transforming Automotive Trade and Market Access

The India-EU Free Trade Agreement (FTA), concluded in January 2026, marks an important step in strengthening trade and economic ties between two major global economies. By reducing tariffs across sectors, with the EU eliminating duties on over 90% of goods and India on around 86%, the agreement improves market access and supports higher bilateral trade.

Within this broader framework, the automotive sector is set to see a major policy shift. Import duties on fully built vehicles are expected to reduce from levels as high as 110% to around 10% under a quota system, while tariffs on auto components are to be phased out over a period of 5-10 years. These changes are likely to improve access to European vehicles in India while also encouraging deeper integration of supply chains.

As these measures take effect, the agreement is expected to create opportunities for European automakers and strengthen India's position in global manufacturing. At the same time, it is likely to accelerate the adoption of advanced and green automotive technologies, while increasing competition for domestic players.

(Source: <https://www.autocarpro.in/analysis/india-eu-fta-what-we-know-so-far-130863>)



Outlook

India is rapidly positioning itself as a future-ready powerhouse in the global automotive landscape, with the potential to emerge as a hub for design, development, and large-scale manufacturing for international markets. This transformation is supported by a combination of strategic advantages, including a skilled workforce at competitive costs, established research and development capabilities, and access to cost-efficient raw materials such as steel. Additionally, growing expertise in automotive software and engineering R&D is supporting progress in next-generation technologies such as zonal architecture and Advanced Driver Assistance Systems (ADAS), further strengthening the nation's positioning.

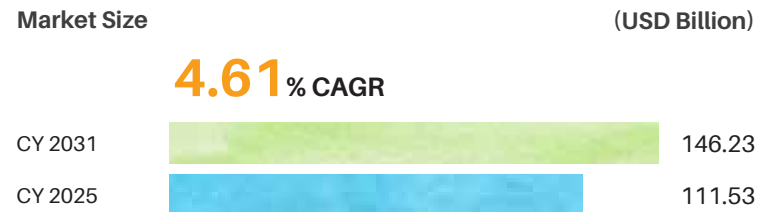
Within this evolving ecosystem, the EV segment is emerging as a key growth driver, with the potential to generate nearly 5 Crore jobs by 2030. This is likely to translate into both direct and indirect employment across skilled and semi-skilled segments, contributing to overall socioeconomic development.

Realizing this potential will require a sharper focus on execution. The industry will need to enhance operational efficiency across the value chain, upgrade manufacturing capabilities, and increase the use of sustainable materials in line with global regulations and climate commitments. In parallel, India's dynamic and well-funded startup ecosystem is expected to support innovation and accelerate the development of advanced solutions, enabling the sector to compete effectively in global markets.

Global Auto Components Industry



The global automotive components industry continues to expand at a steady pace, driven by rising vehicle production, sustained aftermarket demand from an aging vehicle fleet, and the ongoing shift toward electrification. The industry was valued at USD 111.53 Billion in CY 2025 and is projected to reach USD 146.23 Billion by CY 2031, exhibiting a CAGR of 4.61%.



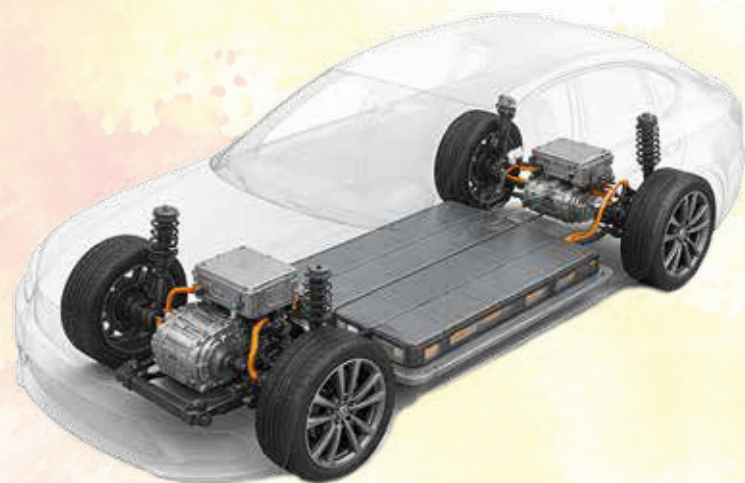
(Source: <https://www.mordorintelligence.com/industry-reports/automotive-parts-market>)

While overall growth remains moderate, the underlying dynamics are rapidly evolving. Digital commerce is transforming spare parts distribution, enabling broader supplier participation and streamlining global supply chains. Asia-Pacific continues to hold a strong position, supported by cost competitiveness, large-scale manufacturing, and robust domestic demand, positioning the region to capture a significant share of new sourcing opportunities.

Alongside these developments, the growing role of automotive software is becoming more evident as the industry transitions toward software-defined and AI-enabled vehicles. This shift is driving changes in vehicle architecture, with hardware

increasingly designed to support over-the-air updates, integrated cybersecurity, and continuous feature upgrades over the vehicle lifecycle.

However, new areas of opportunity are emerging. Demand is increasing for components such as battery management systems, electric powertrains, and thermal management solutions. The pace of this transition varies across regions, with Europe and China leading EV adoption, while North America is progressing at a more gradual pace. This creates a mixed operating environment, where suppliers must balance the decline in traditional components with the expansion of electrification-led segments.



Indian Auto Components Industry



India's auto component industry is gaining momentum, driven by cost competitiveness, a skilled workforce, and strong domestic demand. The sector is projected to reach USD 200 Billion by CY 2030, reflecting its growing importance in global supply chains.

(Source: <https://www.mckinsey.com/industries/automotive-and-assembly/our-insights/shaping-the-future-of-indias-auto-component-industry-amid-global-trade-shifts>)

Growth Drivers

Strong export potential in ICE components, estimated at USD 20-30 Billion by CY 2030

Rapid expansion of the EV market, creating new areas of demand

Increasing integration into global supply chains, strengthening India's manufacturing position

Rising domestic demand, supporting scale and capacity expansion

Key Challenges

- ▶ Heavy reliance on imports for semiconductors and rare earth materials, exposing the sector to supply risks
- ▶ Gaps in advanced technology capabilities, along with relatively limited R&D investment
- ▶ Regulatory pressures such as carbon taxes and localization norms, adding to compliance complexity
- ▶ Structural issues for MSMEs, including:
 - Limited scale and high-cost structures
 - Restricted access to global markets
 - Ongoing need for technology upgrades

Strategic Direction

Sustaining growth and competitiveness will require a balanced, two-pronged approach that strengthens internal capabilities, while building external support systems.

The IGNITE framework focuses on strengthening core capabilities, including improving supply chain strengths in ICE exports, investing in future-ready technologies and building global quality and sales capabilities. It also places emphasis on developing a skilled workforce and encouraging collaboration with academia and startups to drive innovation.

Complementing this, the GAIN approach addresses the broader

ecosystem required to support industry growth. This involves stronger government and institutional backing, improved access to finance, more connected industry networks, and trade agreements that enable wider global market access.

Taken together, these measures provide a pathway to navigate ongoing trade shifts. While short-term disruptions may persist, they also present long-term opportunities. With a clear and consistent strategic focus, India is well-positioned to strengthen its position in global automotive value chains and expand its role as a manufacturing and export hub.

Camshaft Industry



The global automotive camshaft market was valued at USD 4.95 Billion in CY 2025 and is projected to grow from USD 5.22 Billion in CY 2026 to USD 7.99 Billion by 2034, registering a CAGR of 5.47%. This growth is primarily driven by the expansion of the automotive industry and increasing investments in advanced engine components.

(Source: <https://www.fortunebusinessinsights.com/automotive-camshaft-market-102230>)

Camshafts remain central to engine performance, ensuring precise valve timing and directly influencing efficiency, power output, and emissions. Despite ongoing shifts in automotive technologies, they continue to be a core component in ICE vehicles.

Geographic Analysis

Asia-Pacific is expected to dominate the market over the forecast period, supported by strong growth in vehicle production and sales across key markets such as India and China.

North America and Europe are also expected to experience steady growth. In North America, the presence of major camshaft manufacturers supports market expansion. In Europe, stringent emission norms are accelerating engine downsizing trends, which is driving demand for more advanced camshaft technologies.

Technology and Materials

Camshafts are typically manufactured using materials such as chilled cast iron and forged steel, enabling durability under high mechanical stress. Based on manufacturing technology, the market is segmented into:

- ▶ Cast camshafts
- ▶ Forged camshafts
- ▶ Assembled camshafts

Cast camshafts currently account for the largest share, driven by cost efficiency and ease of machining. However, assembled camshafts are expected to witness the fastest growth, supported by greater design flexibility, lower weight, and their role in improving fuel efficiency and reducing emissions.

Growth Drivers

Demand is being driven by a combination of structural and regulatory factors. Rising passenger vehicle production across both developed and emerging markets continues to support volume growth. In parallel, emissions norms are accelerating the shift toward engine downsizing, creating opportunities for innovation in camshaft design.

Manufacturers are increasingly focusing on developing lightweight and high-performance camshafts to improve fuel efficiency and meet evolving emission requirements. Additionally, the commercial vehicle segment is progressing steadily, with a gradual shift toward more advanced camshaft technologies. Continued investments in automotive component manufacturing and ongoing technological developments are further supporting market expansion.

Company Overview

Established in 1992, Precision Camshafts Limited (also referred to as 'Precision Camshafts', or 'The Company') has grown into a leading name in camshaft manufacturing, offering a wide range of products under one roof. This journey has been shaped by continuous investment in engineering and research and development, which has expanded its capabilities and enabled the delivery of end-to-end automotive solutions. As these capabilities evolved, the business also expanded its footprint

through subsidiaries, Memco Engineering Private Limited and Emoss Mobile Systems B.V., entering both automotive and non-automotive segments, including electric mobility solutions for leading OEMs.

As the business expanded, its approach to innovation continued to stay closely aligned with customer requirements, helping it respond to changing industry needs. This way of working is supported by a continued focus on employee well-being, sustainability, and corporate

social responsibility, which altogether influence how the organization grows.

This direction was carried forward into Lakshya 2030, the first offsite held between March 4 and March 8, 2024, across Solapur and Mahabaleshwar. The initiative brought teams together to define priorities for the years ahead. Discussions in Solapur centered on strengthening operations and enhancing collaboration, while the sessions in Mahabaleshwar focused on alignment and building a shared sense of purpose.

Performance Overview

Financial Overview

Standalone and Consolidated (in ₹ Lakhs)

Particulars	Standalone		Consolidated	
	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025	For the Year Ended March 31, 2026	For the Year Ended March 31, 2025
Total Revenue	62,420.32	63,827.31	82160.76	89,493.81
Total Expenses	51,616.07	52,670.94	70442.40	78,442.48
EBITDA	10,817.36	11,156.37	11718.36	11,051.33
Profit before Tax (PBT) and Exceptional Items	7,545.70	7,159.45	6,802.55	4,826.47
Exceptional Items	(4,889.99)	(3,508.00)	1,056.78	3,486.89
PBT	2,655.71	3,651.45	7,859.33	8,313.36
Total Tax Expense	2,077.32	2,915.72	2,734.80	2,902.85
Profit/Loss for the Year	578.39	735.73	5,124.53	5,410.50
EPS (Basic) ₹	0.61	0.77	5.40	5.70
EPS (Diluted) ₹	0.61	0.77	5.40	5.70

Standalone

During the financial year under review, the Company reported standalone revenue of ₹62,420.32 Lakhs as compared to ₹63,827.31 Lakhs in FY 2024-25. Profit after tax (PAT) for the year stood at ₹578.39 Lakhs, compared to ₹735.73 Lakhs in the previous year.

Consolidated

Total revenue stood at ₹82160.76 Lakhs, as against ₹89,493.81 Lakhs in the preceding year. Profit after tax was ₹5214.53 Lakhs, compared to ₹5,410.50 Lakhs in the previous year.

Disclosure of Accounting Treatment

While preparing its financial statements, Precision Camshafts followed the prescribed accounting treatment under applicable accounting standards. Accordingly, no additional disclosure is required.

Key Financial Ratios (Standalone Basis)





Ratio	FY 2025-26	FY 2024-25	% Change	Reasons for Change by 25% or More
Debtors/Trade Receivables Turnover	4.36	4.24	2.86	Not applicable
Credi-tors/Trade Payables Turnover	4.91	5.00	(1.70)	Not applicable
Inventory Turnover	3.16	2.70	16.81	Not applicable
Net Capital Turnover	1.30	1.56	(17.02)	Not applicable
Return on Investment	5	7.00	(30.65)	The gain on investment in mutual funds has decreased during the year due to decreased Net Asset Value (NAV) of mutual fund units as compared to the previous year, primarily driven by market fluctuations and ongoing global geopolitical conflicts.
Operating Profit Margin (in %)	13.00	11.00	18	Not applicable
Net Profit Ratio	1.00	1.00	(16.70)	Not applicable
Return on Net Worth	0.65	0.83	(21.24)	Not applicable
Current Ratio	4.10	3.58	14.63	Not applicable
Debt Service Coverage/Interest Coverage	12.11	11.65	3.98	Not applicable
Debt-Equity Ratio	0.05	0.08	(43.00)	The decline in the Debt-Equity Ratio during the current year is primarily due to the following: There is lower utilization of packing credit facilities attributable to a decrease in export sales during the year.



Risks and Mitigation Strategies

Precision Camshafts follows a proactive and structured approach to identifying and managing risks across both its legacy operations and emerging business segments. Given the dynamic nature of the industry, the Board maintains close oversight of key risks and ensures that mitigation measures are embedded within the Company's broader strategic planning.

To strengthen this framework, the Company has established a dedicated Risk Management Committee (RMC), responsible for systematically identifying, evaluating, and mitigating risks. These span financial and operational exposures, industry-specific challenges, sustainability and ESG considerations, as well as information security and cybersecurity threats.

Supported by continuous monitoring, robust internal controls, and forward-looking risk assessment practices, the Company remains well-positioned to respond to emerging uncertainties. This approach helps safeguard business continuity and protect stakeholder interests while supporting sustainable growth and long-term value creation.

Risk	Impact	Mitigation
 <p>Economic Volatility</p>	Fluctuations in global and domestic economic conditions, including geopolitical developments, regulatory changes, and inflationary pressures, may influence demand cycles and growth trajectories.	The Company monitors macroeconomic indicators closely and responds through agile business strategies, including cost optimization and market diversification, to limit disruption and maintain performance.
 <p>Technological Disruption</p>	Rapid advancements in digitalization, automation, and alternative mobility technologies may alter industry dynamics, requiring continuous adaptation and innovation.	Precision Camshafts continues to invest in advanced R&D, accelerate digital adoption, and strengthen product innovation, enabling it to remain competitive while improving operational efficiency and unlocking new growth avenues.
 <p>Intensifying Competition</p>	Increasing competition within the automotive sector may impact market share, pricing power, and overall profitability.	The Company leverages its technological expertise, strong customer relationships, and strategic partnerships, while focusing on product differentiation and early-stage customer engagement to sustain its position.
 <p>Climate and Environmental Risks</p>	Climate change, resource scarcity, and evolving regulatory frameworks may affect operations and sustainability commitments.	Precision Camshafts integrates sustainable practices across operations, including energy-efficient manufacturing, emission reduction initiatives, and eco-friendly product development, aligned with its ESG goals.

Risk	Impact	Mitigation
 <p>Procurement and Supply Chain Risks</p>	Volatility in raw material prices, supply disruptions, and dependency on specific suppliers may affect production efficiency and cost structures.	The Company strengthens supplier diversification, enhances supply chain resilience, and adopts strategic sourcing practices to ensure continuity, cost efficiency, and quality.
 <p>Workforce and Industrial Relations</p>	Labor disputes or workforce disruptions may impact productivity and operational continuity.	Precision Camshafts fosters a collaborative work environment through transparent communication, employee engagement initiatives, and stakeholder management, supporting industrial harmony and stable operations.

Human Resources

Precision Camshafts has established a well-defined human resources framework covering key areas such as the code of conduct, working hours, probation, internal mobility, promotions, and processes for addressing misconduct. These policies provide clarity in day-to-day functioning while ensuring consistency in people’s practices across the organization.

The Company continues to promote a workplace that is inclusive, forward-looking and supportive of employee growth, with a clear focus on building future leaders. Learning and development form an integral part of this approach, with regular training programs and skill-building initiatives designed for employees at different stages of their careers, enabling both personal and professional advancement while strengthening overall organizational capability. Alongside this, the Company places strong emphasis on attracting, developing, and retaining high-quality talent, helping maintain a productive and engaged workforce.

The Company also remains committed to providing equal opportunities and fostering a fair, respectful work environment for all employees. As of March 31, 2026, the Company’s workforce comprised 713 employees.



Internal Control Systems and Their Adequacy

Precision Camshafts has an internal control system suited to the scale and complexity of its operations. Supported by clearly defined policies and procedures, the framework is designed to safeguard assets, prevent and detect fraud, ensure the accuracy of financial records, and facilitate timely and reliable financial reporting.

The Company reviews these controls periodically and strengthens them based on observations and recommendations from the Statutory Auditors, Internal Auditors, and the Audit Committee.

Operating in an SAP-enabled environment, the Company maintains end-to-end control over key business processes, including procurement, manufacturing, and sales. In addition, the Company has taken steps to improve operations by reducing production waste and enhancing overall efficiency. The key elements of the internal control framework are set out below:

Audit Committee

1

The Audit Committee, comprising Independent and Executive Directors, reviews audit observations, internal control mechanisms, compliance status, and accounting policies. This supports strong governance and transparency.

Information Security and IT Systems

2

The Company maintains a strong information security framework and continues to upgrade its IT systems. Defined protocols support secure and efficient data exchange with suppliers and customers.

Internal Audit and Compliance

3

The internal audit function operates in line with established governance standards and regularly assesses operational efficiency, compliance with requirements, and key risk areas. Its findings are reported to Management and the Audit Committee for timely action.

Confidentiality and Insider Trading Compliance

4

The Company maintains strict controls over unpublished price-sensitive information. Directors, senior management, employees, and other stakeholders are required to comply with the Company’s Insider Trading Code of Conduct and disclosure policies to ensure transparency and regulatory compliance.

Cautionary Statement

The information and opinions expressed in this report, as well as in the Board’s Report describing the Company’s objectives, projections, estimates, and expectations, may constitute ‘forward-looking statements’ within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed or implied in such statements. Key factors that could impact the Company’s operations include a potential decline in government spending on agriculture and infrastructure, significant changes in the political and economic environment in India, volatility in the prices and availability of key raw materials, changes in taxation laws, fluctuations in exchange rates, interest rates, and other associated costs.



BOARD'S REPORT

To,
The Members,
Precision Camshafts Limited (Company)

The Board of Directors ("the Board") is pleased to present this **THIRTY FORTH ANNUAL REPORT** of **Precision Camshafts Limited** ("the Company") on the business and operations of the Company together with the Audited Standalone and Consolidated Financial Statements for the year ended March 31, 2026.

1. FINANCIAL RESULTS

The Company's financial performance for the Financial Year under review along with previous year's figures is summarized below:

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	For the Year ended March 31, 2026	For the Year ended March 31, 2025	For the Year ended March 31, 2026	For the Year ended March 31, 2025
Total Revenue	57,754.77	61,200.09	77,287.57	86,536.22
Total Expenses	51,616.06	52,670.94	70,442.40	78,448.19
Earnings before interest, tax, depreciation and amortization (EBITDA)	10,804.25	11,156.37	11,718.36	11,045.62
Profit Before Tax & Exceptional Items	7,545.70	7,159.46	6,802.55	4,726.47
Exceptional items	(4,889.99)	(3,508.00)	1,056.78	3,486.89
Profit before tax	2,655.71	3,651.46	7,859.33	8,313.36
Total Tax Expenses	2,077.32	2,915.71	2,734.80	2,902.85
Profit/(Loss) for the year	578.39	735.75	5,124.53	5,410.51
EPS (Basic)	0.61	0.77	5.40	5.70
EPS (Diluted)	0.61	0.77	5.40	5.70

2. COMPANY'S FINANCIAL PERFORMANCE AND OUTLOOK

During the Financial Year under review, on a standalone basis, the total revenue for FY 2025-26 stood at ₹57,754.77 Lakhs, lower than 5.63% over the previous year's revenue of ₹ 61,200.09 Lakhs in FY 2024-25. The profit after tax ("PAT") attributable to the shareholders for FY 2025-26 was ₹ 578.39 Lakhs, registering a decline of 21.38% over the previous year's PAT of ₹ 735.75 Lakhs in FY 2024-25.

The decline in profitability is primarily attributable to a reduction in revenue compared to the previous year, coupled with the impact of exceptional items recognized in the Statement of Profit and Loss, relating to the impairment of the Company's investment in MFT Motoren und Fahrzeugtechnik GmbH, Germany –

a step down subsidiary of the Company - following its liquidation.

Outlook of the business has been discussed in detail in the Management Discussion and Analysis which forms part of this Annual Report.

3. CHANGE IN NATURE OF BUSINESS, IF ANY

During the year under review, there has been no change in the business of the Company.

4. TRANSFER TO RESERVES

During the year under review, the Company has not transferred any amounts to the General Reserve. For complete details on movement in Reserves and Surplus during the financial year ended March 31, 2026, please refer to the Note No. 11 pertaining

BOARD'S REPORT (Contd.)

to 'Statement of Changes in Equity' included in the standalone and consolidated financial statements of this Annual report.

5. DIVIDEND

Your Board is pleased to recommend a final dividend of ₹ 1/- per equity share of ₹ 10/- each for the Financial Year ended March 31, 2026. The dividend is subject to approval from the members at the ensuing 34th Annual General Meeting and shall be subject to deduction of Income Tax at Source. If the dividend so recommended is declared by the members at the ensuing Annual General Meeting, the total cash outflow towards dividend would be ₹ 949.86/- Lakhs.

In accordance with Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("SEBI Listing Regulations") the Company has formulated a Dividend Distribution Policy. The Dividend Distribution Policy of the Company is also hosted on the website of the Company at [PCL - Dividend Distribution Policy](#).

6. SHARE CAPITAL

The Authorized Share Capital of your Company as on March 31, 2026, stood at ₹ 10,000.00 Lakhs divided into 10,00,00,000 equity shares of 10/- each. The issued, subscribed and paid-up equity share capital of the Company is ₹ 9,498.58 Lakhs divided into 9,49,85,835 Equity Shares of ₹ 10/- each. The Company has not allotted any Equity Shares under the exercise of stock options under Precision Camshafts Limited Employee Stock Option Scheme 2015 ("PCL ESOS 2015").

7. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of Directors of the Company has an optimum combination of Executive and Non-Executive Independent Directors with rich professional experience and background. As on March 31, 2026, the Company's Board Consists of 9 Directors as follows:

Sr. No.	Name	Designation
1.	Mr. Yatin S. Shah	Chairman and Managing Director
2.	Mr. Ravindra Joshi	Whole Time Director
3.	Dr. Suhasini Y. Shah	Non- Executive Non-Independent Director

Sr. No.	Name	Designation
4.	Mr. Karan Y. Shah	Whole Time Director
5.	Mr. Suhas J. Ahirrao	Independent Director
6.	Mrs. Savani A. Laddha	Independent Woman Director
7.	Dr. Ameet N. Dravid	Independent Director
8.	Ms. Apurva P. Joshi	Independent Director
9.	Mrs. Anagha S. Anasingaraju	Independent Director

Pursuant to the provisions of Section 203 of the Companies Act, 2013 ("the Act"), the Key Managerial Personnel ("KMP") of the Company as on March 31, 2026, are as mentioned below:-

Sr. No.	Name	Designation
1.	Mr. Yatin S. Shah	Chairman and Managing Director
2.	Mr. Ravindra R. Joshi	Whole-time Director and Chief Financial Officer
3.	Mr. Karan Y. Shah	Whole-time Director
4.	Mr. Harshal J. Kher	Company Secretary & Compliance Officer

Changes in the composition of the Board of Directors of the Company during the Financial Year under review:

The composition of the Board of Directors of the Company remained unchanged during the Financial Year under review.

Changes in Key Managerial Personnel of the Company during the Financial Year under review:

No change in Key Managerial Personnel of the Company during the Financial Year under review.

8. DECLARATION FROM INDEPENDENT DIRECTORS

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criterion of Independence as prescribed under Section 149 (6) of the Act and Regulation 16 (1) (b) of SEBI Listing Regulations.

In terms of Regulation 25(8) of the SEBI Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstances or situation,

BOARD'S REPORT (Contd.)

which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

The Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Function as well as the Code of Conduct for Directors and Senior Management Personnel.

During the year under review, Independent Directors of the Company had no pecuniary relationship or transactions with the Company, other than commission and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board of Director and its Committee. The details of remunerations and/or other benefits of the Independent Directors are mentioned in the Corporate Governance Report.

9. A STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR.

In the opinion of the Board, all the Independent Directors fulfil the said conditions as mentioned in Section 149(6) of the Act and SEBI LODR and are independent of the Management and possess the requisite integrity, expertise, experience and proficiency required to fulfill their duties as Independent Directors.

10. BOARD MEETINGS

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board business. Notice of the Board meeting is given well in advance to all the Directors. The Agenda of the Board / Committee meetings is set by the Company Secretary in consultation with the Chairperson and Managing Director and Chief Financial Officer of the Company. The Agenda for the Board and Committee meetings covers items set out as per regulations in SEBI LODR and Act to the extent it is relevant and applicable. The Agenda for the Board and Committee meetings includes detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision.

During the year under review, 4 (Four) Board Meetings were convened and held on May 27, 2025; August 11, 2025; November 11, 2025 and February 11, 2026 respectively.

The maximum interval between any two meetings was well within the maximum allowed gap of 120 days.

11. MEETING OF INDEPENDENT DIRECTORS

In compliance with the provisions of Schedule IV of the Act and Regulation 25(3) of SEBI Listing Regulations, a meeting of Independent Directors was held on March 23, 2026, to review the performance as per Regulation 25(4) of SEBI Listing Regulations and Schedule IV of the Act.

The Independent Directors expressed their satisfaction with the quality, quantity and timeliness of the flow of information between the Company Management and the Board. All Independent Directors were present at the meeting.

12. COMMITTEES OF BOARD

Details of all the Committees along with their charters, compositions and meetings held during the year are provided in the report on Corporate Governance which forms part of this Annual Report and is also available on the website of the Company at [PCL - Corporate Governance](#).

13. COMPANY'S POLICY ON DIRECTORS, KMPs AND EMPLOYEES APPOINTMENT AND REMUNERATION

The Company has in place a Policy on Directors' appointment and remuneration of the Directors, Key Managerial Personnel (KMP) and other employees including criteria for determining qualifications, positive attributes, independence of a director and other matters. It is available on the website of the Company at [PCL - Appointment and Remuneration of Directors, KMPs and employees](#).

The Company pays remuneration by way of salary, perquisites, allowances, variable pay, commission and retirement benefits to its Executive Directors.

The Company's policy of remuneration of the senior management is structured to attract and retain talent and is in turn dependent on following key parameters:

BOARD'S REPORT (Contd.)

1. Complexities and criticality of the jobs
2. Profile of the employee in terms of his / her qualification and experience
3. General trends in the industry and market for a similar talent
4. Incorporation of an element of motivation by way of remuneration linked to specific performances wherever applicable.

As a policy of the Company, the Non-executive Directors are paid commission as a percentage of profit based on the performance evaluation for that financial year under review.

14. STATEMENT CONTAINING THE SALIENT FEATURES OF THE FINANCIAL STATEMENTS OF SUBSIDIARIES / ASSOCIATE COMPANIES / JOINT VENTURES

A statement containing salient features of the financial statements of subsidiaries in the prescribed format AOC-1 is appended as **Annexure-A** to this Report. The statement also provides details of performance and financial position.

There has not been any material change in the nature of the business of the Subsidiaries. As required under SEBI Listing Regulations and Act, the consolidated financials of the Company and Subsidiaries are provided in this annual report.

15. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information pertaining to conservation of Energy, Technology absorption, Foreign exchange earnings and outgo as required under Section 134(3)(m) of the Act, read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in **Annexure B** and is attached to this report.

16. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company's guiding principle for CSR is to build its relationship with stakeholders and the community at large, and to contribute to their long term social good and welfare, and explained briefly in the Corporate Governance Report forming part of this Annual Report.

As on March 31, 2026, the composition of Corporate Social Responsibility (CSR) Committee is as follows:

Sr. No.	Name	Designation
1.	Mr. Yatin S. Shah	Chairman
2.	Dr. Suhasini Y. Shah	Member
3.	Mr. Suhas J. Ahirrao	Member
4.	Dr. Ameet N. Dravid	Member
5.	Ms. Apurva P. Joshi	Member

Detailed Annual Report on CSR activities for the Financial Year ended March 31, 2026, is given as **Annexure C** and CSR Policy is also disclosed on the website of the Company at [PCL - CSR Policy](#).

17. PARTICULARS OF EMPLOYEE REMUNERATION

Disclosures with respect to the remuneration of Directors, KMPs and employees as required under Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in **Annexure D** to this Report.

There were no employee(s) in receipt of remuneration of ₹ 1.02 Crores or more per annum or in receipt of remuneration of ₹ 8.50 Lakhs per month, under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 except employees mentioned in **Annexure D** of this Report.

Further, the statement containing names of top ten employees in terms of remuneration drawn also forms part of the Annexure D. However, the report and the accounts are being sent to the Members excluding the aforesaid statement.

In terms of Section 136 of the Act, the said annexure is open for inspection and any Member interested in obtaining a copy of the same may write to the Company Secretary at cs@pclindia.in.

18. COMMISSION OR REMUNERATION FROM SUBSIDIARY

During the Financial Year under review, Mr. Karan Y. Shah, Whole-time Director of the Company has received remuneration of ₹ 30.00 Lakhs from MEMCO Engineering Private Limited – Wholly Owned Subsidiary (WOS) of the Company.

BOARD'S REPORT (Contd.)

19. STATEMENT ON FORMAL ANNUAL EVALUATION OF THE PERFORMANCE OF THE BOARD, ITS COMMITTEES AND DIRECTORS

The Board of Directors has conducted an annual evaluation of its own performance, board committees and individual directors, pursuant to the provisions of the Act and Regulation 19 read with Schedule II, Part D of the SEBI Listing Regulations.

The performance of the Board was evaluated by the Board after seeking input from all the Directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the Committees was evaluated by the Board after seeking input from the committee members based on criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and Nomination and Remuneration Committee reviewed the performance of individual Directors based on criteria such as the contribution of the individual Director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

In a separate meeting of Independent Directors, the performance of Non- Independent Directors and the Board was evaluated. Additionally, they also evaluated the Chairperson of the Board. The Board also assessed the quality, quantity and timeliness of the flow of information between the Company management and the Board, which is necessary for the Board to effectively and reasonably perform their duties.

The Board of Directors expressed their satisfaction with the evaluation process.

20. ANNUAL RETURN

Pursuant to Section 92(3) of Act, the copy of Annual Return for the Financial Year ended March 31, 2026, is placed on the Company's website at **PCL-Annual Return FY 25-26**. <https://pclindia.in/wp-content/uploads/2026/07/PCL-%E2%80%93Annual-Return-FY-25-26.pdf>

21. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The Company has not given any loans, guarantees or made investment under section 186 of the Act during the period under review.

22. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All contracts/ arrangements/ transactions entered by the Company during the Financial year ended March 31, 2026, with related parties were on an arm's length basis and were in the ordinary course of business. There were no material related party transactions (RPTs) undertaken by the Company during the Financial Year that require Shareholders' approval under Regulation 23(4) of SEBI Listing Regulations or Section 188 of the Act.

All RPT's were placed before the Audit Committee for prior approval, and the approval of the Audit Committee was sought for all RPTs. Certain transactions which were repetitive in nature were approved through omnibus route. All the Related Party Transactions were compliant with the applicable provisions of the Act and SEBI Listing Regulations. Therefore, the disclosure of related party transactions as required under Section 134 (3)(h) of the Act in Form AOC-2 is not applicable to the Company and hence the same is not provided. (Please refer Note No. 33 to the Standalone Financial Statements).

The Company has adopted a Related Party Transaction Policy in line with the requirements of the Act and the Listing Regulations, as amended from time to time, which is available on the website of the Company [PCL - Policy on Related Party Transactions](#).

23. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE STATUTORY AUDITORS, SECRETARIAL AUDITORS

There were no qualifications, reservations or adverse remarks made by the Statutory Auditors in the Audit Report on the Standalone and Consolidated Financial Statements for the Financial year ended March 31, 2026.

The Report of Secretarial Auditors for the Financial Year ended March 31, 2026, is also unmodified.

24. MATERIAL CHANGES AND COMMITMENTS, IF ANY, 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 THE REPORT

There were no material changes after the closure of the financial year.

BOARD'S REPORT (Contd.)

25. SUBSIDIARIES AND ACQUISITIONS

The Company has 2 (Two) subsidiaries, and 1 (One) step down subsidiary as on March 31, 2026.

A) PCL (International) Holding B.V. ("PCL NL") – Wholly Owned Subsidiary ("WOS")

PCL NL is a WOS of the Company based in Netherlands. The existing customer base of the Company is predominantly located in Europe and hence to facilitate coordination between the Company and the customers, the Management decided to incorporate a WOS in Netherlands. The Company, through this WOS, holds 100% stake in EMOSS Mobile Systems B.V. (Netherlands). Further, MFT Motoren und Fahrzeugtechnik GmbH (Germany), a step-down subsidiary of the Company, ceased operations during the year pursuant to its liquidation.

During the Financial Year under review, on Consolidated basis PCL NL registered a total revenue of ₹ 14,222.52 Lakhs as against ₹ 20,629.73 Lakhs in the previous year. The net loss for the year stood at ₹ 1,148.91 Lakhs as against net loss of ₹ 2,736.32 Lakhs in the previous year.

B) Memco Engineering Private Limited ("MEMCO") – WOS

MEMCO is a WOS of the Company based in Nashik, Maharashtra, India. It is engaged in the business of manufacturing fuel injection components for conventional CRDi diesel engines, brake components, high pressure diesel injector connectors for naval ships and high precision instrumentation components. MEMCO enjoys long term relationships with marquee global customers like Bosch, Delphi, Endress Hauser and Giro.

During the Financial Year under review, MEMCO registered a total revenue of ₹ 5,310.28 Lakhs as against ₹ 4,711.07 Lakhs in the previous year. The net loss for the year stood at ₹ 68.01 Lakhs as against net profit of ₹ 137.39 Lakhs in the previous year.

C) EMOSS Mobile Systems B.V. ("EMOSS") – Step Down Subsidiary

EMOSS is a one-of-a-kind business that designs, develops, produces and supplies complete electric

powertrains for trucks, buses, military vehicles and heavy equipment. EMOSS business model includes conversion of diesel trucks into ready to use electric trucks. The Company also manufactures "ready to assemble modular kits" which are assembled onto the chassis. EMOSS provides an end-to-end solution to its customers which includes research and development, engineering, production, testing, certification, delivery and post-sales service. EMOSS also provides real-time power management and tracking via an integrated cockpit setup. The trucks powered by Electric Drivelines can carry a maximum payload of 50 tons with a mobility of up to 350 km which may be extended beyond 500 km with long range extenders developed by EMOSS. Acquisition has paved access to electrical mobility markets such as Europe, North America, Australia and New Zealand.

The Company has formulated a policy for determining "material" subsidiaries is available on the website of the Company at [PCL - Policy for determining Material Subsidiaries](#)

26. THE NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR

During the year under the review, MFT Motoren und Fahrzeugtechnik GmbH, Germany ("MFT"), a material step-down subsidiary of the Company initiated the insolvency proceedings due to the prevailing economic slowdown in Europe.

27. STATEMENT ON RISK MANAGEMENT POLICY

The Company has in place Risk Management Committee ("RMC") to identify, assess, monitor and mitigate various risks to the Company. The Committee is responsible for monitoring and reviewing the risk management plan and ensuring its effectiveness. The Company's future growth is linked with general economic conditions prevailing in the market. Management has taken appropriate measures for identification of risk elements related to the Industry, in which the Company is engaged, and is always trying to reduce the impact of such risks. The Company has also formulated Risk Management Policy and Risk Management Systems are evaluated by the Audit Committee.

BOARD'S REPORT (Contd.)

The Company has adopted a Risk Management Policy in accordance with the provisions of the Act and Regulation 21 of the SEBI Listing Regulations. Risk Management Policy is hosted on website of the Company at [PCL - Risk Management Policy](#).

28. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE

During the year under review, there were no significant and material orders passed by regulators or courts or tribunals impacting the going concern status and Company's operation in future.

However, the Registrar of Companies ("RoC") conducted an Inquiry into the affairs of the Company and observed that certain provisions of the Companies Act, 1956 and the Companies Act, 2013 have been violated by the Company and its Directors. Further, the RoC had provided an option to apply for compounding of offenses under Section 441 of the Companies Act, 2013. Accordingly, the Company filed an application for compounding of the offences to the Regional Director. However, due to pendency of tax matter with Commissioner of Income Tax (CIT) the Company has withdrawn the said applications, but have reserved its right to re-submit the compounding applications post the matter stated above is decided by CIT.

29. STATEMENT IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROL WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has in place adequate internal financial controls with reference to the Financial Statements. The policies and procedures adopted by the Company cover orderly and efficient conduct of business including adherence to the Company's policies, safeguarding of the assets of the Company, prevention and detection of fraud and errors, accuracy and completeness of accounting records and the timely preparation of reliable financial information. The Audit Committee periodically reviews the internal control systems with the Management, Internal Auditors and Statutory Auditors assessing the adequacy of internal audit functions.

During the year under review, these controls were assessed, and the observations of the Auditors were

addressed by the Company after taking necessary steps to strengthen the financial controls and improve the systems. The Statutory Auditors have certified the adequacy of the Company's internal financial control systems over financial reporting, based on the criteria outlined in the Guidance Note issued by the Institute of Chartered Accountants of India.

30. DEPOSITS

During the year under review, the Company has not accepted any deposits.

31. CORPORATE GOVERNANCE REPORT

The report on Corporate Governance is about maximizing shareholder value legally, ethically and sustainably. Corporate Governance Report is set out in this Annual Report as **Annexure E**.

A certificate from M/s J. B. Bhavé & Co., Practicing Company Secretaries regarding compliance with conditions of corporate governance as required under SEBI Listing Regulations also forms part of this Annual Report as **Annexure F**.

A certificate from M/s J. B. Bhavé & Co., Practicing Company Secretaries regarding compliance with Schedule V of SEBI LODR also forms part of this Annual Report as **Annexure G**.

32. SECRETARIAL AUDIT REPORT AND ANNUAL SECRETARIAL COMPLIANCE REPORT

Pursuant to the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, along with Regulation 24A of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, as amended from time to time, the Board appointed Ms. Ruchi Bhavé, Practicing Company Secretary as the Secretarial Auditor of the Company for Financial Year 2025-26 to Financial Year 2029-30. There are no qualifications, observations, or remarks in the Secretarial Audit Report for the financial year ended March 31, 2026. The report is annexed herewith as **Annexure H** to the Annual Report.

Pursuant to SEBI Circular CIR/CFD1/27/2019 dated February 08, 2019, all listed entities shall, additionally, on annual basis, submit a report to the Stock Exchange(s) on compliance of all applicable SEBI Regulations and

BOARD'S REPORT (Contd.)

circulars / guidelines issued thereunder within 60 days of end of Financial Year. Such report shall be submitted by Company Secretary in practice to the Company in the prescribed format. The Company has received this report from Ms. Ruchi Bhavé, Practicing Company Secretary, Pune for the Financial Year ended March 31, 2026, and it has been submitted to the stock exchange(s) within the stipulated time. The said report forms part of this Annual Report as **Annexure I**.

33. PCL ESOS 2015 – INFORMATION REGARDING ALLOTMENTS DURING THE YEAR

As on March 31, 2026, in terms of PCL ESOS 2015, the Company has not allotted any Equity Shares on exercise of vested options and no fresh grant was made by the Company.

The disclosures in compliance with Section 62 of the Act read with Rule 12 of Companies (Share Capital and Debentures) Rules, 2014, SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 are as follows:

Total No. of Shares covered by ESOP Scheme approved by the Shareholders	6,00,000 (Six Lakhs) Equity Shares		
	I	II	TOTAL
Grant			
Options granted	-	-	-
Options Vested	-	-	-
Options exercised	-	-	-
The total number of shares arising as a result of exercise of option	-	-	-
Options forfeited	-	-	-
Options lapsed	-	-	-
Extinguishment or modification of options	-	-	-
The exercise price	₹ 10/-	₹ 10/-	₹ 10/-
Pricing formula	As per the ESOS Scheme approved by the members of the Company.		
Variation of terms of options	NA	NA	NA
Money realized by exercise of options	-	-	-
Total number of options in force	NIL		
Employee wise details of options granted to:			
i. Key Managerial Personnel & Senior Managerial Personnel	NA	NA	NA
ii. Any other employee who receives a grant of options in any one year of option amounting to 5% or more of options granted during that year	NA	NA	NA
iii. Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.	NA	NA	NA
Issued Capital (excluding outstanding warrants and conversions) of the Company at the time of grant. (Only in case of Listed Companies)	NA	NA	NA
Diluted EPS calculated in accordance with International Accounting Standard (IAS) 33	NA	NA	NA

Disclosure under SEBI (Shared Based Employee Benefits and Sweat Equity) Regulation, 2021 is available on the website of the Company at **ESOP Disclosure 2025-26**.

The certificate from Ms. Ruchi Bhavé, Practicing Company Secretary, Pune, Secretarial Auditor of the Company, confirming that the scheme has been implemented in accordance with the aforesaid regulations and in accordance with the resolution passed by the Members of the Company would be placed before the Members at the ensuing Annual General Meeting.

BOARD'S REPORT (Contd.)

34. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behaviour. The Company has adopted a Whistle Blower Policy (Vigil mechanism) to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud, irregularities or violation of the Company's Code of Conduct. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairperson of the Audit Committee.

The detailed policy on Vigil mechanism is disclosed on the website of the Company at [PCL - Vigil Mechanism Policy](#).

35. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place a policy for Prevention of Sexual Harassment (PoSH) at workplace. This inter alia provides a mechanism for the resolution, settlement or prosecution of acts or instances of Sexual Harassment at work and ensures that all employees are treated with respect and dignity. The Company has also complied with the provisions relating to the constitution of Internal Complaints Committee ("ICC") under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The composition of the PoSH Committee at the registered office is as follows:

Sr. No.	Name of the Committee Member	Designation
1.	Dr. Suhasini Shah	Presiding Officer
2.	Mrs. Aarohi Deosthali	Member
3.	Mrs. Maithili Deshmukh	Member
4.	Mr. Rajkumar Kashid	Member
5.	Dr. Sanjeevani Kelkar	Member

The composition of the PoSH Committee at the corporate office is as follows:

Sr. No.	Name of the Committee Member	Designation
1.	Dr. Suhasini Shah	Presiding Officer
2.	Mrs. Aarohi Deosthali	Member
3.	Mr. Rajkumar Kashid	Member
4.	Dr. Sanjeevani Kelkar	Member

Further, during the year under review:

- number of complaints of sexual harassment received in the year:- 0
- number of complaints disposed off during the year:- 0 ; and
- number of cases pending for more than ninety days:- 0

ICC Committee details are provided in Posh Policy which is available on website of the Company at [PCL - Policy on Prevention of Sexual Harassment of Women at Workplace](#).

36. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12) OF THE COMPANIES ACT, 2013 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

During the year ended March 31, 2026, there were no instances of fraud which were reported by the Statutory Auditors to the Audit Committee/ Board.

37. AUDITORS**(A) Statutory Auditor**

The members at the 32nd AGM of the Company reappointed M/s MSKA & Associates, Chartered Accountants (Firm Reg. No. 105047W) as the Statutory Auditors of the Company for a consecutive term of 5 (Five) years to conduct the Statutory Audit from the Financial Year 2024-25 to Financial Year 2028-29 and to hold office from the conclusion of 32nd AGM till the conclusion of AGM to be held for Financial Year 2028-29.

BOARD'S REPORT (Contd.)

(B) Cost Auditors

The Board of Directors, on the recommendation of Audit Committee, had appointed M/s. S. V. Vhatte and Associates, Cost Accountants [Firm Registration No.: 100280] as Cost Auditors to audit the cost accounts of the Company for the Financial Year ended March 31, 2026. The Cost Audit report for the Financial Year 2025-26 will be filed with the Ministry of Corporate Affairs on or before the due date. The Board on recommendations of the Audit Committee have appointed M/s. S. V. Vhatte and Associates, Cost Accountants [Firm Registration No.: 100280] as Cost Auditors to audit the cost accounts of the Company for the Financial Year ended March 31, 2027, subject to ratification of remuneration by the members at the ensuing AGM. The cost accounts and records of the Company are duly prepared and maintained as required under Section 148(1) of Act.

(C) Internal Auditors

The Company appointed M/s B S and Co. LLP., Chartered Accountants, Pune as Internal Auditors of the Company for the Financial Year ended March 31, 2026. The scope and authority of the Internal Auditor is as per the terms of reference approved by the Audit Committee. The Internal Auditors monitor and evaluate the efficiency and adequacy of internal control systems in the Company, their compliance with operating systems, accounting procedures and policies of the Company. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Company.

38. REPORT ON MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report as required under SEBI Listing Regulations forms part of this Annual Report.

39. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, the Board of Directors of your Company to the best of their knowledge and ability hereby state and confirm that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit of the Company for that period;
- the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Directors had prepared the annual accounts on a going concern basis;
- the Directors had laid down internal financial controls to be followed by the Company and such internal controls are adequate and were operating effectively; and
- 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.

40. CODE OF CONDUCT FOR BOARD AND SENIOR MANAGEMENT

The Company has adopted the Code of Conduct for the Directors and Senior Management and the same is available on the website of the Company at [PCL - Code of conduct for Board and Senior Management](#).

All Directors and Senior Management members have affirmed their compliance with the said Code. A declaration pursuant to the Regulation 26 (3) read with Part D of the Schedule V of the SEBI Listing Regulations signed by Managing Director to this effect forms part of Corporate Governance Report of this Annual Report.

BOARD'S REPORT (Contd.)

41. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

A detailed Business Responsibility and Sustainability Report in terms of the provisions of Regulation 34 of the SEBI Listing Regulations is available as a separate section in the Annual Report.

42. COMPLIANCE OF APPLICABLE SECRETARIAL STANDARDS

The Company is in compliance with the applicable secretarial standards issued by the Institute of Company Secretaries of India from time to time.

43. INVESTOR EDUCATION AND PROTECTION FUND

In accordance with the provisions of sections 124 and 125 of the Act and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") dividends which remain unpaid or unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account are required to be transferred by the Company to the Investor Education and Protection Fund ("IEPF"). The Members whose shares are transferred to the IEPF Authority can claim their shares/dividend from the IEPF Authority by following the procedure prescribed in the Rules. In accordance with the said IEPF Rules and its amendments, the Company had sent notices to all the Shareholders whose shares were due for transfer to the IEPF Authority and simultaneously published newspaper advertisements. The Company had frequently sent communication to these shareholders by email whose email address are available with R&T / DP and also through various other modes viz. notice of general meeting or notice regarding deduction of tax at source (TDS) for dividend payment etc.

44. CONTRIBUTION OF INDEPENDENT DIRECTORS TO THE GROWTH OF THE COMPANY

The Company's Board of Directors is strategically composed of Independent Directors with diverse professional backgrounds, bringing significant value to the organization. Each Independent Director contributes deep expertise, integrity, and a strong industry reputation built over years of experience. Their

proficiency spans across key areas such as Finance, Company Law, Forensic Audit, Corporate Restructuring, Commercial Law, and Audit—core functions essential to any business. This collective knowledge ensures that the Company adheres to the highest standards of ethics, corporate governance, transparency, industry's best practices, and remains aligned with global advancements in technology.

45. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 DURING THE YEAR.

During the year, the Company has not made any application nor is there any proceeding pending under the Insolvency and Bankruptcy Code, 2016 at the end of the Financial Year.

46. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF.

During the Financial year, the Company has not initiated One Time Settlement with the Banks or Financial Institutions and therefore no details are required to be furnished.

47. COMPLIANCE WITH THE MATERNITY BENEFIT ACT, 1961

During the year under review, the Company remained committed to strengthening support for women employees and ensures compliance with the applicable provisions of the Maternity Benefit Act, 1961, supported by well-established policies, systems and processes for sustained adherence.

48. CAUTIONARY STATEMENTS

Statements in this report, particularly those which relate to Management Discussion and Analysis, describing the Company's objectives, estimates and expectations may constitute 'forward looking statements within the meaning of applicable laws and regulations. Actual results may differ materially from those either expressed or implied.

BOARD'S REPORT (Contd.)

49. ACKNOWLEDGEMENTS

The Directors would like to place on record their deep appreciation to employees/ workers at all levels for their hard work, dedication and commitment. The Board places on record its appreciation for the support and co-operation your Company has been receiving from its Shareholders, Customers, Business Associates, Bankers, Suppliers and all other stakeholders for their continued support and their confidence in its management.

For and on behalf of the Board of Directors of
Precision Camshafts Limited

Yatin S. Shah

DIN: 00318140

Chairman and Managing Director

Ravindra R. Joshi

DIN: 03338134

Whole-time Director and CFO

Registered Address: D5 M.I.D.C. Chincholi, Solapur, Maharashtra, India, 413255

Date: May 22, 2026

Place: Mangalwedha

Date: May 22, 2026

Place: Mangalwedha

ANNEXURE A

STATEMENT CONTAINING THE SALIENT FEATURES OF THE FINANCIAL STATEMENTS OF SUBSIDIARIES / ASSOCIATE COMPANIES / JOINT VENTURES

Pursuant to Section 129(3) of the Companies Act 2013, read with Rules of the Companies (Accounts) Rules 2014

Form No. AOC-1

Part A – Subsidiary Companies of Precision Camshafts Limited

(Amt. in ₹ Lakhs)

Particulars	Name of Subsidiaries	
	PCL (International) Holding B.V., (Consolidated Basis)	MEMCO Engineering Private Limited
The date since when subsidiary was acquired	Not applicable	October 10, 2017
Reporting period for the subsidiary concerned, if Different from the holding company's reporting period	April 01, 2025, to March 31, 2026	April 01, 2025, to March 31, 2026
Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries i.e. March 31, 2025	Euro Closing Rate 1 Euro = ₹ 108.05/- Average Rate 1 Euro = ₹ 101.42 /-	₹ Exchange Rate - Not applicable
Share Capital	11,785.49	720.00
Reserves and Surplus	(19,969.10)	1,958.64
Total Assets	5,830.00	4,177.76
Total Liabilities (excluding share capital, reserves and surplus)	12,445.16	1,499.12
Investments	-	766.88
Turnover	14,222.52	5,310.28
Profit/(Loss) before Tax	(517.42)	(35.35)
Provision for tax	(631.49)	(32.66)
Profit after Tax	(1,148.91)	(68.01)
Proposed Dividend	-	-
% of Shareholding	100	100

Part B – Associates and Joint Venture Companies of Precision Camshafts Limited

This section is not applicable to the Company as there are no associate or joint venture Companies of the Company.

For and on behalf of the Board of Directors of

Precision Camshafts Limited

Yatin S. Shah

DIN: 00318140

Chairman and Managing Director

Date: May 22, 2026

Place: Mangalwedha

Ravindra R. Joshi

DIN: 03338134

Whole-time Director and CFO

Date: May 22, 2026

Place: Mangalwedha

ANNEXURE B

A. CONSERVATION OF ENERGY:

Precision Camshafts Limited ("PCL OR the Company") has induced environmental sustainability as an integral part of its business operations and continues to find and apply measures that can optimize utilization of available resources.

PCL at across all its manufacturing locations and business operations is relentlessly working on improving productivity, energy efficiency and maximizing sustainability at our manufacturing facilities through usage of state-of-the-art technologies and processes. The Company is committed to bringing about continuous improvement in processes and products using energy efficiency interventions and renewable energy technologies.

The steps taken for energy conservation and its impact:

1. Installation of power factor improvement with Harmonic filters to improve power quality (Thyristor controlled automatic harmonic filter bank). The power factor is maintained at unity (0.995) at all plants. This will help the Company to save approximately ₹ 30 Lakhs every year.
2. The Company has converted electrical air heater ovens into Liquid Petroleum Gas (LPG) ovens for 4 shell moulding machines which will help in conservation of energy and product quality improvement. The Company has replaced Kelson machine with Susha machine with LPG consumption and four station machines replace with Susha with LPG consumption to save power.
3. The Company has converted 9 air compressors with special purpose motors used in the foundries into regular induction motors which will help the Company to save energy approximately worth ₹ 18 Lakhs. The Company is in the process of such conversion for 8 more motors used in Machine Shop.
4. The Company provided electrical Forklift use instead of Diesel forklift – to prevent carbon emission.
5. To improve lumens & reduce power cost in manufacturing sheds & external areas of the Company, all lightings have been changed to LED lamps with improved Lux from 100 lux to 350 lux which will help the Company to save energy approximately ₹ 25 Lakhs annually.

6. The Company has installed a natural cool air ventilation system (Eco air cooling) on Shell moulding. This has helped in energy conservation as well as comfortable working conditions for workers. Ambient temperature reduction by 2 to 3 degrees Centigrade at knockout.
7. The Company has installed a 15 MWp Solar Power Plant for Captive Consumption at Mangalwedha, Solapur which is helping the Company to save energy cost. The said solar power plant will be capable of generating 1,80,00,000 units per annum on an average. Cost saving ₹ 1300 Lakhs per year.

B. TECHNOLOGY ABSORPTION AND RESEARCH & DEVELOPMENT:

1. Efforts made in technology absorption and development of products.

1. Car track modification in Foundry to place 2 moulds on one pallet instead of 1 mould has helped reduce pouring time resulting in saving of power consumption.

2. The benefits derived like product improvement, cost reduction, product development or import substitution:

1. Tooling life improvement around 40 % by doing induction Harding. (Cost saving ₹ 120 Lakhs per year).
2. Single man Moulding on Susha machine for S. G. Iron camshaft by doing modifications in machine cycle time (Cost saving 33.6 Lakhs per year).
3. The Company has started to using 40% local grade sand along with 60% imported sand for producing cores (Cost saving ₹ 21.12 Lakhs per year)
4. Cost reduction in certain camshafts by reducing RCS consumption, Alloys reduction, and reduction in manpower (Cost saving ₹ 174.28 Lakhs per year).
5. New technology absorbed in machine shop for development of Assembled camshafts of marquee clients. Serial production of these parts to start soon.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

Particulars	(₹ in Lakhs)
Earnings	19,411.00
Outgo	1,355.00

ANNEXURE C

THE ANNUAL REPORT ON CSR ACTIVITIES FOR FY 2025-26

[Pursuant to section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014]

1. Brief outline on CSR Policy of the Company

Precision Camshafts Limited ("PCL OR the Company") is proud to be a socially responsible Corporate Citizen. The Company would like to scale up the CSR activities through initiatives aimed at value creation in the society and in the community in which it operates through their services, conduct and initiatives by protecting environment, improving health, hygiene and helping in education and skill development on a sustained basis for the society as a whole.

2. Composition of CSR Committee

Sr. No	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Yatin S. Shah	Chairman	4	4
2	Dr. Suhasini Y. Shah	Member		4
3	Dr. Ameet N. Dravid	Member		4
4	Ms. Apurva P. Joshi	Member		4
5	Mr. Suhas J. Ahirrao	Member		4

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

Sr. No.	Display on Website	Links
1	Composition of the CSR Committee	Composition of CSR Committee
2	CSR Policy	Corporate Social Responsibility Policy
3	Projects Approved by the Board	PCL CSR activities

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report). **Not applicable**

5. Details of CSR expenditure

Sr. No	Particulars	Amount (₹ in Lakhs)
a.	Average net profit of the Company as per sub-section (5) of section 135	8,328.06
b.	Two percent of average net profit of the Company as per sub-section (5) of section 135.	166.56
c.	Surplus arising out of the CSR Projects or programmes or activities of the previous financial years.	-
d.	The amount required to be set-off for the financial year, if any.	2.67
e.	Total CSR obligation for the financial year [(b)+(c)-(d)].	163.89

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

Sr. No.	Particulars	Amount (₹ in Lakhs)
a.	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project).	172.69
b.	Amount spent in Administrative Overheads.	-
c.	Amount spent on Impact Assessment, if applicable.	-

ANNEXURE C (Contd.)

d. Total amount spent for the Financial Year [(a)+(b)+(c)]	172.69
--	--------

(e) CSR amount spent or unspent for the financial year:

(₹ In Lakhs)

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

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

Sr. No.	Particulars	Amount (₹ in Lakhs)
(i)	Two percent of average net profit of the Company as per section 135(5) [after adjusting the amount required to be set off]	163.89
(ii)	Total amount spent for the Financial Year	172.69
(iii)	Excess amount spent for the financial year [(ii)-(i)]	8.79
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	8.79

7. Details of Unspent CSR amount for the preceding three financial years: NA

(₹ In Lakhs)

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6)	Amount spent in the reporting Financial Year	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years
				Name of the Fund	Amount	Date of transfer	
TOTAL							

Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in Financial Year:

NA

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

NA

For and on behalf of the Board of Directors of

Precision Camshafts Limited

Yatin S. Shah

Chairman & Managing Director

DIN: 00318140

Date: May 22, 2026

Place : Mangalwedha

ANNEXURE D

DISCLOSURES AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The remuneration in this Annexure is calculated on the basis of gross salary excluding bonus and variable pay.

1) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company and the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary for the Financial Year 2025-26:

Sr. No.	Name of the Director	Designation	Ratio of the Remuneration of each Director /to Median Remuneration of Employees	% increase in the remuneration of each Director/, Chief Financial Officer/ Company Secretary
1.	Mr. Yatin S. Shah	Chairman & Managing Director	112.27	0.000
2.	Dr. Suhasini Y. Shah	Non-Executive Director	1.78	0.000
3.	Mr. Ravindra R. Joshi	Whole-time Director & Chief Financial Officer	99.14	-1.62
4.	Mr. Karan Y. Shah	Whole-time Director– Business Development	25.37	0.000
5.	Mrs. Savani A. Laddha	Independent Director	1.78	0.000
6.	Mr. Apurva P. Joshi	Independent Director	1.78	0.000
7.	Dr. Ameet N. Dravid	Independent Director	1.78	0.000
8.	Mr. Anagha S. Anasingaraju	Independent Director	1.78	0.000
9.	Mr. Suhas J. Ahirrao	Independent Director	1.78	0.000
10.	Mr. Harshal J. Kher	Company Secretary and Compliance Officer	-	-

2) Percentage increase in the median remuneration of employees in the Financial Year 2025-26:

During the Financial Year under review, there has been an increase of approximately 3.09% in the median remuneration paid to the employees.

3) The number of permanent employees on the rolls of the Company as on March 31, 2026: 713

4) The average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

The average percentage increase in salaries of employees other than Managerial Personnel is 15.46%. The average increase in the remuneration of Directors and other Key Managerial Personnel is 2.65 %.

5) Affirmation that the remuneration is as per the remuneration policy of the Company:

It is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and other employees is as per the Remuneration Policy of the Company.

For and on behalf of the Board of Directors of
Precision Camshafts Limited

Yatin S. Shah

Chairman & Managing Director
DIN: 00318140

Date: May 22, 2026
Place : Mangalwedha

ANNEXURE D (Contd.)

INFORMATION AS PER RULE 5(2) OF CHAPTER XIII, COMPANIES (APPOINTMENT AND REMUNERATION OF KEY MANAGERIAL PERSONNEL) RULES 2014

(₹ in Lakhs)

Name of the employee	Designation	Gross Remuneration	Nature of employment	Qualification and experience	Date of commencement of employment	Age	Last employment held and Designation	% of equity shares held in the Company	Relative of Director/ Manager
Yatin S. Shah	Chairman & Managing Director	313.81	Whole-time employee on roll of the Company	B.com, MBA 36 years of experience in business expansion and administration	June 08, 1992	65	Chetan Foundries, CEO	39.78	Spouse of Dr. Suhasini Y. Shah and Father of Mr. Karan Y. Shah
Ravindra R. Joshi	Whole-time Director & CFO	277.13	Whole-time employee on roll of the Company	B.com, DBM 35 years of experience in the field of finance and accounting	May 11, 2000	62	Chetan Foundries, Manager Finance	0.02	NA

*The remuneration is calculated on the basis of gross salary.

For and on behalf of the Board of Directors of
Precision Camshafts Limited

Yatin S. Shah

Chairman & Managing Director
DIN: 00318140

Date: May 22, 2026
Place : Mangalwedha

ANNEXURE E

REPORT ON CORPORATE GOVERNANCE

A brief statement on Company's Philosophy on Code of Governance

Strong corporate governance is the foundation of a sustainable and successful organisation. The Company is committed to maintaining transparency, accountability, and ethical conduct in all its operations. Its governance framework ensures responsible decision-making, regulatory compliance, and fair treatment of all stakeholders, including employees, customers, investors, suppliers, regulators, and the broader community. In line with its commitment to Corporate Social Responsibility ("CSR"), the Company undertakes initiatives focused on enhancing the well-being of the communities where it operates. These efforts are directed towards key areas such as education, healthcare, environmental sustainability, and skill development, and are carried out in collaboration with local organisations and stakeholders to create meaningful impact. In addition, the Company is increasingly aligning its approach with Environmental, Social and Governance ("ESG") principles, integrating responsible environmental practises, social inclusivity, and strong governance standards into its overall strategy to support sustainable and inclusive growth. This report is prepared in accordance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("Listing Regulations") and contains the details of Corporate Governance systems and processes at Precision Camshafts Limited ("the Company" or "PCL"). The Company's corporate governance framework is aligned with the requirements under the Companies Act, 2013 ("the Act") and the various regulations and guidelines issued by the SEBI. The Company has also adopted various Codes/Policies towards achieving the best corporate governance practises

Corporate governance framework

The Company has established a robust governance framework that promotes transparency, accountability, and timely dissemination of material information relating to its financial position, management, and governance practises. It places strong emphasis on ethical conduct and compliance, recognising that effective oversight is key to sustainable growth. The Board plays a pivotal role in this framework by providing strategic direction, monitoring management performance, and ensuring that decisions are aligned with the long-term interests of stakeholders. Supported by well-defined policies and committees, the governance structure enables balanced decision-making and reinforces the Company's commitment to integrity and responsible business practises.

Corporate governance guidelines

The Company complies with the requirements set out under Regulations 17 to 27, read with Schedule V, and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations, as applicable, in relation to Corporate Governance.

The Company's corporate governance framework is anchored in a balanced and independent Board, with a clear demarcation between supervisory functions of the Board and the executive role of management. Through its duly constituted committees, the Board provides strategic guidance and effective oversight across key functional areas, ensuring informed decision-making and protection of stakeholder interests. The Board composition complies with applicable provisions of the Companies Act and Listing Regulations. Further, all material disclosures and reports submitted to the Stock Exchange are placed before the Board and relevant committees for review. The Company also fosters a culture of integrity by encouraging Directors and senior management to consistently adhere to its Code of Corporate Governance. A detailed report on the Company's compliance with the Corporate Governance principles, as prescribed under Chapter IV read with Schedule V of the SEBI Listing Regulations, is provided below:

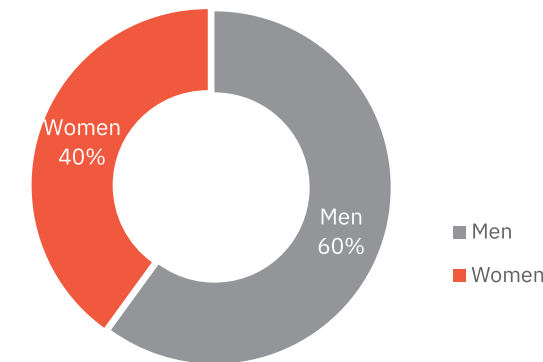
Board of Directors

a) Composition and category of Directors

A wide range of perspectives is critical for effective corporate governance. The Management believes that the Company's Board should comprise of an optimum combination of Executive, Non-Executive and Independent Directors, to maintain its independence and diversity of perspectives, and lead to good management dynamics and better governance. The Board Diversity Policy adopted by the Board sets out its approach to diversity. The policy is available on our website at [Policy on Board Diversity](#). The detailed profile of all Directors of the Company is available on website of the Company at [PCL – Brief Profile of Directors](#).

During the year under review, the Nomination and Remuneration Committee and the Board of Directors reviewed and are satisfied with Succession Planning for the Board of Directors and Senior Management Personnel of the Company.

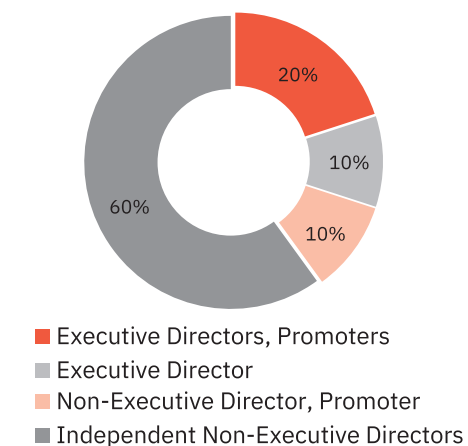
ANNEXURE E (Contd.)



As on March 31, 2026, our Board is comprised of **9 (nine)** Directors. The composition of the Board is as follows with Mr. Yatin S. Shah as the Chairman:

Sr No.	Category of Directors	No. of Directors	Name of Director
1.	Executive Director - Promoter	2	Mr. Yatin S. Shah Mr. Karan Y. Shah
2.	Non-Executive Director – Promoter	1	Dr. Suhasini Y. Shah
3.	Executive Director	1	Mr. Ravindra R. Joshi
4.	Non-Executive Independent Director	5	Mrs. Savani A. Laddha Dr. Ameet N. Dravid Ms. Apurva P. Joshi Mr. Suhas J. Ahirrao Mrs. Anagha S. Anasingaraju
Total		9	

Composition of Board as on March 31, 2026



All the Directors have made necessary disclosures regarding their directorships and other interests as required under Section 184 of the Act and the Committee positions held by them in other companies. The Company is in compliance with the provisions of Section 165 (1) of the Act and Regulation 17A of the Listing Regulations, 2015 (SEBI LODR), i.e. None of the Directors on the Company's Board:

- hold the office of Director in more than 20 (Twenty) Companies; or
- holds directorships in more than ten public companies, or
- serves as Director or as Independent Directors (ID) in more than seven listed entities.

All the Independent Directors have confirmed that they meet the 'Independence' criteria as mentioned under Regulation 16 (1) (b) of the Listing Regulations and Section 149 (6) of the Act and the Rules framed thereunder. In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence. Based on the declarations received from the Independent Directors, the Board of Directors have confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the Listing Regulations and that they are independent of the management.

Pursuant to Clause VII of the Schedule IV (Code for Independent Directors) of the Act and Regulation 25(3) of the Listing Regulations, a separate meeting of Independent Directors was held on Monday, March 23, 2026, without attendance of Non-Independent Directors and members of management. All the Independent Directors were present at the meeting.

The Company is in compliance of Regulation 26 of the Listing Regulations, i.e. none of the Directors are members in more than 10 (Ten) Committees or act as a chairperson of more than 5 (Five) committees, the committees being, Audit Committee and Stakeholders' Relationship Committee across all public limited companies, whether listed or not in which he/she is a Director. All the Directors except Independent Directors and Managing Director are liable to retire by rotation.

ANNEXURE E (Contd.)

The required information, including information as enumerated in Regulation 17(7) read together with Part A of Schedule II of the Listing Regulations, is made available to the Board of Directors, for discussions and consideration at Board Meetings. The Board reviews compliance of all the applicable laws on a quarterly basis, as also steps taken to remediate instances of non-compliance, if any.

Pursuant to Regulation 27(2) of the SEBI Listing Regulations, the Company submits a quarterly Compliance Report on Corporate Governance to BSE and NSE within stipulated time from the close of every quarter.

The Managing Director and Chief Financial Officer have certified to the Board on inter alia the accuracy of the financial statements and adequacy of internal controls for financial reporting, in accordance with Regulation 17(8) read together with Part B of Schedule II of the Listing Regulations for the Financial Year ended March 31, 2026. The said certificate form's part of this Annual Report as **Annexure J**.

b) Board Procedures

The agenda for Board meetings is circulated well in advance to all members, accompanied by detailed background materials to facilitate informed discussions and support sound decision-making.

The Board regularly reviews and approves the quarterly, half-yearly, and annual financial results; evaluates the Company's business strategy, including any corporate

c) Attendance of each Directors at the meeting of the Board of Directors and the last Annual General Meeting, is set out below.

Sr No.	Director	Meetings held during the year				Number of Meetings attended during the year	33 rd Annual General Meeting July 30, 2025
		May 27, 2025	August 11, 2025	November 11, 2025	February 11, 2026		
1.	Mr. Yatin S. Shah	√	√	√	√	4	Yes
2.	Dr. Suhasini Y. Shah	√	√	√	√	4	Yes
3.	Mr. Ravindra R. Joshi	LOA	√	√	√	3	Yes
4.	Mr. Karan Y. Shah	√	√	√	√	4	Yes
5.	Mr. Savani A. Laddha	√	√	√	LOA	3	Yes
6.	Dr. Ameet N. Dravid	√	√	√	√	4	Yes
7.	Ms. Apurva P. Joshi	√	√	√	√	4	Yes

restructuring plans; and considers the Annual Operating Plan (AOP), capital expenditure budgets, updates on new business initiatives, and market share performance. It also examines reports on all applicable laws, reviews key legal matters, and considers minutes of the Committee meetings and Board meetings of subsidiary companies, as well as their financial statements. The Board also assesses the internal control systems and risk management framework.

Directors are routinely updated on significant regulatory and legal developments relevant to PCL during Board meetings. All necessary information, as specified under Regulation 17(7) read with Part A of Schedule II of the SEBI Listing Regulations, 2015, is presented to the Board for its review and deliberation. Draft minutes of the Board and Committee meetings are shared with all Directors within 15 days for their feedback.

In addition, the Board is kept informed about major developments, and approvals are sought as required. A comprehensive Board Charter outlines the roles, responsibilities, and procedures for the functioning of the Board and its committees as part of the Company's corporate governance framework.

To ensure adherence to applicable laws, the Company has established effective systems and processes. In line with its compliance protocol, relevant Department Heads confirm regulatory compliance, and a detailed presentation of applicable laws, rules, and regulations is periodically shared with the Board.

ANNEXURE E (Contd.)

Sr No.	Director	Meetings held during the year				Number of Meetings attended during the year	33 rd Annual General Meeting July 30, 2025
		May 27, 2025	August 11, 2025	November 11, 2025	February 11, 2026		
8.	Mr. Suhas J. Ahirrao	√	√	√	√	4	Yes
9.	Mrs. Anagha S. Anasingaraju	√	√	LOA	√	3	Yes

(√- Attended, LOA-Leave of Absence, NA-Not Applicable)

Note: Refer notes given under Composition and Category of Directors for details of change in composition of Directors.

The gap between two meetings did not exceed 120 days and the meetings were conducted in compliance with all applicable laws.

d) Details of membership of Directors in other Companies Boards and their Committees as on March 31, 2026

Sr. No	Name of the Director	No Directorship in other Public Companies	No of Committee Positions held in other Public Companies		No shares held by Non-Executive Director
			Chairman	Member	
1.	Mr. Yatin S. Shah	1	Nil	Nil	NA
2.	Dr. Suhasini Y. Shah	3	2	3	10,425,224
3.	Mr. Ravindra R. Joshi	1	Nil	Nil	NIL
4.	Mr. Karan Y. Shah	Nil	Nil	Nil	NIL
5.	Mr. Savani A. Laddha	1	1	2	NIL
6.	Dr. Ameet N. Dravid	Nil	Nil	Nil	NIL
7.	Ms. Apurva P. Joshi	7	2	8	NIL
8.	Mr. Suhas J. Ahirrao	Nil	Nil	Nil	NIL
9.	Mrs. Anagha S. Anasingaraju	Nil	Nil	Nil	NIL

Pursuant to Regulation 26 (1) (b) of the Listing Regulations, Membership/Chairmanship of only **Audit Committees and Stakeholder Relationship Committee** of all Public Limited companies whether listed or not have been considered.

Notes:

- The Companies mentioned herein are Public Limited Companies and Deemed Public Companies, whether listed or not, and does not include other companies including Private Limited Companies, Foreign Companies, high valued debt listed and Companies under section 8 of the Act.

e) Other listed entities in which the Directors hold directorship and category thereof as of March 31, 2026

Sr. No	Name of Director as on March 31, 2026	Name of the other Listed entities in which Director holds Directorship	Category of Directorship
1	Mr. Yatin S. Shah	NA	NA
2	Dr. Suhasini Y. Shah	Balaji Armines Limited	Non-Executive Independent Director
3	Mr. Ravindra R. Joshi	NA	NA
4	Mr. Karan Y. Shah	NA	NA
5	Mr. Savani A. Laddha	NA	NA
6	Dr. Ameet N. Dravid	NA	NA

ANNEXURE E (Contd.)

Sr. No	Name of Director as on March 31, 2026	Name of the other Listed entities in which Director holds Directorship	Category of Directorship
7	Ms. Apurva P. Joshi	1. Associate Alcohols & Breweries Limited 2. Eleganz Interiors Limited 3. Paramount Speciality Forgings Limited	Non-Executive Independent Director
8	Mr. Suhas J. Ahirrao	NA	NA
9	Mrs. Anagha S. Anasingaraju	NA	NA

f) Number of Board Meetings

During the Financial Year under review, the 4 (four) Board Meetings were held May 27, 2025, August 11, 2025, November 11, 2025 and February 11, 2026.

g) Disclosure of relationships between Directors inter-se as on March 31, 2026

Sr. No.	Name of Director	Relationship
1	Mr. Yatin S. Shah	Spouse of Dr. Suhasini Y. Shah, Father of Mr. Karan Y. Shah
2	Dr. Suhasini Y. Shah	Spouse of Mr. Yatin S. Shah, Mother of Mr. Karan Y. Shah
3	Mr. Karan Y. Shah	Son of Mr. Yatin S. Shah and Dr. Suhasini Y. Shah
4	Mr. Ravindra R. Joshi	No relationship with other Directors of the Company
6	Mrs. Savani A. Laddha	No relationship with other Directors of the Company
7	Dr. Ameet N. Dravid	No relationship with other Directors of the Company
8	Ms. Apurva P. Joshi	No relationship with other Directors of the Company
9	Mr. Suhas J. Ahirrao	No relationship with other Directors of the Company
10	Mrs. Anagha A. Anasingaraju	No relationship with other Directors of the Company

h) The web link where details of familiarisation programme imparted to Independent Directors are disclosed: **Familiarisation Programme 2026.**

Board members bring with them the necessary skills, knowledge, and experience to support the Company's governance and strategic objectives. Directors are appointed through a clearly defined selection process. The Nomination and Remuneration Committee (NRC) evaluates, among other factors, the candidate's qualifications, expertise, key skills, and competencies before recommending appointments to the Board.

i) Skills/ Expertise / Competencies of the Board required in the context of the business.

The Company strives to foster a diverse range of demographic attributes and perspectives within the Board, enhancing its ability to provide strategic foresight and contribute meaningfully to decision-making. The Board consists of accomplished leaders and domain experts who collectively drive the Company's goals while ensuring responsible, effective, and sustainable operations.

Based on the NRC's recommendations, the Board has identified and mapped the core skills, expertise, and competencies required for the Company's business operations. These attributes, essential for the Board's effective functioning, are currently represented among the existing Directors.

ANNEXURE E (Contd.)

Sr. No.	List of Core skills / expertise / Competencies	Mr. Yatin S. Shah	Dr. Suhasini Y. Shah	Mr. Karan Y. Shah	Mr. Ravindra R. Joshi	Mrs. Savani A. Laddha	Dr. Ameet N. Dravid	Ms. Apurva P. Joshi	Mr. Suhas J. Ahirrao	Mrs. Anagha A. Anasingaraju
A	Technical									
1	Finance				√	√	√	√	√	√
2	Law		√		√	√	√	√	√	√
3	Management	√	√	√	√	√	√	√	√	√
4	Sales & Marketing	√		√	√					
5	Manufacturing & Operations	√		√	√					
6	Research & Development	√		√			√	√		
7	Human Resource		√	√						√
8	Information Technology	√	√	√	√	√		√		
B	Industry									
1	Knowledge about Economy	√	√	√	√	√	√	√	√	√
2	Industry experience	√	√	√	√				√	
3	Knowledge of business sector	√	√	√	√	√	√	√	√	√
C	Governance									
1	Compliance Management		√		√	√		√	√	√
2	Knowledge about statutory / regulatory laws	√	√		√	√	√	√	√	√
3	Experience in developing and implementing Risk Management		√		√	√		√	√	√
4	Strategic Planning	√	√	√	√		√		√	
D	Others									
1	Communication and Interpersonal Skills	√	√	√	√	√	√	√	√	√
2	Public Relations	√	√	√			√			
3	Corporate Restructuring	√	√	√	√	√		√	√	√

ANNEXURE E (Contd.)

Sr. No.	List of Core skills / expertise / Competencies	Mr. Yatin S. Shah	Dr. Suhasini Y. Shah	Mr. Karan Y. Shah	Mr. Ravindra R. Joshi	Mrs. Savani A. Laddha	Dr. Ameet N. Dravid	Ms. Apurva P. Joshi	Mr. Suhas J. Ahirrao	Mrs. Anagha A. Anasingaraju
4	Environment and sustainability	√	√	√			√			√
5	Corporate Social Responsibility	√	√	√		√	√	√	√	√

j) Board Independence:

Every Independent Director, at the first meeting of the Board in which he / she participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he / she meets the criteria of independence as provided under the law and that he / she is not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his / her ability to discharge his / her duties with an objective independent judgement and without any external influence. In the opinion of the Board, the Independent Directors fulfil the conditions specified in the Listing Regulations and are independent of the management.

1. Audit Committee**(a) Brief description of terms of reference:**

The Audit Committee functions according to its Charter that defines its composition, authority, responsibility and reporting functions in accordance with Section 177 of the Act, Regulation 18(3) read with Part C of Schedule II of the Listing Regulations as mentioned below: -

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
3. Approval of payment to Statutory Auditors for any other services rendered by the statutory auditors.

4. Reviewing with the management, annual financial statements and auditors report thereon before submission to the Board for approval, with particular reference to:

- (i) matters required to be included in the Directors Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies, Act, 2013.
- (ii) changes, if any, in accounting policies and practises and reasons for the same.
- (iii) major accounting entries involving estimates based on the exercise of judgement by management.
- (iv) significant adjustments made in the financial statements arising out of audit findings.
- (v) compliance with listing and other legal requirements relating to financial statements.
- (vi) disclosures of any related party transactions and
- (vii) modified opinion(s) in the draft audit report (if any).

5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
6. Reviewing with the management, the statement of uses/application of funds raised through an issue (public issue) the statement of funds utilised for purposes other than those stated in offer document/

ANNEXURE E (Contd.)

7. Reviewing and monitoring auditor's independence and performance and effectiveness of audit process.
8. Approval of any subsequent modification of transactions of the Company with related parties.
9. Scrutiny of inter-corporate loans and investments.
10. Valuation of undertakings or assets of the Company, wherever it is necessary.
11. Evaluation of internal financial controls and risk management systems.
12. Reviewing the management performance of statutory auditors, internal auditors and adequacy of internal control systems.
13. Reviewing the adequacy of internal audit function, if any, including the structure of internal audit department, staffing, seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
14. Discussion with the internal auditors of any significant findings and follow-up thereon.
15. Reviewing the findings of any internal investigation by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.
17. Looking into the reasons for substantial defaults in the payment of depositors

prospectus/ notice (if any) and the report submitted by the monitoring agency the utilisation of proceeds of a public and making appropriate recommendations to the Board to take up steps in this matter.

(if any), debenture holders (if any), shareholders (in case of payment of declared dividends) and creditors.

18. Reviewing the functioning of the whistleblower mechanism.
19. Approval of appointment of the CFO after assessing the qualifications, experience and background etc., of the candidate.
20. Reviewing the utilisation of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing.
21. Review of Management Discussion and analysis of financial condition and results of operations.
22. Review of Statement of significant related party transactions (as defined by the audit Committee) submitted by the Management.
23. Review of Management letter/letters of internal control weaknesses issued by the statutory auditors.
24. Review of Internal Audit reports relating to internal control weaknesses.
25. Review of appointment, removal and terms of remuneration of the Chief Internal Auditor.
26. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
27. Carrying out any other function as is mentioned in terms of reference of the Audit Committee.

(b) Composition, Name of members and Chairperson:

The Audit Committee of the Company is constituted in compliance with the provisions of Regulation 18 of the Listing Regulations and

ANNEXURE E (Contd.)

the provisions of Section 177 of the Act and rules made thereunder. All members of the Committee are financially literate, having the relevant accounting and financial management expertise.

The composition of the Audit Committee as on March 31, 2026, is as under:

Sr. No.	Name of Member	Designation	Position held in the Committee
1.	Mrs. Savani A. Laddha	Independent Director	Chairperson
2.	Mr. Ravindra R. Joshi	Whole-time Director & CFO	Member
3.	Mr. Suhas J. Ahirrao	Independent Director	Member
4.	Dr. Ameet N. Dravid	Independent Director	Member
5.	Ms. Apurva P. Joshi	Independent Director	Member
6.	Mrs. Anagha A. Anasingaraju	Independent Director	Member

Mr. Harshal J Kher, Company Secretary, acts as the Secretary of the Committee. Further, the Chairperson of the Audit Committee was present at the Annual General Meeting to address the queries of the shareholders.

(c) Meetings and attendance during the year:

The Committee met **4 (four)** times during the year. The meetings were held on May 27, 2025; August 11, 2025; November 11, 2025, and February 11, 2026.

The details of the Audit Committee meetings and their attendance during the Financial Year ended March 31, 2026, are as under: -

Sr. No.	Name of Member	Meetings held during the year			
		May 27, 2025	August 11, 2025	November 11, 2025	February 11, 2026
1.	Mrs. Savani A. Laddha	√	√	√	LOA
2.	Mr. Ravindra R. Joshi	LOA	√	√	√
3.	Mr. Suhas J. Ahirrao	√	√	√	√
4.	Ms. Apurva P. Joshi	√	√	√	√
5.	Dr. Ameet N. Dravid	√	√	√	√
6.	Mrs. Anagha A. Anasingaraju	√	√	LOA	√

(√- Attended, LOA – Leave of Absence, NA-Not Applicable)

Note: Refer notes given under Composition and Category of Directors for details of change in composition of Directors.

2. Nomination and Remuneration Committee

a. Brief description of terms of reference:

The Nomination and Remuneration Committee functions according to its Charter that defines its composition, authority, responsibility and reporting functions in accordance with Section 178 of the Act, Regulation 19(4) read with Part D Para A of Schedule II of the Listing Regulations as mentioned below: -

1. Formulation of criteria for determining qualifications, positive attributes and independence of a director and

recommend to the Board of Director a policy relating to, the remuneration of the directors, key managerial personnel, and other employees. The Nomination and Remuneration Committee shall, while formulating the policy ensure that—

- a. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;

ANNEXURE E (Contd.)

- b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - c. remuneration to Directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals:

Provided that such policy shall be placed on the website of the Company, if any, and the salient features of the policy and changes therein, if any, along with the web address of the policy, if any, shall be disclosed in the Board's report.
2. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and based on such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For identifying suitable candidates, the Committee may:
 - a. uses the services of an external agencies, if required.
 - b. considers candidates from a wide range of backgrounds, having due regard to diversity; and
 - c. considers the time commitments of the candidates.
 3. Formulate criteria for determining Board composition, Board effectiveness, Board succession, and independent functioning of the Board.
 4. Recommend the appointment and removal of directors for approval at the AGM.
 5. Formulation of criteria for evaluation of performance of Independent Directors on the Board and of the Board of Directors.
 6. Devising a policy on Board diversity.
 7. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommending to the Board their appointment and removal.
 8. Decide whether to extend or continue the appointment of the Independent Director, based on the performance evaluation report of the Independent Director.
 9. Recommend to the Board all remuneration, in whatever form, payable to Senior Management.
 10. Framing suitable policies and systems to ensure that there is no violation, by an employee of any applicable laws in India or Overseas, including:
 - a. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation 1992 or
 - b. The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2013
 11. Performing any other activities as may be delegated by the Board of Directors and/or any statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee.

ANNEXURE E (Contd.)

b. Composition, Name of members and Chairperson:

The Nomination and Remuneration Committee (NRC) has been constituted by the Board in compliance with the requirements of Regulation 19 of the Listing Regulations and Section 178 of the Act and rules made thereunder.

The composition of the NRC as on March 31, 2026, is as under:

Sr. No.	Name of Member	Designation	Position held in the Committee
1.	Mrs. Savani A. Laddha	Independent Director	Chairperson
2.	Dr. Ameet N. Dravid	Independent Director	Member
3.	Ms. Apurva P. Joshi	Independent Director	Member
4.	Mrs. Anagha A. Anasingaraju	Independent Director	Member

c. Meeting and attendance during the year:

The Committee met once during the year. The meetings were held on May 27, 2025.

The details of the NRC meetings and its attendance during the Financial Year ended March 31, 2026, are as under: -

Sr No.	Name of Member	Meetings held during the year
		May 27, 2025
1.	Mrs. Savani A. Laddha	√
2.	Dr. Ameet N. Dravid	√
3.	Ms. Apurva P. Joshi	√
4.	Mrs. Anagha A. Anasingaraju	√

(√- Attended, NA-Not Applicable)

Note: Refer notes given under Composition and Category of Directors for details of change in composition of Directors.

All the recommendations of the Nomination and Remuneration Committee have been accepted by the Board of Directors.

d. Performance evaluation criteria for independent directors:

Pursuant to the provisions of the Act and the applicable provisions of the Listing Regulations, the Annual Performance Evaluation was carried out for the Financial Year 2025-26.

The Company has devised the criteria for evaluation of the performance of the Independent Directors. The said criteria specify certain parameters like strategic decisions, diligence, ethical behavior, values, management skills, stakeholder relationship, communication inter se between board

members, effective participation, domain knowledge, compliance with code of conduct.

3. Stakeholders' Relationship Committee 8

(a) Name of the Non- Executive Director heading the committee: Dr. Suhasini Y. Shah

(b) Name and designation of the Compliance Officer as on March 31, 2026:

Mr. Harshal Jagdish Kher, Company Secretary and Compliance Officer

3rd Floor, "Kohinoor B Zone Baner", Mumbai – Bangalore Highway, Baner, Pune – 411045

(c) Brief description of terms of reference:

The Stakeholders' Relationship Committee functions in accordance with Section 178 of the Act and Regulation 20 read with, Part D,

ANNEXURE E (Contd.)

Para B of Schedule II of the Listing Regulations. The suitably revised terms of reference enumerated in the Charter, after incorporating therein the regulatory changes mandated under the Listing Regulations are as follows: -

1. Resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.
5. Carry out any other function contained in the equity listing agreement as and when amended from time to time.

(d) Composition, Name of members and Chairperson

The Stakeholders' Relationship Committee (SRC) has been constituted by the Board in compliance with Section 178 of the Act and Regulation 20 of the Listing Regulations.

The composition of the SRC as on March 31, 2026, is as under:

Sr. No.	Name of Member	Designation	Position held in the Committee
1.	Dr. Suhasini Y. Shah	Non-Executive, Non-Independent Director	Chairperson
2.	Mr. Karan Y. Shah	Whole-time Director	Member
3.	Dr. Ameet N. Dravid	Independent Director	Member
4.	Mrs. Anagha S. Anasingaraju	Independent Director	Member

Mr. Harshal J Kher, Company Secretary, acts as the Secretary of the Committee. Further, the Chairperson of the Stakeholders Relationship Committee was present in the Annual General Meeting to address the queries of the shareholders.

(e) Meetings and attendance during the year:

The Committee meets **once** a year. The meeting was held on May 27, 2025.

The details of the SRC meetings and their attendance during the Financial Year ended March 31, 2026, are as under: -

Sr No.	Name of Member	Meetings held during the year
		May 27, 2025
1.	Dr. Suhasini Y. Shah	√
2.	Mr. Karan Y. Shah	√
3.	Dr. Ameet N. Dravid	√
4.	Mrs. Anagha S. Anasingaraju	√

(√- Attended, NA-Not Applicable)

Note: Refer notes given under Composition and Category of Directors for details of change in composition of Directors.

ANNEXURE E (Contd.)

(f) Details of complaints received and attended to during the Financial Year 2025-26 are given below:

Opening Balance as on April 01, 2025	Received during the year	Resolved during the year	Not Resolved during the year	Closing Balance as on March 31, 2026
0	0	0	0	0

4. Corporate Social Responsibility Committee**(a) Terms of Reference:**

- Formulate and recommend to the Board a Corporate Social Responsibility Policy which will indicate the activities to be undertaken by the Company in accordance with Schedule VII of the Act as amended from time to time.
- Recommending the amount of expenditure to be incurred on CSR activities.
- Monitor implementation and adherence to the CSR Policy of the Company from time to time
- Such other activities as the Board of Directors determine as they may deem fit in line with CSR Policy.

The Board has adopted the CSR Policy as formulated and recommended by the Committee. The CSR Policy is available on the website of the Company at [PCL - CSR Policy](#). The Annual Report on CSR activities has been attached to the Board's Report as **Annexure C** for the Financial Year 2025-26 forms part of the Board's Report.

(b) Composition:

The Corporate Social Responsibility (CSR) Committee has been constituted by the Board in compliance with the requirements of Section 135 of the Act.

The composition of the CSR Committee as on March 31, 2026, is as under:

Sr. No.	Name of Member	Designation	Position held in the Committee
1.	Mr. Yatin S. Shah	Chairman and Managing Director	Chairman
2.	Dr. Suhasini Y. Shah	Non-Executive, Non-Independent Director	Member
3.	Mr. Suhas J. Ahirrao	Independent Director	Member
4.	Dr. Ameet N. Dravid	Independent Director	Member
5.	Ms. Apurva P. Joshi	Independent Director	Member

(c) Meetings and attendance during the year after meetings:

The Committee met **4 (Four)** times during the year. The meetings were on May 27, 2025; August 11, 2025; November 11, 2025, and February 11, 2026. Requisite quorum was present at the above Meetings.

The details of the CSR Committee meetings and their attendance during the Financial Year ended March 31, 2026, are as under:

Sr No.	Name of Member	Meetings held during the year			
		May 27, 2025	August 11, 2025	November 11, 2025	February 11, 2026
1.	Mr. Yatin S. Shah	√	√	√	√
2.	Dr. Suhasini Y. Shah	√	√	√	√
3.	Mr. Suhas J. Ahirrao	√	√	√	√
4.	Dr. Ameet N. Dravid	√	√	√	√
5.	Ms. Apurva P. Joshi	√	√	√	√

(√- Attended, NA-Not Applicable)

Note: Refer notes given under Composition and Category of Directors for details of change in composition of Directors.

ANNEXURE E (Contd.)

5. Risk Management Committee

Regulation 21 of Listing Regulations mandates top 1000 listed entities, determined on the basis of market capitalisation as at the end of the immediate previous financial year, to constitute a Risk Management Committee (RMC). The primary role of the RMC is that of assisting the Board of Directors in overseeing the Company's risk management processes and controls. The RMC, through Enterprise Risk Management in the Company, seeks to minimize adverse impact on the business objectives and enhance stakeholder value.

(a) Terms of Reference:

- To formulate a detailed risk management policy which shall include:
 - A framework for identification of internal and external risks specifically faced by the listed entity, including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - Measures for risk mitigation including systems and processes for internal control of identified risks.
 - Business continuity plan.
- To ensure that appropriate methodology, processes, and systems are in place to monitor and evaluate risks associated with the business of the Company.
- To monitor and oversee implementation of the risk management policy, including

evaluating the adequacy of risk management systems.

- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity.
- To keep the Board of Directors informed about the nature and content of its discussions, recommendations, and actions to be taken.
- The appointment, removal, and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.
- To coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of Directors
- To seek information from any employee of the Company, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.
- Balance risks and opportunities.
- Nurture a healthy and independent risk management function in the Company.
- Carry out any other function as is referred by the Board from time to time.
- And terms as mentioned in the Risk Management Policy of the Company.

The Risk Management Policy is available on the website of the Company at [PCL- Risk Management Policy](#)

ANNEXURE E (Contd.)

(b) Composition:

The composition of RMC as on March 31, 2026, is as below:

Sr. No.	Name of Member	Designation	Position held in the Committee
1.	Mr. Yatin S. Shah	Chairman and Managing Director	Chairman
2.	Mr. Ravindra R. Joshi	Whole-time Director and Finance	Member
3.	Mr. Karan Y. Shah	Whole-time Director	Member
4.	Mr. Rajkumar K. Kashid	General Manager – Human Resources	Member
5.	Mr. Suhas J. Ahirrao	Independent Director	Member
6.	Mrs. Savani A. Laddha	Independent Director	Member
7.	Mr. Deepak Prabhakar Kulkarni	Deputy General Manager- Product Development	Member

(c) Meetings and attendance during the year after meetings:

The Committee met **2 (Two) times** during the year. The meetings were held on August 11, 2025, and February 23, 2026. However, the meetings of the RMC should have been held as per the provisions of Regulation 21 of the SEBI Listing Regulations.

The details of the RMC meetings and its attendance during the Financial Year ending March 31, 2026, are as under:

Sr. No.	Name of Member	Risk Management Committee (RMC) Meetings held during the year	
		August 11, 2025	February 23, 2026
1.	Mr. Yatin S. Shah	√	LOA
2.	Mr. Ravindra R. Joshi	√	LOA
3.	Mr. Karan Y. Shah	√	√
4.	Mr. Rajkumar K. Kashid	√	√
5.	Mrs. Savani A. Laddha	√	√
6.	Mr. Suhas J. Ahirrao	√	√
7.	Mr. Deepak Prabhakar Kulkarni	√	√

(√- Attended, LOA- Leave of Absence, NA-Not Applicable)

Note: Refer notes given under Composition and Category of Directors for details of change in composition of Directors.

6. Remuneration of Directors

The remuneration policy of the Company is formulated to create the best performance culture. It helps the Company to retain, motivate and attract talent and contribute towards the growth of the Company. The policy is uploaded on the website of the Company at [PCL – Policy on Remuneration](#).

The Company does not pay sitting fees to the Directors for attending the meetings. The commission on profits is payable to Non-Executive Directors based on time and contribution. The shareholders of the Company had approved payment of commission on profits to Non-Executive Directors for a sum not exceeding 1% of the annual net profits of the Company for a period of 4 Years (April 01, 2023, to March 31, 2027) in accordance with the provisions the Companies Act, 2013 at the 31st Annual General Meeting. The Board of Directors is authorised to decide the quantum within the limits.

ANNEXURE E (Contd.)

(a) All pecuniary relationships or transactions of the Non-Executive Directors:

Sr. No.	Name of Director	Commission relating to 2025-26 (paid in 2026-27) ₹ in lakhs	Relationship
1.	Dr. Suhasini Y. Shah	5.00	Spouse of Mr. Yatin S. Shah and Mother of Mr. Karan Y. Shah
2.	Mrs. Savani A Laddha	5.00	There is no pecuniary relationship with the Company, and they have not entered any transaction with the Company except payment of Commission for the Financial year and reimbursement of expenses.
3.	Dr. Ameet N. Dravid	5.00	
6.	Ms. Apurva P. Joshi	5.00	
7.	Mr. Suhas J. Ahirrao	5.00	
8.	Mrs. Anagha S. Anasingaraju	5.00	

The policy on Criteria for making payment to non- executive directors is disseminated on the website of the Company at [PCL – Policy on Remuneration](#)

(b) All pecuniary relationships or transactions of the Executive Directors:

Given below are details pertaining to certain terms of appointment and payment of Managerial Remuneration to the Managing Director, Whole-time Directors and Chief Financial Officer for 2025-26. (Amount in ₹ lakhs)

Sr. No.	Name of Director	Basic Salary (₹)	Benefits, Perquisites and Allowances (₹)	Retirement benefits (₹)	Total (₹)
1	Mr. Yatin S. Shah Chairman and Managing Director	159.42	114.54	39.85	313.81
2	Mr. Ravindra R. Joshi Whole-time Director and Chief Financial Officer	136.25	106.82	34.06	277.13
3	Mr. Karan Y. Shah Whole-time Director – Business Development	35.98	24.49	10.47	70.94

Note:

The Company does not have any service contracts with its directors, nor are any severance fees payable to the Directors.

Stock Options are not given to the Directors during the year.

7. General Body Meetings:

(a) Details of the last 3 (three) Annual General Meeting of the Company and the Special Resolutions passed thereat are as under:

Sr. No.	Financial Year	Date	Time	Venue	Special Resolutions passed at the AGM
1	2024-25 33 rd Annual General Meeting	July 30, 2025	03.00 PM	Conducted via Video Conferencing (VC)/ Other Audio Visual Means (OAVM) hosted from D5 MIDC, Chincholi, Solapur – 413255	1. Appointment of Ms. Ruchi Bhawe, Practicing Company Secretary as Secretarial Auditor of the Company for a period of five years. 2. Ratification of remuneration of cost auditors for the FY March 31, 2026.

ANNEXURE E (Contd.)

Sr. No.	Financial Year	Date	Time	Venue	Special Resolutions passed at the AGM
					3. To approve remuneration payable to the promoter group in excess of the limits prescribed under Regulation 17(6)(e) of SEBI Listing Regulations, 2015.
2	2023-24 32 nd Annual General Meeting	July 26, 2024	03.00 PM	Conducted via Video Conferencing (VC)/ Other Audio Visual Means (OAVM) hosted from 3rd Floor "Kohinoor B Zone Baner" Mumbai- Bangalore Highway Baner Pune 411045	1. Re-appointment of Dr. Ameet N. Dravid (DIN:06806783) as an Independent Director 2. Re-appointment of Ms. Apurva P. Joshi (DIN:06608172) as an Independent Director 3. Re-appointment of Mr. Suhas J. Ahirrao (DIN:10090429) as an Independent Director 4. Re-appointment of Mrs. Anagha S. Anasingaraju (DIN: 02513563) as an Independent Director 5. Shifting of registered office of the Company 6. Ratification of remuneration of cost auditors for the FY March 31, 2025.
3	2022-23 31 st Annual General Meeting	July 26, 2023	03.00 PM	Conducted via Video Conferencing (VC)/ Other Audio Visual Means (OAVM) hosted from Office No. 501/502, Kanchanban "B" Sunit Capital, Senapati Bapat Road, Pune 411016	NA.

During the year under review, following businesses were transacted through the postal ballot dated October 15, 2025:

- To seek approval for disposal of 100% shareholding in material subsidiary by initiating insolvency proceedings.

Mr. Jayavant B, Bhavne, Proprietor of M/s J. B. Bhavne & Co., Company Secretaries was appointed as the Scrutinizer for conducting the postal ballot and e-voting exercise. The details of voting results are as follows:

A. Results of postal ballot dated October 15, 2025:

- To seek approval for disposal of 100% shareholding in material subsidiary by initiating insolvency proceedings:

Particulars	% of total votes	Result
Votes in favour of the resolution	99.9815	Passed with requisite majority
Votes against the resolution	0.0185	

ANNEXURE E (Contd.)

8. Means of communication:

The Company recognises communication as a key element to the overall Corporate Governance framework, and therefore emphasises prompt, continuous, efficient and relevant communication to all external constituencies.

Financial Results: The Quarterly, Half Yearly and Annual Results are regularly submitted to the Stock Exchanges, in accordance with the SEBI Listing Regulations. The Results are generally published in Business Standard (English) Newspaper having nationwide circulation and Tarun Bharat (Marathi) Newspaper having circulation in Solapur.

Investors/ Analyst Meets: The Company hosts earnings call after the declaration of financial results for the Investors/ Analysts. The representatives of the Company address the concerns of the attendees in a precise manner.

Website: The Company's website (www.pclindia.in) is a comprehensive reference on its leadership,

9. General Shareholder Information:

(a) Information:

I.	Annual General Meeting – Date, Time and Venue	Thursday, July 30, 2026 at 03.00 PM through Video Conferencing (VC) and Other Audio Visual Means (OAVM)
II.	Video Conference, If Yes, Link	Yes Link is provided in Notes to the AGM Notice
III.	Financial Year	April 01, 2025, to March 31, 2026
IV.	Cut off for E - Voting and Dividend (if any)	July 23, 2026
V.	Date of Dividend Payment	The Dividend, if declared at AGM will be paid on or before August 28, 2026
VI.	Dates of Book Closure	July 24, 2026 to July 30, 2026 (Both days inclusive)
VII.	E - Voting Lines open	July 27, 2026 from 9.00 AM (IST) to July 29, 2026 till 5.00 PM (IST)
VIII.	The name and address of each stock exchange(s) at which the listed entity's securities are listed	BSE Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001, Maharashtra, India Tel No: (022) 22721233/4, 91-22-66545695 Fax: (022) 22721919 National Stock Exchange of India Ltd., Exchange Plaza, 5th Floor, Plot no. C-1, G Block, Bandra-Kurla Complex, Bandra(E), Mumbai-400051 Maharashtra, India Tel No: (022) 26598100 - 8114 Fax No: (022) 26598120
IX.	Stock Code	539636 PRECAM
X.	ISIN	INE484I01029
XI.	Confirmation about payment of annual listing fee to each of such stock exchange(s);	The Company has paid Listing Fees for the financial year 2025-26 to each of the Stock Exchanges, where the equity shares of the Company are listed.

management, vision & Mission, Product, Group Companies, and Investor Relations. The Stakeholders can access the details of the Board, its Committees, Financials, Presentations, Transcripts, Shareholding Pattern, Notices, Annual Report, Company Announcements, Corporate Governance, Policies, Terms of Appointment of Independent Directors, Familiarisation Programme. In addition, various downloadable forms required to be executed by the shareholders have also been provided on the website of the Company.

Electronic Communication: The Company had sent Annual Reports during 2025-26, by email to those shareholders whose email addresses were registered with the Depositories. In support of the 'Green Initiative' the Company encourages Members to register their email address with their Depository Participant, to receive soft copies of the Annual Report, Notices and other information disseminated by the Company, on a real-time basis without any delay.

ANNEXURE E (Contd.)

(b) In case the securities are suspended from trading, the Directors' report shall explain there as on thereof: NA

(c) Registrar to an issue and share transfer agents

MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited)

C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai, Maharashtra, 400083

Tel: - +91 20 2616 0084, 2616 1629 • Fax: - +91 20 2616 3503

SEBI Registration: INR000004058

Contact Person: Mr. Ashok Gupta, mumbai@linkintime.co.in

website: www.linkintime.co.in

(d) Share transfer system:

According to the SEBI Listing Regulations, no shares can be transferred unless they are held in dematerialised mode. Share transfers, dividend payments and all other investor-related activities are attended to and processed at the Office of the Company's Registrar and Share Transfer Agent. For lodgment of transfer deeds and any other documents or for any grievances/complaints, kindly contact M/s MUFG Intime India Private Limited at the above-mentioned address which are open from 10:00 AM to 5:00 PM between Monday to Friday (except on bank holidays).

(e) Distribution of shareholding

No. of Shares	Shareholders		Equity shares held	
	No. of shareholders	% to Total	No. of shares	% to Total
1-500	56,182	90.4498	5,280,801	5.5596
501-1000	3,089	4.9731	2,404,737	2.5317
1001-2000	1,518	2.4439	2,262,153	2.3816
2001-3000	512	0.8243	1,297,906	1.3664
3001-4000	233	0.3751	824,062	0.8676
4001-5000	164	0.2640	770,416	0.8111
5001-10000	256	0.4121	1,852,533	1.9503
10001- above	160	0.2576	80,293,227	84.5318
Total	62,114	100	94,985,835	100

(f) Shareholding Summary as on March 31, 2026:

Category	Total Shares	% to equity
Physical	0	0
NSDL	83,127,236	87.51
CDSL	11,858,599	12.48

(g) Outstanding global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity: **NA**

(h) Foreign exchange risk and hedging activities: **Appropriate disclosure is given in Note of the Notes to the Standalone Financial Statements**

(i) Plant locations and Address for correspondence:

1) D-5, MIDC Chincholi, Solapur - 413255	<p>Address for correspondence Precision Camshafts Limited</p> <p>Registered Office: D-5, MIDC Chincholi, Solapur - 413255</p> <p>Corporate Office: 3rd Floor, "Kohinoor B Zone Baner," Mumbai – Bangalore Highway, Baner, Pune – 411045 • Tel. No. 020 – 25673050</p>
---	---

ANNEXURE E (Contd.)

(j) List of all credit ratings obtained by the Company during the financial year and revisions thereto, if any

The Company has not obtained the credit rating during the financial year under review.

10. Other Disclosures:

(a) There have been no materially significant related party transactions that may have potential conflict with the interests of the Company at large.

(b) During the last three years, there were no instances of non-compliance by the Company and no penalty or structures were imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to the capital markets, except as given below:

Regulation	Quarter	Date of Submission with NSE and BSE	Days of Non-Compliance	Fine Amount per day		Date of payment	
				NSE	BSE	NSE	BSE
NA	NA	NA	NA	NA	NA	NA	NA

(c) The Company has laid down a Whistle Blower Policy, which includes Vigil Mechanism with detailed process for raising concerns by any of the employees, customers, vendors & investors, addressing the concerns and reporting to the Audit Committee/ Board. The Company affirms that no personnel had been denied access to the audit committee under Whistle Blower Policy.

(d) The Company has complied with all the mandatory requirements under SEBI Listing Regulations. The following non-mandatory requirement under Part E of Schedule II of the SEBI Listing Regulations, 2015 to the extent they have been adopted are mentioned below:

Reporting of Internal Auditor: The Internal Auditor reports to the Audit Committee and participates in the meetings of the Audit Committee and presents Internal Audit observations to the Audit Committee.

(e) The policy for determining Material Subsidiaries formulated by the Board of Directors is disclosed on the Company's website at [PCL - Policy for determining Material Subsidiaries](#)

(f) The policy for transactions with related party formulated by the Board of Directors is disclosed on the Company's website at [PCL - Policy on Related Party Transactions](#)

(g) Disclosure of commodity price risks and commodity hedging activities: **NA**

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

(i) The Company has obtained a certificate from Mr. Jayavant B. Bhavne of M/s J B Bhavne & Co., Practicing Company Secretary, that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

(j) The Board of Directors has accepted all recommendations of all committees of the Board, which is mandatorily required, in the Financial Year 2025-26

(k) Brief details of the fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/ network entity of which the statutory auditor is a part, are given below:

Sr. No.	Particulars	Amount (₹ in lakhs)
1	Fees for Audit (2024-25)	35
3	Out of pocket expenses	0
	Total	35

ANNEXURE E (Contd.)

- (l) The Company has implemented policy for Prevention of Sexual Harassment of Women at Workplace.
- Number of complaints filed during the year. NIL
 - Number of complaints disposed of during the year. NIL
 - Number of complaints pending as at end of financial year. NIL
- (m) Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount': NA
- (n) Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries: NA
11. Non-compliance of any requirement of corporate governance report with reasons thereof: NA.
12. The Company has complied with corporate governance requirements specified in regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46.
13. The Company is in compliance with the disclosures required to be made under this report in accordance with Regulation 34(3), read together with Schedule V(C) to the SEBI Listing Regulations.
14. Securities and Exchange Board of India (SEBI) vide its Circular dated July 31, 2023 (Updated as on August 04, 2023), has announced the introduction of a common Online Dispute Resolution Portal ("ODR Portal"), whereby the existing dispute resolution mechanism in the Indian securities market is being streamlined under the aegis of Stock Exchanges and Depositories (collectively referred to as Market Infrastructure Institutions (MIIs)), by expanding their scope and by establishing a common ODR Portal which harnesses online conciliation and online arbitration for resolution of disputes arising in the Indian Securities Market. The ODR Portal named "SMART ODR" can be accessed through the URL: <https://smartodr.in/login>.
15. Information of Senior Management
- Details of Senior Management Personnel as on March 31, 2026, as defined under Regulation 16(1)(d) of SEBI (LODR) Regulations are as follows:

Sr. No.	Name	Designation
1.	Rajkumar Kashid	General Manager (Human Resources)
2.	Viplav Roy	Deputy General Manager – Project & Machine Shop
3.	Deepak Kulkarni	Deputy General Manager- Projects
4.	Chidanand Mundodgi	Deputy General Manager - Foundry
5.	Pradeep Mahindrakar	Assistant General Manager- Machine Shop
6.	Aarohi Deosthali	Deputy General Manager – Accounts
7.	Salil Parulekar	Assistant General Manager - Supply Chain & Strategic Sourcing
8.	Harshal Kher	Company Secretary and Compliance Officer

Declaration regarding compliance with the Company's Code of Conduct

Pursuant to the regulation 26 (3) read with part D of the Schedule V of the SEBI Listing Regulations, I, Yatin S. Shah, Chairman and Managing Director, hereby declare that the members of Board of Directors and Senior Management Personnel have affirmed compliance with the code of conduct of board of directors and senior management for the Financial Year ended March 31, 2026.

For and on behalf of the Board of Directors of
Precision Camshafts Limited

Yatin S. Shah
Chairman & Managing Director
DIN: 00318140

Date: May 22, 2026
Place: Mangalwedha

ANNEXURE F

Date: May 22, 2026

To,
Mr. Ravindra R. Joshi
Whole-time Director and Chief Financial Officer
Precision Camshafts Limited
D5, M.I.D.C. Chincholi,
Solapur, North Solapur 413255
Maharashtra, India.

Subject: Assignment of Corporate Governance Audit under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir,

This has reference to the assignment of conducting audit for issue of Corporate Governance Certificate of **Precision Camshafts Limited** under Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended March 31, 2026.

I have conducted verification/examination of all relevant records of the Company as per the data and documents provided by you for the purpose of issuing the said certificate for the financial year ended March 31, 2026.

Thanking you,

Yours faithfully,

For **J. B. Bhavé & Co.**
Company Secretaries

Jayavant B. Bhavé
Proprietor

ANNEXURE F (Contd.)

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE BY COMPANY SECRETARY IN WHOLE-TIME PRACTICE

To,
The Members of Precision Camshafts Limited
 D5, M.I.D.C. Chincholi, Solapur,
 North Solapur 413255, Maharashtra, India

I have examined all relevant records of **Precision Camshafts Limited**, (CIN: L24231PN1992PLC067126) for the purpose of certifying compliance of the conditions of Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR Regulations, 2015) for the financial year ended March 31, 2026. I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of the above certification.

The compliance of conditions of corporate governance is the responsibility of the management. My examination was carried out in accordance with SEBI LODR Regulations, 2015. My examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of corporate governance. This certificate 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.

On the basis of my examination of the records produced, explanations and information furnished, I certify that the Company has complied with the mandatory conditions of the SEBI LODR Regulations, 2015 as applicable and amended from time to time *except for compliance of Regulation 21 (3C) of SEBI LODR Regulations, 2015.*

For **J. B. Bhavé & Co.**
 Company Secretaries

Jayavant B. Bhavé
 Proprietor
 FCS: 4266 CP: 3068
 UIN: S1999MH025400
 PR.NO.: 7781/2026
 UDIN: F004266H000416942

Date: May 22, 2026
 Place: Pune

ANNEXURE G**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

[Pursuant to Regulation 34(3) and Schedule V, Para C, Clause (10)(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
 The Members,
Precision Camshafts Limited
 D5, M.I.D.C. Chincholi, Solapur, North Solapur 413255
 Maharashtra, India

I have examined the relevant registers, record, forms, returns and disclosures received from the Directors of **Precision Camshafts Limited** having CIN: L24231PN1992PLC067126 and having Registered Office at D5, M.I.D.C. Chincholi, Solapur, North Solapur 413255 Maharashtra, India (hereinafter referred to as 'the Company'), produced before me 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 as stated below for the Financial Year ending on March 31, 2026 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of the Director	Designation	DIN	Date of Appointment in the Company
1.	Mr. Yatin Subhash Shah	Managing Director	00318140	June 08, 1992
2.	Mr. Ravindra Rangnath Joshi	Whole-Time Director	03338134	September 30, 2010
3.	Dr. Suhasini Yatin Shah	Non-Executive - Non-Independent Director	02168705	May 19, 2012
4.	Mr. Karan Yatin Shah	Whole-Time Director	07985441	August 13, 2018
5.	Mrs. Savani Arvind Laddha	Non-Executive - Independent Director	03258295	February 10, 2020
6.	Dr. Ameet Nandkumar Dravid	Non-Executive - Independent Director	06806783	August 10, 2024*
7.	Ms. Apurva Pradeep Joshi	Non-Executive - Independent Director	06608172	October 01, 2024*
8.	Mr. Suhas Jagannath Ahirrao	Non-Executive - Independent Director	10090429	October 01, 2024*
9.	Mrs. Anagha Srinivas Rao Anasingaraju	Non-Executive - Independent Director	02513563	October 01, 2024*

* This is the date of appointment for the Second Term as the Independent Directors. Original date of appointment was as follows

Mr. Amit N Dravid – August 10, 2022

Mr. Suhas J Ahirrao – March 29, 2023

Ms. Apurva P Joshi - March 29, 2023

Ms. Anagha S Anasingaraju - March 29, 2023

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the Management of the Company. My responsibility is to express an opinion on the same based on my verification. This Certificate is specifically being issued 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 and is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **J. B. Bhavé & Co.**
 Company Secretaries

Jayavant B. Bhavé
 Proprietor
 FCS: 4266 CP: 3068
 UIN: S1999MH025400
 P.R. NO.: 7781/2026 Date: May 22, 2026
 UDIN: F004266H000417019 Place: Pune

ANNEXURE H

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
For the year ended March 31, 2026

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

The Board of Directors,
PRECISION CAMSHAFTS LIMITED

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **PRECISION CAMSHAFTS LIMITED**. (Hereinafter called "the Company").

Secretarial Audit was conducted for the period April 01, 2025 to March 31, 2026 in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances of the Company 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, the explanations and clarifications given to us and representations made by the Management. I hereby report that in my opinion, the Company has, for the year ended March 31, 2026 during the audit period ("Audit Period"), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and legal 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 year ended March 31, 2026 according to the provisions of the following list of laws and regulations:

- (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 Byelaws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and 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'): -
 - a) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - b) SEBI (Prohibition of Insider Trading) Regulations, 2015;
 - c) SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d) SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - e) SEBI (Delisting of Equity Shares) Regulations, 2021; **[Not applicable during the audit period]**
 - f) SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **[Not applicable during the audit period]**
 - g) SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Companies Act and dealing with client;
 - h) SEBI (Depositories and Participants) Regulations, 2018;
 - i) SEBI (Buyback of Securities) Regulations, 2018; **[Not applicable during the audit period]**

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

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

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

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 Meetings, agenda and detailed notes on agenda are sent at least seven days in advance, and a system exists for seeking and obtaining

ANNEXURE H (Contd.)

further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

I further report that during the audit period:

1. The Company had made compounding applications under section 73 and 77 of the Companies Act, 1956 and sections 128 and 129 of the Companies Act, 2013 to the Regional Director on December 18, 2024, pursuant to order received from MCA. However, due to pendency of tax matter with Commissioner of Income Tax (CIT) the Company withdrew the said applications but reserved its right to re-submit the compounding applications post the matter stated above is decided by CIT.
2. The members in their Annual General Meeting held on July 30, 2025, approved:
 - a. Appointment of Ruchi Bhave as Secretarial Auditor of the Company for a term five consecutive years commencing from Financial Year 2025-26 till Financial Year 2029-30 – **Ordinary Resolution**
 - b. Approve the Remuneration Payable to the promoter group in excess of the limit prescribed under regulation 17 (6) (e) of SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015 – **Special Resolution.**

3. The Risk Management Committee ("RMC") meeting was held in Quarter ending September, 2025. However, the RMC Meeting should have been held in accordance with Regulations 21 and 3(2A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
4. The Board of Directors vide a circular resolution passed on August 29, 2025, approved the initiation of insolvency proceedings in respect of its step-down wholly owned subsidiary, MFT Motoren und Fahrzeugtechnik GmbH, Germany ("MFT"), held through PCL (International) Holding B.V., Netherlands, wholly owned subsidiary of the Company. MFT contributed to 12.92% of the consolidated turnover of the Company in FY 2024-25 making MFT a material subsidiary of the Company in FY 2025-26.

In view of the above, the Board of Directors vide a circular resolution passed on September 08, 2025 approved the Postal Ballot Notice seeking members approval by way of a special resolution for disposal of 100% shareholding in its material subsidiary viz. MFT by initiating insolvency proceedings. The Members have accorded their approval and the said resolution was considered and passed as a special resolution effective October 15, 2025.

5. The managerial remuneration paid to Managing Director and Whole Time Directors for the financial year 2025-26 is in excess of the limits prescribed under Section 197 of the Companies Act, 2013. Accordingly, the Company is in the process of placing the same for seeking requisite approvals at the ensuing Annual General Meeting.

This Report should be read along with my letter of even date annexed as Annexure and forms part of this Report for all purposes.

Ruchi Bhave

Practicing Company Secretary
FCS No. 13324 CP No. 27019
UIN: I2023MH2474600
PR No.: 7710/2026
UDIN: - F013324H000419730

Place: Pune
Date: May 22, 2026

ANNEXURE H (Contd.)

**ANNEXURE TO THE SECRETARIAL AUDIT REPORT FOR 2025-26 OF PRECISION CAMSHAFTS LIMITED
AUDITORS' RESPONSIBILITY**

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

In accordance with the ICSI Auditing Standards (CSAS1 to CSAS4), I wish to state as under-

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of 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 my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards are 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.

Ruchi Bhave

Practicing Company Secretary
FCS No. 13324 CP No. 27019

Place: Pune

Date: May 22, 2026

ANNEXURE I**SECRETARIAL COMPLIANCE REPORT****of Precision Camshafts Limited for the Financial Year ended March 31, 2026**

*[Pursuant to Regulation 24A of Securities and Exchange Board of India
(Listing Obligations and Disclosure Requirements) Regulations, 2015]*

I, Ruchi Bhave, Company Secretary in whole-time practice, have examined:

- a) all the documents and records made available to us and explanation provided by **Precision Camshafts Limited** ("the listed entity"),
- b) the filings/ submissions made by the listed entity to the stock exchanges,
- c) website of the listed entity,
- d) any other document/ filing, as may be relevant, which has been relied upon to make this certification, for the year ended March 31, 2026 ("Review Period") in respect of compliance with the provisions of:
 - a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
 - b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

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

- i. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

- ii. SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- iii. SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- iv. SEBI (Buyback of Securities) Regulations, 2018; **[Not applicable for the Review period]**
- v. SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- vi. SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **[Not applicable for the Review period]**
- vii. SEBI (Prohibition of Insider Trading) Regulations, 2015;
- viii. SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 2025;
- ix. SEBI (Delisting of Equity Shares) Regulations, 2021; **[Not applicable for the Review period]**
- x. SEBI (Depositories and Participants) Regulations, 2018; and circulars/ guidelines issued thereunder; and based on the above examination, I hereby report that, during the Review Period:

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

ANNEXURE I (Contd.)

Sr. No.	Compliance Requirement (Regulations/circulars/guidelines including specific clause)	Regulation/Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/Remarks of the Practicing Company Secretary	Management Response	Remarks
1	Meeting of Risk Management Committee ("RMC")	Regulations 3(2A) and 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations, 2015")	Gap between two RMC meetings exceeded 210 days	National Stock Exchange	Clarification sought on Corporate Governance report filed for Quarter ending June 30, 2025 vide email communication dated July 23, 2025 and August 13, 2025.	Gap between two RMC meetings exceeded 210 days	Nil	The Company was required to comply with Regulations 21 and 3(2A) of SEBI LODR Regulations, 2015 i.e. convene RMC meetings within a time gap of 210 days in a financial year unless its ranking changes in the list prepared in accordance with Regulation 3(2) of SEBI LODR Regulations, 2015 for next 3 consecutive years.	The Company convened an RMC Meeting on August 11, 2025. The omission was purely unintentional and without any mala fide intent.	The Company has convened an RMC Meeting on August 11, 2025 and reported the same in the Corporate Governance report filed for Quarter ending September 30, 2025

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

Sr. No.	Observations/Remarks of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the previous year(s)	Compliance Requirement (Regulations/circulars/guidelines including specific clause)	Details of violation / deviations and actions taken / penalty imposed, if any, on the listed entity	Details of violation / deviations and actions taken / penalty imposed, if any, on the listed entity	Comments of the PCS on the actions taken by the listed entity
						NIL

ANNEXURE I (Contd.)

(c) I hereby report that, during the review period the compliance status of the listed entity with the following requirements:

Sr. No.	Particulars	Compliance Status (Yes / No / NA)	Observations / Remarks by PCS
1.	Secretarial Standards: The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI).	Yes	-
2.	Adoption and timely updation of the Policies: <ul style="list-style-type: none"> All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities. All the policies are in conformity with SEBI Regulations and has been reviewed & timely updated as per the regulations/circulars/guidelines issued by SEBI. 	Yes	-
3.	Maintenance and disclosures on Website: <ul style="list-style-type: none"> The Listed entity is maintaining a functional website. Timely dissemination of the documents/ information under a separate section on the website. Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/ section of the website. 	Yes	-
4.	Disqualification of Director: <ul style="list-style-type: none"> None of the Director of the Company are disqualified under Section 164 of Companies Act, 2013. 	Yes	-
5.	Details related to Subsidiaries of listed entities: <ul style="list-style-type: none"> Identification of material subsidiary companies Requirements with respect to disclosure of material as well as other subsidiaries 	Yes	-
6.	Preservation of Documents: The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under the LODR Regulations.	Yes	-
7.	Performance Evaluation: The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations.	Yes	-

ANNEXURE I (Contd.)

Sr. No.	Particulars	Compliance Status (Yes / No / NA)	Observations / Remarks by PCS
8.	Related Party Transactions: <ul style="list-style-type: none"> The listed entity has obtained prior approval of Audit Committee for all Related party transactions. In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved / ratified / rejected by the Audit committee. 	Yes Yes	- -
9.	Disclosure of events or information: The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of the LODR Regulations within the time limits prescribed thereunder.	Yes	-
10.	Prohibition of Insider Trading: The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.	Yes	-
11.	Actions taken by SEBI or Stock Exchange(s), if any: No actions taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder (or) The actions taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges are specified in the last column.	NA	There were no actions taken by SEBI or Stock Exchanges except for the clarification mentioned above, at point (a).
12.	Resignation of statutory auditors from the listed entity or its material subsidiaries: In case of resignation of statutory auditor from the listed entity or any of its material subsidiaries during the financial year, the listed entity and / or its material subsidiary(ies) has / have complied with paragraph 6.1 and 6.2 of section V-D of chapter V of the Master Circular on compliance with the provisions of the LODR Regulations by listed entities.	NA	There were no such instances during the review period. However, M S K A & Associates has converted itself into a Limited Liability Partnership under the provisions of the Limited Liability Partnership Act, 2008 viz. M S K A & Associates LLP w.e.f. January 13, 2026 (ICAI Firm Registration No. is 105047W/W101187)
13.	No additional non-compliances observed: No additional non-compliance observed for any of the SEBI regulation/circular/guidance note etc.	NA	No such instance.

*Observations/Remarks by PCS are mandatory if the compliance status is provided as 'No' or 'NA'

ANNEXURE I (Contd.)

I further, report that the listed entity is in compliance/ not in compliance with the disclosure requirements of Employee Benefit Scheme Documents in terms of regulation 46(2) (za) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Assumptions & limitation of scope and review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.

- My responsibility is to report based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
- I have not verified the correctness and appropriateness of financial records and books of account of the listed entity.
- This report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (LODR) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

Ruchi Bhawe

Practicing Company Secretary
FCS No. 13324 CP No. 27019
UIN: I2023MH2474600
PR No.: 7710/2026
UDIN: - F013324H000419180

Place: Pune
Date: May 22, 2026

ANNEXURE J

To,
Board of Directors,
 Precision Camshafts Limited
 D5, M.I.D.C. Chincholi, Solapur,
 Maharashtra, India, 413255

COMPLIANCE CERTIFICATE PURSUANT TO REGULATION 17(8) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

We, the undersigned in our respective capacity as Chairman & Managing Director and Chief Financial Officer of Precision Camshafts Limited ("Company"), to the best of our knowledge and belief certify that: -

- (a) We have reviewed the financial statements and the cash flow statements for the Financial Year ended March 31, 2026, and to the best of our knowledge and belief:
- These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the Financial Year ended March 31, 2026, which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept the 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 we have disclosed to the auditors and audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and Audit Committee –
- There are no significant changes in internal controls over financial reporting during the Financial Year ended March 31, 2026.
 - There are no significant changes in accounting policies during the Financial Year ended March 31, 2026, hence, the same is not disclosed in the notes to the financial statements and
 - There are no instances of significant fraud of which we are aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**For and on behalf of the Board of Directors of
 Precision Camshafts Limited**

Yatin S. Shah
 Chairman and Managing Director
 DIN: 00318140
 Place: Solapur

Ravindra R. Joshi
 Whole-time Director and CFO
 DIN: 03338134
 Place: Solapur

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1	Corporate Identity Number (CIN) of the Listed Entity	L24231PN1992PLC067126		
2	Name of the Listed Entity	PRECISION CAMSHAFTS LIMITED		
		Site : 1 D5, M.I.D.C. Chincholi, Solapur, MIDC Chincholi, Solapur, North Solapur, Maharashtra, India, 413255	Site : 2 E-90. 102/103, MIDC, Akkalkot Road, Solapur- 413006	Site : 3 3rd Floor, "Kohinoor B Zone Baner", Mumbai – Bangalore Highway, Baner, Pune – 411045
3.	Year of incorporation	1992		
4	Registered address	D5, M.I.D.C. Chincholi, Solapur, MIDC Chincholi, Solapur, North Solapur, Maharashtra, India, 413255		
5	Corporate office address	3rd Floor, "Kohinoor B Zone Baner", Mumbai – Bangalore Highway, Baner, Pune – 411045		
6	Email	cs@pclindia.in		
7	Telephone	020-25673050		
8	Website	www.pclindia.in		
9	Financial Year for which the reporting is being done	01/04/2025 to 31/03/2026		
10	Name of the Stock Exchange(s) where shares are listed	BSE Limited (BSE) and National Stock Exchange of India Limited (NSE)		
11	Paid up Capital - ₹ In Crores	94.98		
12	Name and contact details of the person who may be contacted in case of any queries on the BRSR report	CS Harshal Kher Phone No.- 020-25673050 Email id: cs@pclindia.in		
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		
14	Name of assurance provider	TUV SUD South Asia		
15	Type of assurance obtained	Limited Assurance		

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

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

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
		Group	Class	Sub Class	
1.	Manufacturing of Parts and Accessories for Motor Vehicles	29	2930	NA	100

Precision Camshafts Limited (PCL) derives the majority of its revenue from the manufacture and sale of camshafts. The Company offers a diverse portfolio comprising chilled cast iron, ductile iron, hybrid, and assembled camshafts, available in both as-cast and fully machined forms. Engineered for superior performance, durability, and reliability, these products cater to various engine configurations and meet stringent global quality standards. Through advanced manufacturing technologies and continuous innovation, PCL supplies leading automotive OEMs across India and international markets, supporting both conventional and evolving mobility solutions.

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	2	1	3

19. Markets served by the entity:

a. Number of locations

Location	Numbers
National (No. of States)	29
International (No. of Countries)	17

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

The contribution of export to the turnover is 35%

c. A brief on types of customers

Precision Camshafts Limited (PCL) serves a diversified customer base comprising leading automotive OEMs, Tier-1 suppliers, and emerging electric mobility players across domestic and international markets. As a globally recognized manufacturer of camshafts and precision-engineered components, the Company caters to passenger vehicles, commercial vehicles, tractors, and other automotive applications. Its product portfolio includes cast iron, ductile iron, hybrid, and assembled camshafts, fuel injector components, precision-machined parts, and electric driveline solutions.

A significant share of the Company's revenue is derived from exports, with supplies reaching customers across Europe, North America, South America, and Asia. Through its focus on quality, technological innovation, and reliable delivery, PCL has established long-standing relationships with leading global OEMs while expanding its presence in the hybrid and electric mobility segments.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	%(C/A)
EMPLOYEES						
1	Permanent (D)	713	668	93.68%	45	6.32%
2	Other than Permanent (E)	0	0	0	0	0
3	Total employees (D+E)	713	668	93.68%	45	6.32%
WORKERS						
4	Permanent (F)	470	470	100%	0	0
5	Other than Permanent (G)	0	0	0	0	0
6	Total workers (F+G)	470	470	100%	0	0

b. 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)	0	0	0	0	0
2	Other than Permanent (E)	0	0	0	0	0
3	Total differently abled employees (D+E)	0	0	0	0	0
DIFFERENTLY ABLED WORKERS						
4	Permanent (F)	0	0	0	0	0
5	Other than Permanent (G)	0	0	0	0	0
6	Total differently abled workers (F+G)	0	0	0	0	0

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	9	4	44%
Key Management Personnel	4	0	0

Precision Camshafts Limited is committed to fostering diversity, inclusion, and equal opportunity across its leadership structure. Women constitute 44% of the Company's Board of Directors, reflecting its commitment to inclusive leadership and diverse perspectives in strategic decision-making. The Board benefits from the expertise and insights of its women directors, contributing to balanced governance and effective oversight.

While there is currently no female representation among the Key Managerial Personnel (KMP), the Company remains focused on building a diverse talent pipeline and creating opportunities for women across all levels of the organization. Through its emphasis on merit, capability development, and an inclusive workplace culture, the Company seeks to strengthen gender diversity in leadership roles over time.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

22. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

	FY 2025-26			FY 2024-25			FY 2023-24		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	29.45%	0.0%	29.45%	27.58%	18.56%	1.36%	2	0	100%
Permanent Workers	0.43%	-	0.43%	1%	0%	1%	0	0	0

The higher employee turnover during FY 2025-26 was largely driven by normal workforce rationalization, career progression-related movements, and attrition in select employee categories. The Company remains focused on strengthening employee engagement, learning and development, and retention initiatives to ensure workforce stability.

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

23. Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1.	PCL (International) Holding B.V.	Subsidiary	100	No
2.	MEMCO Engineering Private Limited	Subsidiary	100	No

VI. CSR Details

- 24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: **Yes**
- (ii) Turnover (in ₹) : 5,77,54,77,000
- (iii) Net worth (in ₹) : 8,86,58,43,000

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National

Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)	Current Financial Year 2025-26			Previous Financial Year 2024-25		
		No of complaints filed during the year	No of complaints pending resolution at close of the year	Remarks	No of complaints filed during the year	No of complaints pending resolution at close of the year	Remarks
Communities	Yes	0	0	NA	0	0	NA
Investors (other than shareholders)	Yes	0	0	NA	0	0	NA
Shareholders	Yes	0	0	NA	0	0	NA
Employees and workers	Yes	0	0	NA	0	0	NA
Customers	Yes	0	0	NA	20	2	NA
Value Chain Partners	Yes	0	0	NA	0	0	NA
Other (please specify)	Yes	0	0	NA	0	0	NA

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

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

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

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.	Health and Safety	Risk	PCL's foundries, machining facilities, EV assembly operations, and manufacturing processes involve occupational health and safety risks. Maintaining a safe and healthy workplace is essential to protect employees, improve productivity, reduce operational disruptions, comply with statutory requirements, and sustain workforce engagement and retention.	<ul style="list-style-type: none"> i. Robust EHS management systems ii. Safety audits and training programs iii. Incident reporting and corrective action systems 	Negative
2.	Policy and regulatory compliance	Risk	PCL operates across diverse jurisdictions and is subject to numerous environmental, labour, corporate governance, taxation, and industrial regulations. Failure to comply with applicable laws may result in penalties, litigation, operational restrictions, reputational damage, and loss of stakeholder confidence, making regulatory compliance a critical business priority.	<ul style="list-style-type: none"> i. Compliance tracking systems ii. Regular internal audits iii. Training on regulatory updates 	Negative
3.	Customer satisfaction	Both Risk & Opportunity	Customer satisfaction is critical to maintaining long-term relationships with OEMs and strengthening market position. Failure to meet customer expectations regarding quality, delivery, innovation, and service may result in loss of business and reputational impact. Conversely, superior product quality, reliability, and customer engagement create opportunities for repeat business, customer retention, and market expansion.	<ul style="list-style-type: none"> i. Customer feedback and engagement mechanisms ii. Quality management systems and continuous improvement initiatives iii. Timely resolution of customer concerns 	Positive/Negative

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

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)
4.	GHG emission	Both Risk & Opportunity	Growing global focus on climate change, carbon regulations, and stakeholder expectations places increasing emphasis on greenhouse gas emissions management. Higher emissions may lead to regulatory, operational, and reputational risks. At the same time, reducing emissions through renewable energy and efficiency initiatives enhances sustainability performance and supports long-term competitiveness.	i. GHG inventory monitoring and reporting ii. Renewable energy adoption iii. Energy efficiency and emission reduction initiatives	Positive/Negative
5.	Energy management	Both Risk & Opportunity	The automotive industry is increasingly influenced by climate-related regulations, decarbonization goals, and customer sustainability expectations. Rising energy costs and carbon reduction requirements present operational risks, while investments in renewable energy, energy efficiency, and low-carbon technologies create opportunities for cost optimization, resilience, and competitive advantage.	i. Adoption of energy-efficient technologies ii. Monitoring carbon footprint iii. Renewable energy integration	Positive/Negative
6.	Water footprint	Risk	Manufacturing operations require significant water resources for production, cooling, cleaning, and other industrial processes. Dependence on groundwater and increasing concerns around water availability, regulatory scrutiny, and climate variability make efficient water management essential for ensuring operational continuity, environmental stewardship, and long-term sustainability.	i. Water conservation techniques ii. Recycling and reuse systems iii. Monitoring consumption	Negative

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)
7.	Labour practices	Risk	A motivated, skilled, and engaged workforce is essential for operational excellence and sustainable growth. Inadequate labour practices, poor working conditions, employee dissatisfaction, or non-compliance with labour regulations may result in reduced productivity, increased attrition, industrial disputes, and reputational risks.	i. Employee welfare and engagement programmes ii. Compliance with labour laws and standards iii. Training, skill development, and grievance redressal mechanisms	Negative
8.	Anticorruption and bribery	Risk	Any instance of bribery, corruption, unethical conduct, or fraud can result in legal penalties, financial losses, reputational damage, and erosion of stakeholder trust. Maintaining high ethical standards is essential to safeguarding business integrity and ensuring sustainable operations.	i. Anti-Corruption and Anti-Bribery Policy ii. Whistle Blower and Vigil Mechanism iii. Employee awareness and ethics training programmes	Negative
9.	Community support	Opportunity	PCL's operations are closely connected with the communities surrounding its manufacturing locations. Meaningful CSR interventions and community engagement initiatives contribute to social development, strengthen stakeholder relationships, enhance the Company's social licence to operate, and reinforce its reputation as a responsible corporate citizen.	i. Structured CSR programs ii. Community development initiatives iii. Impact assessment and monitoring	Positive
10.	Climate change	Both Risk & Opportunity	Climate change can impact business operations through extreme weather events, resource constraints, regulatory developments, and changing customer expectations. However, it also creates opportunities to improve resilience, adopt sustainable technologies, strengthen environmental performance, and enhance long-term value creation.	i. Climate risk assessment and adaptation planning ii. Renewable energy and resource efficiency initiatives iii. Monitoring climate-related regulatory developments	Positive/Negative

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

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)
11	Value-chain Management	Both Risk & Opportunity	The Company relies on a network of domestic and international suppliers for critical raw materials and components. Supply chain disruptions arising from geopolitical events, economic uncertainties, logistics constraints, or ESG-related non-compliance may affect production schedules. Conversely, sustainable and resilient sourcing practices strengthen customer relationships and enhance long-term business stability.	<ul style="list-style-type: none"> i. Supplier ESG assessments ii. Diversification of supplier base iii. Integration of sustainability criteria in procurement 	Positive/Negative
12	Human capital development	Opportunity	Employees are a key driver of innovation, productivity, and business success. Investing in skill enhancement, leadership development, succession planning, and employee engagement improves workforce capability, operational efficiency, and organizational resilience while supporting long-term growth.	<ul style="list-style-type: none"> i. Learning and development programmes ii. Leadership and competency-building initiatives iii. Performance management and career development frameworks 	Positive
13	Responsible information management	Both Risk & Opportunity	Increasing digitalisation and data-driven operations require robust information security, privacy protection, and responsible data management. Data breaches or cyber incidents may result in operational disruptions, financial losses, and reputational damage. Strong information governance enhances stakeholder trust, business continuity, and operational efficiency.	<ul style="list-style-type: none"> i. Information security and cyber risk management framework ii. Access controls and data protection measures iii. Employee awareness and cybersecurity training 	Positive/Negative

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)
14	Waste management	Opportunity	Efficient utilisation of raw materials, reduction of process waste, and adoption of circular economy practices support both environmental sustainability and operational efficiency. Continuous improvement in waste minimization, recycling, and resource conservation presents opportunities to reduce costs, improve environmental performance, and strengthen compliance with evolving sustainability expectations.	<ul style="list-style-type: none"> i. Lean manufacturing practices ii. Recycling and reuse initiatives iii. Hazardous waste compliance systems 	Positive

Precision Camshafts Limited (PCL) has conducted a comprehensive materiality assessment to identify and prioritize the environmental, social, and governance (ESG) issues most relevant to its business and stakeholders. Key material topics include health and safety, customer satisfaction, climate change, energy management, regulatory compliance, human capital development, information security, and value chain sustainability.

The Company addresses these priorities through strong governance practices, proactive risk management, stakeholder engagement, and targeted sustainability initiatives. By integrating ESG considerations into its business strategy and decision-making processes, PCL seeks to enhance operational performance, strengthen stakeholder trust, create long-term value, and contribute to sustainable and responsible growth.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

SECTION B: MANAGEMENT AND PROCESS DISCLOSURE

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

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available:	https://pclindia.in/index.php/corporate-governance/								
2. Whether the entity has translated the policy into procedures. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	The Company's operations adhere to and are certified for ISO 9001. All manufacturing units are certified for adherence to ISO 14001 & ISO 45001. PCL is an IATF 16949 certified Company. The Company's CSR policy follows the provisions of Section 135 of Companies Act, 2013								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	1. Increase the share of renewable energy to 40–50% of total energy consumption 2. Zero accident 3. Zero tolerance on compliance violation 4. Increased R&D efforts to help our customers to reduce carbon footprint								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	Till the reporting year, we are consuming renewable energy by 44% of our total electricity consumption against the target of 2030. During the reporting year, we have also achieved zero violation of compliance consecutively for 3 years.								

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).

We are happy to present our Business Responsibility and Sustainability Reporting for the financial year 2025-2026. The report provides a comprehensive overview of performance across key environmental, social, and governance (ESG) parameters and demonstrates how sustainability considerations are embedded within strategy, operations, and decision-making processes. It reflects ongoing efforts to strengthen transparency, accountability, and stakeholder engagement while addressing emerging risks and opportunities. Through this disclosure, the Company reaffirms its dedication to long-term resilience, regulatory compliance, and creating meaningful impact for all stakeholders. Our approach remains aligned with the UN Global Compact (UNGC), the UN Sustainable Development Goals (UNSDGs).

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

At Precision Camshafts Limited, sustainability is an integral part of our long-term business strategy and value creation approach. We remain committed to embedding Environmental, Social, and Governance (ESG) principles across our operations, guided by the Business Responsibility and Sustainability Reporting (BRSR) framework prescribed by SEBI. During the year, we continued to strengthen our ESG governance structure through active leadership oversight, enhanced stakeholder engagement, and the implementation of robust policies and management systems that promote responsible business conduct. Significant progress was made in advancing our sustainability agenda. The commissioning of a 29 MW solar power plant at Mangalwedha, Solapur, marked a major milestone in our transition towards renewable energy. We also continued our efforts to improve energy and water efficiency, reduce greenhouse gas emissions, and maintain responsible waste and water management practices. Our occupational health and safety management system, aligned with ISO 45001:2018, along with focused employee well-being initiatives, reflects our commitment to creating a safe and inclusive workplace. Capacity-building programmes were conducted for Directors, Key Managerial Personnel, and employees to strengthen ESG awareness and accountability across the organization.

While we are encouraged by our progress, we recognize the challenges associated with climate change, evolving regulatory expectations, supply chain sustainability, and the increasing need for robust ESG data management and reporting systems. Going forward, we will focus on setting measurable sustainability targets, enhancing transparency, strengthening ESG integration across the value chain, and expanding our positive environmental and social impact. Through these efforts, we aim to create sustainable long-term value for all stakeholders while contributing meaningfully to a more resilient and responsible future.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. Karan Y. Shah Whole Time Director
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.	Mr. Karan Y. Shah, Whole Time Director of the Company is responsible for decision making on the sustainability related issues.

10. Details of Review of NGRBCs by the Company

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly / Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y

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

P1	P2	P3	P4	P5	P6	P7	P8	P9
TUV-SUD South Asia – Essential indicators with limited assurance								

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

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

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
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)	-	-	-	-	-	-	-	-	-

SECTION C: Principles wise disclosure

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

Essential Indicator

Precision Camshafts Limited is committed to conducting its business in a responsible, ethical, and transparent manner. The Company strives to uphold high standards of corporate governance, integrity, accountability, and regulatory compliance while fostering a culture of fairness, inclusivity, and stakeholder trust. Through its business practices and governance framework, the Company aims to create sustainable value for all stakeholders and support long-term, responsible growth.

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	3	ESG Awareness, POSH, Compliance, Cyber security	100
Key Management Personnel	3		100
Employees other than BOD and KMPs	15	Child Labor, Forced labor, Harrassment & Discrimination, Business Ethics, Conflict Resolution, POSH	100
Workers			

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				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	0	0	0	0	0
Settlement	0	0	0	0	0
Compounding fee	0	0	0	0	0

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

	Non-Monetary			
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the case	Has an appeal been preferred? (Yes/No)
Imprisonment	0	0	0	0
Punishment	0	0	0	0

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
NA	NA

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

The Company is committed to conducting its business with integrity, transparency, and high ethical standards. It has established policies and procedures to prevent bribery, corruption, and other unethical practices across its operations. These policies are applicable to employees, directors, and relevant stakeholders, and provide guidance on ethical conduct, compliance, and reporting of concerns. The Company also maintains a Whistle Blower Mechanism to enable confidential reporting of any suspected misconduct. Through its governance framework, the Company promotes a culture of accountability, responsible business conduct, and regulatory compliance. The weblink of the policy is <https://pclindia.in/wp-content/uploads/2024/09/Business-Ethics-and-Integrity-Policy.pdf>

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

Segment	Current Financial Year 2025-26	Previous Financial Year 2024-25
Board of Directors	0	0
Key Management Personnel	0	0
Employees other than BOD and KMPs	0	0
Workers	0	0

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

Segment	Current Financial Year 2025-26		Previous Financial Year 2024-25	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	0	0	0
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	0	0	0

The Company is committed to maintaining high standards of ethics, integrity, and corporate governance across its operations. Appropriate policies, codes, and governance mechanisms are in place to identify, prevent, and manage potential conflicts of interest and promote ethical decision-making. During the reporting period, no complaints relating to conflict of interest involving Directors or members of top management were reported. The Company continues to foster a culture of accountability, transparency, and responsible business conduct through effective oversight, periodic disclosures, and established grievance redressal mechanisms.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

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:

There are no reported issues.

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

Segment	Current Financial Year 2025-26		Previous Financial Year 2024 - 25	
	Number	Remarks	Number	Remarks
Number of days of accounts payables	65.18		69.12	

The Company follows a prudent approach to working capital management by effectively managing its payables cycle. This helps optimize liquidity and provides financial flexibility to support business operations, growth initiatives, and strategic investments. At the same time, the Company remains committed to honoring agreed payment terms and maintaining strong, long-term relationships with its suppliers, thereby supporting a stable and sustainable supply chain.

9. Openness of business

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

Parameter	Metrics	Current Financial Year 2025-26	Previous Financial Year 2024 - 25
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	0	0
	b. Number of trading houses where purchases are made from	0	0
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	0	0
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	0	0
	b. Number of dealers / distributors to whom sales are made	0	0
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors	0	0
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	0.03%	0.04%
	b. Sales (Sales to related parties / Total Sales)	0.003%	0.13%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	0	0
	d. Investments (Investments in related parties / Total Investments made)	100%	100%

The Company is committed to conducting its business with transparency, integrity, and accountability. It primarily operates through a direct business-to-business (B2B) model, supplying products directly to its customers. Related party transactions, where applicable, are undertaken in the ordinary course of business, on an arm's length basis, and in compliance with applicable laws, regulations, and internal policies. The Company has established robust governance mechanisms, internal controls, and oversight processes to ensure transparency, fairness, and responsible business conduct in all its commercial transactions.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

Leadership Indicator

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

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
5	<ul style="list-style-type: none"> On job safety training Behavioral safety Electrical safety LPG handling safety Forklift operator safety 	100%

Precision Camshafts Limited recognizes that fostering a strong culture of responsibility and sustainability extends beyond its own operations and includes active engagement with its value chain partners. During FY 2025-26, the Company conducted five awareness and capacity-building programmes covering key areas such as on-the-job safety, behavioural safety, electrical safety, LPG handling safety, and forklift operator safety. These programmes were designed to enhance awareness, strengthen risk management practices, and promote a culture of safety and accountability across the value chain. Through these initiatives, the Company achieved 100% coverage of its value chain partners by value of business conducted, demonstrating its commitment to responsible business practices, operational excellence, and collaborative stakeholder engagement in line with the principles of ethical and sustainable business conduct.

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.

The Company has established appropriate policies and governance mechanisms to identify, disclose, and manage potential conflicts of interest. Directors and senior management personnel are required to make periodic disclosures of their interests and comply with applicable governance requirements. Where a potential conflict arises, necessary measures are taken to ensure objective and unbiased decision-making. The Company's Code of Conduct reinforces the principles of integrity, transparency, accountability, and ethical behaviour, supporting a culture of strong corporate governance and responsible leadership. The policy on Code of Conduct is available at

https://pclindia.in/wp-content/uploads/2024/09/Code_of_Conduct_for_Board_and_Senior_Management.pdf

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

The Company is committed to integrating sustainability into its business operations and product lifecycle. It focuses on responsible resource utilization, environmental stewardship, operational efficiency, and continuous improvement to minimize its environmental impact. Through initiatives related to energy, water, emissions, and waste management, the Company strives to support sustainable growth while creating long-term value for its stakeholders and contributing to environmental well-being.

Essential Indicator

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

	Current Financial Year 2025-26	Previous Financial Year 2024-25	Details of improvements in environmental and social impacts
R & D	0	0	NA
CAPEX	0.74	0	To reduce consumption of LPG / PNG

The Company has incurred capital expenditure during the year to reduce consumption of LPG / PNG

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

2. a) Does the entity have procedures in place for sustainable sourcing?

The Company recognizes the importance of responsible procurement practices and seeks to work with suppliers who adhere to applicable legal, regulatory, and ethical standards. Supplier selection and engagement processes incorporate relevant compliance requirements, and the Company maintains ongoing communication with its suppliers to promote responsible business practices. The Company continues to evaluate opportunities to strengthen sustainability considerations within its procurement and supplier management processes in line with evolving business needs and stakeholder expectations.

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

Not Applicable.

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.

As a manufacturer of precision-engineered steel automotive components, the Company operates primarily as an intermediary component supplier within the automotive value chain and does not have direct control over products once they are integrated into customers' end products and distributed globally. Given the widespread geographical presence of downstream business partners and end users, establishing a product take-back or reclamation mechanism for end-of-life camshafts is operationally and economically impractical. Furthermore, the Company does not operate recycling facilities, limiting the feasibility of directly reprocessing returned products. However, the Company remains committed to supporting the principles of resource efficiency. It actively encourages customers and downstream stakeholders to adopt responsible end-of-life management practices, including recycling and material recovery through authorized recyclers and established waste management channels.

4. a) Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities: Yes

b) 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.

The Company had applied to the Central Pollution Control Board (CPCB) through their online portal under importer category, and the registration has been done with number IM-06-MAH-08-AABCP1086B-25.

Leadership Indicator

1. Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in following format? **No**

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	Results communicated in public domain. If yes, provide the web-link
----------	---------------------------	---------------------------------	--	--	---

Till the reporting year, we have not conducted LCA of our products. However, every year organization wide carbon footprint is being accounted.

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. **No**

Name of Product / Service	Recycled or re-used input material to total material	
	Current Financial Year 2025-26	Previous Financial Year 2024-25
-	-	-

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

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)

Name of Product / Service	Recycled or re-used input material to total material	
	Current Financial Year 2025-26	Previous Financial Year 2024-25
Camshaft	40%	40%

The Company continues to promote resource efficiency through the use of recycled and re-used materials in its manufacturing processes. During FY 2025-26, recycled and re-used input materials constituted 40% of the total material consumed (by value) in the production of camshafts.

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tons) reused, recycled, and safely disposed, as per the following format:

	FY 2025-26 Current Financial Year			FY 2024-25 Current Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	0	0	0	0	0	0
E-waste	0	0	0	0	0	0
Hazardous waste	0	0	0	0	0	0
Other waste	0	0	0	0	0	0

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category. :- Not Applicable. The organization does not have product take-back / recycling or reclamation program for the product and packing material.

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

The Company is committed to creating a safe, inclusive, and supportive workplace for its employees. It focuses on employee well-being, health and safety, skill development, equal opportunity, and responsible employment practices. Through its people-centric approach, the Company strives to foster a positive work environment, enhance employee engagement, and contribute to sustainable organizational growth.

Essential Indicator

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	668	668	100%	668	100%	0	0	0	0	0	0
Female	45	45	100%	45	100%	45	100%	0	0	0	0
Total	713	713	100%	713	100%	45	100%	0	0	0	0

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

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)
Other than Permanent Employees											
Male	0	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0	0	0	0	0

Precision Camshafts Limited is committed to fostering a workplace that prioritizes the health, safety, and well-being of its employees. The Company provides comprehensive health and accident insurance coverage to 100% of its permanent employees, ensuring financial protection and access to healthcare support. In addition, all eligible female employees are covered under maternity benefit provisions in accordance with applicable laws and Company policies. These initiatives reflect the Company's people-centric approach and commitment to creating a secure, supportive, and inclusive work environment. Through continuous focus on employee welfare, the Company strives to enhance employee satisfaction, engagement, and overall well-being.

(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	470	470	100%	470	100%	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	470	470	100%	470	100%	0	0	0	0	0	0
Other than Permanent Workers											
Male	829	829	100%	829	100%	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	829	829	100%	829	100%	0	0	0	0	0	0

The well-being and safety of workers remain a key priority for Precision Camshafts Limited. The Company has ensured 100% health insurance and accident insurance coverage for all permanent and non-permanent workers, demonstrating its commitment to providing a safe and secure working environment across its operations. These welfare measures help safeguard workers against health-related and occupational risks while promoting financial security and peace of mind. By extending comprehensive insurance coverage to its workforce, the Company reinforces its commitment to responsible employment practices, employee care, and the creation of a healthy, productive, and resilient workplace culture.

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

	Current Financial Year 2025-26	Previous Financial Year 2024-25
Cost incurred on well-being measures as a % of total revenue of the company	0.24	0.2

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

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

Benefits	Current Financial Year 2025-26			Previous Financial Year 2024-25		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
Gratuity	100	100	Yes	100	100	Yes
ESI	100	100	Yes	100	100	Yes
Superannuation	0	0	NA	0	0	NA
After retirement Medclaim	0	0	0	0	0	NA

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

Yes. PCL is committed to maintaining an inclusive and barrier-free workplace. All our manufacturing plants and corporate offices are fully accessible to Persons with Disabilities (PWD), in strict compliance with the requirements of the Rights of Persons with Disabilities Act, 2016. Our facilities are equipped with accessible infrastructure, including wheelchair ramps, wide corridors, elevators, and specially designed washrooms, ensuring safe and seamless movement for all employees and workers.

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

The entity has incorporated provisions for equal opportunities within its Human Rights Policy. The policy emphasizes non-discrimination and accessibility to ensure an inclusive and supportive workplace for all employees. The policy is available at <https://pclindia.in/wp-content/uploads/2024/09/Human-Rights-Policy.pdf>

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

	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	0	0	0	0
Female	100%	100%	NA	NA
Total	100%	100%	NA	NA

Note: No paternal leaves were availed by the employees during the period under review.

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.

Gender	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Employees	YES
Other than Permanent Employees	
Permanent Workers	
Other than Permanent Workers	

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

Precision Camshafts Limited has established a structured and transparent grievance redressal mechanism to address concerns raised by employees, workers, and other non-permanent workforce members in a timely, fair, and confidential manner. The mechanism enables individuals to report workplace-related issues, including concerns relating to working conditions, health and safety, welfare measures, discrimination, harassment, misconduct, compensation, and other employment-related matters. Employees and workers can raise grievances through multiple channels, including their reporting managers, Human Resources department, designated grievance officers, and other established communication platforms like drop-box and emergency contact number. The Company encourages open dialogue and ensures that all grievances are reviewed, investigated, and resolved in accordance with defined procedures and timelines. Confidentiality is maintained throughout the process, and individuals are protected from any form of retaliation for reporting genuine concerns. Through these measures, the Company promotes a culture of trust, respect, transparency, and accountability, ensuring that all members of the workforce have access to an effective and equitable grievance resolution process.

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

Category	Current Financial Year 2025-26			Previous Financial Year 2024-25		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (c)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	0	0	0	0	0	0
Male	0	0	0	0	0	0
Female	0	0	0	0	0	0
Total Permanent Workers	0	0	0	0	0	0
Male	0	0	0	0	0	0
Female	0	0	0	0	0	0

Note: The Company reported the data pertaining to the last year based on the misinterpretation of the required data. The Company hereby clarifies that no employees and workers form part of any union and association.

8. Details of training given to employees and workers:

Category	Current Financial Year 2025-26					Previous Financial Year 2024-25				
	Total (A)	On Health and safety measures		On skill upgradation		Total (D)	On Health and safety measures		On skill upgradation	
		Number (B)	% (B/A)	Number (c)	% (C/A)		Number (E)	% (E/D)	Number (F)	% (F/D)
Employees										
Male	668	400	59.8%	290	43.41%	769	349	45	390	51
Female	45	45	100%	6	13.33%	49	15	31	10	20
Total	713	445	62.41%	296	41.51%	818	364	44	400	49
Workers										
Male	470	470	100%	159	33.82%	477	121	25	39	8
Female	0	0	0	0	0	0	0	0	0	0
Total	470	470	100%	159	33.82%	477	121	25	39	8

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

The reduction in skill upgradation training coverage during FY 2025-26 reflects the transition from organization-wide foundational training programmes conducted in the previous year to targeted, advanced, and role-specific capability development initiatives aligned with business and operational requirements.

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

Category	Current Financial Year 2025-26			Previous Financial Year 2024-25		
	Total(A)	Number (B)	% (B/A)	Total (C)	Number (D)	% (D/C)
Employees						
Male	668	668	100	769	769	100
Female	45	45	100	49	49	100
Total	713	713	100%	818	818	100
Workers						
Male	470	470	100	477	477	100
Female	0	0	0	0	0	0
Total	470	470	100%	477	477	100

10. Health and safety management system:

Yes. The Company has implemented an Occupational Health and Safety (OH&S) Management System across its operations and manufacturing facilities. The system is designed to provide a safe and healthy workplace through effective risk management, hazard identification, preventive measures, safety training, and regulatory compliance. Health and safety practices are integrated into day-to-day operations and are supported by regular monitoring, employee awareness initiatives, and management oversight to drive continual improvement and promote employee well-being.

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

The Company follows a structured and systematic process to identify work-related hazards and assess risks associated with both routine and non-routine activities. The process begins with hazard identification through workplace inspections, safety observations, Hazard Identification and Risk Assessment (HIRA), incident investigations, and employee feedback. Identified hazards are then evaluated based on their likelihood and potential impact to determine whether they pose a significant risk. Where a risk is identified, appropriate corrective and preventive actions are developed and implemented to eliminate or mitigate the hazard. The effectiveness of these actions is continuously monitored through regular inspections, safety reviews, and audits. Risks that are determined to be insignificant are documented and closed. The entire process is supported by periodic monitoring, internal audits, and management reviews to ensure continual improvement in occupational health and safety performance. This proactive approach enables the Company to maintain a safe working environment and effectively manage workplace risks. Together, these processes ensure continuous improvement in health and safety performance while fostering a culture of vigilance, accountability, and proactive risk management throughout the organization.

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

Yes, the Company promotes a strong culture of safety and encourages proactive participation from workers in identifying and mitigating workplace risks. Employees and workers can communicate safety concerns through multiple channels, including shopfloor toolbox, drop-box, Safety Committee meetings, departmental reviews, safety inspections, and the Safety Suggestion Scheme. The Company's safety framework also empowers workers to remove themselves from situations that they reasonably believe pose an imminent risk to their health or safety and to immediately report such concerns to supervisors or the safety team for appropriate action. All reported hazards

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

are promptly reviewed, investigated, and addressed through corrective and preventive measures. By fostering open communication, workforce involvement, and management responsiveness, the Company continuously strengthens its safety culture and reinforces its commitment to providing a safe, healthy, and risk-free working environment for all employees and workers.

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

Yes, the Company provides access to non-occupational medical and healthcare services for its employees as part of its commitment to promoting overall health, well-being, and quality of life. The Company recognizes that employee wellness extends beyond workplace-related health concerns and therefore supports access to healthcare services that address general medical needs. Employees are covered under health insurance schemes and have access to medical consultations, health check-ups, and healthcare assistance as applicable under Company policies and benefit programmes. Full time doctor is appointed in the premise. In addition, the Company periodically organizes wellness initiatives, health awareness programmes, and preventive healthcare activities aimed at promoting physical and mental well-being. Through these measures, the Company strives to create a supportive work environment that prioritizes employee health, enhances well-being, and contributes to a productive and engaged workforce.

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

Safety Incident/Number	Category*	Current Financial Year	Previous Financial Year
		2025-26	2024-25
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.385	0.562
	Workers	0.679	0.313
Total recordable work-related injuries	Employees	1	0
	Workers	1	1
No. of fatalities	Employees	0	0
	Workers	0	0
High consequences for work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

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

Precision Camshafts Limited is committed to providing a safe, healthy, and incident-free workplace by integrating occupational health and safety considerations into all aspects of its operations. The Company follows a proactive and preventive approach to safety management, supported by robust systems, employee participation, and continuous improvement initiatives. Safety remains a core organizational value, with a strong focus on hazard elimination, risk reduction, and employee well-being. Key measures implemented by the Company to ensure a safe and healthy workplace include:

- **Comprehensive Risk Management Framework:** The Company conducts regular Hazard Identification and Risk Assessment (HIRA) exercises across all routine and non-routine activities to identify potential hazards, assess associated risks, and implement appropriate control measures.
- **Multi-Tier Risk Assessment System:** A structured framework is in place to assess equipment safety, ergonomic risks, and general workplace hazards. Equipment assessments focus on machine guarding, preventive maintenance, and operator competency, while ergonomic assessments evaluate posture, repetitive movements, and material handling activities. Workplace assessments address environmental and operational risks to ensure comprehensive risk coverage.
- **Engineering and Administrative Controls:** The Company prioritizes hazard elimination and engineering controls, supported by standard operating procedures, safe work practices, and a stringent Work Permit System for critical activities.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

- **Employee Participation and Safety Culture:** Through the Safety Suggestion Scheme, employees are encouraged to actively contribute ideas for improving workplace safety. Valuable suggestions are recognized and rewarded, fostering ownership and engagement in safety initiatives.
- **Road and Workplace Safety Measures:** Designated pedestrian walkways, zebra crossings, traffic management systems, and safety signage are maintained throughout the premises to enhance safety awareness and minimize accident risks.
- **Occupational Health and Emergency Preparedness:** The Company operates an Occupational Health Centre equipped to provide first aid and fulltime doctor- medical assistance.
- **Safety Awareness and Protective Measures:** Regular safety training and awareness programmes are conducted, and appropriate Personal Protective Equipment (PPE) is provided to employees and workers.

Through continuous monitoring, risk evaluation, technology adoption, training, and periodic reviews, the Company strives to strengthen its safety performance and cultivate a workplace culture where health, safety, and well-being are shared responsibilities and organizational priorities.

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

	Current Financial Year 2025-26			Previous Financial Year 2024-25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	0	0	0	0
Health & Safety	0	0	0	0	0	0

14. Assessments for the year:

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

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

The Company follows a structured approach to identifying, investigating, and addressing workplace safety incidents and concerns. Any incidents reported are reviewed to determine root causes and implement appropriate corrective and preventive actions. Safety awareness programmes, training initiatives, workplace inspections, and periodic reviews are conducted to reinforce safe work practices and strengthen the overall safety culture. The Company also monitors health and safety performance on an ongoing basis and takes necessary actions to address identified risks and drive continual improvement in workplace safety and employee well-being.

Leadership Indicator

1. Does the entity extend any life insurance or any compensatory package in the event of death of Employees & Workers: (Y/N)

a	Employees	Yes
b	Workers	Yes

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

NA

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

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

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

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? **No**
5. Details on assessment of value chain partners

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	0
Working Conditions	0

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners. – **Not Applicable**

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

The Company is committed to maintaining transparent and constructive relationships with its stakeholders. Through regular engagement, effective communication, and responsible business practices, it seeks to understand stakeholder expectations and address their concerns in a fair and timely manner. The Company believes that strong stakeholder relationships contribute to sustainable growth, sound governance, and long-term value creation.

Essential Indicator

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

The Company recognizes the importance of engaging with its stakeholders and maintaining open, transparent, and constructive communication. Key stakeholder groups include employees, customers, suppliers, investors, regulators, communities, and business partners. The Company engages with these stakeholders through various formal and informal channels to understand their expectations, gather feedback, and address relevant concerns. Insights from stakeholder interactions support informed decision-making, risk management, and continuous improvement, while fostering trust, accountability, and long-term value creation.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

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), Others	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees & Workers	No	<ul style="list-style-type: none"> Internal meetings Emails Policies Noticeboards, Training programs Websites 	Ongoing	<ul style="list-style-type: none"> Employee well-being, Employee engagement Performance, learning & development, Workplace safety, Grievance redressal Training and awareness Receiving feedback
Customers / Clients	No	<ul style="list-style-type: none"> Meetings Conferences Trainings Complaints management 	As and when required	<ul style="list-style-type: none"> Product quality, service improvement, Customer feedback, Customer satisfaction, Long-term relationships
Shareholders / Investors	No	<ul style="list-style-type: none"> Annual Report stock exchange filings investor presentations AGM Website Press release 	As and when required	<ul style="list-style-type: none"> Financial performance, Governance, Strategy, Investor expectations
Suppliers & Vendors	No	<ul style="list-style-type: none"> Meetings Emails Audits contracts 	Periodic	<ul style="list-style-type: none"> Supply chain efficiency, Quality standards, Timely delivery, Ethical sourcing To make them aware about new developments
Banks & Financial Institutions	No	<ul style="list-style-type: none"> Meetings official communications financial disclosures 	Periodic / Annually	<ul style="list-style-type: none"> Financial performance, Credit facilities, Compliance, Risk management
Regulators & Statutory Authorities	No	<ul style="list-style-type: none"> Filings Inspections official correspondence 	Ongoing / As required	<ul style="list-style-type: none"> Regulatory compliance, Approvals, Policy adherence
Communities (around operations)	Yes (where applicable)	<ul style="list-style-type: none"> CSR initiatives local engagement programs 	Periodic / Annually	<ul style="list-style-type: none"> Social impact, Community development, Environmental concerns

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

Leadership Indicator**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.**

The Company maintains regular engagement with its key stakeholders through various communication and feedback channels. Inputs received from stakeholders are reviewed by the management and considered in relevant business decisions, risk management processes, and sustainability initiatives. Significant issues, concerns, or grievances are addressed through established governance and escalation mechanisms, ensuring appropriate oversight and timely resolution. This approach enables the Company to remain responsive to stakeholder expectations and support informed decision-making.

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. The Company engages with its key stakeholders through various communication and feedback channels to understand their expectations, concerns, and perspectives on matters relevant to the business. Stakeholder inputs are considered while reviewing business priorities, managing risks, and strengthening operational and sustainability-related practices. Through ongoing dialogue and engagement, the Company seeks to build strong relationships, enhance transparency, and support long-term value creation for all stakeholders.

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

During the reporting period, no material concerns or grievances were reported by vulnerable or marginalized stakeholder groups. The Company remains committed to maintaining open and inclusive engagement with all stakeholders through appropriate communication and feedback mechanisms. It seeks to address stakeholder concerns in a timely and responsible manner and considers relevant stakeholder inputs in its business and sustainability-related initiatives.

PRINCIPLE 5: Businesses should respect and promote human rights

The Company is committed to respecting and promoting human rights across its operations and business relationships. It strives to provide a workplace that is inclusive, fair, safe, and free from discrimination and harassment. Through responsible employment practices, employee welfare initiatives, and established governance mechanisms, the Company seeks to uphold the dignity, well-being, and rights of its employees and other stakeholders.

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

Category	Current Financial Year 2025-26			Previous Financial Year 2024-25		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	713	368	51.61%	818	818	100
Other than permanent	0	0	0	11	11	100
Total Employees	713	368	51.61%	829	829	100
Workers						
Permanent	470	274	58.29%	477	477	100
Other than permanent	829	411	49.57%	947	947	100
Total Workers	1299	685	52.73%	1424	1424	100

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

During FY 2025-26, the Company adopted a targeted approach towards human rights training by conducting advanced and role-specific programmes for relevant employee and worker categories. Accordingly, training coverage was lower compared to the previous year, which primarily focused on organization-wide awareness initiatives.

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

Category	Current Financial Year 2025-26					Previous Financial Year 2024-25				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		Number (B)	% (B/A)	Number (c)	% (C/A)		Number (E)	% (E/D)	Number (F)	% (F/D)
Employees										
Permanent	713	113	15.84%	600	84.15%	818	57	7	761	93
Male	668	102	15.26%	566	84.73%	769	52	7	717	93
Female	45	11	24.44%	34	75.55%	49	5	10	44	90
Other than permanent	0	0	0	0	0	11	0	0	11	100
Male	0	0	0	0	0	10	0	0	10	100
Female	0	0	0	0	0	1	0	0	1	100
Workers										
Permanent	470	0	0	470	100%	477	0	0	477	100
Male	470	0	0	470	100%	477	0	0	477	100
Female	0	0	0	0	0	0	0	0	0	0
Other than permanent	829	280	33.77%	549	66.22%	947	525	55	422	45
Male	813	279	34.31%	534	65.68%	928	520	56	408	44
Female	16	1	6.25%	15	93.75%	19	5	27	14	73

3. Details of remuneration/salary/wages**a. Median remuneration / wages:**

	Male		Female	
	Number	Median remuneration (₹ In Lakhs)	Number	Median remuneration (₹ In Lakhs)
Board of Directors (BoD)	5	70.94	4	5.00
Key Managerial Personnel	4	174.04	0	0.0
Employees other than BoD and KMP	668	2.80	45	2.46
Workers	470	0.13	0	0

Chairman and Managing Director, Whole-time Director, and Chief Financial Officer are common in BoD and KMP.

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

	Current Financial Year 2025-26	Previous Financial Year 2024-25
Gross wages paid to females as % of total wages	4.68	2.33

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?

Yes. The Company has designated functions and established mechanisms to address concerns relating to employee welfare, workplace conduct, ethics, and human rights. Employees and other stakeholders can raise concerns through appropriate grievance and reporting channels. All reported matters are reviewed and addressed through a structured process, with due regard for confidentiality, fairness, and protection against retaliation. The Company remains committed to fostering a respectful, inclusive, and ethical workplace and upholding human rights across its operations. The Business Ethics and Integrity Policy is hosted on the website of the Company at <https://pclindia.in/wp-content/uploads/2024/09/Business-Ethics-and-Integrity-Policy.pdf>

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

Precision Camshafts Limited has established a comprehensive and transparent grievance redressal framework to effectively address concerns related to human rights, workplace dignity, and employee welfare. The mechanism is designed to ensure that employees, workers, contract personnel, and other members of the workforce can raise concerns in a timely, confidential, and fair manner without fear of retaliation. The Company provides multiple channels for reporting grievances, including reporting managers, the Human Resources department, designated grievance officers, drop-box facilities, emergency contact number. These mechanisms enable individuals to report concerns relating to discrimination, harassment, unfair treatment, workplace conduct, health and safety, working conditions, compensation, and other potential human rights-related issues.

All grievances received are reviewed, investigated, and resolved through a structured process in accordance with defined procedures and timelines. Confidentiality is maintained throughout the process, and appropriate corrective and preventive actions are implemented wherever necessary.

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

	Current Financial Year 2025-26			Previous Financial Year 2024-25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	0	0	0	0
Discrimination at workplace	0	0	0	0	0	0
Child Labour	0	0	0	0	0	0
Forced Labour/ Involuntary Labour	0	0	0	0	0	0
Wages	0	0	0	0	0	0
Other human rights related issues	0	0	0	0	0	0

Precision Camshafts Limited is committed to upholding the highest standards of human rights, workplace dignity, and ethical employment practices. The Company firmly believes that respect for individuals, equal opportunity, and fair treatment are fundamental to building a positive and inclusive work environment. Through its Human Rights Policy, Code of Conduct, POSH framework, grievance redressal mechanisms, and employee awareness initiatives, the Company actively promotes a culture of respect, diversity, non-discrimination, and accountability across its operations. During FY 2025-26, the Company did not receive any complaints relating to sexual harassment, workplace discrimination, child labour, forced or involuntary labour, wage-related issues, or any other human rights-related matters. Further, there were no pending cases at the end of the reporting period. This reflects the effectiveness of the Company's policies, preventive measures, employee engagement practices, and robust governance systems aimed at safeguarding the rights and well-being of all employees and workers. The Company remains committed to maintaining a safe, equitable, and respectful workplace aligned with

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

applicable legal requirements and internationally recognized human rights principles, while continuously strengthening awareness and compliance across the organization.

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

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

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

The Company is dedicated to fostering a workplace that is safe, respectful, inclusive, and free from all forms of discrimination and harassment. A robust framework is in place to ensure that individuals who raise concerns are protected from retaliation, victimization, intimidation, or any adverse treatment. Complaints relating to sexual harassment are addressed through the Internal Committee (IC) constituted under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, ensuring a confidential, fair, and unbiased redressal process.

For other discrimination or harassment-related concerns, employees may approach the Human Resources function or Senior Management through established grievance channels. The Company safeguards the confidentiality of complainants and, where necessary, implements appropriate interim measures to protect their well-being during the investigation process. Regular awareness programmes and sensitization initiatives further strengthen a culture of dignity, equality, and mutual respect across the organization.

9. Do human rights requirements form part of your business agreements and contracts?

Yes

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	100
Forced/Involuntary Labour	100
Sexual Harassment	100
Discrimination at workplace	100
Wages	100
Other – NA	-

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

No significant risks or concerns were identified during the reporting period based on assessments under Question 10.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

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

During the reporting period, no human rights-related grievances or complaints were reported that necessitated the modification or introduction of any business process. This reflects the effectiveness of the Company's existing policies, governance mechanisms, and preventive measures aimed at promoting a respectful, fair, and inclusive workplace. Nevertheless, the Company remains committed to continuously enhancing its human rights framework through periodic review of policies, employee awareness programmes, grievance redressal mechanisms, and compliance processes. The Company proactively monitors potential human rights risks and remains prepared to strengthen or adapt its business practices, where necessary, to uphold human rights principles and ensure responsible business conduct across its operations and value chain.

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

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	-
Discrimination at workplace	-
Child Labour	-
Forced Labour/Involuntary Labour	-
Wages	-
Other - 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:

During the FY 2025-26, no significant risks or concerns were found throughout the assessment, thus prompting no need for corrective actions.

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

Precision Camshaft emphasizes the importance of environmental stewardship in ensuring long-term economic prosperity & societal well-being by highlighting the interconnections of environmental issues at the local, regional, & global levels, making it critical for businesses to address pollution, biodiversity conservation, sustainable natural resource management, & climate change (mitigation, adaptation, & resilience) in a fair, comprehensive, & systematic manner. The Principle encourages businesses to assess the environmental consequences of their products & operations & to take steps to reduce & mitigate those consequences where they cannot be avoided. The Principle encourages businesses to adopt environmental practices & methods that reduce or eliminate the negative impacts on/of their operations & supply chain.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

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

Parameter	Current Financial Year 2025-26	Previous Financial Year 2024-25
Renewable sources		
Total electricity consumption (A) (in GJ)	76,487.74	70,332.5
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	76,487.74	70,332.5
Non-renewable sources		
Total electricity consumption (D) (in GJ)	1,71,611.84	1,85,898.9
Total fuel consumption (E) (in GJ)	72,275.90	78,382.25
Energy consumption through other sources (F)	0	0
Total energy consumed from non-renewable sources (D+E+F)	2,43,887.74	2,64,281.15
Total energy consumed (A+B+C +D+E+F)	3,20,375.48	3,34,613.65
Energy intensity per rupee of turnover (Total energy consumed/ Revenue from operations in Lakhs)	5.54	5.46
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed/ Revenue from operations adjusted for PPP)	0.0011	0.0011
Energy intensity in terms of physical output	-	-
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Due to the modifications occurred in assumptions and calculation methodologies FY 2024-25 data has been changed. Rectified data of FY 2024-25 has been disclosed along with the FY 2025-26 data.

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

Yes - TUV SUD South Asia

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

Not Applicable

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

Parameter	Current Financial Year 2025-26	Previous Financial Year 2024-25
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	0	0
(iii) Third party water	81,988.42	75,250.6
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	81,988.42	75,250.6

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

Parameter	Current Financial Year 2025-26	Previous Financial Year 2024-25
Total volume of water consumption (in Kilolitres)	81,988.42	75,250.6
Water intensity per rupee of turnover (Total water consumption / Revenue from operations in Lakhs)	1.42	1.22
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	0.00028	0.00025
Water intensity in terms of physical output	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

Note: Due to the modifications occurred in assumptions and calculation methodologies FY 2024-25 data has been changed. Rectified data of FY 2024-25 has been disclosed along with the FY 2025-26 data.

The Company's total water consumption increased from 75,250.60 KL in FY 2024-25 to 81,988.42 KL in FY 2025-26. The increase was primarily attributable to higher operational requirements arising from the installation and utilization of additional induction hardening machines during the year. These machines require water for cooling and process-related activities, resulting in an increase in overall water consumption. Further, the Company continued its efforts towards enhancing biodiversity and improving the workplace environment through expansion of its green cover. The green cover increased by approximately 5% during the year, which led to additional water requirements for irrigation and maintenance of landscaped areas. Despite the increase in water consumption, the Company remains committed to efficient water management practices, continuous monitoring, and conservation initiatives aimed at optimizing water usage while supporting operational growth and environmental sustainability objectives.

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

Yes - TUV SUD South Asia

4. Provide the following details related to water discharged:

Parameter	Current Financial Year 2025-26	Previous Financial Year 2024-25
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) To Groundwater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iii) To Seawater	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iv) Sent to Third parties	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	0	0

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

Parameter	Current Financial Year 2025-26	Previous Financial Year 2024-25
(v) Others	0	0
- No treatment	0	0
- With treatment – please specify level of treatment	1,500	1,500
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	0	0
Total water discharged (in Kilolitres)	1,500	1,500

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) - YES. TUV SUD South Asia

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

Yes, the Company has implemented a Zero Liquid Discharge (ZLD) mechanism across its manufacturing operations to ensure responsible water management and compliance with environmental regulations. Process water generated from quenching and other manufacturing activities is collected and treated through a dedicated Effluent Treatment Plant (ETP) with an installed capacity of 2 KLD. The treated effluent is further processed through a Water Recovery Process (WRP), while the residual reject stream is routed to an evaporator system. The evaporation process generates high Total Dissolved Solids (TDS) sludge, which is safely disposed of through authorized recyclers approved by the State Pollution Control Board. Through this integrated treatment and recovery system, the Company ensures that no untreated wastewater is discharged outside the facility, thereby achieving Zero Liquid Discharge. The ZLD framework supports the Company's commitment to water conservation, regulatory compliance, resource efficiency, and minimizing the environmental footprint of its operations while promoting sustainable manufacturing practices.

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

Parameter	Please specify unit	Current Financial Year 2025-26	Previous Financial Year 2024-25
NOx	MT	22.17	14.12
SOx	MT	22.29	16.00
Particulate matter (PM)	MT	46.37	47.67
Persistent organic pollutants (POP)		-	-
Volatile organic compounds (VOC)		-	-
Hazardous air pollutants (HAP)		-	-
Others – please specify		-	-

Note: Due to the modifications occurred in assumptions and calculation methodologies FY 2024-25 data has been changed. Rectified data of FY 2024-25 has been disclosed along with the FY 2025-26 data.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) – YES. TUV SUD South Asia

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

Parameter	Unit	Current Financial Year 2025-26	Previous Financial Year 2024-25
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of Co ₂ equivalent	4,705.42	5,087.54

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

Parameter	Unit	Current Financial Year 2025-26	Previous Financial Year 2024-25
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes	33,845.67	36,766.67
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations in Lakhs)	of Co ₂ equivalent	0.66	0.69
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)		0.00142	0.000137
Total Scope 1 and Scope 2 emission intensity in terms of physical output		-	-
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

Note: Due to the modifications occurred in assumptions and calculation methodologies FY 2024-25 data has been changed. Rectified data of FY 2024-25 has been disclosed along with the FY 2025-26 data.

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

Yes - TUV SUD South Asia

8. **Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.:** Yes. As an environmentally responsible organization, PCL has established a clear roadmap for decarbonization. We have increased solar power consumption by 8.75% from last reporting year. We remain committed to increase the renewable power consumption as a year-on-year basis. Additionally, we are also in a process to transitioning towards clean fuel consumption which we surely will greatly reduce our Scope 1 consumption. Our operational sites are designed in such a way where sunlight can be used efficiently without needing any external light source contributing to Scope 2 reduction.
9. **Provide details related to waste management by the entity, in the following format:**

Parameter	Current Financial Year 2025-26	Previous Financial Year 2024-25
Total Waste generated (in metric tonnes)		
Plastic waste (A)	0.0208	0.0208
E-waste (B)	1.7	0
Bio-medical waste (C)	0.04	0.038
Construction and demolition waste (D)	0	0
Battery waste (E)	0	0
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)		
Shot Blasting Dust	7.406	5.497
Oil-soaked cotton waste	0.10	0.025
Waste oil	6.20	8.4
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	-	-
Total (A+B + C + D + E + F + G + H)	15.47	13.9808

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

Parameter	Current Financial Year 2025-26	Previous Financial Year 2024-25
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations in Lakhs)	0.00027	0.00022
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	0.00000050	0.00000047
Waste intensity in terms of physical output	-	-
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	Current Financial Year 2025-26	Previous Financial Year 2024-25
(i) Recycled	6.2	8.4
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	0	0

For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)

Category of waste	Current Financial Year 2025-26	Previous Financial Year 2024-25
(i) Incineration	0.14	0.063
(ii) Landfilling	7.406	5.497
(iii) Other disposal operations	0	0
Total	7.546	5.56

Note: Due to the modifications occurred in assumptions and calculation methodologies FY 2024-25 data has been changed. Rectified data of FY 2024-25 has been disclosed along with the FY 2025-26 data.

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

Yes - TUV SUD South Asia Private Limited

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 follows a structured and environmentally responsible waste management framework to ensure the safe handling, storage, transportation, and disposal of waste generated from its operations. Waste is segregated at source into hazardous and non-hazardous categories, enabling effective management and compliance with applicable environmental regulations. Hazardous waste generated from manufacturing activities is collected, identified, and stored in designated hazardous waste storage areas with appropriate safety controls. Such waste is subsequently disposed of only through Pollution Control Board (PCB)-authorized recyclers, treatment facilities, or disposal agencies, ensuring environmentally sound handling and regulatory compliance.

Non-hazardous waste is separately collected and transferred to designated waste yards before being sent to authorized third-party vendors for recycling, recovery, or disposal. The Company continuously promotes waste minimization through process optimization, resource efficiency initiatives, and responsible material management practices.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

In addition, the Company is committed to reducing the use of hazardous and toxic substances in its products and manufacturing processes by adopting safer alternatives wherever technically feasible, improving process controls, and strengthening operational efficiency. Regular monitoring, employee awareness programmes, and compliance audits support the effective implementation of waste management practices. Through these initiatives, the Company strives to minimize environmental impact, enhance resource circularity, and promote sustainable manufacturing operations in line with its environmental stewardship objectives.

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

Sl. 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.
NA			

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

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

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

Sl. 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
No fines or penalties for non-compliance.				

Leadership Indicator

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

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

- (i) Name of the area
- (ii) Nature of operations
- (iii) Water withdrawal, consumption and discharge in the following format:

Parameter	Current Financial Year 2025-26	Previous Financial Year 2024-25
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	0	0
(iii) Third party water	0	0
(iv) Seawater / desalinated water	0	0
(v) Others	0	0

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

Parameter	Current Financial Year 2025-26	Previous Financial Year 2024-25
Total volume of water withdrawal (in kilolitres)	0	0
Total volume of water consumption (in kilolitres)	0	0
Water intensity per rupee of turnover (Water consumed / turnover)	0	0
Water intensity (optional) – the relevant metric may be selected by the entity	0	0
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(ii) Into Groundwater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iii) Into Seawater		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(iv) Sent to third parties		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
(v) Others		
- No treatment	0	0
- With treatment – please specify level of treatment	0	0
Total water discharged (in kilolitres)	0	0

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

Yes. External Agency: TUV SUD South Asia Private Limited

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

Parameter	Unit	Current Financial Year 2025-26	Previous Financial Year 2024-25
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)		-	-
Total Scope 3 emissions per rupee of turnover		-	-
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity		-	-

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

Yes. External Agency: TUV SUD South Asia Private Limited

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

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. - NA

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

Sl. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
		NA	

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

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.

No significant adverse impact identified.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts. – Not Applicable

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

The Company is committed to conducting its business in a responsible, ethical, and transparent manner. It adheres to applicable laws and regulations and engages constructively with relevant industry bodies and stakeholders on matters related to its business and operations. Through strong governance practices, compliance, and responsible advocacy, the Company seeks to contribute to sustainable business growth and long-term value creation.

Essential Indicator

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

The Company is a member of four such association at present.

(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.

Sl. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers / associations (State /National)
1.	Automotive Component Manufacturers Associations of India (ACMA)	New Delhi, India
2.	National Safety Council	Maharashtra, India
3.	Mahratta Chamber of Commerce Industries & Agriculture (MCCIA)	Maharashtra, India
4.	Maharashtra Industrial Development Corporation	Maharashtra, India

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
	Not Applicable	

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

Leadership Indicator

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

Sl. No	Public policy advocated	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
					Not Applicable

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

The Company is committed to contributing to the social and economic development of the communities in which it operates. Through its community engagement and social development initiatives, it seeks to support inclusive growth, enhance community well-being, and create a positive and lasting impact. The Company focuses on responsible and sustainable development while addressing the evolving needs of society.

Essential Indicator

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
					NIL

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

Sl. 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 ₹)
						Not Applicable

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

The Company has implemented a formal and accessible grievance redressal framework to address concerns raised by local communities and other stakeholders. To facilitate effective communication, dedicated contact channels, including an official email address, is prominently disclosed on the Company’s website, enabling community members to conveniently submit grievances, feedback, or suggestions. All grievances received through these channels are systematically recorded, acknowledged, and forwarded to the appropriate functional department for detailed evaluation and necessary action. The Company follows a structured process to investigate and resolve concerns in a fair, transparent, and timely manner. Throughout the grievance resolution process, efforts are made to maintain open communication with the complainant, providing updates on the status and outcome of the matter as appropriate. By maintaining a responsive and accountable grievance management mechanism, the Company seeks to foster trust, strengthen stakeholder relationships, and ensure that community concerns are addressed effectively and responsibly.

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

	Current Financial Year 2025-26	Previous Financial Year 2024-25
Directly sourced from MSMEs / small producers	45%	50%
Directly from within the India	10%	10%

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

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	Current Financial Year 2025-26	Previous Financial Year 2024-25
Rural	0%	0%
Semi-urban	0%	0%
Urban	0%	0%
Metropolitan	0%	0%

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

Leadership Indicator

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

Details of negative social impact identified	Corrective action taken
Not Applicable	

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

Sl. No.	State	Aspirational District	Amount spent (In ₹)
Not Applicable			

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups?

Not Applicable

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:

Sl. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
Not Applicable				

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

Name of authority	Brief of the case	Corrective action taken
Not Applicable		

6. Details of beneficiaries of CSR Projects:

Sl. No.	CSR Project	No. of persons benefitted from CSR projects	% of beneficiaries from vulnerable and marginalised groups
-	-	-	-

Not Applicable

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)

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

The Company is committed to delivering high-quality products and maintaining strong customer relationships through responsible business practices, reliability, and continuous improvement. It strives to understand and meet customer expectations while ensuring transparency, responsiveness, and product quality. Through its customer-centric approach, the Company aims to enhance customer satisfaction and create long-term value for its stakeholders.

Essential Indicator

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

The Company has established a structured customer grievance and feedback management system to ensure that consumer concerns, complaints, and suggestions are addressed promptly and effectively. The functional head, along with designated sales personnel, is responsible for overseeing the receipt, assessment, and resolution of customer complaints, ensuring appropriate corrective actions are taken whenever required. Customer grievances and feedback are received through multiple communication channels, including direct interactions, emails, telephone communications, and other customer engagement platforms. Upon receipt, complaints are documented and reviewed in accordance with the Company's established procedures to facilitate timely investigation and resolution.

To ensure effective monitoring and accountability, the Company maintains appropriate records and registers that capture details of complaints received, their status, actions taken, and closure timelines. Regular tracking of pending and resolved complaints enables the Company to identify areas for improvement, enhance customer satisfaction, and strengthen the overall quality of its products and services.

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

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not applicable. The Company is B2B (Business to Business) and products are manufactured as per the requirement of Customers
Safe and responsible usage	
Recycling and/or safe disposal	

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

	Current Financial Year 2025-26			Previous Financial Year 2024-25		
	Received during	Pending resolution at end of year	Remarks	Received during	Pending resolution at end of year	Remarks
Data privacy	0	0	0	0	0	0
Advertising	0	0	0	0	0	0
Cyber-security	0	0	0	0	0	0
Delivery of essential services	0	0	0	0	0	0
Restrictive Trade Practices	0	0	0	0	0	0
Unfair Trade Practices	0	0	0	0	0	0
Other	0	0	0	0	0	0

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

Remarks	Number	Reason for recall
Voluntary recalls	0	0
Forced recalls	0	0

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (Contd.)



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:

The Company has established a Board-approved Risk Management Policy to identify, assess, monitor, and mitigate risks that may impact its business operations. Cybersecurity and information security risks are considered as part of the Company's overall risk management framework. Appropriate controls and measures are implemented to safeguard information systems, digital assets, and business continuity. The Risk Management Committee periodically reviews key risks and mitigation measures to support the effectiveness of the Company's risk management practices and resilience against emerging threats. The Risk Management Policy is available on the Company's website at www.pclindia.in.

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:**

- Number of instances of data breaches- Nil
- Percentage of data breaches involving personally identifiable information of customers- Nil
- Impact, if any, of the data breaches- Not Applicable

Leadership Indicator

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

The official company website of Precision Camshaft Limited serves the purpose: <https://pclindia.in/>

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

Not Applicable

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

Not Applicable

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

Not Applicable

Assurance statement on third-party verification of sustainability information

Unique identification no.: **3153236880**

TÜV SÜD South Asia Pvt Ltd. (hereinafter TÜV SÜD) has been engaged by **Precision Camshafts Limited, D-5, D-6,7,7-1, Chincholi MIDC, Chincholi IN - 413255 Solapur, Maharashtra** to perform an independent assurance of the Company's disclosures in Business Responsibility and Sustainability Report (hereafter referred as 'BRSR') of **Precision Camshafts Limited**, (hereinafter "Company") for the period from 01/04/2025 to 31/03/2026.

The verification was carried out according to the steps and methods described below.

Scope of the verification

The third-party verification was conducted to obtain independent assurance about whether the Sustainability information is prepared in reference to BRSR standard/framework (hereinafter referred as "Reporting Criteria").

Reporting standard/framework

The disclosures have been prepared by **Precision Camshafts Limited**, in reference to:

BRSR reporting guidelines (Annexure II) as per SEBI Circular No. SEBI/HO/CFD/CMD-2/P/CIR/2021/562 dated May 10, 2021, and incorporated Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023

The following sustainability indicators' reporting are included in the scope of the assurance engagement during the reporting period Financial Year 2025-2026 as listed below

Limited level of assurance for the rest non-financial quantitative disclosures in BRSR (Ref: Annexure II of SEBI circular) for –

S. No.	BRSR indicator reference	Description of indicator
1.	Section A – 20-a	Employees and workers (including differently abled).
2.	Section A – 20-b	Differently abled Employees and workers.
3.	Section A – 21	Participation/Inclusion/Representation of women.
4.	Section A – 23	Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct.
5.	Principle 1 – E-1	Percentage coverage by training and awareness programmes on any of the Principles during the Financial Year.
6.	Principle 2 – E-2-a	Procedures in place for sustainable sourcing.
7.	Principle 2 – E-2-b	Percentage of inputs were sourced sustainably.
8.	Principle 3 – E-1	Details of measures for the well-being of employees and workers.
9.	Principle 3 – E-2	Details of retirement benefits, for Current Financial Year.
10.	Principle 3 – E-3	Accessibility to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016.
11.	Principle 3 – E-8	Details of training given to employees and workers.
12.	Principle 3 – E-9	Details of performance and career development re- views of employees and worker.
13.	Principle 3 – E-11	Details of safety related incidents.
14.	Principle 3 – E-13	Number of Complaints on working conditions & Health safety made by employees and workers.



S. No.	BRSR indicator reference	Description of indicator
15.	Principle 3 – E-14	Assessments for the year (Health and safety practices, Working Conditions).
16.	Principle 5 –E-1	Employees and workers who have been provided training on human rights issues and policies of the entity.
17.	Principle 5 – E-6	Number of Complaints made by employees and workers
18.	Principle 5 –E- 7	Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
19.	Principle 6 – E-1	Details of total energy consumption and energy intensity.
20.	Principle 6 – E-3	Details of total water consumption and water intensity.
21.	Principle 6 – E-4	Details related to water discharged
22.	Principle 6 – E-5	Air emissions (other than GHG emissions) by the entity
23.	Principle 6 – E-6	Details of air emissions (other than GHG emissions) by the entity. Greenhouse gas emissions (Scope 1 and Scope 2 emissions).
24.	Principle 6 – E-7	Project related to reducing Green House Gas emission reduction
25.	Principle 6 – E-8	Waste management by the entity
26.	Principle 6 –E-9	Details of total waste generated.
27.	Principle 7 –E-1	Number of affiliations with trade and industry chambers/ associations
28.	Principle 8 – E-4	Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the BRSR reporting, and accordingly, we do not express a conclusion on this information.

It was not part of our engagement to review product- or service-related information, references to external information sources, expert opinions and future-related statements in the Report.

Responsibility of the Company

The legal representatives of the Company are responsible for the preparation of the BRSR report in accordance with the Reporting Criteria. This responsibility includes in particular the selection and use of appropriate methods for measurement, calculation, collection and compilation of information and the making of appropriate assumptions or, where appropriate, the making of appropriate estimates. Furthermore, the legal representatives are responsible for necessary internal controls to enable the preparation of a BRSR report that is free of material - intentional or unintentional - erroneous information.

Verification methodology and procedures performed

The verification engagement has been planned and performed in accordance with the verification methodology developed by the TÜV SÜD Group which is based on ISAE 3000 assurance engagement standard and ISO 17029.

Level of Assurance

Limited Level of assurance for the rest non-financial quantitative disclosures of BRSR report (Ref: Annexure II of SEBI circular).

The verification was based on a systematic and evidence-based assurance process limited as stated above. The selection of assurance procedures is subject to the auditor's own judgment.

- Inquiries of personnel who are responsible for the stakeholder engagement and materiality analysis to understand the reporting boundaries
- Evaluation of the design and implementation of the systems and processes for compiling, analysing, and aggregating sustainability information as well as for internal controls
- Inquiries of company's representatives responsible for collecting, preparing and consolidating sustainability information and performing internal controls
- Analytical procedures and inspection of sustainability information as reported at group level by all locations
- Assessment of local data collection and management procedures and control mechanisms through a sample survey at selected multiple sites as mentioned below:

Sl. No.	Company Name	Site Address
1	Precision Camshafts Limited	D-5, D-6,7,7-1, Chincholi MIDC, Chincholi IN - 413255 Solapur, Maharashtra
2	Precision Camshafts Limited	E-102/103, M.I.D.C. Akkalkot Road, IN -414006 Solapur
3	Precision Camshafts Limited	3 rd Floor , Kohinnor B Zone, Mumbai Bangaluru Highway,Baner,Pune-411045

CONCLUSION

Limited Level of Assurance- BRSR Reporting Format

On the basis of the assessment procedures carried out from 09/03/2026 to 23/06/2026, TÜV SÜD has not become aware of any facts that lead to the conclusion that the selected indicators have not been prepared, in all material aspects, in accordance with the Reporting Criteria.

Limitations

The assurance process was subject to the following limitations:

- The subject matter information covered by the engagement are described in the "scope of the engagement". Assurance of further information included in the BRSR reporting was not performed. Accordingly, TÜV SÜD do not express a conclusion on this information.
- The assurance scope excluded forward-looking statements, product- or service-related information, external information sources and expert opinions.

Use of this Statement

The Company must reproduce the TÜV SÜD statement and possible attachments like Assurance report in full and without omissions, changes, or additions.

This statement is by the scope of the engagement solely intended to inform the Company as to the results of the mandated assessment. TÜV SÜD has not considered the interest of any other party in the selected sustainability information, this assurance report or the conclusions TÜV SÜD has reached. Therefore, nothing in the engagement or this statement provides third parties with any rights or claims whatsoever.



Independence and competence of the verifier

TÜV SÜD South Asia Pvt Ltd. is an independent certification and testing organization and member of the international TÜV SÜD Group, with accreditations also in the areas of social responsibility and environmental protection. The assurance team was assembled based on the knowledge, experience and qualification of the auditors. TÜV SÜD South Asia Pvt Ltd. hereby declares that there is no conflict of interest with the Company.

Place, Date : Mumbai / 29.06.2026

Signature Panel

Prosenjit Mitra
General Manager- Verification, Validation and Audit Management System Assurance

Signature Panel

Sujit Patil
Verification Team Leader, TÜV SÜD Management System Assurance

INDEPENDENT AUDITOR’S REPORT

To
the Members of
Precision Camshafts Limited

Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the accompanying standalone financial statements of Precision Camshafts Limited (“the Company”), which comprise the Balance Sheet as at March 31, 2026, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including material accounting policy information 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 prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and its profit (including other 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 SAs 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 together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in

our audit of the standalone financial statements for the year ended March 31, 2026. 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.

Sr. No	Key Audit Matters	How the Key Audit Matters was addressed in our audit
1	<p>Assessment of Provision for Impairment of Investment in subsidiaries</p> <p>Refer Note 5A of financial statement with respect to the disclosures of Investment in subsidiaries. On March 31, 2026, Investment in subsidiaries amounted to INR 16,270.84 lakhs against which provision of INR 10,300 lakhs is being carried towards impairment provision in the books of account.</p> <p>In accordance with Ind AS 36-"Impairment of Assets", at each reporting period end, management assesses the existence of impairment indicators of investments in subsidiaries. The processes and methodologies for assessing and determining the recoverable amount of each investments are based on complex assumptions, that by their nature imply the use of the management's</p>	<p>Our audit procedures in respect of this area include but are not limited to:</p> <ol style="list-style-type: none"> 1. Obtained an understanding of the Company's accounting policy on assessment of impairment of investments in subsidiaries and application of assumption used by the management, including design and implementation of controls over the same. 2. Tested the operating effectiveness of the internal controls over the process of valuation and impairment of investments in subsidiaries. 3. Obtained and reviewed the valuation report issued by the Company's independent valuation experts, and assessed the expert's independence, competence, capability and objectivity.

INDEPENDENT AUDITOR'S REPORT (Contd.)

Sr. No	Key Audit Matters	How the Key Audit Matters was addressed in our audit
	<p>judgments & estimation uncertainty, in particular with reference to identification of impairment indicators, forecast of future cash flows relating to the period covered by the Company's strategic business plan, normalized cash flows assumed as a basis for terminal value, as well as the long-term growth rates and discount rates applied to such forecasted cash flows.</p> <p>Since the amount of investment in subsidiaries is material and assessment of provision for impairment involves significant management judgement and estimation uncertainty, we have identified assessment of provision for impairment of investment in subsidiaries as a key audit matter.</p>	<ol style="list-style-type: none"> 4. Assessed the appropriateness of the valuation methodology applied and reasonableness of the assumptions used i.e. the discount rate and long-term growth rates used in the forecast. 5. Verified completeness, arithmetical accuracy and validity of the data used in the calculations. 6. Assessed reasonableness of the future revenue and margin projections, by reviewing the historical accuracy of the Group's estimates and its ability to produce accurate long-term forecasts. 7. Assessed the Company's sensitivity analysis and evaluated whether any reasonably foreseeable change in assumptions could impact the value in use and the recoverability of investments in subsidiaries. 8. Assessed the completeness and accuracy of the disclosures in accordance with the requirements of the relevant Ind AS, which are included in Note 5A of the standalone financial statements.
2	<p>Assessment of Provision for impairment of Loans given to Subsidiary companies</p> <p>Refer note 5B of financial statement with respect to the disclosures of loans given to subsidiaries. On March 31, 2026, loan given to subsidiaries amounted to INR 9,261.06 lakhs against which provision of INR 2,745 lakhs were made towards impairment in the books of account.</p> <p>In accordance with Ind AS 36 - "Impairment of Assets" at each reporting period end, management assesses the existence of impairment indicators and evaluates the expected credit loss on loans granted to subsidiaries. The processes and methodologies for assessing and determining the recoverable amount of such loans are based on complex assumptions, which by their nature involve significant management judgement and estimation uncertainty, particularly with reference to the financial performance and business prospects of the subsidiaries, forecast of future cash flows, repayment capacity, expected timing of recovery, and the discount rates applied to such forecasted cash flows.</p> <p>Since the amount of loans to subsidiaries is material and its impairment assessment involves significant management judgement and estimation uncertainty, we have identified assessment of provision for impairment of loans granted to subsidiaries as a key audit matter.</p>	<p>Our audit procedures in respect of this area include but are not limited to:</p> <ol style="list-style-type: none"> 1. Obtained an understanding of management's process for assessing the recoverability of loans granted to subsidiaries. 2. Evaluated the design and implementation of key controls over the impairment assessment process. 3. Assessed management's determination of whether there were indicators of impairment and the appropriateness of the expected credit loss (ECL) methodology applied. 4. Reviewed the subsidiary's latest audited financial statements, management accounts, budgets, and cash flow forecasts to assess its ability to repay the loan. 5. Evaluated the reasonableness of key assumptions used in forecasts, including projected revenues, profitability, growth rates, and cash flows. 6. Assessed the financial position and net worth of the subsidiary and considered the availability of underlying assets and future cash generation capacity. 7. Tested the mathematical accuracy of the impairment calculations.

INDEPENDENT AUDITOR'S REPORT (Contd.)

Sr. No	Key Audit Matters	How the Key Audit Matters was addressed in our audit
		<ol style="list-style-type: none"> 8. Performed sensitivity analyses on significant assumptions where considered necessary. 9. Evaluated the adequacy of disclosures in the financial statements relating to the loan, impairment assessment, and key judgments made by management.

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 Director's report (including Annexure) but does not include the standalone financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report.

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 identified above and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, 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, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards 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 statement 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, the Management and the Board of Directors of the Company 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE 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.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Standalone Financial Statements.

INDEPENDENT AUDITOR'S REPORT (Contd.)

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid standalone financial statements.
 - (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 except for the matters stated in the paragraph 2(h)(vi) below on reporting under Rule 11(g).
 - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the standalone financial statements.
 - (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 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 2(h)(vi) below on reporting under Rule 11(g).
 - (g) 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 C".
 - (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, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 32 to the standalone financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2026.
 - iv. a. The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 51 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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, as disclosed in the note 51 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on

INDEPENDENT AUDITOR'S REPORT (Contd.)

- c. Based on the audit procedures performed 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) contain any material misstatement.
 - v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.

The Board of directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend. (Refer Note 30 to the Standalone financial statements).
 - vi. a. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of accounts which has a feature of recording audit trail (edit log) facility, except that no audit trail feature was enabled at the database level in respect of an accounting software to log any direct data changes as explained in Note 58 to the financial statements.

Further, where enabled, audit trail feature has been operated for all relevant transactions recorded in the accounting software. Also, during the course of our audit, we did not come across any instance of audit trail feature being tampered with in respect of such accounting software. Additionally, the audit trail of prior years has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in prior years.
 - b. Based on examination which included test checks, the Company has used accounting software for maintaining its payroll records (managed and maintained by a third-party software service provider) which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software except that we are unable to comment on audit trail at database level due to absence of adequate coverage in SOC report, as explained in Note 58 to the financial statements.

Further, except for above, audit trail feature has operated throughout the year for all relevant transactions recorded in the accounting software. Also, during the course of our audit, we did not come across any instance of audit trail feature being tampered with to the extent it was enabled. Additionally, the audit trail of prior year(s) has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in prior years.
3. In our opinion and according to information, explanations given to us, the remuneration paid or provided by the Company to its directors during the year ended March 31, 2026, is in excess of the limits prescribed under Section 197 read with Schedule V to the Companies Act, 2013 by INR 131.88 lakhs. As described in Note 53 to the accompanying standalone financial statements, the Company is in the process of obtaining requisite approval of the shareholders by way of special resolution in respect of the aforesaid excess remuneration.

For **M S K A & Associates LLP**
(Formerly known as **M S K A & Associates**)
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

Yogesh Yewale
Partner

Place: Mangalwedha
Date: May 22, 2026

Membership No.: 158877
UDIN: 26158877AHBYLE5664

ANNEXURE A

TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF PRECISION CAMSHAFTS LIMITED FOR THE YEAR ENDED MARCH 31, 2026

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to 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 Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we

are required to draw attention in our 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.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of 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.

For **M S K A & Associates LLP**
(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

Yogesh Yewale
Partner

Place: Mangalwedha
Date: May 22, 2026

Membership No.: 158877
UDIN: 26158877AHBYLE5664

ANNEXURE B

TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF PRECISION CAMSHAFTS LIMITED FOR THE YEAR ENDED MARCH 31, 2026

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

- (a) A. The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment, investment property and relevant details of right-of-use assets.
B. The Company has maintained proper records showing full particulars of intangible assets.
- All the Property, Plant and Equipment, Investment property and right of use assets have not been physically verified by the management during the year but there is a regular programme of verification, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in the standalone financial statements, are held in the name of the Company.
- According to the information and explanations given to us, the Company has not revalued its property, plant and Equipment (including Right of Use assets) and intangible assets during the year. Accordingly, the provisions stated under clause 3(i) (d) of the Order are not applicable to the Company.

- (e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the provisions stated under clause 3(i) (e) of the Order are not applicable to the Company.
- (a) The inventory (excluding stocks with third parties and stocks-in-transit) has been physically verified by the management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them and no material discrepancies noted. In respect of goods in transit, the goods have been received subsequent to the year end. In our opinion, the frequency, coverage and procedure of such verification is reasonable and appropriate, having regard to the size of the Company and the nature of its operations. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.
(b) During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores rupees, in aggregate from Banks, on the basis of security of current assets. Based on the records examined by us in the normal course of audit of the standalone financial statements, quarterly statements filed with such Banks are not in agreement with the books of accounts of the Company. Details of the same are as below. Also, refer note 12 and 46 to the standalone financial statements.

(Amount in INR lakhs)

Quarter ended	Name of bank	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly statement	Difference	Reason for discrepancies
June 2025	Bank of India and Bank of Baroda	Trade Receivables	11,294.59	14,956.93	(3,662.34)	The difference is due to submission to the Banks before financial reporting closure process.
		Trade Payables *	4,967.84	4,928.36	39.48	
		Inventories	5,759.64	2,460.29	3,299.35	
September 2025	Bank of India and Bank of Baroda	Trade Receivables	11,510.49	14,909.78	(3,399.29)	
		Trade Payables *	6,411.01	6,357.09	53.92	
		Inventories	5,329.81	2,406.74	2,923.07	

ANNEXURE B (Contd.)

(Amount in INR lakhs)

Quarter ended	Name of bank	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly statement	Difference	Reason for discrepancies
December 2025	Bank of India and Bank of Baroda	Trade Receivables	10,500.31	14,348.00	(3,847.69)	
		Trade Payables *	6,108.82	6,412.57	(303.75)	
		Inventories	5,053.16	2,335.52	2,717.64	
March 2026	Bank of India and Bank of Baroda	Trade Receivables**	11,235.79	14,713.69	(3,477.90)	
		Trade Payables *	7,669.14	7,088.81	580.33	
		Inventories	5,212.88	2,549.31	2,663.57	

* (excluding Provision for expenses & includes Capital payables)

** (excluding unbilled receivables)

iii. (a) According to the information and explanations provided to us, the Company has provided loans to other entities.

(A) The details of such loans to subsidiaries are as follows:

	Loans
Aggregate amount granted/ provided during the year	
- Subsidiaries	Nil
Balance Outstanding as at balance sheet date in respect of above cases	
- Subsidiaries	6,516.06

The details of the same are as follows:

Name of the entity	Interest Amount (Amount in INR lakhs)	Due Date	Date of Payment	Extent of delay	Remarks, if any
PCL International Holdings B.V.	5.37	January 31, 2025	February 14, 2026	380	

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no amounts overdue for more than ninety days in respect of the loans and interest receivable, as at the reporting date

(e) According to the information and explanations provided to us, the loans granted has not fallen due during the year. Accordingly, the provisions stated under clause 3(iii)(e) of the Order are not applicable to the Company.

(f) According to the information and explanations provided to us, the Company has not any granted loans, including to promoters or related parties as defined in clause (76) of section 2 of the Companies Act, 2013 either repayable on demand or without specifying any terms or period of repayment during the year. Accordingly, the requirement to report under clause 3(iii)(f) of the Order is not applicable to the Company.

(B) No loans, advances in the nature of loans, guarantee or securities given to any other entity, other than subsidiaries.

(b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the investments made and terms and conditions in relation to grant of all loans are not prejudicial to the interest of the Company.

(c) In case of loans, schedule of repayment of principal and payment of interest have been stipulated. The repayment of principal has not fallen due in current year, however, the borrower has not been regular in the payment of interest to the Company.

ANNEXURE B (Contd.)

iv. According to the information and explanations given to us, there are no loans, investments, guarantees, and security in respect of which provisions of sections 185 of the Companies Act, 2013, are applicable and accordingly, the requirement to report under clause 3(iv) of the Order is not applicable to the Company. Further, according to the information and explanations given to us, provisions of Section 186 of the Companies Act, 2013 in respect of loans, investments & guarantees, and security have been complied with by the Company.

v. According to the information and explanations given to us, the Company has neither accepted any deposits from the public nor any amounts which are deemed to be deposits, within the meaning of the provisions of Sections 73 to 76 of the Companies Act, 2013 and the rules framed there under. Accordingly, the requirement to report under clause 3(v) of the Order is not applicable to the Company.

vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Companies Act, 2013 in respect of its products. We have broadly reviewed the same, and are of the opinion

that, *prima facie*, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

(a) According to the information and explanations given to us and the records examined by us, in our opinion, undisputed statutory dues including Goods and Services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess, and other statutory dues have generally been regularly deposited with the appropriate authorities during the year, though there have been slight delays in a few cases.

No undisputed amounts payable in respect of these statutory dues were outstanding as at March 31, 2026, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and the records examined by us, details of statutory dues which have not been deposited as on March 31, 2026, on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount Demanded (Rs. In lakhs)	Period to which the amount relates	Amount Paid in protest (Rs. In lakhs)	Forum where dispute is pending	Remarks, if any
Central Excise Act, 1994	Excise duty	20.76	2002-05	-	Commissioner of Central Excise	
Collector of Stamps Solapur	Stamp duty	31.79	2007-08	-	Controlling Revenue Authority, Pune	
Employee Provident Funds and Miscellaneous Provision Act, 1952	Provident Fund dues (excluding interest)	24.23	2003-06	12.12	Hon'ble High Court of Judicature Bombay	
Income-tax Act, 1961	Income tax on ESOP expense and other disallowance	1,701.16	2013-14	335.41	CIT (Appeals)	
Income-tax Act, 1961	Penalty for under reporting of income for incremental disallowance	3.47	2017-18	0.70	CIT (Appeals)	
GST Act, 2017	GST on Tooling income & Mismatch in ITC	200.62	2017-18	-	Hon'ble High Court of Judicature Bombay	

ANNEXURE B (Contd.)

- viii. According to the information and explanations given to us, there are no transaction which are not recorded in the books of account which have been surrendered or disclosed as income during the year in Income-tax Assessment under the Income Tax Act, 1961. Accordingly, the requirement to report as stated under clause 3(viii) of the Order is not applicable to the Company.
- ix. (a) In our opinion and according to the information and explanations given to us and the records of the Company examined by us, the Company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that 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 provided to us, no money was raised by way of term loans. Accordingly, the requirement to report under clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been utilised for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from an any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries. Accordingly, reporting under clause 3(ix)(f) of the order is not applicable to the Company.
- x. (a) In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting requirement under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partly, or optionally convertible) during the year. Accordingly, the requirements to report under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) Based on our examination of the books and records of the Company and according to the information and explanations given to us, we report that no fraud by the Company or no material fraud on the Company has been noticed or reported during the year in the course of our audit.
- (b) During the year no report under Section 143(12) of the Act, has been filed by cost auditor/ secretarial auditor or by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (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. Accordingly, the provisions stated under clause 3(xii)(a) to (c) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till the date of our audit report, for the period under audit.

ANNEXURE B (Contd.)

- xv. According to the information and explanations given to us, and based on our examination of the records of the Company, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, the requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 (2 of 1934) and accordingly, the requirements to report under clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities during the year and accordingly, the provisions stated under clause 3 (xvi)(b) of the Order are not applicable to the Company.
- (c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report under clause 3 (xvi)(c) of the Order is not applicable to the Company.
- (d) The Group does not have any Core Investment Company (as part of its group). Accordingly, the requirement to report under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. Based on the overall review of standalone financial statements, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Accordingly, the requirement to report under clause 3(xvii) of the Order is not applicable to the Company.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios (as disclosed in note 52 to the standalone financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. According to the information and explanations given to us and based on our verification, provisions of Section 135 of the Act are applicable to the Company. The Company has made the required contributions during the year and there are no unspent amounts which are required to be transferred either to a Fund specified in schedule VII of the Companies Act, 2013 or to a Special Account as per the provisions of Section 135 of the Act read with schedule VII to the companies Act, 2013. Accordingly, reporting under Clause 3(xx)(a) and Clause 3(xx)(b) of the Order is not applicable to the Company.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said Clause has been included in the report.

For **M S K A & Associates LLP**
(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

Yogesh Yewale
Partner

Place: Mangalwedha
Date: May 22, 2026

Membership No.: 158877
UDIN: 26158877AHBYLE5664

ANNEXURE C

TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF PRECISION CAMSHAFTS LIMITED

[Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the Members of **Precision Camshafts Limited** on the Standalone Financial Statements for the year ended March 31, 2026]

REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

Opinion

We have audited the internal financial controls with reference to standalone financial statements of **Precision Camshafts 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.

In our opinion, and 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 internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI').

Management's and Board of Director's Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 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 Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly

ANNEXURE C (Contd.)

reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

For **M S K A & Associates LLP**
(Formerly known as **M S K A & Associates**)
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

Yogesh Yewale
Partner

Place: Mangalwedha
Date: May 22, 2026

Membership No.: 158877
UDIN: 26158877AHBYLE5664

STANDALONE BALANCE SHEET

AS AT MARCH 31, 2026

(All amounts are in Rupees Lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3	26,069.72	21,806.10
(b) Capital work-in-progress	3A	6,472.64	5,689.41
(c) Investment Property	3B	289.25	294.49
(d) Intangible assets	4	10.32	31.72
(e) Financial assets			
(i) Investments	5A	5,972.14	8,972.14
(ii) Loans	5B	6,516.06	7,956.55
(iii) Other financial assets	5C	508.29	417.08
(f) Other non-current assets	6	401.00	1,444.35
Total non-current assets		46,239.42	46,611.84
Current assets			
(a) Inventories	7	5,212.88	6,172.15
(b) Financial assets			
(i) Investments	5A	34,893.53	31,226.57
(ii) Trade receivables	8	11,235.79	15,027.64
(iii) Cash and cash equivalents	9	1,961.34	2,626.29
(iv) Bank balance other than (iii) above	9	3,739.44	4,483.05
(v) Others financial assets	5C	160.04	232.56
(c) Current tax assets (net)	17	573.04	-
(d) Other current assets	6	1,541.33	638.61
Total current assets		59,317.39	60,406.87
Assets classified as held for sale	18	-	625.73
Total Assets		1,05,556.81	1,07,644.44
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	10	9,498.58	9,498.58
(b) Other equity	11	79,159.85	79,293.52
Total equity		88,658.43	88,792.10
LIABILITIES			
Non-current liabilities			
(a) Financial liability			
(i) Lease liabilities	13A	158.20	143.35
(b) Deferred tax liabilities (net)	28	1,588.93	882.66
(c) Provisions	16	690.40	673.74
Total non-current liabilities		2,437.53	1,699.75
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	12	4,035.47	7,090.06
(ii) Trade and other payables	14		
- total outstanding dues of micro enterprises and small enterprises		935.69	798.29
- total outstanding dues of creditors other than micro enterprises and small enterprises		6,247.76	6,000.82
(iii) Other financial liabilities	13	2,684.56	1,848.18
(b) Other current liabilities	15	280.46	243.86
(c) Provisions	16	186.55	164.78
(d) Current tax liabilities (net)	17A	90.36	735.49
Total current liabilities		14,460.85	16,881.48
Liabilities related to assets classified as held for sale	18A	-	271.11
Total liabilities		16,898.38	18,852.34
Total Equity and Liabilities		1,05,556.81	1,07,644.44

Summary of material accounting policies 2

The accompanying notes are an integral part of the standalone financial statements
As per our report attached of even date

For M S K A & Associates LLP (formerly known as M S K A & Associates)
Chartered Accountants
Firm Regn. Number: 105047W/W101187

For and on behalf of the Board of Directors of Precision Camshafts Limited
CIN : L24231PN1992PLC067126

Yogesh Yewale
Partner
Membership Number: 158877
Place: Mangalwedha
Date: May 22, 2026

Yatin S. Shah
Managing Director
DIN: 00318140
Place: Mangalwedha
Date: May 22, 2026

Ravindra R. Joshi
Whole-time Director & CFO
DIN: 03338134
Place: Mangalwedha
Date: May 22, 2026

Karan Y. Shah
Whole-time Director
DIN: 07985441
Place: Mangalwedha
Date: May 22, 2026

Harshal J. Kher
Company Secretary
Membership Number : A69147
Place: Mangalwedha
Date: May 22, 2026

STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2026

(All amounts are in Rupees Lakhs, unless otherwise stated)

Particulars	Notes	Year ended March 31, 2026	Year ended March 31, 2025
INCOME			
Revenue from operations	19	57,754.77	61,200.09
Other income	20	4,665.55	2,627.22
Total income (I)		62,420.32	63,827.31
EXPENSES			
Cost of raw materials and components consumed	21	17,270.92	17,940.63
(Increase) / decrease in inventories of finished goods, work-in-progress	22	693.78	948.41
Employee benefits expense	23	8,090.90	8,696.43
Other expenses	24	25,560.47	25,085.47
Total expenses (II)		51,616.07	52,670.94
Earnings before interest, tax, depreciation and amortisation (EBITDA) (I) - (II)		10,804.25	11,156.37
Finance costs	25	444.96	521.65
Finance income	26	(458.07)	(499.72)
Depreciation and amortisation expense	27	3,271.66	3,974.99
Profit before tax and exceptional items		7,545.70	7,159.45
Exceptional items	26A	(4,889.99)	(3,508.00)
Profit before tax		2,655.71	3,651.45
Tax expense			
Current tax	28	1,410.32	2,499.39
(Excess) / short provision of tax relating to earlier years	28	40.72	-
Deferred tax	28	626.28	416.33
Total tax expense		2,077.32	2,915.72
Profit for the year (A)		578.39	735.73
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains on defined benefit plans		317.78	30.63
Income tax effect		(79.98)	(7.71)
Total other comprehensive income for the year, net of tax [B]		237.80	22.92
Total comprehensive income for the year, net of tax (A+B)		816.19	758.65
Earning per share [nominal value per share ₹10/- (March 31, 2025: ₹10/-)]	29		
Basic		0.61	0.77
Diluted		0.61	0.77

Summary of material accounting policies 2

The accompanying notes are an integral part of the standalone financial statements
As per our report attached of even date

For M S K A & Associates LLP (formerly known as M S K A & Associates)
Chartered Accountants
Firm Regn. Number: 105047W/W101187

For and on behalf of the Board of Directors of Precision Camshafts Limited
CIN : L24231PN1992PLC067126

Yogesh Yewale
Partner
Membership Number: 158877
Place: Mangalwedha
Date: May 22, 2026

Yatin S. Shah
Managing Director
DIN: 00318140
Place: Mangalwedha
Date: May 22, 2026

Ravindra R. Joshi
Whole-time Director & CFO
DIN: 03338134
Place: Mangalwedha
Date: May 22, 2026

Karan Y. Shah
Whole-time Director
DIN: 07985441
Place: Mangalwedha
Date: May 22, 2026

Harshal J. Kher
Company Secretary
Membership Number : A69147
Place: Mangalwedha
Date: May 22, 2026

STANDALONE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2026

(All amounts are in Rupees Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	2,655.71	3,651.45
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation of property, plant and equipment	3,235.83	3,939.17
Amortisation of intangible assets	35.83	35.82
Net foreign exchange loss/(gain) differences (unrealised)	(1,416.03)	63.66
Net (gain)/loss on disposal of property, plant and equipment/ assets written off	(911.83)	15.91
Gain on mutual fund (realised and unrealised)	(1,664.05)	(1,925.05)
Finance income (including fair value change in financial instruments)	(458.08)	(499.72)
Finance costs (including fair value change in financial instruments)	444.96	521.65
Impairment of Property, Plant and Equipment	-	100.00
Impairment of Investment in subsidiary	3,000.00	7,300.00
Impairment provision for Loan to subsidiary	2,775.84	-
Operating profit before working capital changes	7,698.18	13,202.89
Working capital adjustments:		
(Increase) / decrease in other assets	(938.92)	1,655.68
(Increase) / decrease in other financial assets	(39.78)	77.31
(Increase) / decrease in trade and other receivables and prepayments	3,989.75	(1,382.79)
(Increase) / decrease in inventories	959.28	1,629.74
Increase / (decrease) in other current liabilities	19.10	(71.50)
Increase / (decrease) in other financial liabilities	(126.10)	27.25
Increase / (decrease) in provisions	356.21	96.80
Increase / (decrease) in trade and other payables	417.95	(1,300.01)
Cash generated from operations	12,335.67	13,935.37
Income tax paid	(2,669.22)	(1,941.11)
Net cash flows from operating activities (A)	9,666.45	11,994.26
B. CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from sale of property, plant and equipment	(5,980.05)	116.73
Purchase of property, plant and equipment	910.41	(4,751.17)
Investment in mutual fund	(3,000.00)	(14,898.57)
Advance received against sale of land	-	210.00
Proceeds from sale of mutual fund	997.09	7,422.38
Proceeds from repayment of loan given to subsidiaries	-	1,624.00
Investment in relation to term deposits	721.60	(285.00)
Interest received (finance income)	470.59	472.58
Net cash flows used in investing activities (B)	(5,880.36)	(10,089.05)

STANDALONE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2026

(All amounts are in Rupees Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
C. CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	(444.96)	(521.65)
Proceeds of short term borrowings (net)	(3,054.58)	1,174.81
Final dividend paid on shares	(951.50)	(950.51)
Payment of lease obligation	-	(60.90)
Net cash flows used in financing activities (C)	(4,451.04)	(358.25)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(664.95)	1,546.96
Cash and cash equivalents at the beginning of the year	2,626.29	1,079.33
Cash and cash equivalents as at year end	1,961.34	2,626.29
Components of cash and cash equivalents:		
Balances with banks:		
On current accounts	1,910.20	2,574.87
Deposit with original maturity of less than 3 months	50.53	50.51
Cash in hand	0.61	0.91
Cash and cash equivalents as at year end	1,961.34	2,626.29

Summary of material accounting policies

The accompanying notes are an integral part of the standalone financial statements
As per our report attached of even date

For M S K A & Associates LLP (formerly known as M S K A & Associates)
Chartered Accountants
Firm Regn. Number: 105047W/W101187

For and on behalf of the Board of Directors of

Precision Camshafts Limited
CIN : L24231PN1992PLC067126

Yogesh Yewale
Partner
Membership Number: 158877
Place: Mangalwedha
Date: May 22, 2026

Yatin S. Shah
Managing Director
DIN: 00318140
Place: Mangalwedha
Date: May 22, 2026

Ravindra R. Joshi
Whole-time Director & CFO
DIN: 03338134
Place: Mangalwedha
Date: May 22, 2026

Karan Y. Shah
Whole-time Director
DIN: 07985441
Place: Mangalwedha
Date: May 22, 2026

Harshal J. Kher
Company Secretary
Membership Number : A69147
Place: Mangalwedha
Date: May 22, 2026

STANDALONE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2026

(All amounts are in Rupees Lakhs, unless otherwise stated)

A EQUITY SHARE CAPITAL

Equity shares of 10 each issued, subscribed and fully paid (refer note 10)	Number	Amount
At April 01, 2024	9,49,85,835	9,498.58
Issued during the year	-	-
At March 31, 2025	9,49,85,835	9,498.58
Issued during the year	-	-
At March 31, 2026	9,49,85,835	9,498.58

B Other equity

Particulars	Reserve and surplus				Total equity
	Securities premium	General reserve	Retained earnings	Other comprehensive income - Re-measurement gains /(losses) on defined benefit plans	
At April 01, 2024	21,739.24	472.21	57,138.50	134.89	79,484.84
Profit for the year	-	-	735.73	-	735.73
Other comprehensive income for the year (net of tax)	-	-	-	22.92	22.92
Total comprehensive income for the year	-	-	735.73	22.92	758.65
Deferred tax charge on share issue expenses	(0.11)	-	-	-	(0.11)
Final dividend for the year ended March 31, 2024	-	-	(949.86)	-	(949.86)
At March 31, 2025	21,739.13	472.21	56,924.37	157.81	79,293.52
At April 01, 2025	21,739.13	472.21	56,924.37	157.81	79,293.52
Profit for the year	-	-	578.39	-	578.39
Other comprehensive income for the year (net of tax)	-	-	-	237.80	237.80
Total comprehensive income for the year	-	-	578.39	237.80	816.19
Deferred tax charge on share issue expenses	-	-	-	-	-
Final dividend for the year ended March 31, 2025	-	-	(949.86)	-	(949.86)
At March 31, 2026	21,739.13	472.21	56,552.90	395.61	79,159.85

The accompanying notes are an integral part of the standalone financial statements
As per our report attached of even date

For M S K A & Associates LLP (formerly known as M S K A & Associates)
Chartered Accountants
Firm Regn. Number: 105047W/W101187

For and on behalf of the Board of Directors of Precision Camshafts Limited
CIN : L24231PN1992PLC067126

Yogesh Yewale
Partner
Membership Number: 158877
Place: Mangalwedha
Date: May 22, 2026

Yatin S. Shah
Managing Director
DIN: 00318140
Place: Mangalwedha
Date: May 22, 2026

Ravindra R. Joshi
Whole-time Director & CFO
DIN: 03338134
Place: Mangalwedha
Date: May 22, 2026

Karan Y. Shah
Whole-time Director
DIN: 07985441
Place: Mangalwedha
Date: May 22, 2026

Harshal J. Kher
Company Secretary
Membership Number : A69147
Place: Mangalwedha
Date: May 22, 2026

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(All amounts are in Rupees Lakhs, unless otherwise stated)

1. REPORTING ENTITY

Precision Camshafts Limited “the Company”) is a public company domiciled in India and was incorporated in 1993. The Company is primarily engaged in the manufacture and sale of castings camshaft and machined camshafts to the auto industry business. The Company has its office registered at D5, M.I.D.C. Chincholi, Solapur, Maharashtra, India, 413255. The equity shares of the Company are listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

The Board of Directors approved the financial statements for the year ended March 31, 2026 and authorized for issue on May 22, 2026.

2(A) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

(i) Statement of compliance and basis of Preparation

The financial statements (“the Financial Statements”) have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the “Act”) read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accounting policies have been consistently applied to all the years presented except where a newly issued Accounting Standard is initially adopted or a revision to an existing Indian Accounting Standard requires a change in the accounting policy hitherto in use.

Details of the Company’s material accounting policies are included in Note 2(c).

(ii) EBITDA Measurement Policy:

The company has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss to provide a clear view of operational performance. In its measurement the Company does not include depreciation and amortization expense, finance income, finance costs and tax expense to reflect core business performance accurately.

(iii) Functional and presentation currency

These Financial Statements are presented in Indian Rupees (INR), which is also the Company’s functional

currency. All amounts have been rounded-off to the nearest Lakhs to two decimal points, unless otherwise indicated.

(iv) Basis of measurement

The Financial Statements have been prepared on a historical cost convention on accrual basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities	Fair value
Net defined benefit liability	Present value of defined benefit obligation less fair value of plan assets

(v) Going Concern Assumption

These Financial Statements have been prepared on a going concern basis. The management has, assessed the cash flow projections and available liquidity for a period of at least twelve months from the date of these Financial Statements. Based this evaluation, Management believes that the Company will be able to continue as a ‘going concern’ in the foreseeable future and for a period of at least twelve months from the date of these Financial Statements based on the following:

- Expected future operating cash flows based on business projections, and
- Available credit facilities with its bankers.

Based on the above factors, Management has concluded that the “going concern” assumption is appropriate. Accordingly, the Financial Statements do not include any adjustments regarding the recoverability and classification of the carrying amount of assets and classification of liabilities that might result, should the Company be unable to continue as a going concern.

(vi) Critical accounting judgements and key sources of estimation uncertainty

In preparing these Financial Statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the Financial Statements are included in the following notes:

a) Critical Accounting Estimates

- Note 31 – The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The policy for the same has been explained under Note 2(c).
- Note 3 - Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life. The policy for the same has been explained under Note 2(c).
- Note 8 - The impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Company uses judgment in making these assumptions and selecting the

inputs to the impairment calculation, based on the Company's past history, customer's creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting period. The policy for the same has been explained under Note 2(c).

- Note 5B - The Company assesses the recoverability of loans given to subsidiary annually. This involves evaluating the subsidiary's financial health, cash flow projections, and market conditions. The estimation process involves significant judgment, including assumptions about the subsidiary's future cash flows, repayment ability, and economic conditions. All assumptions are reviewed at each reporting date. The policy for the same has been explained under Note 2(c).
- Note 5A - The Company assesses the carrying value of investments in subsidiaries for impairment. This involves evaluating the subsidiary's financial performance, market conditions, and future cash flow projections. This process requires significant judgment, including assumptions about future cash flows, growth rates, and discount rates, reflecting management's best estimates under current market conditions. All assumptions are reviewed at each reporting date. The policy for the same has been explained under Note 2(c).
- Note 7 - The Company assesses inventory at the lower of cost and net realizable value (NRV). NRV is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses. The provision for NRV is based on Current and forecasted market trends, Obsolescence & sales projections. This estimate involves significant judgment and is reviewed at each reporting date. The policy for the same has been explained under Note 2(c).
- Note 18 - The Company classifies assets as held for sale when their carrying amount will be recovered principally through a sale

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

transaction rather than through continuing use. Management assesses whether the sale is highly probable and the asset is available for immediate sale in its present condition. The estimation involves significant judgment, including assumptions about the selling price, costs to sell, and the timeframe for the sale, based on current market conditions. The policy for the same has been explained under Note 2(c).

2(B) CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Ministry of corporate Affairs ("MCA") notified amendments on May 07, 2025 and August 13, 2025 under the Companies (Indian Accounting Standards) Amendment Rules, 2025 and the Companies (Indian Accounting Standards) Second Amendment Rules, 2025, respectively, which is effective from annual reporting periods beginning on or after April 01, 2025.

(i) Ind AS 7, Statement of Cash Flows and Ind AS 107 Financial Instruments: Disclosures

The amendments to Ind AS 7 'Statement of Cash Flows' and Ind AS 107 'Financial Instruments:

Disclosures' clarify the characteristics of supplier finance arrangements and require additional disclosures for such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The application of Ind AS 7 and Ind AS 107 had no impact on the Company's Standalone financial statements as the Company does not have any supplier finance arrangements during the reporting period.

(ii) Ind AS 1 - Classification of liabilities as current or non-current and non-current liabilities with covenants:

The amendment specifies the requirements for classifying liabilities as current or non-current in the balance sheet, and clarifies the following:

- a) An entity's right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period. The classification of a liability

as current or non-current is unaffected by the likelihood that the entity will exercise its right to defer settlement.

- b) If an entity's right to defer settlement of a liability is subject to covenants, such covenants affect whether that right exists at the end of the reporting period only if the entity is required to comply with the covenant on or before the end of the reporting period.
- c) In case of a liability that can be settled, at the option of the counterparty, by the transfer of the entity's own equity instruments, such settlement terms do not affect the classification of the liability as current or non-current only if the option is classified as an equity instrument.

These amendments have no effect on the measurement of any items in the Standalone financial statements of the entity. The Company did not make retrospective adjustments as a result of adopting the amendments to Ind AS 1.

(iii) Ind AS 12 – Pillar-Two Tax Reforms:

The Company is not within the scope of the OECD Pillar Two Model Rules, as Pillar Two legislation has not yet been enacted in any of the jurisdiction in which the Company operates.

(iv) Ind AS 21-Lack of exchangeability:

The Amendments introduces requirement to assess when a currency is exchangeable into another currency and when it is not. The amendment requires an entity to estimate the spot exchange rate when it concludes that a currency is not exchangeable into another currency. These amendments had no effect on the Standalone financial statements of the Entity.

(v) Following amendments are notified but not yet effective:

The amendment includes specific provisions that will take effect for reporting periods beginning on or after April 01, 2026, retrospectively, as outlined below:

- a) Breach of material covenant for long-term loan arrangement on or before end of reporting period with effect that liability becomes payable on demand as on reporting date, then it shall be classified as current liability, if lender agreed

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

after reporting period and before approval of financial statements to not demand payment as a consequence of breach.

- b) Classify as non-current liability, if lender agreed by end of reporting period to provide grace period ending at least 12 months after reporting period within which entity can rectify the breach provided lender does not demand immediate repayment.
- c) Disclose information about the timing of settlement to understand the impact of the liability on the financial statements.

The Company does not expect this amendment to have an impact on its operations or standalone financial statements.

2(C) MATERIAL ACCOUNTING POLICIES

(i) Foreign currency

Foreign currency transactions and translation

Transactions in foreign currencies are translated into the functional currency of the Company at the exchange rates on the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognized in profit or loss,

Foreign exchange gains and losses are presented in the statement of Profit and loss on net basis.

(ii) Financial Instruments

(a) Non derivative financial instruments consist of:

- financial assets, which include cash and cash equivalents, Loans given, trade receivables, investments in equity & Mutual funds and eligible current and noncurrent assets; and
- financial liabilities, which include borrowings, trade payables and eligible current and noncurrent liabilities.

Non-derivative financial instruments are recognised initially at fair value. Subsequent to initial recognition, non-derivative financial instruments are measured as described below:

Cash and cash equivalents.

The Company's cash and cash equivalents consist of cash on hand and in banks and demand deposits with banks, which can be withdrawn at any time, without prior notice or penalty on the principal. For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand, in banks and demand deposits with banks and are considered part of the Company's cash management system.

Investments

Financial instruments measured at fair value through profit or loss ("FVTPL"):

Instruments that do not meet the amortised cost or FVTOCI criteria are measured at FVTPL. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in the statement of profit and loss. The gain or loss on disposal is recognised in the statement of profit and loss.

Investments in subsidiaries:

Investment in equity instruments of subsidiaries are measured at cost less impairment (if any). Cost represents amount paid for acquisition of the said investments.

The Company assesses at the end of each reporting period, if there are any indications that the said investments may be impaired. If so, the Company estimates the recoverable value/amount of the investment and provides for impairment, if any i.e. the deficit in the recoverable value over cost.

The **recoverable amount** is the higher of:

- a. **Fair value less costs of disposal**, and
- b. **Value in use** (present value of estimated future cash flows expected from the investment).

An impairment loss is recognized in the Statement of Profit and Loss if the recoverable amount of the investment is less than its carrying amount.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

The impairment loss recognized in prior periods is reversed if there has been a change in the estimates used to determine the investment's recoverable amount, but only to the extent that the carrying amount of the investment does not exceed the carrying amount that would have been determined had no impairment loss been recognized in earlier years. The impairment testing is performed in accordance with the principles of **Ind AS 36 – Impairment of Assets**.

Other financial assets

Other financial assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These comprise trade receivables loans given, lease receivables, and eligible current and noncurrent assets. They are presented as current assets, except for those expected to be realised later than twelve months after the reporting date which are presented as non-current assets. All financial assets are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any impairment losses. However, trade receivables that do not contain a significant financing component are measured at the Transaction Price.

Trade payables and other liabilities

Trade payables are initially recognised at transaction price, and subsequently carried at transaction price.

Other liabilities are initially recognised at transaction price, and subsequently carried at amortised cost using the effective interest method. For these financial instruments, the carrying amounts approximate fair value due to the short-term maturity of these instruments.

(b) Derecognition of financial instruments

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. If the Company retains substantially all the risks and rewards

of a transferred financial asset, the Company continues to recognise the financial asset and recognises a borrowing for the proceeds received. A financial liability (or a part of a financial liability) is derecognised from the Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

(c) Offsetting

Financial assets and financial liabilities are offset, and the net amount presented in the Balance Sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

(iii) Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost (cash price equivalent), which includes capitalized borrowing costs, less accumulated depreciation, and accumulated impairment losses, if any.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

Capital work in progress is stated at cost and includes the cost of the assets that are not ready for their intended use at the Balance Sheet date.

PPE is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition is recognised in the Statement of Profit and Loss in the same period.

ii. Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

iii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method and is generally recognized in the statement of profit and loss. Freehold land is not depreciated.

Depreciation on property, plant and equipment is provided over the useful life of assets as assessed by the management are in line with useful lives prescribed in Schedule II to the Companies Act 2013, as follows –

Particulars	Useful lives (years)
Buildings	30
Roads	5-10
Plant & Machinery	3-7.5
Computer	3
Furniture and fixtures	5
Vehicles	8

Cost of leasehold land is amortised over the period of lease i.e, 80 years to 99 years

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which the asset is ready for use (disposed of).

(iv) Intangible assets

Intangible assets acquired separately are measured at cost of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortization and impairment losses, if any. The amortization of an intangible asset with a finite useful life reflects the manner in which the economic benefit is expected to be generated. The estimated useful life of amortizable intangibles is reviewed and where appropriate is adjusted, annually.

The estimated useful lives of the amortizable intangible assets are considered as 3 to 5 years.

(v) Asset classified as held for sale.

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered

principally through a sale rather than through continuing use.

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Following their classification as held for sale, non current assets are not depreciated.

(vi) Investment Property.

(i) Investment properties carried at cost:

Properties that are held for long-term rental yields and/or for capital appreciation are classified as investment properties. Investment properties are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. Depreciation is recognised using the straight line method so as to amortise the cost of investment properties over their useful lives as specified in Schedule II of the Companies Act, 2013. Freehold land and properties under construction are not depreciated.

(ii) Reclassification to/from investment property:

When an item of property, plant and equipment or right-of-use assets is transferred to investment property following a change in its use, the carrying amount of the item immediately prior to transfer is recognised as the deemed cost of the investment property for subsequent accounting.

(iii) Derecognition of Investment property:

An item of investment property is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of investment property is determined as the difference between the sales proceeds and the carrying amount of the property and is recognised in the Statement of Profit and Loss.

Income received from investment property is recognised in the Statement of Profit and Loss on a straight line basis over the term of the lease/ agreement.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

(vii) Impairment

i. Impairment of Financial assets

The Company applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, trade receivables, loans given, Lease receivables and other financial assets. Expected credit loss is the difference between the contractual cash flows and the cash flows that the entity expects to receive discounted using the effective interest rate.

Loss allowances for trade receivables, loans given Lease receivables are measured at an amount equal to lifetime expected credit loss. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. Lifetime expected credit loss is computed based on a provision matrix which takes in to account risk profiling of customers and historical credit loss experience adjusted for forward looking information.

ii. Impairment of non-financial assets

The Company's non-financial assets such as property, plant and equipment, inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit and loss.

In respect of assets for which impairment loss has been recognized in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(viii) Inventories:

Inventories are valued at lower of cost and net realizable value including necessary provision for obsolescence. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and selling expenses. The comparison of cost and net realisable value is made on an item by item basis.

The cost of raw materials, components, consumable stores and spare parts are determined using the weighted average method and includes freight, taxes and duties, net of duty credits wherever applicable.

Finished goods and work in progress are valued at lower of cost and net realisable value. Cost includes all direct costs including applicable manufacturing overheads incurred in bringing them to their present location and condition

(ix) Employee benefits

i. Short term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid e.g. under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

service provided by the employee, and the amount of obligation can be estimated reliably.

ii. Post-employment benefits (defined benefit plans)

The Company provides for retirement benefits in the form of Gratuity. A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling').

In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in

benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognized immediately in profit or loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iii. Defined contribution plans

The Company makes defined contribution to Government Employee Provident Fund, and Superannuation Scheme, which are recognized in the Statement of Profit and Loss on accrual basis.

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(x) Revenue Recognition

The Company derives revenue primarily from manufacture and sale of castings camshaft and machined camshafts. The Company also earns revenue from Tooling contract used in manufacturing of camshafts.

Sale of Products:

Revenue from sale of product is recognized at point in time when control of the goods has transferred to the customer. Control over a good refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, those goods. Control is usually transferred upon shipment, delivery to, upon receipt of goods by the customer, in accordance with the individual delivery and acceptance terms agreed with the customers. The amount of revenue to be recognized (transaction price) is based on the consideration

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

expected to be received in exchange for goods, excluding amounts collected on behalf of third parties such as goods and services tax or other taxes directly linked to sales. Revenue from product sales are recorded net of allowances for estimated rebates and estimates of product returns, all of which are established at the time of sale.

Tooling contract:

The Company recognizes revenue from developed tools only when they are approved by the customer. Accordingly, revenue from tooling is recognized at a point in time, post-approval by the customer, at the transaction price agreed upon in the contract.

(xi) Export Incentives:

Government grants in the nature of export incentives are accounted for in the period of export of goods if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim are reasonably expected to be fulfilled.

(xii) Dividend:

Dividends are recognised when they become legally payable. In the case of interim dividends to equity shareholders, this is when declared by the directors. In the case of final dividends, this is when approved by the shareholders at the annual general meeting.

(xiii) Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income

i. Current income tax

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961 and using estimates and judgments based on the expected outcome of assessments/appeals and the relevant rulings in the areas of allowances and disallowances.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to

set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

Deferred income tax is provided in full, using the balance sheet approach, on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognized in respect of carried forward tax losses and tax credits.

Deferred tax liabilities are generally recognized for all taxable temporary differences except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets - unrecognized or recognized, are reviewed at each reporting date and are recognized/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

(xiv) Leases

Company as a lessee:

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities representing obligations to make lease payments and right-of-use assets representing the right to use the underlying assets

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

Right-of-use assets:

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the material accounting policies in section 2(c) (vii) Impairment of non-financial assets

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at

the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets:

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

(xv) Provisions and Contingent Liabilities

The Company estimates the provisions that have present obligations as a result of past events, and it is probable that an outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting date and are adjusted to reflect the current best estimates.

The Company uses significant judgement to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognized nor disclosed in the financial statements.

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

(xvi) Segment Reporting

Segments are identified based on the manner in which the Chief Operating Decision Maker ('CODM') decides about resource allocation and reviews performance. The Company is engaged in manufacturing of auto-components (camshafts.& others) based on similarity of activities/products, risk and reward structure,

organisation structure and internal reporting systems, the Company has structured its operations into a single operating segment ; however based on the geographic distribution of activities, the CODM has identified India and outside India as two reportable geographical segments. Refer Note No 34 for segment information presented.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

3. PROPERTY, PLANT AND EQUIPMENT

Particulars	Leasehold land	Freehold land	Buildings	Right of use asset (land & building)	Plant and machinery	Office equipment	Furniture and fixtures	Vehicles	Total
At April 01, 2024	336.07	507.01	8,906.01	23.60	46,621.79	405.21	239.85	620.95	57,660.49
Additions	-	-	-	203.76	1,083.06	15.68	14.06	-	1,316.56
Disposals	-	-	-	-	(1,527.35)	(5.96)	(0.37)	(199.90)	(1,733.58)
At March 31, 2025	336.07	507.01	8,906.01	227.36	46,177.50	414.93	253.54	421.05	57,243.47
Additions	-	-	206.88	-	6,635.28	76.39	3.54	167.08	7,089.17
Assets classified as held for sale reclassified to PPE in current year	-	-	489.06	-	-	-	-	-	489.06
Disposals	-	-	(11.62)	-	(867.86)	(60.52)	(9.66)	(77.93)	(1,027.59)
At March 31, 2026	336.07	507.01	9,590.33	227.36	51,944.92	430.80	247.42	510.20	63,794.11
Depreciation									
At April 01, 2024	30.16	-	2,737.15	23.60	29,384.49	304.95	183.38	168.27	32,832.00
Charge for the year	4.09	-	380.59	0.23	3,458.55	39.32	9.51	41.63	3,933.92
Impairment Provision *	-	-	-	-	100.00	-	-	-	100.00
Disposals	-	-	-	-	(1,399.42)	(5.84)	(0.37)	(22.92)	(1,428.55)
At March 31, 2025	34.25	-	3,117.74	23.83	31,543.62	338.43	192.52	186.98	35,437.37
Charge for the year	3.92	-	373.13	7.03	2,754.92	44.07	10.34	37.18	3,230.59
Disposals	-	-	(1.55)	-	(828.77)	(60.24)	(9.47)	(43.54)	(943.57)
At March 31, 2026	38.17	-	3,489.32	30.86	33,469.77	322.26	193.39	180.62	37,724.39
Net book value									
At March 31, 2026	297.90	507.01	6,101.01	196.50	18,475.15	108.54	54.03	329.58	26,069.72
At March 31, 2025	301.82	507.01	5,788.27	203.53	14,633.88	76.50	61.02	234.07	21,806.10

Exchange differences on borrowing costs

Company has continued the policy of capitalising exchange differences arising from translation of long-term foreign currency monetary items as per exemption available under Ind AS 101- First time Adoption of Indian Accounting Standards.

*During the year ended March 31, 2025, the Company has recognised an impairment provision of ₹ 100 Lakhs in respect of asset used for job work project. The impairment recognised is included within exceptional items in the statement of profit and loss. No further impairment charge recognised during the year ended March 31, 2026.

3A. CAPITAL WORK IN PROGRESS

Particulars	Capital work in progress
At April 01, 2024	2,671.39
Additions	4,130.86
Disposals	-
Capitalised during year	(1,112.84)
At March 31, 2025	5,689.41

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

Particulars	Capital work in progress
Additions	7,705.32
Disposals	-
Capitalised during year	(6,922.09)
At March 31, 2026	6,472.64
Net book value	
At March 31, 2026	6,472.64
At March 31, 2025	5,689.41

Asset under construction

Capital work-in-progress (CWIP) comprises cost of assets that are not yet installed and ready for their intended use at the balance sheet date. Capital work in progress as at March 31, 2026 comprises expenditure for plant and machinery & building in the course of construction. Refer Note 44 for ageing of CWIP.

3B. INVESTMENT PROPERTY

Particulars	Buildings
Cost	
As at April 01, 2024	-
Additions (reclassified from Asset held for sale)	299.74
Disposals/adjustments	-
As at March 31, 2025	299.74
Additions	-
Disposals/adjustments	-
As at March 31, 2026	299.74
Accumulated depreciation	
As at April 01, 2024	-
For the year	5.25
Disposals/adjustments	-
As at March 31, 2025	5.25
For the year	5.24
Disposals/adjustments	-
As at March 31, 2026	10.49
Net book value	
At March 31, 2026	289.25
At March 31, 2025	294.49

Investment property relates to certain residential properties which have been leased out during the year for generating rental income.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

Estimation of fair value

The fair value of the property as at March 31, 2026, is ₹ 356.32 Lakhs (March 31, 2025 is ₹ 317.23 Lakhs). The valuation was performed by a registered valuer as defined under Rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017. The valuation has been carried out using a valuation model in accordance with the principles recommended by the International Valuation Standards Council (IVSC).

Description of valuation techniques used and key inputs to valuation on investment properties:

The Company is earning rental income from the property. Accordingly, the fair value of the property has been determined based on prevailing market rates, as assessed by an independent valuer and derived from observable market data. This valuation reflects the estimated amount for which the property could be exchanged between knowledgeable and willing parties at the reporting date.

4. INTANGIBLE ASSETS

Particulars	Computer software & technical know how
At April 01, 2024	219.94
Additions	0.41
Disposals/ Write off	-
At March 31, 2025	220.35
Additions	10.91
Disposals/ Write off	(4.15)
At March 31, 2026	227.11
Amortisation	
At April 01, 2024	152.81
Charge for the year	35.82
Disposals	-
At March 31, 2025	188.63
Charge for the year	35.83
Disposals	(7.67)
At March 31, 2026	216.79
Net book value	
At March 31, 2026	10.32
At March 31, 2025	31.72

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

5. FINANCIAL ASSETS

5A) Investments

Particulars	As at March 31, 2026	As at March 31, 2025
(i) At cost		
Investments in equity instruments		
Investment in subsidiaries		
> PCL International Holding B V	11,785.49	11,785.49
1,40,19,800 equity shares of EUR 1 each fully paid-up (100%) (March 31, 2025 : 1,40,19,800 equity shares)		
> Memco Engineering Private Limited	4,485.35	4,485.35
7,20,000 equity shares of ₹ 10 each fully paid-up (100%) (March 31, 2025 : 7,20,000 equity shares)		
Impairment provision (refer note 5D below)	(10,300.00)	(7,300.00)
	5,970.84	8,970.84
(ii) At fair value through profit or loss (FVTPL)		
a) Investments in equity instruments		
Other investments		
> Shares of Laxmi Co-Op. Bank Limited	1.25	1.25
5000 equity shares of ₹ 25 each fully paid-up (March 31, 2025: 5,000 equity shares)		
> Shares of Solapur Janata Sahakari Bank Limited	0.05	0.05
500 equity shares of ₹ 10 each fully paid-up (March 31, 2025: 500 equity shares)		
b) Investments in mutual funds		
Quoted mutual funds		
HDFC corporate bond fund - growth	1,375.68	1,314.78
HDFC Short Term Debt Fund (G)	110.01	103.71
HDFC Arbitrage Fund-Ws Growth	500.00	-
HDFC Arbitrage Fund Collection A/C	440.21	-
ICICI prudential saving fund-growth	2,934.71	2,746.40
ICICI prudential banking and PSU debt fund - growth	562.43	532.75
ICICI prudential corporate bond fund - growth	2,170.02	914.58
ICICI prudential short term fund-growth	226.48	213.23
ICICI Prudential All Seasons Bond Fund - Growth	3,239.75	1,920.96
ICICI Prudential Money Market Fund - Growth	584.16	548.01
ICICI Prudential Equity Savings Fund (G)	526.76	508.13
ICICI Pru All Seasons Bond Fund (G)	-	1,187.56
ICICI Pru Corporate Bond Fund (G)	-	1,132.41
ICICI Prudential Ultra Short Term Fund	1,631.39	1,531.16
Nippon India Corporate Bond Fund (G)	1,351.67	1,280.55
Aditya Birla Sun Life Corporate Bond Fund -Growth-Regular Plan (formerly known as Aditya Birla Sun Life Short Term Fund)	1,962.09	1,874.49

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

Particulars	As at March 31, 2026	As at March 31, 2025
ABSL saving fund growth	293.39	274.83
Aditya Birla Sun Life Nifty SDL Plus PSU Bond Sep 2026 60:40 Index Fund Regular Growth	513.32	481.40
Axis Short Term Fund-Regular-Growth	908.12	855.62
Axis bluechip fund - growth	298.45	317.59
Axis banking & PSU debt fund - growth	537.90	509.63
Axis treasury advantage fund - regular growth (TA-GP)	636.91	597.71
Axis Nifty AAA Bond Plus SDL Apr 2026 50:50 ETF FoF - Regular Growth	250.55	236.35
Axis All Seasons Debt Fund of Funds Regular Growth	281.21	-
Axis Money Market Fund - Regular Growth	584.43	548.16
Axis Corporate Bond Fund (G)	933.07	882.05
Axis Dynamic Bond Fund (G)	270.50	259.20
Axis Short Duration Fund (G)	110.16	103.79
Axis Income Advantage Fund of Funds - Regular Growth - ASGP	657.51	884.96
Bandhan Bond Fund-Short Term Plan-Growth-(Regular Plan) (erstwhile IDFC Bond Fund-Short Term Plan-Growth-Regular Plan)	682.05	644.89
Bandhan Income Plus Arbitrage Fund	734.66	-
Tata Corporate Bond Fund Regular Plan Growth	195.06	186.07
Tata Arbitrage Fund-Regular Plan-Growth	940.29	-
Kotak Nifty SDL APR 2027 top 12 Equal Weight Index Fund Regular	257.56	240.46
Kotak banking and PSU debt fund	-	666.91
Kotak bond fund short term growth	-	304.87
Kotak corporate bond fund standard - growth	538.94	509.87
Kotak floating rate fund growth - regular plan	696.42	651.32
Kotak Dynamic Bond Reg Plan Growth	1,406.54	1,367.11
Kotak Balanced Advantage Fund Reg (G)	193.53	194.12
Kotak Income Plus Arbitrage omni Regular plan	519.98	-
Baroda BNP paribas multi cap fund	611.92	634.91
SBI Balanced Advantage Fund Reg (G)	301.42	294.97
SBI Corporate Bond Fund (G)	659.82	626.45
SBI Savings Fund	1,627.58	1,532.18
Sundaram Large And Mid Cap Fund - Regular Growth	234.07	240.70
Canara Robeco Consumer Trends Fund - Regular Growth - FCRG	182.97	198.96
Canara Robeco Blue chip equity Fund	167.26	177.31
Invesco India Corporate Bond Fund Reg (G)	544.68	518.44
Edelweiss Mutual Fund	507.90	477.02
Total	34,894.83	31,227.87

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current	5,972.14	8,972.14
Current	34,893.53	31,226.57
	40,865.67	40,198.71
Aggregate book value of quoted investments	34,893.53	31,226.57
Aggregate market value of quoted investments (refer note 35 fair value)	34,893.53	31,226.57
Aggregate book value of unquoted investments	5,972.14	8,972.14

5B) Loans

Particulars	As at March 31, 2026	As at March 31, 2025
Loan to PCL International Holdings B V (wholly owned subsidiary)	9,261.06	7,956.55
Impairment Provision (refer note 5D below)	(2,745.00)	-
Total	6,516.06	7,956.55
Non-current	6,516.06	7,956.55
Current	-	-
	6,516.06	7,956.55
Break-up for loan details:		
- Secured, considered good	-	-
- Unsecured, considered good	6,516.06	7,956.55
- Doubtful	-	-
- Which have significant increase in credit risk	-	-
- Credit impaired	2,745.00	-
Total	9,261.06	7,956.55

The Company has granted a loan to PCL International Holdings B.V., its wholly owned subsidiary, carrying interest at rates ranging from 1.5% to 2% per annum. The original repayment date of the loan was December 31, 2026. During the current year, the Board of Directors approved an extension of the repayment date to December 31, 2031 and accordingly company has completed all necessary compliance requirements in connection with the extension of the loan repayment period.

5C) Other financial assets

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Bank deposits with more than 12 months maturity	374.42	352.41
(b) Interest accrued on fixed deposits	1.76	6.07
(c) Interest accrued on others	15.98	54.76
(d) Security deposits #	276.17	236.40
Total	668.33	649.64
Non-current	508.29	417.08
Current	160.04	232.56
	668.33	649.64

Security deposit is with electricity department; which generate interest at the rate of 4% to 7% for the Company.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

5D) Impairment of investment in subsidiary

During the year ended March 31, 2026, the Company evaluated indicators of impairment in accordance with Ind AS 36 – Impairment of Assets. This assessment was prompted by factors such as a decline in operational performance and changes in the outlook for future profitability, among other potential indicators, in relation to its investment in PCL International Holding B.V., a wholly owned subsidiary.

The recoverable amount of the investment in PCL International Holding B.V. is primarily dependent on the operational and financial performance of its two key step-down subsidiaries, EMOSS Mobile Systems B.V and MFT Motoren und Fahrzeugtechnik GmbH, Germany, which have been identified as significant Cash-Generating Units (CGUs) for the purpose of this impairment assessment.

However, MFT Motoren und Fahrzeugtechnik GmbH, Germany, has filed an application for initiation of insolvency and liquidation proceedings before the Dresden District Court. The Court has admitted the application and a provisional liquidator was appointed on September 08, 2025.

As the subsidiary is under liquidation, its financial statements are being prepared on a liquidation basis. In accordance with the requirements of Ind AS 36 – Impairment of Assets, management has reassessed the recoverable amount of its investment in, and loan given (including accrued interest thereon) to, MFT Motoren und Fahrzeugtechnik GmbH, Germany and accordingly recognised an impairment loss of ₹ 5,775.57 Lakhs during the year ended March 31, 2026, representing entire carrying value of the investment and loan outstanding (including accrued interest).

For step-down subsidiary, EMOSS Mobile Systems B.V:

The recoverable amount is determined as the higher of:

- Value in Use (VIU) of the underlying CGUs, and
- Fair Value Less Costs of Disposal (FVLCD).

The VIU has been determined based on discounted cash flow forecasts derived from the most recent Board-approved budgets and strategic business plans, covering a forecast period of three years, with further extrapolation into perpetuity using a steady-state cash flow. These projections reflect sustainable long-term industry performance, balancing average conditions through the cycle of profitability.

Key assumptions used in the VIU model include:	EMOSS Mobile Systems B.V	
	As at March 31, 2026	As at March 31, 2025
Discount rate	12.65%	12.85%
Terminal growth Rate	1%	7%

During the year ended March 31, 2026, no impairment loss has been recognized in respect of the investments in PCL International Holding B.V. which holds investments in EMOSS Mobile Systems B.V. pursuant to the impairment assessment carried out in accordance with Ind AS 36 – Impairment of Assets (March 31, 2025 ₹ 7,300 Lakhs).

The Company has performed a sensitivity analysis as part of its impairment assessment, including an evaluation of the impact of changes in the discount rate and other key assumptions. Based on the analysis performed, management believes that no reasonably possible change in any of the key assumptions used in determining the recoverable amount would cause the carrying amount of the investment to exceed its recoverable value, after considering the impairment loss recognised in prior years.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

6. OTHER ASSETS

Particulars	As at March 31, 2026	As at March 31, 2025
Capital advances	0.71	1,057.82
Prepaid expense	295.80	271.57
Advance for purchase of materials	9.43	31.88
Income tax deposited with tax authorities (under protest)	348.72	348.72
Other advances with provident fund authorities (under protest)	12.12	12.12
Balances with statutory/government authorities	1,060.02	200.69
Income accrued on export incentives	215.53	160.16
Total	1,942.33	2,082.96
Non-current	401.00	1,444.35
Current	1,541.33	638.61
	1,942.33	2,082.96

7. INVENTORIES

Particulars	As at March 31, 2026	As at March 31, 2025
Raw materials and components (at cost)	228.97	268.35
Stores, spares and packing materials (at cost)	476.42	702.53
Work in progress (at cost)	1,253.79	948.49
Finished goods (at lower of cost and net realisable value) *	3,253.70	4,252.78
Total	5,212.88	6,172.15

During the year ended March 31, 2026 ₹ 20.38 Lakhs (March 31, 2025 ₹ 49.99 Lakhs) was recorded as written down of inventory.

*Finished goods includes goods in transit ₹ 2,367.01 Lakhs (March 31, 2025 ₹ 2,733.51 Lakhs).

8. TRADE RECEIVABLES

Particulars	As at March 31, 2026	As at March 31, 2025
Trade receivables	11,235.79	15,027.64
Total	11,235.79	15,027.64
Break-up for security details:		
- Secured, considered good	-	-
- Unsecured, considered good	11,235.79	15,027.64
- Doubtful	-	-
- Which have significant increase in credit risk	-	-
- Credit impaired	-	-
Total	11,235.79	15,027.64

The net carrying value of trade receivables is considered a reasonable approximation of fair value. Trade receivables are non-interest bearing and are generally on terms of 30 to 150 days.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

Ageing of trade receivables as on March 31, 2026

Particulars	Current							
	Unbilled dues	Not due	Outstanding for following periods from due date of receipts					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables – considered good	-	5,689.32	5,379.86	166.61	-	-	-	11,235.79
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(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 bad and doubtful debts (disputed + undisputed)	-	-	-	-	-	-	-	-
	-	5,689.32	5,379.86	166.61	-	-	-	11,235.79

Ageing of trade receivables as on March 31, 2025

Particulars	Current							
	Unbilled dues	Not due	Outstanding for following periods from due date of receipts					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables – considered good	3,156.92	4,287.05	7,540.57	42.71	0.39	-	-	15,027.64
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(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 bad and doubtful debts (disputed + undisputed)	-	-	-	-	-	-	-	-
	3,156.92	4,287.05	7,540.57	42.71	0.39	-	-	15,027.64

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

9. CASH AND BANK BALANCES

Particulars	As at March 31, 2026	As at March 31, 2025
Cash and cash equivalents		
Balance with banks:		
Current accounts	1,910.20	2,574.87
Deposits with original maturity of less than three months	50.53	50.51
Cash on hand	0.61	0.91
Total cash and cash equivalents	1,961.34	2,626.29
Bank balances other than cash and cash equivalent		
Deposits with original maturity for more than 3 months but less than 12 months *	3,736.38	4,478.34
Unclaimed dividend accounts	3.06	4.71
Total other bank balances	3,739.44	4,483.05
Total	5,700.78	7,109.34

* Deposits with bank of ₹ 157.49 Lakhs (31st March, 2025 : ₹ 422.27 Lakhs) held as lien by banks against bank guarantees.

10. SHARE CAPITAL

Authorised share capital

Particulars	Equity shares	
	Number	In ₹
At April 01, 2024	10,00,00,000	10,000.00
Increase/ (decrease) during the year	-	-
At March 31, 2025	10,00,00,000	10,000.00
Increase/ (decrease) during the year	-	-
At March 31, 2026	10,00,00,000	10,000.00

Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share (March 31, 2025: ₹ 10 per share).

Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees.

The Board of Directors, in their meeting on May 27, 2025, proposed a final dividend of ₹ 1.00 per equity share and the same was approved by the shareholders at the Annual General Meeting held on July 30, 2025. The amount was recognized as distributions to equity shareholders during the year ended March 31, 2026 and the total appropriation was ₹ 949.86 Lakhs.

The Board of Directors, in their meeting on May 22, 2026, proposed a final dividend of ₹ 1.00 per equity share for the year ended March 31, 2026. The payment of dividend is subject to approval of shareholders at the ensuing Annual General Meeting of the Company.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

Issued, subscribed and fully paid-up Equity shares of ₹ 10 each at par value

Particulars	Number	In ₹
At April 01, 2024	9,49,85,835	9,498.58
Issued during the year	-	-
At March 31, 2025	9,49,85,835	9,498.58
Issued during the year	-	-
At March 31, 2026	9,49,85,835	9,498.58

Details of shareholders holding more than 5% shares in the Company

	March 31, 2026		March 31, 2025	
	No. of shares	% holding in the class	No. of shares	% holding in the class
Equity shares of ₹ 10 each fully paid				
Yatin S. Shah	3,77,88,717	39.78%	3,77,88,717	39.78%
Cams Technology Limited	1,35,07,685	14.22%	1,35,07,685	14.22%
Suhasini Y. Shah	1,07,78,461	11.35%	1,07,78,461	11.35%
Jayant V. Aradhya	-	-	80,85,861	8.51%
Maneesh J. Aradhya	79,99,697	8.42%	-	-
	7,00,74,560	73.77%	7,01,60,724	73.86%

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

Details of shares held by promoters at the end of the year

S. No	Promoter name	March 31, 2026			March 31, 2025		
		No. Of Shares	% of total shares	% Change during the year	No. Of Shares	% of total shares	% Change during the year
1	Yatin S. Shah	3,77,88,717	39.78%	-	3,77,88,717	39.78%	-
2	Cams Technology Limited	1,35,07,685	14.22%	-	1,35,07,685	14.22%	-
3	Suhasini Y. Shah	1,07,78,461	11.35%	-	1,07,78,461	11.35%	-
4	Karan Y. Shah	14,500	0.02%	-	14,500	0.02%	-
5	Tanvi Y. Shah	2,000	0.00%	-	2,000	0.00%	-
6	Mayura K. Shah	1,000	0.00%	-	1,000	0.00%	-
	Total	6,20,92,363	65.37%	-	6,20,92,363	65.37%	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

11. OTHER EQUITY

a) Securities premium	
At April 01, 2024	21,739.24
Less:	
Reversal of tax benefit (deferred tax)	(0.11)
At March 31, 2025	21,739.13
Less:	
Reversal of tax benefit (deferred tax)	-
At March 31, 2026	21,739.13
b) General reserve	
At April 01, 2024	472.21
Increase/ (decrease) during the year	-
At March 31, 2025	472.21
Increase/ (decrease) during the year	-
At March 31, 2026	472.21
c) Retained earnings	
At April 01, 2024	57,138.50
Add: Profit for the year	735.73
Less: Final equity dividend at ₹ 1.00 per share paid	(949.86)
At March 31, 2025	56,924.37
Add: Profit for the year	578.39
Less: Final equity dividend at ₹ 1.00 per share paid	(949.86)
At March 31, 2026	56,552.90
d) Other comprehensive income - Re-measurement gains /(losses) on defined benefit plans	
At April 01, 2024	134.89
Add: Other comprehensive income for the year	22.92
At March 31, 2025	157.81
Add: Other comprehensive income for the year	237.80
At March 31, 2026	395.61
Other Equity at March 31, 2026	79,159.85
Other Equity at March 31, 2025	79,293.52

Nature and purpose of reserves:

Securities premium account

The amount received in excess of face value of the equity shares is recognised in securities premium. In case of equity settled share based payment transactions, the difference between fair value on grant date, exercise price and nominal value of share is accounted as securities premium.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

General reserve

The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act 1956. Mandatory transfer to general reserve is not required under the Companies Act 2013.

Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders and any other adjustments.

Other comprehensive income

This represents the cumulative gains and losses arising on remeasurements of defined employee benefit plans (net of taxes).

12. SHORT TERM BORROWINGS

Particulars	Rate of interest	As at March 31, 2026	As at March 31, 2025
From bank			
Packing credit in ₹ (secured)	6.00% to 9.30%	4,035.48	7,090.06
Total		4,035.47	7,090.06
Aggregate Secured loans		4,035.47	7,090.06

The Company does not have any defaults in repayment of loans and interest during the year and as at the reporting date.

Packing credit are secured by first pari passu charge by way of hypothecation of current assets including inventories and trade receivables. Further, the facilities are collaterally secured by extension of pari passu charge by way of hypothecation of plant and machinery and equitable mortgage of factory land and building situated at Plot No D5 to D7 & D7-1, MIDC Chincholi, Solapur. The loan has been secured by the personal guarantee of directors Mr. Yatin S. Shah and Dr. Suhasini Y. Shah.

13. OTHER FINANCIAL LIABILITIES

Particulars	As at March 31, 2026	As at March 31, 2025
Financial liability at FVTPL		
Foreign-exchange forward contracts *	97.53	39.54
Other financial liabilities at amortised cost		
Unpaid matured deposits and interest accrued thereon	137.30	137.30
Employee benefit liabilities	1,005.12	1,131.23
Sundry payables for capital goods purchased	1,441.55	535.40
Unclaimed dividend	3.06	4.71
Total	2,684.56	1,848.18
Non - current	-	-
Current	2,684.56	1,848.18
	2,684.56	1,848.18

* The Company entered into foreign exchange forward contracts with the intention to reduce the risk in foreign exchange exposure of trade receivables and trade payables.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

13(A) LEASE LIABILITIES

Particulars	As at March 31, 2026	As at March 31, 2025
Lease liability	158.20	143.35
Total	158.20	143.35
Non-Current	158.20	143.35
Current	-	-
	158.20	143.35

14. TRADE AND OTHER PAYABLES

Particulars	As at March 31, 2026	As at March 31, 2025
Trade payables		
- total outstanding dues of micro enterprises and small enterprises	935.69	798.29
- total outstanding dues of creditors other than micro enterprises and small enterprises	6,247.76	6,000.82
Total trade payables	7,183.45	6,799.11
Non-current	-	-
Current	7,183.45	6,799.11
	7,183.45	6,799.11

Trade payables are non-interest bearing and are normally settled on 90 day terms.

Trade payables include dues to related parties, refer to note 33.

For explanations on the Company's credit risk management processes, refer note 38.

Trade payable ageing as on March 31, 2026

Particulars	Current						Total
	Unbilled dues	Payables not due	Outstanding for following periods from due date of payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	868.07	67.62	-	-	-	935.69
(ii) Disputed dues – MSME	-	-	-	-	-	-	-
(iii) Others	955.86	3,960.88	1,331.02	-	-	-	6,247.76
(iv) Disputed dues - others	-	-	-	-	-	-	-
	955.86	4,828.95	1,398.64	-	-	-	7,183.45

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

Trade payable ageing as on March 31, 2025

Particulars	Current						
	Unbilled dues	Payables not due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	782.67	15.62	-	-	-	798.29
(ii) Disputed dues – MSME	-	-	-	-	-	-	-
(iii) Others	786.00	3,804.71	1,409.70	0.41	-	-	6,000.82
(iv) Disputed dues - others	-	-	-	-	-	-	-
	786.00	4,587.38	1,425.32	0.41	-	-	6,799.11

Disclosure relating to suppliers registered under MSMED Act based on the information available with the Company

Particulars	As at March 31, 2026	As at March 31, 2025
i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due to micro and small enterprises	935.69	798.29
Interest due on above	-	-
ii) The amount of interest paid by the buyer in terms of section 16, of the MSMED Act, 2006.		
The amounts of the payment made to the supplier beyond the appointed day during each accounting year	8,594.65	9,815.53
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 MSMED Act, 2006	45.05	48.30
iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
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 a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

15. OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2026	As at March 31, 2025
Advances from customers	93.59	76.09
Statutory dues payable	186.87	167.77
Provision for duties & taxes	-	-
Total	280.46	243.86

16. PROVISIONS

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for employee benefits:		
Provision for gratuity	323.67	297.13
Provision for compensated absences (unfunded)	553.28	541.39
Total	876.95	838.52
Non-current	690.40	673.74
Current	186.55	164.78
	876.95	838.52

Also refer note 31 for detailed disclosure.

17. CURRENT TAX ASSETS (NET)

Particulars	As at March 31, 2026	As at March 31, 2025
Advance tax paid (net of provision for income tax)	573.04	-
Total	573.04	-

17A. CURRENT TAX LIABILITIES (NET)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for income tax (net of advance taxes)	90.36	735.49
Total	90.36	735.49

18. ASSETS CLASSIFIED AS HELD FOR SALE

Particulars	As at March 31, 2026	As at March 31, 2025
Asset classified as held for sale *	-	625.73
Total	-	625.73

*During the financial year 2023-24, the Company obtained the necessary approvals for the sale of certain properties and accordingly the same had been classified as held for sale. During the year, these properties have been sold. However, out of the above, one property has been reclassified to property, plant and equipment and another property has been reclassified to investment property basis reassessment by management of the intended use.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

18A. LIABILITIES RELATED TO ASSETS CLASSIFIED AS HELD FOR SALE

Particulars	As at March 31, 2026	As at March 31, 2025
Advance received against asset classified as held for sale *	-	271.11
Total	-	271.11

*The Company had received advances against the proposed sale of Land parcels E90 and W39, which were classified as Assets Held for Sale as at March 31, 2025. The sale of both land parcels was completed during the year ended March 31, 2026.

19. REVENUE FROM OPERATIONS

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Revenue from contracts with customers		
Sale of products	56,723.62	59,733.19
Sale of services	86.12	107.99
Sale of EV Vehicles (Retrofited)	144.02	-
Total sale of products and services	56,953.76	59,841.18
Other operating income		
Tooling income	224.36	756.23
Scrap sales	93.79	101.22
Export incentives	482.86	501.46
Total other operating income	801.01	1,358.91
Total revenue from operations	57,754.77	61,200.09

20. OTHER INCOME

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Trade payable no longer required written back	5.22	36.60
Foreign exchange differences (net)	1,985.91	644.90
Fair value gain on mutual funds at fair value through profit or loss (realised & unrealised)	1,664.05	1,925.05
Profit on sale of property, plant and equipment	911.83	-
Miscellaneous income	98.54	20.67
Total other income	4,665.55	2,627.22

21. COST OF RAW MATERIAL AND COMPONENTS CONSUMED

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Inventory at the beginning of the year	268.35	393.95
Add: Purchases	17,231.54	17,815.03
	17,499.89	18,208.98
Less: Inventory at the end of the year	228.97	268.35
Cost of raw material and components consumed	17,270.92	17,940.63

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

22. (INCREASE) / DECREASE IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Opening stock:		
Finished goods	4,252.78	4,984.67
Semi-finished goods	948.49	1,165.01
	5,201.27	6,149.68
Closing stock:		
Finished goods	3,253.70	4,252.78
Semi-finished goods	1,253.79	948.49
	4,507.49	5,201.27
Decrease in inventories	693.78	948.41

23. EMPLOYEE BENEFIT EXPENSES

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Salaries, wages, bonus and commission	7,367.97	7,851.05
Contribution to provident fund and other funds	415.88	466.36
Gratuity expense (refer note 31)	165.84	159.45
Staff welfare expenses	141.21	219.57
Total employee benefit expenses	8,090.90	8,696.43

24. OTHER EXPENSES

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Consumption of components and spares	9,353.12	8,860.10
Packing materials consumed	692.61	716.34
Power and fuel expenses	7,652.17	7,447.32
Job work expenses	1,178.22	1,098.24
Freight outward charges	1,542.96	1,877.81
Rent	105.20	91.52
Rates and taxes	163.87	146.02
Insurance	147.36	137.55
Repairs and maintenance		
Plant and machinery	1,918.15	2,079.56
Building	117.01	117.69
Others	996.14	663.46
Advertisement and sales promotion	15.74	13.10
CSR expenditure (refer note 40)	166.55	160.32
Donation	35.00	40.00
Sales commission	84.75	99.26
Travelling and conveyance	503.76	531.83
Communication costs	9.37	9.48

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Legal and professional fees	443.00	387.75
Audit fees (refer note below)	35.00	35.00
Out of pocket expenses	2.95	2.69
Loss on fixed assets sold /discarded	-	15.91
Miscellaneous expenses	397.54	554.52
Total other expenses	25,560.47	25,085.47
Payment to auditors		
Particulars	Year ended March 31, 2026	Year ended March 31, 2025
As auditor		
Audit fees (including limited reviews)	35.00	35.00
Out of pocket expenses (including certification)	2.95	2.69
Total payment to auditors	37.95	37.69

25. FINANCE COSTS

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest on borrowings	339.79	389.85
Interest on delay in payment of taxes	-	55.00
Bank charges	90.32	76.31
Other finance cost	14.85	0.49
Total finance costs	444.96	521.65

26. FINANCE INCOME

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest income on:		
Bank deposits	291.79	312.41
Loan given to foreign subsidiary	151.83	174.16
Others	14.46	13.15
Total Finance income	458.07	499.72

27. DEPRECIATION AND AMORTISATION EXPENSE

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Depreciation on property, plant & equipments (refer note 3)	3,230.59	3,933.92
Depreciation on investment property (refer note 3B)	5.24	5.25
Amortisation of intangible assets (refer note 4)	35.83	35.82
Total Depreciation and amortisation expense	3,271.66	3,974.99

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

27A. Exceptional items

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Compensation from customer *	1,195.13	3,892.00
Impairment provision - Investment in Subsidiary (refer note 5D)	(3,000.00)	(7,300.00)
Impairment provision - loan given to Subsidiary (refer note 5D)	(2,745.00)	-
Impairment provision - accrued interest on loan given to Subsidiary (refer note 5D)	(30.57)	-
Impairment provision - Plant & Machinery (refer note 3)	-	(100.00)
Impact of change in wages as per new labour code (refer note 31)	(309.55)	-
Total exceptional items	(4,889.99)	(3,508.00)

* Compensation from Customer - During the year ended March 31, 2026 & March 31, 2025, the Company has settled to receive compensation for termination of certain purchase contracts and indemnification for capacity under-utilisation from two major customers amounting to ₹ 1195.13 Lakhs and ₹ 3,892 Lakhs respectively. The Company has recognised the stated income as an exceptional item for the year ended March 31, 2026 and March 31, 2025.

28. INCOME TAX

The major components of income tax expense for the years ended March 31, 2026 and March 31, 2025 are:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Current income tax:		
Current income tax charge	1,410.32	2,499.39
(Excess) / short provision of tax relating to earlier years	40.72	-
Deferred tax:		
Relating to origination and reversal of temporary differences	626.28	416.33
Income tax expense reported in the statement of profit and loss	2,077.32	2,915.72

OCI section

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Tax effect on:		
Net loss/(gain) on remeasurements of defined benefit plans	(79.98)	(7.71)
Deferred tax (expense)/ credit charged to OCI	(79.98)	(7.71)

Reconciliation of closing balance of deferred tax liability

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax liability		
Fixed assets: impact of difference between tax depreciation and depreciation / amortization for the financial reporting	1,081.65	543.17
Current Investment (Investment in mutual fund)	1,106.74	795.03
Gross deferred tax liability	2,188.39	1,338.20

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax assets		
Employee related costs allowed for tax purposes on payment basis	362.14	251.15
MSME Payments allowed for tax purposes on payment basis	165.60	152.35
Forward contracts	24.54	9.95
Lease Liability created during the year	39.82	36.08
Others	7.36	6.01
Gross deferred tax assets	599.46	455.54
Net deferred tax liability	1,588.93	882.66
Deferred tax (credit) / charge for the year		
Closing deferred tax liability (net)	1,588.93	882.66
Less: opening deferred tax liability (net)	882.66	458.51
Deferred tax movement for the year	706.26	424.15
Deferred tax charge recorded in securities premium account (refer note 11)	-	0.11
Deferred tax charge recorded in statement of profit and loss	706.26	424.04
Deferred tax charge recorded in OCI	(79.98)	(7.71)
Deferred tax charge for the year in statement of profit and loss	626.28	416.33

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2026 and March 31, 2025

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Accounting profit before tax	2,655.71	3,651.45
Accounting profit before income tax	2,655.71	3,651.45
Tax at India's statutory tax rate 25.168% (March 31, 2025 - 25.168%)	668.39	919.00
On mutual fund gain due to indexation benefit & different rate of taxation	(70.05)	126.63
On Impairment provision of Investment in subsidiary	1453.60	1837.26
On permanent disallowance	50.06	64.26
DTA recognised in Other Comprehensive Income	(79.98)	(7.71)
Tax for earlier years	40.72	-
Other items	14.57	(23.72)
Income tax reported in the statement of profit and loss	2,077.32	2,915.72

Reconciliation of deferred tax liabilities (net):

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance as of 1 April	882.66	458.51
Tax (income)/ expense during the period recognised in profit or loss	626.28	416.33
Tax (income)/ expense during the period recognised in equity	-	0.11
Tax (income)/ expense during the period recognised in OCI	79.98	7.71
Closing Balance as at 31 March	1,588.93	882.66

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets & current tax liabilities and the deferred tax assets & liabilities relate to income taxes levied by the same tax authority.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

Deferred tax

Deferred tax relates to the following

Particulars	Balance Sheet		Profit & Loss	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Accelerated depreciation for tax purposes	1,081.65	543.17	538.48	28.78
Fair valuation for the purpose of financial reporting	1,106.74	795.03	311.71	389.44
MSME Payments allowed on payment basis U/s 43BH	(165.60)	(152.35)	(13.25)	56.95
Employee benefit expenses allowed on payment basis U/s 43B	(362.14)	(251.15)	(110.99)	(46.81)
Forward contracts & others	(24.54)	(9.95)	(14.60)	(19.88)
On assets held for sale	-	-	-	56.53
Lease Liability created during the year	(39.82)	(36.08)	(3.74)	(36.08)
Deduction U/s 80JJAA	-	-	-	-
Unrealized forex loss - to be adjusted from WDV U/s 43A	(7.36)	(6.01)	(1.35)	(4.78)
Amount to be (charged)/credit in Statement of OCI	-	-	(79.98)	(7.71)
Deferred tax charge recorded in securities premium account				(0.11)
	1,588.93	882.66	626.28	416.33

29. EARNINGS PER SHARE (EPS)

Basic EPS amounts are calculated by dividing the profits for the year attributable to equity share holders of the Company by weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity share holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the profit and share data used in the basic and diluted EPS computation

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Profit attributable to equity shareholders of the Company	578.39	735.73
Weighted average number of equity shares in calculating basic EPS	9,49,85,835	9,49,85,835
Effect of dilution:	-	-
Weighted average number of equity shares in calculating diluted EPS	9,49,85,835	9,49,85,835
Earnings per share (basic) (Rupees/share)	0.61	0.77
Earnings per share (diluted) (Rupees/share)	0.61	0.77

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

30. DIVIDEND DISTRIBUTION MADE AND PROPOSED

Particulars	March 31, 2026	March 31, 2025
Final dividend for the year ended on March 31, 2025 (₹ 1.00 per share)	949.86	
Final dividend for the year ended on March 31, 2024 (₹ 1.00 per share)	-	949.86
	949.86	949.86

The Board of Directors, in their meeting on May 23, 2024, proposed a final dividend of ₹ 1.00 per equity share and the same was approved by the shareholders at the Annual General Meeting held on July 26, 2024. Subsequently, the dividend has been paid by the Company in FY 2024-25.

The Board of Directors, in their meeting on May 27, 2025, proposed a final dividend of ₹ 1.00 per equity share and the same was approved by the shareholders at the Annual General Meeting held on July 30, 2025. Subsequently, the dividend has been paid by the Company in current year.

The Board of Directors, in their meeting on May 22, 2026, proposed a final dividend of ₹ 1.00 per equity share for the year ended March 31, 2026. The payment of dividend is subject to approval of shareholders at the ensuing Annual General Meeting of the Company.

31. DISCLOSURE PURSUANT TO EMPLOYEE BENEFITS

A. Defined contribution plans:

Amount of ₹ 415.88 Lakhs (March 31, 2025: ₹ 466.36 Lakhs) is recognised as expenses and included in note no. 23 "Employee benefit expense"

B. Defined benefit plans:

Gratuity:

The Company has a defined benefit gratuity plan in India (funded). The Company's defined benefit gratuity plan which requires contributions to be made to a separately administered fund.

The gratuity plan is governed by the payment of gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age.

Plan assets - gratuity fund ₹ 1,533.62 Lakhs

	March 31, 2026	March 31, 2025
Net benefit expense (recognised in statement of profit or loss)		
Current service cost	152.85	152.03
Interest cost on benefit	12.99	7.42
	165.84	159.45
Past service cost(#)	256.33	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

March 31, 2026 : Changes in defined benefit obligation and plan assets

	Gratuity cost charged to statement of profit and loss				Benefit paid	Remeasurement gains/(losses) in other comprehensive income				Contributions by employer	March 31, 2026	
	April 01, 2025	Service cost	Net interest (expense) / income	Past Service Cost (#)		Adjustment to opening balance	Sub-total included in statement of profit and loss (refer note 23)	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions			Actuarial changes arising from changes in financial assumptions
Gratuity												
Defined benefit obligation	(1,632.64)	(152.85)	(107.08)	(256.33)	48.81	(516.26)	-	165.14	137.65	302.80	-	(1,797.29)
Fair value of plan assets	1,395.51	-	94.09	-	(48.81)	82.57	(11.52)	-	-	14.97	-	1,533.62
Benefit liability	(237.13)	(152.85)	(12.99)	(256.33)	-	(433.68)	(11.52)	165.14	137.65	317.77	89.38	(263.67)

On November 21, 2025, the Government of India notified the four labour codes – the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020 (collectively referred to as "the Labour Codes").

Based on the requirements of New Labour Codes and relevant Accounting Standards, the Company has estimated the liability for employee benefits, which has resulted in an incremental expense, on account of recognition of past service cost of gratuity liability and leave encashment liability to the employees amounting to ₹ 256.33 Lakhs and ₹ 53.22 Lakhs respectively during the year ended March 31, 2026. The Company continues to monitor the finalisation of Central and State Rules and clarifications from the Government on the New Labour Codes and would provide appropriate accounting effect on the basis of such developments, as needed.

March 31, 2025 : Changes in defined benefit obligation and plan assets

	Gratuity cost charged to statement of profit and loss				Benefit paid	Remeasurement gains/(losses) in other comprehensive income				Sub-total included in OCI	Contributions by employer	March 31, 2025
	April 01, 2024	Service cost	Net interest (expense) / income	Past Service Cost		Adjustment to opening balance	Sub-total included in statement of profit and loss (refer note 23)	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions			
Gratuity												
Defined benefit obligation	(1,446.74)	(152.03)	(98.70)	-	29.96	(250.73)	-	(51.00)	85.87	34.87	-	(1,632.64)
Fair value of plan assets	1,310.73	-	91.28	-	(29.96)	91.28	(4.24)	-	-	(4.24)	27.70	1,395.51
Benefit liability	(136.01)	(152.03)	(7.42)	-	-	(159.45)	(4.24)	(51.00)	85.87	30.63	27.70	(237.13)

As at March 31, 2026 & March 31, 2025 the amount of gratuity provision also includes gratuity provision of ₹ 60 Lakhs & 60 Lakhs respectively provided for a director's whose gratuity benefit is not considered for actuarial valuations.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

The major categories of plan assets of the fair value of the total plan assets of gratuity are as follows:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Type of asset: group gratuity scheme of LIC of India		
Fair Value of total plan assets	1,533.62	1,395.51
(%) of total plan assets	100%	100%

The principal assumptions used in determining above defined benefit obligations for the Company's plan are shown below:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Discount rate #	7.49%	6.70%
Future salary increase *	8.00%	8.00%
Expected rate of return on plan assets	7.63%	6.96%
Expected average remaining working lives (in years)	14.33	14.73

A quantitative sensitivity analysis for significant assumption is as shown below:

Gratuity

Particulars	Sensitivity level	Effect on defined benefit obligation (impact)	
		Year ended March 31, 2026	Year ended March 31, 2025
		In ₹	In ₹
Discount rate #	1% increase	1,616.68	1,454.96
	1% decrease	2,010.12	1,844.02
Future salary increase *	1% increase	2,000.90	1,835.16
	1% decrease	1,621.26	1,458.82

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligations as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The discount rate is based on the prevailing market yields of Government securities as at the Balance Sheet date for the estimated term of the obligations.

* The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

The followings are the expected future benefit payments for the defined benefit plan :

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
	₹	₹
Within the next 12 months (next annual reporting period)	82.22	68.93
Between 2 and 5 years	390.91	283.40
Beyond 5 years	697.00	577.42

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

The followings are the expected contributions to planned assets for the next year:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Gratuity	77.50	89.47

Risk Exposure

Asset volatility

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets under perform this yield, this will create a deficit. All plan assets are maintained in a trust fund managed by Life Insurance Corporation of India (LIC) who has been providing consistent and competitive returns over the years. The Company has opted for a traditional fund wherein all assets are invested primarily in risk averse markets. The Company has no control over the management of funds but this option provides a high level of safety for the total corpus. A single account is maintained for both the investment and claim settlement and hence, 100% liquidity is ensured. Also, interest rate and inflation risk are taken care of.

Changes in bond yields

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.

Future salary escalation and inflation risk

Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in higher present value of liabilities. Further, unexpected salary increases provided at the discretion of the management may lead to uncertainties in estimating this increasing risk.

Asset-Liability mismatch risk

Risk which arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the Company is successfully able to neutralize valuation swings caused by interest rate movements. Hence, companies are encouraged to adopt asset-liability management.

32: COMMITMENTS AND CONTINGENCIES

a. Commitments

- (i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances): As at March 31, 2026, the Company had commitments of ₹ 5,009.10 Lakhs (March 31, 2025 : ₹ 4,403.59 Lakhs).

b. Contingent liabilities

(i) Claims against the Company not acknowledged as debts (legal claims):

Authorities and description of case	As at March 31, 2026	As at March 31, 2025	Note Reference
The Collector of Stamps, Solapur - Additional Stamp duty demanded for cancellation and issue of shares on amalgamation of Precision Valvetrain Components Limited	31.79	31.79	a.
Employees provident fund and Miscellaneous Provision Act, 1952 and other labour laws towards contribution to provident fund and other employee costs. (Amount reported is excluding interest)	24.23	24.23	b.
Commissioner of Central Excise, Pune - Demand of sales tax retained under sales tax deferral scheme.	20.76	20.76	c.
Income tax Act, 1961 - Tax demand on disallowance of ESOP expenditure	1701.16	1701.16	d.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

Authorities and description of case	As at March 31, 2026	As at March 31, 2025	Note Reference
Order u/s 270A from Assessing Officer imposing a penalty for the assessment year 18-19 for demand of income tax towards disallowance u/s 14A of the Act.	3.47	3.47	e.
Order from the commissioner of State Tax(GST) for the year 2017-18 demanding GST on tooling income & Mismatch in Input tax credit.	200.62	200.62	f.
Order under section 144C(1) of the Income Tax Act, 1961, for the assessment years 2020-21 & 2021-22, pertaining to adjustments on account of international transactions related to corporate guarantees:			
i. A.Y. 2020-21	-	19.47	g.
ii. A.Y. 2021-22	-	5.41	h.

(ia) Sub-Notes:

- The Collector of stamps, Solapur has demanded payment of stamp duty of ₹ 31.79 Lakhs (March 31, 2025: ₹ 31.79 Lakhs) for cancellation and issue of equity shares after amalgamation of Precision Valvetrain Components Limited (PVPL) with the Company in year 2007-2008. The Company has filed an appeal against demand made by the Collector of Stamps, Solapur with controlling revenue authority, Pune.
- The Company had received an order from the Commissioner of Provident fund for the year May 2003 to May 2006 demanding PF liability amounting to ₹ 24.23 Lakhs (March 31, 2025: ₹ 24.23 Lakhs) excluding interest. The Company had filed writ petition with the Hon'ble High court Mumbai against the said order and had paid ₹ 12.12 Lakhs under protest.
- The Company had received an order from the Commissioner of Central Excise Pune for the year 2002-03, 2003-04 and 2004-05 demanding excise duty amounting to ₹ 20.76 Lakhs (March 31, 2025: ₹ 20.76 Lakhs) on sales tax retained under sales tax deferral scheme. The Company had filed appeal against the order with CESTAT and CESTAT via its order transfer the said case to the jurisdiction commissioner.
- The Company had received order from Assessing Officer for the assessment year 2014-15 for demand of income tax amounting to ₹ 1,701.16 Lakhs (March 31, 2025 ₹ 1,701.16 Lakhs) towards disallowance of ESOP expenditures and other disallowances. The Company had filed appeal against the above order with commissioner of income tax (Appeals) and has paid ₹335.41 Lakhs under protest.
- The Company had received an order from Assessing Officer for the assessment year 18-19 for demand of income tax amounting to ₹ 7.08 Lakhs (March 31, 2025: ₹ 7.08 Lakhs) towards disallowance u/s 14A of the Act. The Company has paid the said demand within due date specified by the department. Further assessing officer had passed an order u/s 270A imposing a penalty for ₹ 3.47 Lakhs (March 31, 2025 ₹ 3.47 Lakhs) Lakhs for under reporting of income for incremental disallowance made u/s 14A of the act. The Company had filed appeal against the penalty order with Commissioner of Income Tax (Appeals) and has paid ₹ 0.70 Lakhs under protest.
- The Company had received order from the commissioner of State Tax(GST) for the year 2017-18 demanding GST amounting to ₹ 200.62 Lakhs (March 31, 2025: 200.62 Lakhs) (including interest and penalty) on tooling income & Mismatch in Input tax credit. The Company had filed writ petition with the Hon'ble High court Mumbai against the said order.
- During the financial year 2023-24, the Company received a draft assessment order under Section 144C(1) of the Income-tax Act, 1961, for Assessment Year 2020-21. The draft order proposed adjustments relating to international transactions pertaining to corporate guarantees and a disallowance under Section 14A of the Act, aggregating to ₹ 19.47 Lakhs. The Company filed objections against the proposed adjustments before the Dispute Resolution Panel (DRP).

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

During the financial year 2024-25, the Company received the final assessment order pursuant to the directions issued by the DRP and subsequently filed an appeal before the Income Tax Appellate Tribunal (ITAT), Pune. The Company also paid an amount of ₹ 7.79 Lakhs under protest against the said demand.

During the current year, the Company received a favourable order from the ITAT, Pune, directing the Assessing Officer (AO) to recompute the relevant adjustments and finalise the assessment in accordance with the directions of the Tribunal.

- During the financial year 2023-24, the Company received a draft assessment order under Section 144C(1) of the Income-tax Act, 1961, for Assessment Year 2021-22. The draft order proposed an adjustment in respect of international transactions relating to corporate guarantees amounting to ₹5.41 Lakhs. The Company filed objections against the proposed adjustment before the Dispute Resolution Panel (DRP). Subsequently, during the financial year 2024-25, the DRP issued its directions and the final assessment order was passed. Aggrieved by the said order, the Company filed an appeal before the Income Tax Appellate Tribunal (ITAT), Pune. The Company has also deposited the disputed tax demand of ₹5.40 Lakhs under protest. During the current year, the Company received a favourable order from the ITAT, wherein the matter was remanded to the Assessing Officer (AO) with directions to recompute the adjustment and finalise the assessment in accordance with the observations of the ITAT.

In all the cases mentioned above outflow is not probable, and hence not provided by the Company.

(ii) Corporate guarantees

The Company has also given corporate guarantee on behalf of its wholly owned subsidiary Memco Engineering Pvt. Ltd., to the lender bank. The outstanding amount of corporate guarantee is ₹317.50 Lakhs (March 31, 2025 ₹ 504.89 Lakhs).

33: RELATED PARTY TRANSACTIONS

A Names of the related party and related party relationship:

a) Related party where control exists

i) Subsidiary

PCL (International) Holdings B.V. (Netherlands)

Memco Engineering Pvt. Ltd. (Nashik)

ii) Step down Subsidiary (Subsidiary of PCL (International) Holdings B.V. (Netherlands))

MFT Motoren Und Fahrzeugtechnik GMBH (Germany) (up to September 08, 2025)

Emiss Mobile Systems B.V., Netherlands

b) Key management personnel (KMP)

Mr. Yatin S. Shah , Managing Director

Mr. Ravindra R. Joshi, Director

Mr. Karan Y. Shah, Director

Dr. Suhasini Y. Shah, Non executive Director

Mrs.Savani A. Laddha, Independent Director

Mr. Ameet N Dravid, Independent Director

Mr. Suhas J. Ahirrao, Independent Director

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

Ms. Apurva P. Joshi, Independent Director

Mrs. Anagha S. Anasingaraju, Independent Director

Mr. Tanmay M. Pethkar, Company Secretary (up to January 05, 2025)

Mr. Harshal J. Kher, Company Secretary (w.e.f. February 12, 2025)

c) Relatives of key management personnel (RKMP)

Ms. Tanvi Y. Shah, daughter of Mr. Yatin S. Shah

Mrs. Mayura K. Shah, Wife of Mr. Karan Y. Shah

d) Enterprises owned or significantly influenced by key management personnel or their relatives:

Chitale Clinic Private Limited

Precision Foundation & Medical Research Trust

Yatin S. Shah (HUF)

Cams Technology Limited

B. Disclosure in respect of related party transaction during the year:

Sr. No.	Particulars	Relationship	March 31, 2026	March 31, 2025
1	Remuneration(#)			
	Mr.Yatin S. Shah	Key management personnel	313.81	344.25
	Mr. Ravindra R. Joshi	Key management personnel	277.13	307.31
	Mr. Karan Y. Shah	Key management personnel	70.94	77.66
	Dr. Suhasini Y. Shah	Key management personnel	5.00	5.00
	Mrs.Savani A. Laddha	Key management personnel	5.00	5.00
	Mr. Ameet N Dravid	Key management personnel	5.00	5.00
	Mr. Suhas J. Ahirrao	Key management personnel	5.00	5.00
	Ms. Apurva P. Joshi	Key management personnel	5.00	5.00
	Mrs. Anagha S. Anasingaraju	Key management personnel	5.00	5.00
	Mr. Tanmay M. Pethkar, Company Secretary (up to January 05, 2025)	Key management personnel	-	6.25
	Mr. Harshal J. Kher, Company Secretary (w.e.f. February 12, 2025)	Key management personnel	8.82	1.38
2	Final dividend paid on equity shares			
	Cams Technology Limited	Entities where KMP / RKMP have significant influence	135.08	135.08
	Mr.Yatin S. Shah	Key management personnel	377.89	377.89
	Dr. Suhasini Y. Shah	Key management personnel	107.78	107.78
	Mr. Ravindra R. Joshi	Key management personnel	-	0.17
	Mr. Karan Y. Shah	Key management personnel	0.15	0.15
	Ms. Tanvi Y. Shah	Relative of key management personnel	0.02	0.02
	Ms. Mayura K. Shah	Relative of key management personnel	0.01	0.01

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

Sr. No.	Particulars	Relationship	March 31, 2026	March 31, 2025
3	Donation paid			
	Precision Foundation & Medical Research Trust	Entities where KMP / RKMP have significant influence	35.00	40.00
4	Purchases of goods, material or services (exclusive of taxes)			
	Cams Technology Limited	Entities where KMP / RKMP have significant influence	68.45	72.72
	Memco Engineering Pvt Ltd	Subsidiary	-	4.67
5	Sale of goods, material or Services (exclusive of Taxes)			
	Memco Engineering Pvt Ltd (Nashik)	Subsidiary	2.09	80.02
6	Investment in equity shares			
	PCL (International) Holdings B.V. (Netherlands)	Subsidiary	(3,000.00)	(7,300.00)
	(Impairment provision)			
7	Repayment of Loan by Subsidiary			
	PCL (International) Holdings B.V. (Netherlands)	Subsidiary	-	1,781.80
8	Impairment of Loan given to subsidiary			
	PCL (International) Holdings B.V. (Netherlands)	Subsidiary	(2,745.00)	-
9	Interest on loan given to subsidiaries			
	PCL (International) Holdings B.V. (Netherlands)	Subsidiary	150.96	187.31
10	Impairment of interest on loan given to subsidiary			
	PCL (International) Holdings B.V. (Netherlands)	Subsidiary	(30.57)	-
	Balances outstanding			
1	Remuneration payable (exclusive of taxes)			
	Mr.Yatin S. Shah	Key management personnel	12.43	27.91
	Mr. Ravindra R. Joshi	Key management personnel	8.28	19.87
	Mr. Karan Y. Shah	Key management personnel	3.37	7.44
	Dr.Suhasini Y. Shah	Key management personnel	4.50	4.50

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

Sr. No.	Particulars	Relationship	March 31, 2026	March 31, 2025
	Mrs.Savani A. Laddha	Key management personnel	4.50	4.50
	Mr. Ameet N Dravid	Key management personnel	4.50	4.50
	Mr. Suhas J. Ahirrao	Key management personnel	4.50	4.50
	Ms. Apurva P. Joshi	Key management personnel	4.50	4.50
	Mrs. Anagha S. Anasingaraju	Key management personnel	4.50	4.50
	Mr. Harshal J. Kher, Company Secretary (w.e.f. February 12, 2025)	Key management personnel	0.65	0.66
2	Trade and other payables			
	Cams Technology Limited	Entities where KMP / RKMP have significant influence	13.55	19.49
3	Sale of goods, material or Services (inclusive of Taxes)			
	Memco Engineering Pvt Ltd (Nashik)	Subsidiary	45.85	93.77
4	Investment in equity shares			
	PCL (International) Holdings B.V. (Netherlands)	Subsidiary	1,485.49	4,485.49
	Memco Engineering Pvt Ltd (Nashik)	Subsidiary	4,485.35	4,485.35
5	Interest on loan given to subsidiaries			
	PCL (International) Holdings B.V. (Netherlands)	Subsidiary	1.01	41.61
6	Loan given to subsidiaries			
	PCL (International) Holdings B.V. (Netherlands)	Subsidiary	6,516.06	7,956.55

Compensation of key managerial personnel of the Company

Particulars	March 31, 2026	March 31, 2025
Short term employee benefits (gross salary)	616.10	673.22
Post employment benefits (PF + superannuation)	84.60	93.63
Total compensation paid to key management personnel * (refer note 53)	700.70	766.85

The amounts disclosed in the table are the amounts recognised as an expense during the reporting period.

* The Compensation of key management personnel do not include provisions for encashable leave, gratuity and premium paid for group health insurance, as separate actuarial valuation/ premium paid are not available.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

34. SEGMENT INFORMATION

The Company is engaged in manufacturing of camshafts. Based on similarity of activities/products, risk and reward structure, organisation structure and internal reporting systems, the Company has structured its operations into a single operating segment; however based on the geographic distribution of activities, the chief operating decision maker identified India and outside India as two reportable geographical segments.

Revenue from customers	March 31, 2026	March 31, 2025
Within India	38,505.35	37,098.68
Outside India		
Asia	4,030.13	8,652.23
Europe	3,097.00	2,317.19
Others	12,122.29	13,131.99
	19,249.42	24,101.41
Total revenue	57,754.77	61,200.09

The revenue information above is based on the locations of the customers.

Company's significant revenues are derived from two customers (March 31, 2025: two customers) contributing 10% or more to the Company revenue, representing approximately ₹: 19,794.77 Lakhs (March 31, 2025 : ₹ 17,368.78 Lakhs) of the Company's total revenue from operations.

Non-current operating assets*

All of the Company's non current operating assets are within India as on March 31, 2026 and March 31, 2025.

* As defined in paragraph 33 (b) of Ind AS 108 "Operating segments" non current assets excludes financial instruments, deferred tax assets and post-employment benefit assets.

35. FAIR VALUES

Particulars of financial instruments by category of classification

Financial assets	March 31, 2026		March 31, 2025	
	Carried at FVTPL	Carried at amortized cost	Carried at FVTPL	Carried at amortized cost
Loans & advances	-	6,516.06	-	7,956.55
Investment in mutual fund & other financial instruments	34,894.83	-	31,227.87	-
Bank balances other than cash and cash equivalents	-	3,739.44	-	4,483.05
Other financial assets	-	668.33	-	649.64
Trade receivable	-	11,235.79	-	15,027.64
Cash & cash equivalents	-	1,961.34	-	2,626.29
Total	34,894.83	24,120.96	31,227.87	30,743.17

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

Financial liabilities	March 31, 2026		March 31, 2025	
	Carried at FVTPL	Carried at amortized cost	Carried at FVTPL	Carried at amortized cost
Borrowings	-	4,035.47	-	7,090.06
Trade payable	-	7,183.45	-	6,799.11
Other financial liabilities	97.53	2,587.03	39.54	1,808.64
Lease liability		158.20	-	143.35
Total	97.53	13,964.15	39.54	15,841.16

36. FAIR VALUE HIERARCHY

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

A) The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2026

	Fair value measurement using				
	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value:					
Investments	March 31, 2026	34,894.83	34,893.53	-	1.30

Quantitative disclosures fair value measurement hierarchy for liabilities as at March 31, 2026

	Fair value measurement using				
	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Liabilities measured at fair value:					
Foreign exchange forward contracts	March 31, 2026	97.53	-	97.53	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2025:

	Fair value measurement using				
	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Assets measured at fair value:					
Investments	March 31, 2025	31,227.87	31,226.57	-	1.30

Quantitative disclosures fair value measurement hierarchy for liabilities as at March 31, 2025:

	Fair value measurement using				
	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Liabilities measured at fair value:					
Foreign exchange forward contracts	March 31, 2025	39.54	-	39.54	-

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

- > The fair values of the quoted mutual funds are based on price (i.e. the NAV of the mutual funds) quotations at the reporting date.
- > The fair values of derivative forward contracts is determined using the marked-to-market valuation done by the banks.
- > The Fair value of Level 3 is determined on the basis of best estimate & information available.

B) Fair value of financial assets and liabilities measured at amortised cost

The management assessed that cash and cash equivalents (including term deposits), trade receivables, trade payables, borrowings and other financial liabilities approximate their carrying amounts because of the short term nature of these financial instruments.

The amortized cost using effective interest rate (EIR) of non-current financial assets consisting of security deposit, lease liability, loans to subsidiary and term deposit with more than 12 months are not significantly different from the carrying amount.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

37. CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders.

The primary objective of the Company's capital management is to maximise the shareholder value and to ensure the Company's ability to continue as a going concern. The company manages its capital structure and makes adjustments for compliance with the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders. The Company monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. Total debt comprises of short term borrowing which represents packing credit and cash credit taken from bank. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

	March 31, 2026	March 31, 2025
Borrowings (refer note 12)	4,035.47	7,090.06
Less: cash and cash equivalent (refer note 9)	1,961.34	2,626.29
Net debt (i)	2,074.13	4,463.77
Equity	88,658.43	88,792.10
Total Equity (ii)	88,658.43	88,792.10
Overall financing (iii) = (i) + (ii)	90,732.56	93,255.87
Gearing ratio = (i) / (iii)	2.29%	4.79%

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2026 and March 31, 2025.

38. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities, other than derivatives, comprise of short term borrowings, lease liabilities and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include security deposits, trade and other receivables, investments in mutual funds and cash and cash equivalents that derive directly from its operations and loan given to subsidiary.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, and derivative financial instruments.

The sensitivity analysis in the following sections relate to the position as at March 31, 2026 and March 31, 2025.

The analysis exclude the impact of movements in market variables on the carrying values of gratuity and other post retirement obligations and provisions.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short-term debt obligations with floating interest rates.

Sensitivity

Year	Increase/ (decrease) in basis points	Effect on profit before tax In Rs
March 31, 2026	50.00	(18.98)
	-50.00	18.98
March 31, 2025	50.00	(23.78)
	-50.00	23.78

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency) and loan given to subsidiary.

When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency.

Foreign currency exposure

Nature of exposure	Currency	March 31, 2026		March 31, 2025	
		Amount in F.C.	Amount in ₹	Amount in F.C.	Amount in ₹
Trade receivables	USD	43.79	4,117.46	58.98	5,013.20
	EUR	3.40	365.96	2.49	227.56
Trade payables	USD	2.45	233.28	1.74	149.40
	EUR	0.14	15.03	0.11	10.07
	JPY	68.40	41.03	-	-
Loan given to subsidiaries	EUR	60.50	6,516.06	87.05	7,956.55
Interest on loan given to subsidiaries	EUR	0.01	6.32	0.46	41.61
Forward contract	USD	14.00	1,338.18	84.88	7,321.00
	EUR	0.38	41.40	3.20	304.41

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD, EUR and JPY exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives and embedded derivatives.

Sensitivity

Year	Change in USD rate	Effect on profit before tax In Rs
March 31, 2026	5%	284.45
	-5%	(284.45)
March 31, 2025	5%	609.24
	-5%	(609.24)

Year	Change in EUR rate	Effect on profit before tax In Rs
March 31, 2026	5%	346.97
	-5%	(346.97)
March 31, 2025	5%	426.13
	-5%	(426.13)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

Year	Change in JPY rate	Effect on profit before tax
		In ₹
March 31, 2026	5%	2.05
	-5%	(2.05)
March 31, 2025	5%	-
	-5%	-

Commodity risk

The Company is affected by the price volatility of certain commodities. Its operating activities require the ongoing manufacture of camshafts and therefore require a continuous supply majorly of pig iron, MS scrap and resin coated sand.

The Company's exposure to the risk of exchange in key raw material prices are mitigated by the fact that the price increases/decreases from the vendors are passed on to the customers based on understanding with the customers. Hence the fluctuation of prices of key raw materials do not materially affect the statement of profit and loss. Also as at March 31, 2026, there were no open purchase commitments/ pending material purchase order in respect of key raw materials. Accordingly, no sensitivity analysis have been performed by the management.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Trade receivables

Customer credit risk is managed subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

An impairment analysis is performed at each reporting date on an individual basis for major clients. The maximum exposure to credit risk at the reporting date is the carrying value of trade receivables disclosed in note 8. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy.

The investment of surplus funds is made in mutual funds and fixed deposits which are approved by the Director.

The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2026 and March 31, 2025 is the carrying amounts as illustrated in note 9.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligation as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liability when due.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

The table below summarises the maturity profile of the Company's financial liabilities:

Particulars	Less than 1 year	1 to 5 years	> 5 years	Total
Year ended March 31, 2026				
Current borrowings	4,035.47	-	-	4,035.47
Other financial liabilities	2,684.56	-	-	2,684.56
Trade payables	7,183.45	-	-	7,183.45
Lease liabilities	-	45.34	112.86	158.20
	13,903.48	45.34	112.86	14,061.68

Particulars	Less than 1 year	1 to 5 years	> 5 years	Total
Year ended March 31, 2025				
Current borrowings	7,090.06	-	-	7,090.06
Other financial liabilities	1,848.18	-	-	1,848.18
Trade payables	6,799.11	-	-	6,799.11
Lease liabilities	-	35.26	108.09	143.35
	15,737.35	35.26	108.09	15,880.70

39. DISCLOSURE PURSUANT TO SCHEDULE V READ WITH REGULATIONS 34(3) AND 53(F) OF THE SEBI(LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS,2015

A) Amount of loans / advances in nature of loans outstanding from subsidiaries as at March 31, 2026:

Name of the Company	Balance as at		Maximum outstanding	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
To Subsidiary Company				
PCL (International) Holding B.V.	6,516.06	7,956.55	7,956.55	7,956.55

B) Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount: Nil (other than subsidiaries as mention above)

C) Investments by the loanee in the shares of parent company and subsidiary Company, when the Company has made a loan or advance in the nature of loan as at March 31, 2026:

Name of the Company	Balance as at		Maximum outstanding	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
To step-down subsidiary companies				
MFT Motoren und Fahrzeugtechnik GmbH (MFT)- Germany (refer note 5D)	-	2,426.67	2,745.00	2,426.67
Nil & EUR 26,55,000 For March 2026 & March 2025 respectively (Converted into ₹ using 91.40 Rs/Euro & ₹ 89.04 ₹/Euro for March 2026 & March 2025 respectively)				
Emoss Mobile Systems B.V., Netherlands	6,516.06	5,529.88	6,516.06	5,529.88
EUR 60,50,197 & EUR 60,50,197 For March 2026 & March 2025 respectively (Converted into ₹ using 107.70 Rs/Euro & ₹ 91.40 ₹/Euro for March 2026 & March 2025 respectively)				

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

40. CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE

As per Section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are health care, education, sustainability, social issues. A CSR committee has been formed by the Company as per the Act. The funds are utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

Particulars	March 31, 2026	March 31, 2025
A Gross amount required to be spent as per Section 135 of the Act	166.55	160.32
Add: amount unspent from previous years	-	-
Total gross amount required to be spent during the year	166.55	160.32
B Amount approved by the board to be spent during the year	166.55	160.32
C Amount spent during the year on		
(i) Construction/acquisition of an asset	-	-
(ii) On purposes other than (i) above *	172.69	157.08
D Details related to amount spent		
Contribution to PM CARES Fund	-	-
Spent on CSR activities(healthcare, education, sustainability, social issues)	172.69	157.08
Total	172.69	157.08

* The expense considered for FY 2025-26 and FY 2024-25 is ₹ 166.55 Lakhs and 160.32 Lakhs respectively and balance has been transferred to prepaid expense.

E Details of excess CSR expenditure				
Nature of activity	Balance short/ (excess) as at April 01, 2025	Amount required to be spent during the year	Amount spent during the year	Balance short/ (excess) as at March 31, 2026
Spent on CSR activities(healthcare, education, sustainability, social issues)	(2.66)	166.55	172.69	(8.80)
E Details of excess CSR expenditure				
Nature of activity	Balance short/ (excess) as at April 01, 2024	Amount required to be spent during the year	Amount spent during the year	Balance short/ (excess) as at March 31, 2025
Spent on CSR activities(healthcare, education, sustainability, social issues)	(5.90)	160.32	157.08	(2.66)

41. TITLE DEEDS OF IMMOVABLE PROPERTIES NOT HELD IN NAME OF THE COMPANY

There are no title deeds of immovable property which are not held in the name of the Company.

42. LEASES WHERE COMPANY IS A LESSEE

During the FY 2024-25, Company has obtained land at Mangalwedha on lease for a period of 29 years. Payment of lease rentals has been made in accordance with the rentals specified in the schedule agreed. Lease Liability has been recognised in the books of accounts by the Company at present value of the lease payments and Right of Use asset at cost in accordance with the requirements of IND AS 116.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

(ia) Changes in the carrying value of Right-of-use Assets

Particulars	Category of ROU Asset Land and Building
Balance as at April 01, 2024	-
Additions	203.76
Deletion	-
Depreciation	0.23
Balance as at March 31, 2025	203.53
Additions	-
Deletion	-
Depreciation	7.03
Balance as at March 31, 2026	196.50

(ib) Changes in the Lease liabilities

Particulars	Category of ROU Asset Land and Building
Balance as at April 01, 2024	-
Additions	203.76
Interest on lease liability	0.49
Lease Payments	60.90
Balance as at March 31, 2025	143.35
Additions	-
Interest on lease liability	14.85
Lease Payments	-
Balance as at March 31, 2026	158.20

(ii) Break-up of current and non-current lease liabilities

Particulars	March 31, 2026	March 31, 2025
Current Lease Liabilities	-	-
Non-current Lease Liabilities	158.20	143.35

(iii) Maturity analysis of lease liabilities

Particulars	March 31, 2026	March 31, 2025
Less than one year	-	-
One to five years	45.34	35.26
More than five years	112.86	108.09
Total	158.20	143.35

(iv) Amounts recognised in statement of Profit and Loss account

Particulars	March 31, 2026	March 31, 2025
Interest on Lease Liabilities	14.85	0.49
Depreciation on ROU asset	7.03	0.23
Total	21.88	0.72

(v) Amounts recognised in statement of Cash Flows

Particulars	March 31, 2026	March 31, 2025
Total Cash outflow for leases	-	60.90

(vi) Amounts recognised in Profit and Loss account - Short term leases

Lease arrangements which qualify as short-term leases under Ind AS 116 (Leases), have been recognised as an expense in the Statement of Profit and Loss for the year ended March 31, 2026 and March 31, 2025.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

43. LOANS OR ADVANCES IN THE NATURE OF LOANS ARE GRANTED TO PROMOTERS, DIRECTORS, KMPs AND THE RELATED PARTIES (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:

Type of Borrower	Loans/ Advances granted Individually or Jointly with other	Repayable on demand (Yes / No)	Terms/ Period of repayment is specified (Yes / No)	Amount outstanding as at the balance sheet date	% of Total	Amount outstanding as at the balance sheet date	% of Total
Promoter	-	-	-	-	-	-	-
Directors	-	-	-	-	-	-	-
KMPs	-	-	-	-	-	-	-
Related Parties							
i) PCL (International) Holdings B.V. (Netherlands) (wholly owned subsidiary)	Individually	No	Yes	6,516.06	100%	7,956.55	100%
Total of Loan and Advances in the nature of Loan (Refer Note 5B and 33)				6,516.06	100%	7,956.55	100%

44. AGEING OF CWIP

(a) For Capital-work-in progress ageing schedule

March 31, 2026

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,169.87	3,838.70	1,464.07	-	6,472.64
Projects temporarily suspended	-	-	-	-	-

March 31, 2025

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	3,218.96	2,470.45	-	-	5,689.41
Projects temporarily suspended	-	-	-	-	-

(b) i) March 31, 2026

There are no projects as Capital Work in Progress as at March 31, 2026, whose completion is overdue or cost of which has exceeds in comparison to its original plan.

ii) March 31, 2025

There are no projects as Capital Work in Progress as at March 31, 2025, whose completion is overdue or cost of which has exceeds in comparison to its original plan.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

45. DETAILS OF BENAMI PROPERTY HELD

The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.

46. RECONCILIATION OF QUARTERLY RETURNS OR STATEMENTS OF CURRENT ASSETS FILED WITH BANKS

March 31, 2026

Quarter	Name of bank	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly return/statement	Amount of difference	Reason for material discrepancies
Jun-25	Bank of India and Bank of Baroda	Trade Receivables	11,294.59	14,956.93	(3,662.34)	The difference is due to submission to the Banks before financial reporting closure process.
		Trade Payables *	4,967.84	4,928.36	39.48	
		Inventories	5,759.64	2,460.29	3,299.35	
Sep-25	Bank of India and Bank of Baroda	Trade Receivables	11,510.49	14,909.78	(3,399.29)	
		Trade Payables *	6,411.01	6,357.09	53.92	
		Inventories	5,329.81	2,406.74	2,923.07	
Dec-25	Bank of India and Bank of Baroda	Trade Receivables	10,500.31	14,348.00	(3,847.69)	
		Trade Payables *	6,108.82	6,412.57	(303.75)	
		Inventories	5,053.16	2,335.52	2,717.64	
Mar-26	Bank of India and Bank of Baroda	Trade Receivables	11,235.79	14,713.69	(3,477.90)	
		Trade Payables *	7,669.14	7,088.81	580.33	
		Inventories	5,212.88	2,549.31	2,663.57	

March 31, 2025

Quarter	Name of bank	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly return/statement	Amount of difference	Reason for material discrepancies
June 01, 2024	Bank of India and Bank of Baroda	Trade Receivables	14,425.67	20,340.36	(5,914.69)	The difference is due to submission to the Banks before financial reporting closure process.
		Trade Payables *	5,900.43	5,796.34	104.09	
		Inventories	7,176.48	3,713.08	3,463.40	
September 01, 2024	Bank of India and Bank of Baroda	Trade Receivables	13,086.71	17,409.93	(4,323.22)	
		Trade Payables *	5,663.63	5,539.33	124.30	
		Inventories	6,561.46	2,484.77	4,076.69	
December 01, 2024	Bank of India and Bank of Baroda	Trade Receivables	11,590.15	15,215.45	(3,625.30)	
		Trade Payables *	5,218.38	5,209.12	9.26	
		Inventories	5,812.51	3,060.95	2,751.56	
March 01, 2025	Bank of India and Bank of Baroda	Trade Receivables**	11,870.71	15,677.29	(3,806.58)	
		Trade Payables *	6,548.50	6,245.06	303.44	
		Inventories	6,172.15	2,988.54	3,183.61	

* Excluding provision for expenses and including capital payables

** Excluding Unbilled dues.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

47. WILFUL DEFAULTER

The Company has not being declared as wilful defaulter by any bank or financials institution or any government authority.

48. RELATIONSHIP WITH STRUCK OFF COMPANIES UNDER SECTION 248 OF THE COMPANIES ACT, 2013 OR SECTION 560 OF COMPANIES ACT, 1956,

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

49. REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES

The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

50. COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

51. UTILISATION OF BORROWED FUNDS AND SHARE PREMIUM:

- (i) 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:
- 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 to or on behalf of the ultimate beneficiaries
- (ii) 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:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
 - provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

52. RATIOS

S. no.	Ratio	Particulars		Ratio as on	Ratio as on	Variation	Reason (If variation is more than 25%)
		Numerator	Denominator	March 31, 2026	March 31, 2025		
(a)	Current ratio	Current assets	Current Liabilities	4.10	3.58	14.63%	
(b)	Debt-equity ratio	Debt= All borrowings	Shareholder's equity	0.05	0.08	-43.00%	The decline in the Debt-Equity Ratio during the current year is primarily due to the following: There is lower utilization of packing credit facilities attributable to a decrease in export sales during the year.
(c)	Debt service coverage ratio	Net Operating Income= Net profit after taxes + Non-cash operating expenses + finance cost	Debt Service = Interest & Lease Payments + Principal Repayments (Excluding Working capital borrowings)	12.11	11.65	3.98%	
(d)	Return on equity ratio	Net income= net profits after taxes	Average shareholder's equity	0.65%	0.83%	-21.24%	
(e)	Inventory turnover ratio	Cost of goods sold	Average Inventory	3.16	2.70	16.81%	
(f)	Trade receivables turnover ratio	Revenue from sale of products and services = total revenue from operations less export incentives	Average trade receivables	4.36	4.24	2.86%	
(g)	Trade payables turnover ratio	Purchases for raw material, stores and consumables, packing material	Average trade payables (trade payable relating to purchases and consumables)	4.91	5.00	-1.70%	
(h)	Net capital turnover ratio	Revenue from sale of products and services = total revenue from operations less export incentives	Average working capital	1.30	1.56	-17.02%	

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

S. no.	Ratio	Particulars		Ratio as on	Ratio as on	Variation	Reason (If variation is more than 25%)
		Numerator	Denominator	March 31, 2026	March 31, 2025		
(i)	Net profit ratio	Net profit	Revenue from operations	1%	1%	-16.70%	
(j)	Return on capital employed	EBIT= earnings before interest and taxes	Capital employed= Total asset-current liability	3%	5%	-25.97%	The decline in the Return on Capital Employed (ROCE) ratio during the current year is primarily attributable to the following: - A decrease in net profit, resulting from lower operational performance and the impact of exceptional items during the year (refer Note 26A); and - While the capital employed remained largely unchanged, the decline in profitability led to a lower return on the capital base.
(k)	Return on investment	Gain on Mutual fund(including unrealised gain)	(Opening Investment in Mutual Fund + Closing investment in mutual fund)/2	5%	7%	-30.65%	The gain on investment in mutual funds has decreased during the year due to decreased Net Asset Value (NAV) of mutual fund units as compared to the previous year, primarily driven by market fluctuations and ongoing global geopolitical conflicts.

53. REMUNERATION OF KEY MANAGERIAL PERSONNEL

During the financial year 2025–26, the remuneration paid to the Managing Director and Whole Time Directors exceeded the limits prescribed under Section 197 read with Schedule V to the Companies Act, 2013 based on the effective remuneration limits applicable to the Company for the year as computed under the provisions of the Companies Act, 2013. Details of remuneration paid and excess over the prescribed limits are as under:

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

Particulars	Amount (₹ Lakhs)
Aggregate remuneration paid to Managing Director and Whole Time Directors	661.88
Aggregate permissible limit under Schedule V	530.00
Aggregate excess Remuneration paid together to Managing Director and Whole Time Directors	131.88

The Company is in the process of seeking approval of the shareholders by way of special resolution pursuant to the provisions of Section 197 and Schedule V to the Companies Act, 2013 for waiver of the excess remuneration paid as stated above.

54. UNDISCLOSED INCOME

The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year and previous year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.)

55. DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY:

The Company has not traded or invested in crypto currency or virtual currency during the financial year.

56. PREVIOUS YEAR COMPARATIVES

Previous year's figures have been regrouped/reclassified, where necessary, to correspond with the current year's classification/disclosure.

57. EVENTS AFTER THE REPORTING PERIOD

The Board of Directors, in their meeting on May 22, 2026, proposed a final dividend of ₹ 1.00 per equity share for the year ended March 31, 2026. The payment of dividend is subject to approval of shareholders at the ensuing Annual General Meeting of the Company.

58. AUDIT TRAIL

The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of accounts, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of accounts along with the date when such changes were made and ensuring that the audit trail cannot be disabled. Companies must also now ensure daily backups of their financial data, to be stored on servers physically located within India.

Pursuant to the above requirements, the Company uses two primary software systems:

- Maintaining books of Accounts
- Payroll Processing

The Company has used an accounting software(s) for maintaining its books of account which has a feature of recording audit trail (edit log) facility, except that audit trail feature was not enabled at the database level in respect of such accounting software to log any direct data changes.

Further, to the extent enabled, audit trail feature has operated throughout the year for all relevant transactions recorded in the accounting software. Also, we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail of prior year(s) has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in previous years.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

The Company has used an accounting software for maintaining and processing its payroll records, which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software. Further, we did not come across any instance of audit trail feature being tampered with at application level. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention for application level. However, with respect to the database level of the said software has been managed and maintained by a third-party service provider. In the absence of sufficient and appropriate audit evidence including adequate coverage in SOC report we are unable to assess whether the database of the software to log any direct changes has a feature of recording audit trail (edit log) facility and whether the same has been enabled and operated throughout the year for all relevant transaction recorded or whether there is any instance of audit trail feature being tampered with. Also, we are unable to assess whether the audit trail feature of prior year(s) has been preserved by the Company as per the statutory requirements for record retention at database level.

The daily backup of both the above-mentioned software applications is maintained on servers physically located in India and is performed on a daily basis.

The accompanying notes are an integral part of the standalone financial statements

As per our report attached of even date

For M S K A & Associates LLP (formerly known as M S K A & Associates)

Chartered Accountants

Firm Regn. Number: 105047W/W101187

Yogesh Yewale

Partner

Membership Number: 158877

Place: Mangalwedha

Date: May 22, 2026

For and on behalf of the Board of Directors of

Precision Camshafts Limited

CIN : L24231PN1992PLC067126

Yatin S. Shah

Managing Director

DIN: 00318140

Place: Mangalwedha

Date: May 22, 2026

Ravindra R. Joshi

Whole-time Director & CFO

DIN: 03338134

Place: Mangalwedha

Date: May 22, 2026

Karan Y. Shah

Whole-time Director

DIN: 07985441

Place: Mangalwedha

Date: May 22, 2026

Harshal J. Kher

Company Secretary

Membership Number : A69147

Place: Mangalwedha

Date: May 22, 2026

INDEPENDENT AUDITOR'S REPORT

To
the Members of

Precision Camshafts Limited

Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the accompanying consolidated financial statements of **Precision Camshafts Limited** (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), 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 material accounting policy information 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, and based on consideration of reports of other auditor on separate financial statements and on the other financial information of subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of their consolidated state of affairs of the Group as

at March 31, 2026, of consolidated profit (including other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those SAs 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 ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by Institute of Chartered Accountant of India, and the relevant provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by other auditor in terms of their reports referred to in the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTER

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended March 31, 2026. 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 determined the matters described below to be the key audit matters to be communicated in our report:

Sr. No	Key Audit Matters	How the Key Audit Matter was addressed in our audit
1	<p>Impairment of Goodwill</p> <p>Refer Note 4A to the consolidated financial statements</p> <p>The Group has carrying value of Goodwill amounting to INR 1,358.97 lakhs as on March 31, 2026, which represents 1.29% of the total asset of the Group.</p> <p>The carrying value of Goodwill is tested annually for impairment provision by reference to value in use. In determining the value in use of the business unit, the Group has applied judgment in estimating future revenues, profitability cash flow, growth rate and discount rates.</p>	<p>Our procedure included, but not limited to the following:</p> <ol style="list-style-type: none"> 1. Obtained an understanding of the Group's policy on assessment of impairment of Goodwill and the key assumption used by the Management, including design and implementation of controls over preparation of annual budgets and future forecasts for business units and the approach followed for annual impairment and validation of Management review controls. 2. Tested the operating effectiveness of the controls over process of preparation of annual budgets and future forecasts for business units and the approach followed for annual impairment.

INDEPENDENT AUDITOR'S REPORT (Contd.)

Sr. No	Key Audit Matters	How the Key Audit Matter was addressed in our audit
	Due to the significance of the carrying value of goodwill, and high degree of management judgments and estimation uncertainty involved in performing impairment testing, we have identified impairment assessment of goodwill as a key audit matter.	<p>3. Obtained and reviewed the valuation report issued by the Holding Company's independent valuations experts, and assessed the expert's competence, capability and objectivity.</p> <p>4. Assessed the appropriateness of the valuation methodology applied and reasonableness of the assumptions used i.e. the discount rate and long-term growth rates used in the forecast.</p> <p>5. Verified completeness, arithmetical accuracy and validity of the data used in the calculations</p> <p>6. Assessed reasonableness of the future revenue and margins projections, by reviewing the historical accuracy of the Group's estimates and its ability to produce accurate long-term forecasts.</p> <p>7. Assessed the Holding Company's sensitivity analysis and evaluated whether any reasonably foreseeable change in assumptions could lead to impairment or material change in carrying value of Goodwill.</p> <p>8. Evaluated the appropriateness and adequacy of disclosures given in the consolidated financial statements, including disclosure of significant assumptions and judgements, in accordance with applicable Indian Accounting Standards.</p>

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report (including Annexure) but does not include the consolidated financial statements and our auditor's report thereon, which we obtained prior to the date of this auditor's report.

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 identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, 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 are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group, in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included

INDEPENDENT AUDITOR'S REPORT (Contd.)

in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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 Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each company.

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.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Consolidated Financial Statements.

OTHER MATTER:

We did not audit the financial statements of 4 (four) subsidiaries, whose financial statements reflect total assets of Rs.10,007.72 lakhs as at March 31, 2026, total revenues of Rs. 4,353.19 lakhs, net loss after tax of Rs. 692.85 lakhs, total comprehensive loss of Rs. 6,447.24 lakhs and net cash outflow of Rs. 326.47 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditor whose reports 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 our report in terms of sub-section (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 auditor.

Our opinion on the consolidated 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 auditor.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditor on separate financial statements of the subsidiaries referred to in the Other Matter section above, we report, to the extent applicable, that:

- 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.
- In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditor except for the matters stated in the paragraph 1(h)(vi) below on reporting under Rule 11(g).
- The Consolidated Balance Sheet, 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 dealt with

INDEPENDENT AUDITOR'S REPORT (Contd.)

- 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 Holding Company as on March 31, 2026 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditor of its subsidiary company incorporated in India, none of the directors of the Group company, incorporated in India are disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 1(h)(vi) below on reporting under Rule 11(g).
- (g) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
- (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, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditor on separate financial statements of the subsidiaries referred to in the Other Matter section above:
- The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 32 to the consolidated financial statements.
 - The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - There has been no delay in transferring amounts to the Investor Education and

Protection Fund by the Holding Company during the year ended March 31, 2026.

- The respective Managements of the Holding Company and its subsidiary, which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary respectively that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary to or in any other person(s) or entity(ies), including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that such parties shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- The respective Managements of the Holding Company and its subsidiary, which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary respectively that, to the best of their knowledge and belief, no funds have been received by the Holding Company or any of such subsidiary from any person(s) or entity(ies), including foreign entities with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Holding Company or any of such subsidiary 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.

INDEPENDENT AUDITOR'S REPORT (Contd.)

- Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditor of the subsidiary which is a company incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor notice that has caused us or the other auditor to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.
- Based on our examination and based on the other auditor's report of subsidiary company incorporated in India whose financial statements have been audited under the Act, we report that:
 - the final dividend paid by the Holding Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.
 - The Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of their respective members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend. (Refer Note 40 to the consolidated financial statements)
- Based on our examination which included test checks, and based on the other auditor report of the subsidiary company incorporated in India, whose financial statements have been audited under the Act, the holding company, and its subsidiary company incorporated in India have used an accounting software for maintaining their respective books of accounts which have a feature of recording audit trail (edit log) facility, except that no audit trail feature was enabled at the database level in respect of an accounting software to log any direct data changes as explained in Note 57 to the consolidated financial statements.

Further, where enabled, audit trail feature has been operated for all relevant transactions recorded in the accounting software. Also, during the course of our examination, we and the auditor of subsidiary company incorporated in India, did not come across any instance of audit trail feature being tampered with in respect of such accounting software. Additionally, the audit trail of prior year has been preserved by the holding company, its subsidiary company incorporated in India, as per the statutory requirements for record retention to the extent it was enabled and recorded in prior years.

- Based on examination which included test checks, and based on the other auditor report of its subsidiary company incorporated in India whose financial statements have been audited under the Act, the holding Company and its subsidiary company incorporated in India have used accounting software for maintaining and processing its payroll records (managed and maintained by a third-party software service provider) which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software except that we and other auditor of subsidiary company incorporated in India are unable to comment on audit trail at database level due to absence of adequate coverage in SOC report, as explained in Note 58 to the consolidated financial statements.

Further, except for above, audit trail feature has operated throughout the year for all relevant transactions recorded in the accounting software. Also, during the course of our audit, we and the auditor of subsidiary company incorporated in India, did not come across any instance of audit trail feature being tampered with except for above. Additionally, the audit trail of prior year(s) has been preserved by the Holding Company, its subsidiary company incorporated in India, as per the statutory requirements for record retention to the extent it was enabled and recorded in prior years.

INDEPENDENT AUDITOR'S REPORT (Contd.)

2. In our opinion and according to the information and explanations given to us, the remuneration paid or provided by the Holding Company to its directors during the year ended March 31, 2026 is in excess of the limits prescribed under Section 197 read with Schedule V to the Companies Act, 2013 by INR 131.88 lakhs. As described in Note 53 to the accompanying consolidated financial statements, the Holding Company is in the process of obtaining the requisite approval of the shareholders by way of a special resolution in respect of the aforesaid excess remuneration. Further, based on consideration of the reports of the other auditor referred to in the Other Matter section above, the remuneration paid or provided by the subsidiary company incorporated in India to their respective directors during the year is in accordance

with the provisions of Section 197 read with Schedule V to the Companies Act, 2013.

3. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ("CARO") issued by the Central Government in terms of sub-section (11) of section 143 of the Act, to be included in the Auditor's report, according to the information and explanations given to us, based on the CARO reports issued by us and the auditor of respective companies included in the consolidated financial statements, as provided to us by the Management of the Holding company, we report that there are no qualifications or adverse remarks by the respective auditor in the CARO reports of the said companies included in the consolidated financial statements except for the following :

Sr. No	Name of the Company	CIN	Type of Company (Holding / Subsidiary/ Associate/ Joint venture(s))	Clause number of the CARO Report which is qualified or Adverse
1	Precision Camshafts Ltd.	L24231PN1992PLC067126	Holding Company	ii(b)
2	Precision Camshafts Ltd.	L24231PN1992PLC067126	Holding Company	vii (b)
3	Memco Engineering Private Limited	U29199MH2006PTC162658	Subsidiary Company	ii(b)

For **M S K A & Associates LLP**
(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

Yogesh Yewale
Partner
Membership No.: 158877
UDIN: 26158877HMLGFO9690

Place: Mangalwedha
Date: May 22, 2026

ANNEXURE A**TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF PRECISION CAMSHAFTS LIMITED FOR THE YEAR ENDED MARCH 31, 2026****AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to 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 the 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 Group 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 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 to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding 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 control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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.

For **M S K A & Associates LLP**
(Formerly known as M S K A & Associates)
Chartered Accountants
ICAI Firm Registration No. 105047W/W101187

Yogesh Yewale
Partner
Place: Mangalwedha
Date: May 22, 2026
Membership No.: 158877
UDIN: 26158877HMLGFO9690

ANNEXURE B

TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF PRECISION CAMSHAFTS LIMITED

[Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the Members of **Precision Camshafts Limited** on the Consolidated Financial Statements for the year ended March 31, 2026]

REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

Opinion

In conjunction with our audit of the consolidated financial statements of the Precision Camshafts Limited (hereinafter referred to as "the Holding 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 the Holding Company and its subsidiary company (Holding Company and its subsidiary together referred to as "the Group"), which are companies incorporated in India, as of that date.

In our opinion, and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditor on internal financial controls with reference to financial statements referred to in the Other Matter section below, the Group, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2026, based on the internal financial controls with reference to financial statements 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI").

Management and Board of Director's Responsibilities for Internal Financial Controls

The respective Management and the Board of Directors of the Group, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the

Guidance Note issued by the ICAI. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Group, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with 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 financial statements. Those Standards and the Guidance require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference 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 judgement, 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 and the audit evidence obtained by the other auditor in terms of their report referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Group, which are companies incorporated in India.

ANNEXURE B (Contd.)

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to 1 (one) subsidiary company incorporated in India, is based on the corresponding report of the auditor of such company incorporated in India.

Our opinion is not modified in respect of this matter.

For **M S K A & Associates LLP**
(Formerly known as **M S K A & Associates**)

Chartered Accountants

ICAI Firm Registration No. 105047W/W101187

Yogesh Yewale

Partner

Place: Mangalwedha

Membership No.: 158877

Date: May 22, 2026

UDIN: 26158877HMLGFO9690

CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2026

(All amounts are in Rupees Lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
ASSETS			
I. Non-current assets			
(a) Property, plant and equipment	3	28,991.74	26,861.82
(b) Capital work-in-progress	3A	6,489.29	5,831.17
(c) Investment property	3B	289.25	294.49
(d) Goodwill on consolidation	4A	1,358.97	1,358.97
(e) Other intangible assets	4	68.59	122.00
(f) Financial assets			
(i) Investments	5A	7.46	7.46
(ii) Other financial assets	5B	619.02	517.67
(g) Deferred tax assets (net)	30	176.01	785.32
(h) Other non-current assets	6	483.10	1,519.65
Total non-current assets		38,483.43	37,298.55
II. Current assets			
(a) Inventories	7	8,212.08	11,391.78
(b) Financial assets			
(i) Investments	5A	35,660.41	31,953.09
(ii) Trade receivables	8	12,531.58	16,463.99
(iii) Cash and cash equivalents	9	3,887.88	4,879.30
(iv) Bank balances other than (iii) above	9	3,739.49	4,483.05
(v) Other financial assets	5B	163.99	201.66
(c) Current tax assets (net)	18	573.04	-
(d) Other current assets	6	1,701.40	1,171.10
Total current assets		66,469.87	70,543.97
Assets classified as held for sale	19	-	625.73
Total Assets		1,04,953.30	1,08,468.25
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	10	9,498.58	9,498.58
(b) Other equity	11	74,063.34	69,751.47
Total Equity attributable to equity holders of Holding company		83,561.92	79,250.05
Non controlling interest		-	-
Total equity		83,561.92	79,250.05
Liabilities			
I. Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	12	-	230.61
(ii) Lease liabilities	14	930.47	963.56
(b) Provisions	17	1,350.13	1,071.69
(c) Deferred tax liabilities (net)	30	1,609.31	1,077.59
(d) Other non-current liabilities	16	104.92	294.35
Total non-current liabilities		3,994.83	3,637.80
II. Current liabilities			
(a) Financial liabilities			
(i) Borrowings	12	4,352.96	9,428.85
(ii) Trade payables	15	-	-
- total outstanding dues of micro enterprises and small enterprises		1,000.88	836.23
- total outstanding dues of creditors other than micro enterprises and small enterprises		6,827.03	8,677.86
(iii) Other financial liabilities	13	2,911.69	2,273.56
(iv) Lease Liabilities	14	147.81	1,413.96
(b) Other current liabilities	16	1,752.64	1,619.31
(c) Provisions	17	308.29	320.83
(d) Current tax liabilities (net)	18A	95.25	738.69
Total current liabilities		17,396.55	25,309.29
Liabilities related to assets classified as held for sale	19A	-	271.11
Total liabilities		21,391.38	29,218.20
Total Equity and Liabilities		1,04,953.30	1,08,468.25

Summary of material accounting policies

The accompanying notes are an integral part of the Consolidated financial statements
As per our report attached of even date

For M S K A & Associates LLP

(formerly known as M S K A & Associates)

Chartered Accountants

Firm Regn. Number: 105047W/W101187

For and on behalf of the Board of Directors of

Precision Camshafts Limited

Chartered Accountants
CIN : L24231PN1992PLC067126

Yogesh Yewale

Partner
Membership Number: 158877

Place: Mangalwedha
Date: May 22, 2026

Yatin S. Shah

Managing Director
DIN: 00318140

Place: Mangalwedha
Date: May 22, 2026

Ravindra R. Joshi

Whole-time Director & CFO
DIN: 03338134

Place: Mangalwedha
Date: May 22, 2026

Karan Y. Shah

Whole-time Director
DIN: 07985441

Place: Mangalwedha
Date: May 22, 2026

Harshal J. Kher

Company Secretary
Membership Number : A69147

Place: Mangalwedha
Date: May 22, 2026

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2026

(All amounts are in Rupees Lakhs, unless otherwise stated)

Particulars	Notes	Year ended March 31, 2026	Year ended March 31, 2025
INCOME			
Revenue from operations	20	77,287.57	86,536.22
Other income	21	4,873.19	2,957.59
Total income (I)		82,160.76	89,493.81
EXPENSES			
Cost of raw materials and components consumed	22	26,730.00	26,915.36
(Increase) / decrease in inventories of finished goods and work-in-progress	23	(173.34)	2,980.69
Employee benefits expenses	24	13,964.99	17,184.84
Other expenses	25	29,920.75	31,367.30
Total expenses (II)		70,442.40	78,448.19
Earnings before interest, tax, depreciation and amortisation (EBITDA) (III) = (I) - (II)		11,718.36	11,045.62
Finance costs	26	681.37	817.04
Finance Income	27	(310.82)	(327.48)
Depreciation and amortisation expense	28	4,545.26	5,735.30
Profit before exceptional items and tax		6,802.55	4,820.76
Exceptional items	38	1,056.78	3,492.61
Profit before tax		7,859.33	8,313.37
Tax expense			
Current tax	30	1,410.32	2,499.39
(Excess) / short provision of tax relating to earlier years		36.42	21.84
Deferred tax	30	1,288.06	381.63
Total tax expenses		2,734.80	2,902.86
Profit for the year		5,124.53	5,410.51
Other comprehensive income			
A. Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains / (losses) on defined benefit plans		333.44	45.54
Income tax effect		(83.92)	(11.46)
		249.52	34.08
B. Other comprehensive income/ (loss) to be reclassified to profit or loss in subsequent periods:			
Exchange differences on translation of foreign operations		642.08	(79.53)
		642.08	(79.53)
Other comprehensive income/ (loss) for the year, net of tax [A+B]		891.60	(45.45)
Total comprehensive income for the year, net of tax		6,016.13	5,365.06
Profit for the year Attributable to:			
Equity holders of the Holding Company		5,124.53	5,410.51
Non Controlling interests		-	-
		5,124.53	5,410.51
Other comprehensive income/ (loss) for the year Attributable to:			
Equity holders of the Holding Company		891.60	(45.45)
Non Controlling interests		-	-
		891.60	(45.45)
Total Comprehensive Income for the year Attributable to:			
Equity holders of the Holding Company		6,016.13	5,365.06
Non Controlling interests		-	-
		6,016.13	5,365.06
Earning per share [nominal value per share ₹10 (March 31, 2025: ₹10)]	29		
a) Basic		5.40	5.70
b) Diluted		5.40	5.70

Summary of material accounting policies

The accompanying notes are an integral part of the Consolidated financial statements
As per our report attached of even date

For M S K A & Associates LLP

(formerly known as M S K A & Associates)

Chartered Accountants

Firm Regn. Number: 105047W/W101187

For and on behalf of the Board of Directors of

Precision Camshafts Limited

Chartered Accountants
CIN : L24231PN1992PLC067126

Yogesh Yewale

Partner
Membership Number: 158877

Place: Mangalwedha
Date: May 22, 2026

Yatin S. Shah

Managing Director
DIN: 00318140

Place: Mangalwedha
Date: May 22, 2026

Ravindra R. Joshi

Whole-time Director & CFO
DIN: 03338134

Place: Mangalwedha
Date: May 22, 2026

Karan Y. Shah

Whole-time Director
DIN: 07985441

Place: Mangalwedha
Date: May 22, 2026

Harshal J. Kher

Company Secretary
Membership Number : A69147

Place: Mangalwedha
Date: May 22, 2026

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2026

(All amounts are in Rupees Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	7,859.33	8,313.37
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets	4,545.26	5,735.30
Net foreign exchange loss/(gain) differences (unrealised)	(111.25)	112.31
Gain on mutual fund (realised and unrealised)	(1,704.41)	(1,974.28)
(Gain) / Loss on sale of asset / asset written off (Net)	(947.68)	84.87
Finance income (including fair value change in financial instruments)	(310.82)	(327.49)
Finance costs (including fair value change in financial instruments)	681.37	817.04
Gain on deconsolidation	(935.04)	-
Impairment of Property, Plant & Equipment	-	100.00
Impairment of Goodwill	-	305.11
Operating profit before working capital changes	9,076.76	13,166.23
Working capital adjustments:		
Increase / (decrease) in provisions	599.33	545.43
(Increase) / decrease in other assets	(873.17)	1,459.33
(Increase) / decrease in other financial assets	(46.98)	144.47
Increase / (decrease) in other current liabilities	211.78	(713.51)
Increase / (decrease) in other financial liabilities	52.04	(67.84)
(Increase) / decrease in trade and other receivables and prepayments	3,300.29	968.79
(Increase) / decrease in inventories	1,090.07	2,977.19
Increase / (decrease) in trade and other payables	1,252.56	(2,102.36)
Cash generated from operations	14,662.68	16,377.73
Income tax paid (net of refunds)	(2,654.45)	(2,031.21)
Net cash flows from operating activities (A)	12,008.23	14,346.52
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(7,801.61)	(5,404.47)
Proceeds from sale of property, plant and equipment	946.39	143.34
(Investment)/Proceeds in relation to term deposits	721.60	(89.48)
Advance received against sale of land	-	210.00
(Investments in) / Proceeds from sale of mutual funds	(2,002.91)	(7,476.08)
Interest received (finance income)	321.63	323.27
Net cash flows used in investing activities (B)	(7,814.90)	(12,293.42)

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2026 (CONTD.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
C. CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	(641.99)	(817.12)
Repayment in relation to borrowings (net)	(3,421.54)	(587.52)
Final dividend paid on shares	(951.50)	(950.51)
Proceeds from sale and leaseback arrangements	-	1,449.38
Payment of lease obligation	(787.11)	(518.53)
Net cash flows used in financing activities (C)	(5,802.14)	(1,424.30)
Net increase / (decrease) in cash and cash equivalents	(1,608.81)	628.80
Effect of exchange differences on translation of foreign currency on cash and cash equivalents	642.08	(79.50)
Less: Cash and Cash Equivalent Derecognised on loss of Control	(24.69)	-
Cash and cash equivalents at the beginning of the year	4,879.30	4,330.00
Cash and cash equivalents as at year end	3,887.88	4,879.30
Components of cash and cash equivalents:		
Balances with banks:		
On current accounts	3,835.62	4,826.62
Deposit with original maturity of less than 3 months	50.53	50.51
Cash in hand	1.73	2.17
Cash and cash equivalents at year end	3,887.88	4,879.30

Summary of material accounting policies 2

The accompanying notes are an integral part of the Consolidated financial statements

As per our report attached of even date

For M S K A & Associates LLP (formerly known as M S K A & Associates)

Chartered Accountants
Firm Regn. Number: 105047W/W101187

For and on behalf of the Board of Directors of

Precision Camshafts Limited
CIN : L24231PN1992PLC067126

Yogesh Yewale

Partner
Membership Number: 158877
Place: Mangalwedha
Date: May 22, 2026

Yatin S. Shah

Managing Director
DIN: 00318140
Place: Mangalwedha
Date: May 22, 2026

Ravindra R. Joshi

Whole-time Director & CFO
DIN: 03338134
Place: Mangalwedha
Date: May 22, 2026

Karan Y. Shah

Whole-time Director
DIN: 07985441
Place: Mangalwedha
Date: May 22, 2026

Harshal J. Kher

Company Secretary
Membership Number : A69147
Place: Mangalwedha
Date: May 22, 2026

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2026

(All amounts are in Rupees Lakhs, unless otherwise stated)

A. EQUITY SHARE CAPITAL

Equity shares of ₹ 10 (refer note 10) each issued, subscribed and fully paid	Number	Rupees
At April 01, 2024	9,49,85,835	9,498.58
Issued during the year	-	-
At March 31, 2025	9,49,85,835	9,498.58
Issued during the year	-	-
At March 31, 2026	9,49,85,835	9,498.58

B. OTHER EQUITY

Attributable to the equity holders of the Holding Company (refer note 11)

Particulars	Reserves and Surplus				Other Comprehensive Income		Total equity
	Securities premium account	General Reserve	Retained Earnings	Capital Reserve	Remeasurement gain on defined benefit plans	Foreign currency translation reserve	
As at April 01 2024	21,739.24	472.21	41,052.79	1,412.02	190.59	469.54	65,336.39
Profit/(loss) for the year	-	-	5,410.51	-	-	-	5,410.51
Other comprehensive income for the year, net of tax	-	-	-	-	34.08	-	34.08
Total Comprehensive income for the year	-	-	5,410.51	-	34.08	-	5,444.59
Reversal of tax benefit (deferred tax)	(0.12)	-	-	-	-	-	(0.12)
Exchange differences on translation of foreign operation	-	-	-	-	-	(79.53)	(79.53)
Final dividend for year ended March 31, 2024	-	-	(949.86)	-	-	-	(949.86)
As at March 31, 2025	21,739.12	472.21	45,513.44	1,412.02	224.67	390.01	69,751.47
Profit/(loss) for the year	-	-	5,124.53	-	-	-	5,124.53
Other comprehensive income for the year, net of tax	-	-	-	-	249.52	-	249.52
Total Comprehensive income for the year	-	-	5,124.53	-	249.52	-	5,374.05
Reversal of tax benefit (deferred tax)	-	-	-	-	-	-	-
Exchange differences on translation of foreign operation	-	-	-	-	-	642.08	642.08
FCTR transferred to Profit and loss account on deconsolidation of subsidiary	-	-	-	-	-	(754.40)	(754.40)
Final dividend for year ended March 31, 2025	-	-	(949.86)	-	-	-	(949.86)
As at March 31, 2026	21,739.12	472.21	49,688.11	1,412.02	474.19	277.69	74,063.34

The accompanying notes are an integral part of the Consolidated financial statements

As per our report attached of even date

For M S K A & Associates LLP (formerly known as M S K A & Associates)

Chartered Accountants
Firm Regn. Number: 105047W/W101187

Yogesh Yewale
Partner
Membership Number: 158877

Place: Mangalwedha
Date: May 22, 2026

For and on behalf of the Board of Directors of

Precision Camshafts Limited
CIN : L24231PN1992PLC067126

Yatin S. Shah
Managing Director
DIN: 00318140

Place: Mangalwedha
Date: May 22, 2026

Ravindra R. Joshi
Whole-time Director & CFO
DIN: 03338134

Place: Mangalwedha
Date: May 22, 2026

Karan Y. Shah
Whole-time Director
DIN: 07985441

Place: Mangalwedha
Date: May 22, 2026

Harshal J. Kher
Company Secretary
Membership Number : A69147

Place: Mangalwedha
Date: May 22, 2026

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026

(All amounts are in Rupees Lakhs, unless otherwise stated)

1. REPORTING ENTITY

Precision Camshafts Limited ("the Company" or "the parent") is a public company domiciled in India and was incorporated in 1993 with its equity shares listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). The Company has its office registered at D5, M.I.D.C. Chincholi, Solapur, Maharashtra, India, 413255.

These consolidated financial statements comprise the financial statements of the Company and its subsidiaries (together referred to as the 'Group') for the year ended March 31, 2026. The Group is primarily involved in Manufacturing of auto-components (Camshafts & others) & Kit sets which are used for electrifying the fuel trucks.

These consolidated financial statements were approved for issue in accordance with a resolution of the directors on May 22, 2026.

2(A) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

(i) Statement of compliance and basis of Preparation

These consolidated financial statements of the group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accounting policies have been consistently applied to all the years presented except where a newly issued Accounting Standard is initially adopted or a revision to an existing Indian Accounting Standard requires a change in the accounting policy hitherto in use.

Details of the Group material accounting policies are included in Note 2(c).

(ii) EBITDA Measurement Policy:

The Group has elected to present earnings before interest, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss to provide a clear view of operational performance. In its measurement the Group does not include depreciation and amortization expense, finance income, finance costs and tax expense to reflect core business performance accurately.

(iii) Functional and presentation currency

The consolidated financial Statements are presented in Indian Rupees (INR), which is also the Group's functional currency. All amounts have been rounded-off to the nearest lakh to two decimal points, unless otherwise indicated.

(iv) Basis of measurement

These consolidated financial Statements have been prepared on a historical cost convention on accrual basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities	Fair value
Net defined benefit liability	Present value of defined benefit obligation less fair value of plan assets

(v) Going Concern Assumption

The Group has prepared the consolidated financial statements on the basis that it will continue to operate as a going concern.

(vi) Basis of Consolidation:

The consolidated financial statements incorporate the financial statements of the Company and all its subsidiaries, being the entities that it controls. Control is evidenced where the Group has power over the investee or is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over investee. Power is demonstrated through existing rights that give the ability to direct relevant activities, which significantly affect the entity returns. The financial statements of subsidiaries are prepared for the same reporting year as the parent company. Where necessary, adjustments are made to the financial statements of subsidiaries to align the accounting policies in line with accounting policies of the Group. Intragroup balances and transactions, and any unrealised income and expenses arising from intragroup transactions, are eliminated in preparing the consolidated financial statements.

(vii) Critical accounting judgements and key sources of estimation uncertainty

In preparing these consolidated Financial Statements, management has made judgements, estimates and

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated Financial Statements are included in the following notes:

a) Critical Accounting Estimates

- Note 31 – The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The policy for the same has been explained under Note 2(c).
- Note 3 - Property, plant and equipment represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life. The policy for the same has been explained under Note 2(c).
- Note 8 - The impairment provisions of financial assets are based on assumptions about risk of

default and expected timing of collection. The Group uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, customer's creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting period. The policy for the same has been explained under Note 2(c).

- Note 4A-The Group assesses the carrying value of goodwill for impairment. This involves allocating goodwill to the relevant cash-generating unit (CGUS) or group of CGUS that are expected to benefit from the synergies of the combination. This process requires significant judgment, including assumptions about future cash flows, growth rates, and discount rates, reflecting management's best estimates under current market conditions. All assumptions are reviewed at each reporting date. The policy for the same has been explained under Note 2(c).
- Note 7-The Group assesses inventory at the lower of cost and net realizable value (NRV). NRV is the estimated selling price in the ordinary course of business, less estimated costs of completion and selling expenses. The provision for NRV is based on Current and forecasted market trends, Obsolescence & sales projections. This estimate involves significant judgment and is reviewed at each reporting date. The policy for the same has been explained under Note 2(c).
- Note 19-The Group classifies assets as held for sale when their carrying amount will be recovered principally through a sale transaction rather than through continuing use. Management assesses whether the sale is highly probable and the asset is available for immediate sale in its present condition. The estimation involves significant judgment, including assumptions about the selling price, costs to sell, and the timeframe for the sale, based on current market conditions. The policy for the same has been explained under Note 2(c).

2(B) CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Ministry of corporate Affairs ("MCA") notified amendments on May 07, 2025 and August 13, 2025

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

under the Companies (Indian Accounting Standards) Amendment Rules, 2025 and the Companies (Indian Accounting Standards) Second Amendment Rules, 2025, respectively, which is effective from annual reporting periods beginning on or after April 01, 2025.

(i) Ind AS 7, Statement of Cash Flows and Ind AS 107 Financial Instruments: Disclosures

The amendments to Ind AS 7 'Statement of Cash Flows' and Ind AS 107 'Financial Instruments:

Disclosures' clarify the characteristics of supplier finance arrangements and require additional disclosures for such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The Group does not have any supplier finance arrangements during the reporting period.

(ii) Ind AS 1 - Classification of liabilities as current or non-current and non-current liabilities with covenants:

The amendment specifies the requirements for classifying liabilities as current or non-current in the balance sheet, and clarifies the following:

- a) An entity's right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period. The classification of a liability as current or non-current is unaffected by the likelihood that the entity will exercise its right to defer settlement.
- b) If an entity's right to defer settlement of a liability is subject to covenants, such covenants affect whether that right exists at the end of the reporting period only if the entity is required to comply with the covenant on or before the end of the reporting period.
- c) In case of a liability that can be settled, at the option of the counterparty, by the transfer of the entity's own equity instruments, such settlement terms do not affect the classification of the liability as current or non-current only if the option is classified as an equity instrument.

These amendments have no effect on the measurement of any items in the consolidated financial statements of the Group. The Group did not make retrospective adjustments as a result of adopting the amendments to Ind AS 1.

(iii) Ind AS 12 – Pillar-Two Tax Reforms:

The Group is not within the scope of the OECD Pillar Two Model Rules, as Pillar Two legislation has not yet been enacted in any of the jurisdiction in which the Group operates.

(iv) Ind AS 21-Lack of exchangeability:

The Amendments introduces requirement to assess when a currency is exchangeable into another currency and when it is not. The amendment requires an entity to estimate the spot exchange rate when it concludes that a currency is not exchangeable into another currency. These amendments had no effect on the consolidated financial statements of the Group.

(v) Following amendments are notified but not yet effective:

The amendment includes specific provisions that will take effect for reporting periods beginning on or after April 01, 2026, retrospectively, as outlined below:

- a) Breach of material covenant for long-term loan arrangement on or before end of reporting period with effect that liability becomes payable on demand as on reporting date, then it shall be classified as current liability, if lender agreed after reporting period and before approval of financial statements to not demand payment as a consequence of breach.
- b) Classify as non-current liability, if lender agreed by end of reporting period to provide grace period ending at least 12 months after reporting period within which entity can rectify the breach provided lender does not demand immediate repayment.
- c) Disclose information about the timing of settlement to understand the impact of the liability on the financial statements.

The Group does not expect this amendment to have an impact on its operations or consolidated financial statements.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

2(C) MATERIAL ACCOUNTING POLICIES

(i) Foreign currency

Foreign currency transactions and translation

Items included in the consolidated financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Indian rupee (INR), which is the Company's functional and Group's presentation currency.

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/losses arising out of fluctuation in foreign exchange rates between the transaction date and settlement date are recognised in the profit and loss.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date and the exchange differences are recognised in the profit and loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Group companies

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities are translated at the closing rate at the date of that balance sheet,
- 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

- All resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

(ii) Financial Instruments

Non derivative financial instruments consist of:

- financial assets, which include cash and cash equivalents, trade receivables, investments in equity & Mutual funds and eligible current and non current assets; and
- financial liabilities, which include borrowings, trade payables, lease liability and eligible current and noncurrent liabilities.

(a) Recognition of Non derivative financial instruments:

Non-derivative financial instruments are recognised initially at fair value. Subsequent to initial recognition, non-derivative financial instruments are measured as described below:

Cash and cash equivalents.

The Group's cash and cash equivalents consist of cash on hand and in banks and demand deposits with banks, which can be withdrawn at any time, without prior notice or penalty on the principal. For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand, in banks and demand deposits with banks and are considered part of the Group's cash management system.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

Investments

Financial instruments measured at fair value through profit or loss ("FVTPL"):

Instruments that do not meet the amortised cost or FVTOCI criteria are measured at FVTPL. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in the statement of profit and loss. The gain or loss on disposal is recognised in the statement of profit and loss.

Other financial assets

Other financial assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These comprise trade receivables, lease receivables, and eligible current and noncurrent assets. They are presented as current assets, except for those expected to be realised later than twelve months after the reporting date which are presented as non-current assets. All financial assets are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any impairment losses. However, trade receivables that do not contain a significant financing component are measured at the Transaction Price.

Trade payables and other liabilities

Trade payables are initially recognised at transaction price, and subsequently carried at transaction price.

Other liabilities are initially recognised at transaction price, and subsequently carried at amortised cost using the effective interest method. For these financial instruments, the carrying amounts approximate fair value of these instruments.

(b) Derecognition of financial instruments

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. If the Group retains substantially all the risks and rewards of a transferred financial

asset, the Group continues to recognise the financial asset and recognises a borrowing for the proceeds received. A financial liability (or a part of a financial liability) is derecognised from the Group's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

(c) Offsetting

Financial assets and financial liabilities are offset, and the net amount presented in the Balance Sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

(iii) Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost (cash price equivalent), which includes capitalized borrowing costs, less accumulated depreciation, and accumulated impairment losses, if any.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

Capital work in progress is stated at cost and includes the cost of the assets that are not ready for their intended use at the Balance Sheet date.

PPE is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition is recognised in the Statement of Profit and Loss in the same period.

ii. Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

iii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

residual values over their estimated useful lives using the straight-line method except in case of one subsidiary namely Memco engineering private limited where written down value method is followed and is generally recognized in the statement of profit and loss. Freehold land is not depreciated.

Depreciation on property, plant and equipment is provided over the useful life of assets as assessed by the Group is furnished below:

Particulars	Useful lives (years)
Buildings	30 -60
Roads	5-10
Plant & Machinery	3-15
Computer	3-5
Office Equipment	5
Furniture and fixtures	5-10
Vehicles	5-8
Electrical installation	10

Cost of leasehold land is amortised over the period of lease i.e, 80 years to 99 years

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which the asset is ready for use (disposed of).

(iv) Intangible assets

Intangible assets acquired separately are measured at cost of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortization and impairment losses, if any. Intangible assets are amortised over its useful life on straight line basis. The estimated useful life of amortizable intangibles is reviewed and where appropriate is adjusted, annually.

The estimated useful lives of the amortizable intangible assets are as follows:

Particulars	Useful lives (years)
Computer Software	3-5
Technical Knowhow	3-7

(v) Asset classified as held for sale.

The Group classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use.

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Following their classification as held for sale, non current assets are not depreciated.

(vi) Investment Property.

(i) Investment properties carried at cost:

Properties that are held for long-term rental yields and/or for capital appreciation are classified as investment properties. Investment properties are stated at cost of acquisition or construction less accumulated depreciation and impairment, if any. Depreciation is recognised using the straight line method so as to amortise the cost of investment properties over their useful lives as specified in Schedule II of the Companies Act, 2013. Freehold land and properties under construction are not depreciated.

(ii) Reclassification to/from investment property:

When an item of property, plant and equipment or right-of-use assets is transferred to investment property following a change in its use, the carrying amount of the item immediately prior to transfer is recognised as the deemed cost of the investment property for subsequent accounting.

(iii) Derecognition of Investment property:

An item of investment property is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement of an item of investment property is determined as the difference between the sales proceeds and the carrying amount of the property and is recognised in the Statement of Profit and Loss.

Income received from investment property is recognised in the Statement of Profit and Loss on a straight line basis over the term of the lease/ agreement.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

(vii) Impairment

i. Impairment of Financial assets

The Group applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, trade receivables, Lease receivables and other financial assets. Expected credit loss is the difference between the contractual cash flows and the cash flows that the entity expects to receive discounted using the effective interest rate.

Loss allowances for trade receivables, Lease receivables are measured at an amount equal to lifetime expected credit loss. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. Lifetime expected credit loss is computed based on a provision matrix which takes in to account risk profiling of customers and historical credit loss experience adjusted for forward looking information.

ii. Impairment of non-financial assets

The Group's non-financial assets such as property, plant and equipment, Goodwill, inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs. Goodwill is allocated on initial recognition to each of the Group's CGUs that are expected to benefit from a business combination that gives rise to the goodwill.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the statement of profit and loss.

In respect of assets for which impairment loss has been recognized in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. An impairment loss recognised for goodwill is not reversed.

(viii) Inventories:

Inventories are valued at lower of cost and net realizable value including necessary provision for obsolescence. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and selling expenses. The comparison of cost and net realisable value is made on an item by item basis.

The cost of raw materials, components, consumable stores and spare parts are determined using the weighted average method and includes freight, taxes and duties, net of duty credits wherever applicable.

Finished goods and work in progress are valued at lower of cost and net realisable value. Cost includes all direct costs including applicable manufacturing overheads incurred in bringing them to their present location and condition.

(ix) Leases

The Group as a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date.

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

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

The lease liability is initially measured at amortised cost at the present value of the future lease payments, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using the incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(x) Employee benefits

i. Short term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid e.g. under short-term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

ii. Post-employment benefits (defined benefit plans)

The Holding company and subsidiary company incorporated in India provides for retirement benefits in the form of Gratuity. A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Holding company and subsidiary company has obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Holding company and subsidiary company incorporated in India, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling').

In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized in OCI. The holding company and subsidiary company incorporated in India determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognized immediately in profit or loss. The Holding company and subsidiary company incorporated in India recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iii. Defined contribution plans

The Holding company and subsidiary company incorporated in India makes defined contribution to Government Employee Provident Fund, and Superannuation Scheme, which are recognized in the Statement of Profit and Loss on accrual basis.

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(xi) Revenue Recognition

The Group derives revenue primarily from sale of auto-components(Camshafts & others) & Kit sets which are used for electrifying the fuel trucks. The Group also earns revenue from Tooling contract used in manufacturing of camshafts.

Sale of Products & Kit sets:

Revenue from sale of product & Kit sets is recognized at point in time when control of the goods has transferred to the customer. Control over a good refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, those goods. Control is usually transferred upon shipment, delivery to, upon receipt of goods by the customer, in accordance with the individual delivery and acceptance terms agreed with the customers. The amount of revenue to be recognized (transaction price) is based on the consideration expected to be received in exchange for goods, excluding amounts collected on behalf of third parties such as goods and services tax or other taxes directly linked to sales. Revenue from product sales are recorded net of allowances for estimated rebates and estimates of product returns, all of which are established at the time of sale

Tooling contract:

The Group recognizes revenue from developed tools only when they are approved by the customer. Accordingly, revenue from tooling is recognized at a point in time, post-approval by the customer, at the transaction price agreed upon in the contract.

(xii) Government Grant and Export Incentives:

Grants from the Government are recognised 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 relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other operating revenue.

Government grants in the nature of export incentives are accounted for in the period of export of goods if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim are reasonably expected to be fulfilled.

(xiii) Dividend:

Dividends are recognised when they become legally payable. In the case of interim dividends to equity shareholders, this is when declared by the directors. In the case of final dividends, this is when approved by the shareholders at the annual general meeting.

(xiv) Income tax

Income tax comprises current and deferred tax.

i. Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised outside Statement of Profit and Loss is recognised outside Statement of Profit and Loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

ii. Deferred tax

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability in the consolidated balance sheet differs from its tax base, except for differences arising on:

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

- The initial recognition of goodwill,
- The initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting or taxable profit, and
- Investments in subsidiaries and joint arrangements where the Group is able to control the timing of the reversal of the difference and it is probable that the difference will not reverse in the foreseeable future.

Recognition of deferred tax assets is restricted to those instances where it is probable that taxable profit will be available against which the difference can be utilised.

The amount of the asset or liability is determined using tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the deferred tax liabilities/(assets) are settled/(recovered).

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

(xv) Provisions and Contingent Liabilities

The Group estimates the provisions that have present obligations as a result of past events, and it is probable that an outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting date and are adjusted to reflect the current best estimates.

The Group uses significant judgement to disclose contingent liabilities. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognized nor disclosed in the consolidated financial statements.

(xvi) Segment Reporting

Segments are identified based on the manner in which the Chief Operating Decision Maker ('CODM') decides about resource allocation and reviews performance. The Group is engaged in manufacturing of auto-components (camshafts & others) & Kit sets which are used for electrifying the fuel trucks. Based on similarity of activities/products, risk and reward structure, organisation structure and internal reporting systems, the Group has structured its operations into a single operating segment; however based on the geographic distribution of activities, the CODM has identified India and outside India as two reportable geographical segments. Refer Note No 34 for segment information presented.

(xvii) Loss of Control and Deconsolidation of Subsidiaries

A subsidiary is deconsolidated from the date on which the Group ceases to have control over it. Control is considered to be lost when the Group no longer has the power to direct the relevant activities of the subsidiary, is no longer exposed, or has rights, to variable returns from its involvement with the subsidiary, or no longer has the ability to use its power to affect those returns, including where control is lost as a consequence of insolvency, liquidation or similar legal proceedings.

Where a subsidiary enters insolvency or liquidation proceedings resulting in the loss of control, its financial statements are prepared up to the date control is lost on liquidation basis, with assets and liabilities measured at their estimated realizable/settlement values.

On the loss of control, the Group derecognises the assets, liabilities, non-controlling interests and other components of equity relating to the subsidiary. Any resulting gain or loss is recognised in the Statement of Profit and Loss.

Any cumulative exchange differences and other amounts previously recognised in Other Comprehensive Income in relation to the subsidiary are accounted for on the loss of control in accordance with the requirements of Ind AS 110 Consolidated Financial Statements and Ind AS 21 The Effects of Changes in Foreign Exchange Rates and are reclassified the Statement of Profit and Loss under exception items. Refer Note No 37A for deconsolidation of subsidiary.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

3. PROPERTY, PLANT AND EQUIPMENT

Particulars	Leasehold land	Freehold Land	Buildings	Plants and equipment	Office equipment	Furniture and fixtures	Vehicles	Electrical installation	Computer-hardware	Right of use Asset- Plant and machinery (sale and lease back)	Right of use Asset - Land and buildings	Total
At Cost												
At April 01, 2024	923.32	812.71	13,149.58	75,056.85	3,569.42	256.21	757.40	38.95	195.88	-	1,792.54	96,552.86
Additions	-	-	20.81	1,327.09	31.31	14.06	62.59	7.18	1.158	791.29	743.89	3,009.80
Disposals**	-	-	-	(17,418.78)	(1,027.03)	(0.37)	(254.72)	-	(0.97)	-	(55.02)	(18,756.89)
Assets classified as held for sale	-	-	-	-	-	-	-	-	-	-	-	-
Other adjustment	-	-	-	-	-	-	-	-	-	-	-	-
- Foreign currency translation reserve	-	8.11	96.58	567.32	76.04	-	1.18	-	4.58	5.76	45.54	805.11
At March 31, 2025	923.32	820.82	13,266.97	59,532.48	2,649.74	269.90	566.45	46.13	211.07	797.05	2,526.95	81,610.88
Additions	-	-	210.39	7,386.43	76.95	3.98	167.08	6.10	3.36	359.90	54.05	8,268.24
Disposals	-	-	(11.62)	(950.22)	(66.29)	(9.66)	(97.40)	-	(33.93)	-	(103.22)	(1,272.34)
Assets derecognised on deconsolidation**	-	(355.13)	(4,231.50)	(11,087.62)	(2,413.94)	-	-	-	-	(797.05)	-	(18,885.24)
Assets classified as held for sale reclassified to PPE in current year	-	-	489.06	-	-	-	-	-	-	-	-	489.06
Other adjustment	-	-	-	-	-	-	-	-	-	-	-	-
- Foreign currency translation reserve	-	41.21	491.08	1,410.92	294.21	-	-	-	31.07	-	(147.87)	2,120.62
At March 31, 2026	923.32	506.90	10,214.38	56,291.99	540.67	264.22	636.13	52.23	211.57	359.90	2,329.91	72,331.22

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

Particulars	Leasehold land	Freehold Land	Buildings	Plants and equipment	Office equipment	Furniture and fixtures	Vehicles	Electrical installation	Computer-hardware	Right of use Asset-Plant and machinery (sale and lease back)	Right of use Asset - Land and buildings	Total
Depreciation and impairment												
At April 01, 2024	78.94	-	5,520.88	55,380.05	3,269.97	191.79	221.44	21.53	166.15	-	1,109.28	65,960.03
Charge for the year	11.64	-	532.52	4,398.63	109.35	10.77	74.13	3.71	25.06	118.69	336.18	5,620.68
Disposals	-	-	-	(16,601.37)	(972.02)	(0.37)	(50.71)	-	(0.97)	-	(8.19)	(17,633.63)
Foreign currency translation reserve	-	-	64.91	531.40	71.82	-	0.95	-	3.95	0.86	28.09	701.98
Impairment Provision *	-	-	-	100.00	-	-	-	-	-	-	-	100.00
At March 31, 2025	90.58	-	6,118.31	43,808.71	2,479.12	202.19	245.81	25.24	194.19	119.55	1,465.36	54,749.06
Charge for the year	11.47	-	471.41	3,338.74	82.52	11.31	63.84	4.95	10.15	100.99	381.99	4,477.37
Disposals	-	-	(1.55)	(911.01)	(60.24)	(9.47)	(63.01)	-	(33.92)	-	(86.26)	(1,165.46)
Assets derecognised on deconsolidation	-	-	(2,996.33)	(11,002.81)	(2,358.45)	-	-	-	(217.68)	-	-	(16,575.27)
Foreign currency translation reserve	-	-	343.14	1,364.24	284.06	-	-	-	28.85	-	(166.65)	1,853.64
At March 31, 2026	102.05	-	3,934.98	36,597.87	427.01	204.03	246.64	30.19	199.27	2.86	1,594.44	43,339.34
Net Block												
At March 31, 2026	821.27	506.90	6,279.40	19,694.12	113.66	60.19	389.49	22.04	12.30	357.04	735.47	28,991.88
At March 31, 2025	832.74	820.82	7,148.66	15,723.77	170.62	67.71	320.64	20.89	16.88	677.50	1,061.59	26,861.82

* During the year ended March 31, 2025, the Holding Company has recognised an impairment provision of ₹ 100 Lakhs in respect of asset used for a project, which was cancelled by the customer. The impairment recognised is included within exceptional items in the statement of profit and loss. No further impairment charge is recognised during the year ended March 31, 2026.

** The disposal during the year ended March 31, 2025, includes a sale and leaseback arrangement undertaken by one of the subsidiary company. This transaction has been accounted for in accordance with the requirements of Ind AS 116 – Leases. For further details, refer Note 43A to the financial statements.

*** During the current year, MFT Motoren und Fahrzeugtechnik GmbH, the subsidiary of group filed an application for the initiation of insolvency and liquidation proceedings before the Dresden District Court, Germany. Upon admission of the application by the Court, the Group ceased to have control over the subsidiary. Accordingly, the subsidiary was deconsolidated with effect from the date control was lost, and its assets, liabilities (including the above assets), and other related balances were derecognised from the consolidated financial statements. For further details, refer Note 37A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

3A. CAPITAL WORK IN PROGRESS

Particulars	Capital work in progress
At April 01, 2024	2,768.31
Additions	4,466.69
Disposals	(49.18)
Capitalised during year	(1,356.87)
Other Adjustment	
- Foreign currency translation reserve	2.22
At March 31, 2025	5,831.17
Additions	8,467.44
Disposals	-
Assets derecognised on deconsolidation	(122.11)
Capitalised during year	(7,687.21)
Other Adjustment	
- Foreign currency translation reserve	-
At March 31, 2026	6,489.29
Net book value	
At March 31, 2026	6,489.29
At March 31, 2025	5,831.17

Asset under construction

Capital work-in-progress (CWIP) comprises cost of assets that are not yet installed and ready for their intended use at the balance sheet date. Capital work in progress as at March 31, 2026 comprises expenditure for plant and machinery & building in the course of construction. Refer Note 44 for ageing of CWIP.

3B. INVESTMENT PROPERTY

Particulars	Buildings
Cost	
Gross Carrying amount as at April 01, 2024	-
Additions (reclassified from Asset held for sale)	299.74
Disposals/adjustments	-
As at March 31, 2025	299.74
Additions (reclassified from Asset held for sale)	-
Disposals/adjustments	-
At March 31, 2026	299.74
Accumulated depreciation	
As at April 01, 2024	-
For the year	5.25
Disposals/adjustments	-
As at March 31, 2025	5.25
For the year	5.24
Disposals/adjustments	-
At March 31, 2026	10.49
Net book value	
At March 31, 2026	289.25
At March 31, 2025	294.49

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

The Holding Company's investment property relates to certain residential properties which have been leased out during the year for generating rental income.

Estimation of fair value

The fair value of the property as at March 31, 2026, is ₹ 356.32 Lakhs (March 31, 2025 is ₹ 317.23 Lakhs). The valuation was performed by a registered valuer as defined under Rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017. The valuation has been carried out using a valuation model in accordance with the principles recommended by the International Valuation Standards Council (IVSC).

Description of valuation techniques used and key inputs to valuation on investment properties:

The Holding Company is earning rental income from the property. Accordingly, the fair value of the property has been determined based on prevailing market rates, as assessed by an independent valuer and derived from observable market data. This valuation reflects the estimated amount for which the property could be exchanged between knowledgeable and willing parties at the reporting date.

4. INTANGIBLE ASSETS

Particulars	Computer software	Corporate Design & New Homepage	Customer Realties	Research & development	Technical Knowhow	Development	IP Technology	Total
At Cost								
At April 01, 2024	877.75	68.18	2,659.86	340.00	4,608.92	-	3,994.34	12,549.05
Additions	3.17	-	-	-	-	-	-	3.17
Disposals	-	-	-	-	-	-	-	-
Foreign currency translation reserve	18.40	-	-	-	107.88	-	-	126.28
At March 31, 2025	899.32	68.18	2,659.86	340.00	4,716.80	-	3,994.34	12,678.50
Additions	73.27	-	-	-	-	-	-	73.27
Disposals	(28.30)	-	-	-	-	-	-	(28.30)
Assets derecognised on deconsolidation*	(575.16)	-	-	-	-	-	-	(575.16)
Foreign currency translation reserve	105.48	-	-	-	-	-	-	105.48
At March 31, 2026	474.61	68.18	2,659.86	340.00	4,716.80	-	3,994.34	12,253.79
Amortisation and impairment								
At April 01, 2024	714.92	68.18	2,659.86	340.00	4,547.26	-	3,994.34	12,324.56
Charge for the year (refer note 28)	97.97	-	-	-	11.40	-	-	109.37
Disposals	-	-	-	-	-	-	-	-
Foreign currency translation reserve	15.28	-	-	-	107.29	-	-	122.57
At March 31, 2025	828.17	68.18	2,659.86	340.00	4,665.95	-	3,994.34	12,556.50
Charge for the year (refer note 28)	31.34	-	-	-	31.31	-	-	62.65
Disposals	(7.67)	-	-	-	-	-	-	(7.67)
Assets derecognised on deconsolidation*	(518.86)	-	-	-	-	-	-	(518.86)
Foreign currency translation reserve	92.58	-	-	-	-	-	-	92.58
At March 31, 2026	425.56	68.18	2,659.86	340.00	4,697.26	-	3,994.34	12,185.20
Net Block								
At March 31, 2026	49.05	-	-	-	19.54	-	-	68.59
At March 31, 2025	71.15	-	-	-	50.85	-	-	122.00

* During the current year, MFT Motoren und Fahrzeugtechnik GmbH, the subsidiary of group filed an application for the initiation of insolvency and liquidation proceedings before the Dresden District Court, Germany. Upon admission of the application by the Court, the Group ceased to have control over the subsidiary. Accordingly, the subsidiary was deconsolidated with effect from the date control was lost, and its assets, liabilities (including the above assets), and other related balances were derecognised from the consolidated financial statements. For further details, refer Note 37A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

4A. GOODWILL ON CONSOLIDATION

Particulars	Goodwill on Consolidation
At April 01, 2024	3,741.64
Additions	-
Disposals/ Write off	-
Other Adjustment	-
- Foreign currency translation reserve	-
At March 31, 2025	3,741.64
Additions	-
Disposals/ Write off	-
Other Adjustment	-
- Foreign currency translation reserve	-
At March 31, 2026	3,741.64
Amortisation /Impairment :	
At April 01, 2024	2,083.28
Charge for the year	-
Disposals	-
Impairment of Goodwill *	299.39
Other Adjustment	-
- Foreign currency translation reserve	-
At March 31, 2025	2,382.67
Charge for the year	-
Disposals	-
Impairment of Goodwill *	-
Other Adjustment	-
- Foreign currency translation reserve	-
At March 31, 2026	2,382.67
Net book value	
At March 31, 2026	1,358.97
At March 31, 2025	1,358.97

Impairment of Goodwill:

Goodwill arising on consolidation represents the excess of the consideration transferred over the Group's share of the net fair value of the identifiable assets and liabilities of the acquired entity at the date of acquisition. As per the requirements of Ind AS 36 – Impairment of Assets, goodwill is not amortized but is subject to annual impairment testing or more frequently if indicators of impairment exist.

Impairment Testing and CGU Allocation:

The goodwill has been allocated to the following entity(i.e respective (CGU)), which is expected to benefit from the synergies of the business combination.

Particulars	March 31, 2026		March 31, 2025	
	Memco Engineering Private Limited	EMOSS Mobile Systems B.V	Memco Engineering Private Limited	EMOSS Mobile Systems B.V
Opening Good will (a)	1,358.97	-	1,358.97	299.39
FCTR Adjustment (b)	-	-	-	-
Impairment Provision (c)	-	-	-	(299.39)
Closing Good will [a+ b+ c]	1,358.97	-	1,358.97	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

The Group carried out an impairment assessment as at March 31, 2026. The recoverable amount of each cash generating unit (CGU) is determined based on value-in-use calculations. The calculations use cash flow projections based on financial budgets approved by management covering a detailed three-year period. Cash flows beyond the three year period are extrapolated using a estimated growth rate determined by management as stated below.

Key Assumptions Used in the Valuation:

Particulars	March 31, 2026		March 31, 2025	
	Memco Engineering Private Limited	EMOSS Mobile Systems B.V	Memco Engineering Private Limited	EMOSS Mobile Systems B.V
Discount rate	15.29%	12.65%	15.02%	12.85%
Terminal growth Rate	4.00%	1.00%	5.00%	7.00%

Impairment Conclusion:

Based on the assessment performed, considering the continued decline in operational performance and other relevant indicators, during the previous year, the Holding Company has fully impaired its investment in the subsidiary EMOSS in the standalone financial statements.

Consequently, during the previous year, in the consolidated financial statements, the entire goodwill relating to EMOSS has also been fully impaired. Accordingly, no sensitivity analysis has been performed for this Cash Generating Unit (CGU).

For the remaining CGUs, no indicators of impairment were identified as of the reporting date, and hence, no impairment has been recognized.

This impairment has been presented under "Exceptional Items" in the consolidated statement of profit and loss.

5. FINANCIAL ASSETS

5A) Investments

Particulars	As at March 31, 2026	As at March 31, 2025
(i) At fair value through profit or loss (FVTPL)		
a) Investments in equity instruments		
Other investments		
Shares of Laxmi Co-op. Bank Limited	1.25	1.25
5000 Equity shares of ₹ 25 each fully paid-up (March 31, 2025: 5000 Equity shares of ₹ 25 each fully paid-up)		
Shares of Solapur Janata Sahakari Bank Limited	0.05	0.05
500 Equity shares of ₹ 10 each fully paid-up (March 31, 2025: 500 Equity shares of ₹ 10 each fully paid-up)		
Shares of Thane Janata Bank	4.63	4.63
9259 Equity shares of ₹ 50 each fully paid-up (March 31, 2025: 9259 Equity shares of ₹ 50 each fully paid-up)		
Shares of Janlaxmi Bank	1.30	1.30
5198 Equity shares of ₹ 25 each fully paid-up (March 31, 2025: 5198 Equity shares of ₹ 25 each fully paid-up)		
Shares of Mahila Bank	0.21	0.21
850 Equity shares of ₹ 25 each fully paid-up (March 31, 2025: 850 Equity shares of ₹ 25 each fully paid-up)		

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

Particulars	As at March 31, 2026	As at March 31, 2025
Shares of Godavari Bank	0.01	0.01
10 Equity shares of ₹100 each fully paid-up (March 31, 2025: 10 Equity shares of ₹100 each fully paid-up)		
Shares of NAMCO Bank	0.01	0.01
28 Equity shares of ₹ 25 each fully paid-up (March 31,2025: 28 Equity shares of ₹ 25 each fully paid-up)		
b) Investments in mutual funds		
Quoted mutual funds		
HDFC Artitrage Fund Collection A/C	440.21	-
HDFC Corporate Bond Fund - Growth	1,375.68	1,314.78
HDFC Arbitrage Fund-Ws Growth	500.00	-
ICICI Prudential Saving Fund-Growth	2,934.71	2,746.40
ICICI Prudential Banking and PSU Debt Fund - Growth	562.43	532.75
ICICI Prudential Corporate Bond Fund - Growth	2,170.02	2,046.99
ICICI Prudential Short term Fund-Growth	226.48	213.23
ICICI Prudential All Seasons Bond Fund - Growth	3,239.75	3,108.52
ICICI Prudential Money Market Fund - Growth	584.16	548.01
ABSL Corporate Bond Fund-Growth	1,962.09	1,874.49
ABSL Sun life Low duration Fund	-	130.57
ABSL Saving Fund Growth	293.39	274.83
ABSL Nifty SDL PSU Bond Sept	-	481.40
Axis Short Term Fund-Growth	908.12	855.62
Aditya Birla Sun Life Nifty SDL Plus PSU Bond Sep 2026 60:40 Index Fund Regular Growth	513.32	-
Axis Bluechip Fund - Growth	298.45	317.59
Axis Money Market Fund - Regular Growth	584.43	548.16
Axis Banking & PSU Debit Fund - Growth	537.90	509.63
Axis All Seasons Debt Fund of Funds Regular Growth	281.21	-
Axis Treasury Advantage Fund - Regular Growth (TA-GP)	636.91	597.71
Axis Nifty AAA Bond Plus SDL Apr 2026 50:50 ETF FoF - Regular Growth	250.55	236.35
Bandhan Ultra Short Term Fund Regular Plan- Growth (erstwhile IDFC Ultra Short Term Fund Regular Plan-Growth)	682.05	644.89
Bandhan Income Plus Arbitrage Fund	734.66	-
Kotak Nifty SDL APR 2027 top 12 Equal Weight Index Fund Regular	257.56	240.46
Kotak banking and PSU debt fund	-	666.91
Kotak Income Plus Arbitrage	519.98	-
Kotak Bond Fund short term Growth	-	304.87
Kotak Corporate Bond Fund standard - Growth	538.94	509.87
Kotak Floating Rate Fund Growth - Regular plan	696.42	651.32
Kotak Dynamic Bond Reg Plan Growth	1,406.54	1,367.11
Baroda Bnp Paribas Multi Cap Fund	611.92	634.91
Sundaram Large And Mid Cap Fund - Regular Growth	234.07	240.70
Canara Robeco Consumer Trends Fund - Regular Growth - FCRG	182.97	198.96

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

Particulars	As at March 31, 2026	As at March 31, 2025
Canara Robeco Blue chip equity Fund	167.26	177.31
HDFC Banking and PSU Debt Fund	79.85	75.88
HDFC Equity saving Fund	81.21	79.21
HDFC Credit Risk Debt Fund	51.83	-
Edelweiss Mutual Fund	507.90	477.02
ICICI Prudential Ultra Short Term Fund	1,832.24	1,719.59
Axis Income Advantage Fund of Funds - Regular Growth - ASGP	657.51	884.96
UTI Floater Fund	136.00	128.08
Aditya Birla Sun Life Low Duration Fund	138.57	-
ICICI Prudential Fund	-	583.90
Nippon India Corporate Bond Fund (G)	1,351.67	1,280.55
Axis Corporate Bond Fund (G)	933.07	882.05
ICICI Prudential Equity Savings Fund (G)	605.31	-
Invesco India Corporate Bond Fund Reg (G)	544.69	567.02
SBI Savings Fund	1,627.58	1,532.18
SBI Balanced Advantage Fund Reg (G)	301.42	294.97
SBI Corporate Bond Fund (G)	659.82	626.45
Kotak Balanced Advantage fund growth	193.53	194.12
Tata Arbitrage Fund-Regular Plan-Growth	940.29	-
HDFC Short Term Debt Fund (G)	110.01	103.71
Axis Dynamic Bond Fund (G)	270.50	259.20
Axis Short Duration Fund (G)	110.16	103.79
Tata Corporate Bond Fund Regular Plan Growth	195.07	186.07
Total Investments at FVTPL	35,667.87	31,960.55
Non-current	7.46	7.46
Current	35,660.41	31,953.09
	35,667.87	31,960.55
Total Investments	35,667.87	31,960.55
Aggregate book value of quoted investments	35,660.41	31,953.09
Aggregate book value of unquoted investments	7.46	7.46

5B) OTHER FINANCIAL ASSETS

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Bank deposits with more than 12 months maturity	374.42	352.41
(b) Interest accrued on Fixed deposits	6.86	9.45
(c) Income accrued on Others	14.71	18.50
(d) Other receivable	59.11	52.07
(e) Security Deposits#	327.91	286.90
Total	783.01	719.33
Non-current	619.02	517.67
Current	163.99	201.66
	783.01	719.33

Security deposit is with electricity department; which carrying interest at the rate of 6% to 7% for the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

6. OTHER ASSETS

Particulars	As at March 31, 2026	As at March 31, 2025
Capital advances	0.71	1,057.82
Prepaid expense	485.79	491.88
Advances for purchase of materials	16.96	32.99
Income tax deposited with tax authorities (under protest)	348.72	348.72
Other Advances with Provident fund authorities (under protest)	12.12	12.12
Income accrued on Export incentives	215.53	160.16
Balances with statutory/government authorities	1,096.51	473.24
Other receivables	-	91.46
Advance tax (net of provision for taxation)	8.16	22.36
Total	2,184.50	2,690.75
Non-current	483.10	1,519.65
Current	1,701.40	1,171.10
	2,184.50	2,690.75

7. INVENTORIES

Particulars	As at March 31, 2026	As at March 31, 2025
Raw materials and components (at cost)	1,058.21	2,347.97
Stores, spares and packing materials (at cost)	1,255.40	2,146.45
Work in progress (at cost)	2,617.27	2,345.06
Finished goods (at lower of cost and net realisable value)*	3,281.20	4,552.30
Total	8,212.08	11,391.78

During the year ended March 31, 2026 ₹ 20.38 Lakhs (March 31, 2025 ₹ 49.99 Lakhs) was recorded as write down of inventory.

*Finished goods includes goods in transit ₹ 2,367.01 Lakhs (March 31, 2025: ₹ 2,733.51 Lakhs).

8. TRADE RECEIVABLES

Particulars	As at March 31, 2026	As at March 31, 2025
Trade receivables	12,531.58	16,463.99
Total	12,531.58	16,463.99
Break-up for security details:		
- Secured, considered good	-	-
- Unsecured, considered good	12,531.58	16,463.99
Total	13,054.13	17,169.74
Less: Provision for impairment of trade receivables		
- Trade receivables - credit impaired	(522.55)	(705.75)
Total	12,531.58	16,463.99

The net carrying value of trade receivables is considered a reasonable approximation of fair value

Trade receivables are non-interest bearing and are generally on terms of 30 to 150 days.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

Ageing of trade receivables as on March 31, 2026

Particulars	Unbilled dues	Not due	Outstanding for following periods from due date of receipts					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables – considered good	-	6,363.47	5,991.66	176.45	-	-	-	12,531.58
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed trade receivables – credit impaired	-	-	27.61	2.45	-	486.34	6.15	522.55
(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 bad and doubtful debts (disputed + undisputed)	-	-	(27.61)	(2.45)	-	(486.34)	(6.15)	(522.55)
	-	6,363.47	5,991.66	176.45	-	-	-	12,531.58

Ageing of trade receivables as on March 31, 2025

Particulars	Unbilled dues	Not due	Outstanding for following periods from due date of receipts					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables – considered good	3,156.93	5,535.04	7,728.92	42.71	0.39	-	-	16,463.99
(ii) Undisputed trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed trade receivables – credit impaired	-	-	62.49	33.54	581.57	24.61	3.54	705.75
(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 bad and doubtful debts (disputed + undisputed)	-	-	(62.49)	(33.54)	(581.57)	(24.61)	(3.54)	(705.75)
	3,156.93	5,535.04	7,728.92	42.71	0.39	-	-	16,463.99

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

9. CASH AND BANK BALANCES

Particulars	As at March 31, 2026	As at March 31, 2025
Cash and cash equivalents		
Balance with Banks:		
Current accounts	3,835.62	4,826.62
Deposits with original maturity of less than three months	50.53	50.51
Cash on hand	1.73	2.17
Total cash and cash equivalents	3,887.88	4,879.30
Other bank balances		
Deposits with maturity for more than 3 months but less than 12 months from the balance sheet date *	3,736.43	4,478.34
Unclaimed Dividend Accounts	3.06	4.71
Total other bank balances	3,739.49	4,483.05
Total	7,627.37	9,362.35

* Deposits with bank of Rs 157.49 Lakhs (31st March, 2025 : Rs 422.27 Lakhs) held as lien by banks against bank guarantees.

10. SHARE CAPITAL

A) Authorised share capital

	Equity Shares	
	Number	Amount
At April 01, 2024	10,00,00,000	10,000.00
Increase/ (decrease) during the year	-	-
At March 31, 2025	10,00,00,000	10,000.00
Increase/ (decrease) during the year	-	-
At March 31, 2026	10,00,00,000	10,000.00

Terms/rights attached to equity shares

The Holding Company has only one class of equity shares having a par value of ₹ 10 per share (March 31, 2025: ₹ 10 per share). Each holder

of equity shares is entitled to one vote per share. The Holding Company declares and pays dividends in Indian rupees.

The Board of Directors, of the Holding company, in their meeting on May 27, 2025, proposed a final dividend of ₹ 1.00 per equity share and the same was approved by the shareholders at the Annual General Meeting held on July 30, 2025. The amount was recognized as distributions to equity shareholders during the year ended March 31, 2026 and the total appropriation was ₹ 949.86 Lakhs.

The Board of Directors, of the Holding Company, in their meeting on May 22, 2026, proposed a final dividend of ₹ 1.00 per equity share for the year ended March 31, 2026. The payment of dividend is subject to approval of shareholders at the ensuing Annual General Meeting of the Holding Company.

In the event of liquidation of the Holding Company, the holders of equity shares will be entitled to receive remaining assets of the Holding

Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

B) Issued, subscribed and fully paid-up

Equity shares of ₹ 10 each at par value	Number	Amount
At April 01, 2024	9,49,85,835	9,498.58
Issued during the year	-	-
At March 31, 2025	9,49,85,835	9,498.58
Issued during the year	-	-
At March 31, 2026	9,49,85,835	9,498.58

Details of shareholders holding more than 5% shares in the Holding Company

Particulars	March 31, 2026		March 31, 2025	
	No of shares	% holding in the class	No of shares	% holding in the class
Equity shares of ₹ 10 each fully paid				
Yatin S. Shah	3,77,88,717	39.78%	3,77,88,717	39.78%
Cams Technology Limited	1,35,07,685	14.22%	1,35,07,685	14.22%
Suhasini Y. Shah	1,07,78,461	11.35%	1,07,78,461	11.35%
Jayant V. Aradhye	-	-	80,85,861	8.51%
Maneesh J. Aradhye	79,99,697	8.42%	-	-
	7,00,74,560	73.77%	7,01,60,724	73.86%

As per records of the Holding Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

Details of shares held by promoters at the end of the year

Promoter name	March 31, 2026			March 31, 2025		
	No. Of Shares	% of total shares	% Change during the year	No. Of Shares	% of total shares	% Change during the year
Yatin S. Shah	3,77,88,717	39.78%	-	3,77,88,717	39.78%	-
Cams Technology Limited	1,35,07,685	14.22%	-	1,35,07,685	14.22%	-
Suhasini Y. Shah	1,07,78,461	11.35%	-	1,07,78,461	11.35%	-
Karan Y. Shah	14,500	0.02%	-	14,500	0.02%	-
Tanvi Y. Shah	2,000	0.00%	-	2,000	0.00%	-
Mayura K. Shah	1,000	0.00%	-	1,000	0.00%	-
Total	6,20,92,363	65.37%	-	6,20,92,363	65.37%	-

11. OTHER EQUITY

A) Securities premium	
At April 01, 2024	21,739.24
Less: Reversal of tax benefit (deferred tax)	(0.12)
At March 31, 2025	21,739.12
Less: Reversal of tax benefit (deferred tax)	-
At March 31, 2026	21,739.12

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

B) General reserve

At April 01, 2024	472.21
Increase/ (decrease) during the year	-
At March 31, 2025	472.21
Increase/ (decrease) during the year	-
At March 31, 2026	472.21

C) Retained earnings

At April 01, 2024	41,052.79
Add: Profit for the year	5,410.51
Less: Final equity dividend at ₹ 1 per share paid	(949.86)
At March 31, 2025	45,513.44
Add: Profit for the year	5,124.53
Less: Final equity dividend at ₹ 1 per share paid	(949.86)
At March 31, 2026	49,688.11

D) Other comprehensive income

Re-measurement gains /(losses) on defined benefit plans	
At April 01, 2024	190.59
Add: Other comprehensive income for the year	34.08
At March 31, 2025	224.67
Add: Other comprehensive income for the year	249.52
At March 31, 2026	474.19
Foreign currency translation reserve	
At April 01, 2024	469.54
Add: Exchange differences on translation of foreign operations	(79.53)
At March 31, 2025	390.01
Add: Exchange differences on translation of foreign operations	642.08
FCTR transferred to Profit and loss account on deconsolidation of subsidiary	(754.40)
At March 31, 2026	277.69

E) Capital reserves

At April 01, 2024	1,412.02
Increase/ (decrease) during the year	-
At March 31, 2025	1,412.02
Increase/ (decrease) during the year	-
At March 31, 2026	1,412.02

F) Total Other Equity March 31, 2026	74,063.34
Total Other Equity March 31, 2025	69,751.47

Nature and purpose of reserves:

Securities premium account

The amount received in excess of face value of the equity shares is recognised in Securities Premium. In case of equity-settled share based payment transactions, the difference between fair value on grant date, exercise price and nominal value of share is accounted as securities premium.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

General reserve

The Group had transferred a portion of the net profit of the entity before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act 1956. Mandatory transfer to general reserve is not required under the Companies Act 2013.

Retained earnings

Retained earnings are the profits that the Group has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders and any other adjustments.

Capital reserve

The Group had recognized excess of the identifiable assets and liabilities acquired over the consideration paid for acquisition of subsidiary referred to as bargain purchase on acquisition in capital reserve.

Foreign currency translation reserve

Exchange differences arising on translation of foreign operations are recognised in other comprehensive income and are accumulated in separate reserve within equity. The cumulative amount is reclassified to profit and loss, when the investment is disposed off.

Other comprehensive income

This represents the cumulative gains and losses arising on remeasurements of defined employee benefit plans (net of taxes).

12. FINANCIAL LIABILITIES - BORROWINGS

Particulars	Rate of interest	Maturity	As at March 31, 2026	As at March 31, 2025
a) Non Current borrowings				
Term Loan				
i. From Bank (secured)				
Foreign currency loan	2 to 6% in Euro		-	230.61
Total Non Current borrowings (Long Term Borrowings)			-	230.61
b) Current borrowings				
Current maturity of long term loans				
Foreign currency loan (secured)	2 to 6% in Euro		-	530.22
Citi Bank Loan A/C	10.17%	May-25	-	11.92
			-	542.14
Other Short term borrowings				
Cash credit in foreign currency (secured)	7.00%	On Demand	-	1,303.67
Cash credit in ₹ (secured)	10.40%	On Demand	317.50	492.98
Packing credit in ₹ (Secured)	6.00% to 9.30%	On Demand	4,035.46	7,090.06
Total Current borrowings (Short Term Borrowings)			4,352.96	9,428.85
Short term borrowings			4,352.96	9,428.85
Aggregate value of secured loans			4,352.96	9,659.46
Aggregate unsecured loans			-	-

Citi Bank Loan A/C

Term loan from citi bank carries interest at the rate of 10.17% (March 31, 2025: 10.17% p.a). The tenure of the loan is 70 Months. The loan is repayable in 20 quarterly instalments commencing from September 2020. The loan is secured by

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

existing and future moveable and immoveable fixed assets of plot no F-5, MIDC, Satpur as collateral security. The loans has been secured by the corporate guarantee of Holding Company Precision Camshafts Limited. The said loan was repaid during the year ended March 31, 2026.

Cash credit from banks:

Packing credit ₹ 4,035.46 Lakhs in ₹ are secured by first pari passu charge by way of hypothecation of current assets including inventories and trade receivables of the Holding Company. Further, the facilities are collaterally secured by extension of pari passu charge by way of hypothecation of plant and machinery and equitable mortgage of factory land and building situated at Plot No. D5 to D7 and D7-1, MIDC Chincholi, Solapur. The loan has been secured by the personal guarantee of directors Mr. Yatin S. Shah and Dr. Suhasini Y. Shah.

Cash credit of ₹ 317.50 Lakhs is secured by hypothecation of current assets of the Subsidiary Company incorporated in India. Cash credit has also been secured by collateral securities of existing and future moveable assets. The cash credit has been secured by corporate guarantee of Holding Company Precision Camshaft Limited.

The Group does not have any continuing defaults in repayment of loans and interest during the year and as at the reporting date.

Borrowings derecognised on deconsolidation:

The cash credit facility and foreign currency loan were availed by the Group's subsidiary incorporated in Germany. The cash credit facility was secured by hypothecation of the current assets of the subsidiary and further secured by collateral over the existing and future movable and immovable fixed assets situated at Köblitzer Str. 7, 02733 Cunewalde, Germany. The foreign currency loan carried an interest rate ranging from 2% to 6% per annum (Euro) and was secured by a mortgage over the commercial property, plant and equipment, machinery, and inventories of the subsidiary located in Cunewalde, Germany. During the current year, MFT Motoren und Fahrzeugtechnik GmbH, the subsidiary filed an application for initiation of insolvency and liquidation proceedings before the Dresden District Court, Germany. Upon admission of the application by the Court, the Group ceased to have control over the subsidiary. Accordingly, the subsidiary was deconsolidated, and its assets, liabilities (including the above borrowings), and other related balances were derecognised from the consolidated financial statements with effect from the date control was lost. Consequently, these borrowings are not outstanding as at the reporting date in the consolidated financial statements. For further details, refer Note 37A

13. OTHER FINANCIAL LIABILITIES

Particulars	As at March 31, 2026	As at March 31, 2025
Financial liability at FVTPL		
Foreign-exchange forward contracts*	97.53	39.54
Other financial liabilities at amortised cost		
Unpaid matured deposits and interest accrued thereon	137.30	137.30
Employee benefit liabilities	1,166.60	1,470.65
Sundry payables for capital goods purchased	1,487.31	538.46
Unclaimed dividend	3.06	4.71
Other payables	19.89	82.90
Total	2,911.69	2,273.56
Non - current	-	-
Current	2,911.69	2,273.56
	2,911.69	2,273.56

* The Holding Company entered into foreign exchange forward contracts with the intention to reduce the risk in foreign exchange exposure of trade receivables and trade payables.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

14. LEASE LIABILITIES

Particulars	As at March 31, 2026	As at March 31, 2025
Lease liabilities	1,078.28	2,377.52
Total	1,078.28	2,377.52
Non - current	930.47	963.56
Current	147.81	1,413.96
	1,078.28	2,377.52

15. TRADE PAYABLES

Particulars	As at March 31, 2026	As at March 31, 2025
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises	1,000.88	836.23
- Total outstanding dues of creditors other than micro enterprises and small enterprises	6,827.03	8,677.86
Total	7,827.91	9,514.09
Non-current	-	-
Current	7,827.91	9,514.09
Total	7,827.91	9,514.09

Terms and conditions of the above financial liabilities:

Trade payables are non-interest bearing and are normally settled on 90 days term.

Trade payable ageing as on March 31, 2026

Particulars	Unbilled Dues	Payables Not Due	Current				Total
			Outstanding for following periods from due date of Payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	928.75	72.13	-	-	-	1,000.88
(ii) Disputed dues – MSME	-	-	-	-	-	-	-
(iii) Others	1,126.16	4,184.68	1,515.56	0.63	-	-	6,827.03
(iv) Disputed dues - Others	-	-	-	-	-	-	-
	1,126.16	5,113.43	1,587.69	0.63	-	-	7,827.91

Trade payable ageing as on March 31, 2025

Particulars	Unbilled Dues	Payables Not Due	Current				Total
			Outstanding for following periods from due date of Payment				
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	819.24	16.99	-	-	-	836.23
(ii) Disputed dues – MSME	-	-	-	-	-	-	-
(iii) Others	1,190.28	4,919.29	2,567.88	0.41	-	-	8,677.86
(iv) Disputed dues - Others	-	-	-	-	-	-	-
	1,190.28	5,738.53	2,584.87	0.41	-	-	9,514.09

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

Disclosure relating to suppliers registered under MSMED Act based on the information available with the Company

Particulars	As at March 31, 2026	As at March 31, 2025
(i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	1,000.88	836.23
Principal amount due to micro and small enterprises Interest due on above		
(ii) The amount of interest paid by the buyer in terms of section 16, of the MSMED Act, 2006.	-	-
The amounts of the payment made to the supplier beyond the appointed day during each accounting year.	8,594.65	9,815.53
(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 MSMED Act, 2006	45.05	48.30
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(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 a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

16. OTHER LIABILITIES

Particulars	As at March 31, 2026	As at March 31, 2025
Advances from customers	1,296.03	974.52
Statutory Dues payable	221.74	290.37
Other payables	339.79	648.77
Total	1,857.56	1,913.66
Non Current	104.92	294.35
Current	1,752.64	1,619.31
	1,857.56	1,913.66

17. PROVISIONS

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for Employee benefits:		
Provision for Gratuity	419.42	388.16
Provision for Compensated absences (unfunded)	583.33	569.91
Provision for warranty	655.67	434.45
Total	1,658.42	1,392.52
Non Current	1,350.13	1,071.69
Current	308.29	320.83
	1,658.42	1,392.52

Also refer note 31 for detailed disclosure.

18. CURRENT TAX ASSETS (NET)

Particulars	As at March 31, 2026	As at March 31, 2025
Advance tax paid (net of provision for income tax)	573.04	-
Total	573.04	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

18A. CURRENT TAX LIABILITIES (NET)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for income tax (net of advance taxes)	95.25	738.69
Total	95.25	738.69

19. ASSETS CLASSIFIED AS HELD FOR SALE

Particulars	As at March 31, 2026	As at March 31, 2025
Asset classified as held for sale *	-	625.73
Total	-	625.73

*During the financial year 2023-24, the Holding Company obtained the necessary approvals for the sale of certain properties and accordingly the same had been classified as held for sale. During the year, these properties have been sold. However, out of the above, one property has been reclassified to property, plant and equipment and another property has been reclassified to investment property basis reassessment by management of the intended use.

19A. LIABILITIES RELATED TO ASSETS CLASSIFIED AS HELD FOR SALE

Particulars	As at March 31, 2026	As at March 31, 2025
Advance received against asset classified as held for sale *	-	271.11
Total	-	271.11

*The Holding Company had received advances against the proposed sale of properties, which were classified as Assets Held for Sale as at March 31, 2025. The sale of both properties was completed during the year ended March 31, 2026.

20. REVENUE FROM OPERATIONS

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Revenue from contracts with customers		
Sale of Products	75,212.64	84,123.68
Sale of Parts	144.02	-
Sale of services	778.46	618.10
Total sale of products and services	76,135.12	84,741.78
Other operating income		
Tooling income	224.36	756.23
Scrap sales	367.19	306.80
Export incentives	482.86	501.46
Other operating income	78.04	229.95
Total other operating income	1,152.45	1,794.44
Total revenue from operations	77,287.57	86,536.22

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

21. OTHER INCOME

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Fair value gain on financial instruments at fair value through profit or loss (realised + unrealised)	1,704.41	1,974.28
Foreign Exchange differences (net)	1,985.91	644.90
Trade Payable no longer required written back	6.55	45.69
Profit on property, plant and equipment sold /discarded (net)	947.68	5.40
Miscellaneous income	228.64	287.32
Total Other Income	4,873.19	2,957.59

22. COST OF RAW MATERIALS AND COMPONENTS CONSUMED

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Inventory at the beginning of the year	2,347.97	1,564.06
Add: purchases	25,440.24	27,699.27
	27,788.21	29,263.33
Less: inventory at the end of the year	1,058.21	2,347.97
Cost of raw materials and components consumed	26,730.00	26,915.36

23. (INCREASE) / DECREASE IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Opening stock:		
Finished goods	4,552.30	5,472.35
Work In Progress	2,345.06	4,405.70
Less: MFT inventory on de-consolidation	(1,172.23)	-
	5,725.13	9,878.05
Closing stock:		
Finished goods	3,281.20	4,552.30
Work In Progress	2,617.27	2,345.06
	5,898.47	6,897.36
(Increase)/decrease in inventories	(173.34)	2,980.69

24. EMPLOYEE BENEFIT EXPENSES

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Salaries, wages, bonus and commission	11,994.41	14,498.73
Contribution to provident fund and other funds	1,533.17	2,135.00
Gratuity expense (refer note 31)	182.82	179.69
Staff welfare expenses	254.59	371.42
Total employee benefit expenses	13,964.99	17,184.84

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

25. OTHER EXPENSES

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Consumption of components and spares	10,333.62	10,053.69
Packing materials consumed	746.18	766.54
Power and fuel expenses	8,377.29	8,581.35
Job work expenses	1,728.31	1,866.17
Freight outward charges	1,573.07	1,926.35
Rent	234.07	396.30
Rates and taxes	187.90	175.34
Insurance	250.16	317.94
Repairs and maintenance		
Plant and machinery	2,119.99	2,390.11
Building	133.49	142.90
Others	1,321.18	1,018.97
Advertisement and sales promotion	79.45	104.16
Donation	35.02	40.01
CSR expenditure (refer note below)	166.55	160.32
Sales commission	84.75	99.26
Travelling and conveyance	653.23	806.45
Communication costs	37.96	63.85
Legal and professional fees	920.03	940.54
Auditors' remuneration and expenses		
Statutory audit	92.56	70.84
Out of pocket expenses	2.95	2.69
Provision for doubtful debts (net of reversals)	-	375.77
Loss on property, plant & equipment sold /discarded/written off (net)	24.15	91.77
Testing charges	47.86	33.31
Warranty Expenses	180.84	97.10
Miscellaneous expenses	590.14	845.57
Total Other expenses	29,920.75	31,367.30

CSR expenditure

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Amount required to be spent by the group during the year	166.55	160.32
Amount of expenditure incurred	172.69	157.08
Amount of shortfall for the year	-	-
Amount of Excess Expenditure for the year	-	-
Opening balance of shortfall / (excess) expenditure	(2.66)	(5.90)
Amount of cumulative excess expenditure at the end of the year	(8.80)	(2.66)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

26. FINANCE COSTS

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest on borrowings	523.37	589.16
Interest on delay payment of taxes	-	55.00
Bank charges	100.96	81.91
Other finance costs	57.04	90.97
Total finance costs	681.37	817.04

27. FINANCE INCOME

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest income on		
Bank deposits	294.35	314.13
Others	16.47	13.35
Total finance income	310.82	327.48

28. DEPRECIATION AND AMORTISATION EXPENSE

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Depreciation of property, plant and equipment (refer note 3)	4,477.37	5,620.68
Depreciation on Investment property (refer note 3B)	5.24	5.25
Amortisation of intangible assets (refer note 4)	62.65	109.37
Total Depreciation & Amortisation Expenses	4,545.26	5,735.30

29. EARNINGS PER SHARE (EPS)

Basic EPS amounts are calculated by dividing the profits for the year attributable to equity holders of the Holding Company by weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Holding Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the profit and share data used in the basic and diluted EPS computation

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Profit attributable to equity holders of Holding Company	5,124.53	5,410.51
Weighted average number of equity shares in calculating basic EPS	9,49,85,835	9,49,85,835
Effect of Dilution:	-	-
Weighted average number of equity shares in calculating diluted EPS	9,49,85,835	9,49,85,835
Earnings per share (basic) (Rupees/share)	5.40	5.70
Earnings per share (diluted) (Rupees/share)	5.40	5.70

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

30. INCOME TAX

The major components of income tax expense for the years ended March 31, 2026 and March 31, 2025 are:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Current income tax:		
Current income tax charge	1,410.32	2,499.39
(Excess) / short provision of tax relating to earlier years	36.42	21.84
Deferred tax:		
Relating to origination and reversal of temporary differences	1,288.06	381.63
Income tax expense reported in the statement of profit or loss	2,734.80	2,902.86

OCI Section

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Tax effect on:		
Net gain on remeasurements of defined benefit plans	(83.92)	(11.46)
Deferred tax expense charged to OCI	(83.92)	(11.46)

Reconciliation of closing balance of Deferred tax liability/(asset)

Particulars	As at March 31, 2026	As at March 31, 2025
PPE: impact of difference between tax depreciation and depreciation / amortization for the financial reporting	971.25	615.71
Liability due to fair valuation of mutual fund	1,155.43	833.56
Others	-	1.71
Gross deferred tax liability	2,126.68	1,450.98
Deferred tax assets		
Employee related costs allowed for tax purposes on payment basis	398.42	285.84
Msme Payments allowed for tax purposes on payment basis	165.60	152.35
VRS compensation	45.09	90.18
Forward Contracts	24.54	9.95
Lease Liability created during the year	52.36	36.85
Deferred tax on accumulated loss	-	577.52
Others	7.37	6.02
Gross deferred tax assets	693.38	1,158.71
Net deferred tax liability/ (asset)	1,433.30	292.27

Reconciliation of deferred tax assets

Deferred tax assets are not offset with above deferred tax liability since the Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities (deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax credit for the year		
Closing deferred tax liability/ (asset) (net)	1,433.30	292.27
Less: opening deferred tax liability/ (asset) (net)	292.27	(106.25)
Deferred tax movement for the year (a)	1,141.03	398.52
Deferred tax charge recorded in securities premium account (b)	-	0.12
Deferred tax (credit) / charge for the year (c = a-b)	1,141.03	398.40
Deferred tax charge recognised in Other Comprehensive Income (d)	(83.92)	(11.46)
Liability derecognised on deconsolidation (e)	182.60	-
Foreign Exchange (gain)/loss (f)	48.35	7.16
Adjustments in respect of deferred tax for earlier years (g)	-	(12.47)
Deferred tax credit for the year to be charged to statement of profit or loss (c+d+e+f+g)	1,288.06	381.63

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2026 and March 31, 2025

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Accounting profit before tax	7,859.33	8,313.37
Accounting profit before income tax	7,859.33	8,313.37
At India's statutory tax rate 25.17% (March 31, 2025 - 25.17%)	1,978.04	2,092.31
On Mutual fund Gain due to indexation benefit & different rate of taxation	(70.05)	126.63
On Permanent Disallowance	50.06	64.26
Deferred tax charge recognised in Other Comprehensive Income	(83.92)	(11.46)
Tax expense relating to prior years	36.42	21.84
Deferred tax asset written off during the year	631.50	-
Other items	12.94	(10.58)
Deferred tax asset not recognised on current year/carried forward losses	179.81	544.52
On Exceptional Items	-	75.35
At the effective income tax rate of 34.79% (March 31, 2025 - 32.94%)	2,734.80	2,902.86
Income tax reported in the consolidated statement of profit and loss	2,734.80	2,902.86

Reconciliation of deferred tax liabilities/(asset) (net):

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance as of April, 01	292.27	(106.25)
Tax (income)/expense during the period recognized in profit or loss	1,288.06	381.63
Tax (income)/expense during the period recognized in Equity	-	0.12
Tax (income)/expense during the period recognized in OCI	83.92	11.46
Liability derecognised on deconsolidation	(182.60)	-
Foreign Exchange (gain)/loss	(48.35)	(7.16)
Adjustments in respect of deferred tax for earlier years	-	12.47
Closing Balance as at 31 March	1,433.30	292.27

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

Deferred tax relates to the following

Particulars	Balance sheet		Consolidated Statement of Profit and Loss	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Accelerated depreciation for tax purposes	971.25	615.71	355.54	8.37
Fair value of mutual fund	1,155.43	833.56	321.87	414.29
Voluntary retirement scheme allowed as deduction over a period of five years	(45.09)	(90.18)	45.09	51.39
Employee benefit expenses allowed on payment basis under Sec 43B	(398.42)	(285.84)	(112.58)	(41.66)
Other	(7.37)	(4.31)	(3.06)	(11.86)
Amount to be charged in Statement of OCI	-	-	(83.92)	(11.46)
Loss on assets held for sale	-	-	-	56.53
Lease Liability created during the year	(52.36)	(36.85)	(15.51)	(36.85)
Forward Contracts	(24.54)	(9.95)	(14.59)	(9.95)
Msm Payments allowed for tax purposes on payment basis	(165.60)	(152.35)	(13.25)	56.95
On Accumulated losses	-	(577.52)	577.52	(88.69)
Foreign Exchange adjustment	-	-	48.35	7.16
Deferred tax liability derecognised on deconsolidation	-	-	182.60	-
Deferred tax charge recorded in securities premium account	-	-	-	(0.12)
	1,433.30	292.27	1,288.06	394.10

31. DISCLOSURE PURSUANT TO EMPLOYEE BENEFITS

A. Defined contribution plans:

Amount of ₹ 1533.17 Lakhs (March 31, 2025: ₹ 2,135.00 Lakhs) is recognized as expenses and included in Note No. 24 "Employee benefit expense"

B. Defined benefit plans:

Gratuity:

The Holding Company has a defined benefit gratuity plan in India (funded). The Holding Company's defined benefit gratuity plan is a final salary plan for India employees, which requires contributions to be made to a separately administered fund.

The gratuity plan governed by the Payment of Gratuity Act, 1972. As per the Payment of Gratuity Act, 1972, an employee who has completed five years of service is entitled to specific benefits. The level of benefits provided depends on the member's length of service and salary at retirement age.

The Indian Subsidiary has a defined benefit gratuity plan in India and the same is unfunded.

Plan assets - Gratuity Fund of holding company is ₹ 1,533.62 Lakhs

	March 31, 2026	March 31, 2025
Net benefit expense March 31, 2026 (recognized in profit or loss)		
Current service cost	163.40	165.59
Interest cost on benefit	19.42	14.10
	182.82	179.69
Past service cost(#)	(265.77)	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

March 31, 2026: Changes in defined benefit obligation and plan assets

	April 01, 2025	Gratuity cost charged to statement of profit and loss				Sub-total included in statement of profit and loss (refer note 24)	Benefit paid	Remeasurement gains/(losses) in other comprehensive income				March 31, 2026
		Service cost	Net interest (expense) / income	Past Service Cost #	Adjustment to opening balance			Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	
Defined benefit obligation	(1,723.67)	(163.40)	(113.51)	(265.77)	-	(542.68)	54.84	-	173.25	145.22	318.47	(1,893.04)
Fair value of plan assets	1,395.51	-	94.09	(11.52)	(11.52)	82.57	(48.81)	14.97	-	-	14.97	1,533.62
Benefit liability	(328.16)	(163.40)	(19.42)	(265.77)	(11.52)	(460.11)	6.03	14.97	173.25	145.22	333.44	(359.42)

On November 21, 2025, the Government of India notified the four labour codes – the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020 (collectively referred to as "the Labour Codes").

Based on the requirements of New Labour Codes and relevant Accounting Standards, the Group has estimated the liability for employee benefits, which has resulted in an incremental expense, on account of recognition of past service cost of gratuity liability and leave encashment liability to the employees amounting to ₹ 265.77 Lakhs and ₹ 53.22 Lakhs respectively during the year ended March 31, 2026. The Group continues to monitor the finalisation of Central and State Rules and clarifications from the Government on the New Labour Codes and would provide appropriate accounting effect on the basis of such developments, as needed.

March 31, 2025: Changes in defined benefit obligation and plan assets

	April 01, 2024	Gratuity cost charged to statement of profit and loss				Sub-total included in statement of profit and loss (refer note 24)	Benefit paid	Remeasurement gains/(losses) in other comprehensive income				March 31, 2025
		Service cost	Net interest (expense) / income	Past Service Cost #	Adjustment to opening balance			Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	
Defined benefit obligation	(1,539.33)	(165.59)	(105.38)	-	-	(270.97)	36.84	-	(54.53)	104.32	49.79	(1,723.67)
Fair value of plan assets	1,310.73	-	91.28	-	-	91.28	(29.96)	(4.24)	-	-	(4.24)	1,395.51
Benefit liability	(228.60)	(165.59)	(14.10)	-	-	(179.69)	6.88	(4.24)	(54.53)	104.32	45.54	(328.16)

As at March 31, 2026 & March 31, 2025 the amount of gratuity provision also includes gratuity provision of Rs 60 Lakhs & 60 Lakhs respectively provided for a director's in the books of holding company whose gratuity payment is not considered for actuarial valuations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

The major categories of plan assets and the fair value of the total plan assets of Gratuity are as follows:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Type of asset: Group gratuity scheme of LIC of India		
Fair value of total plan assets	1,533.62	1,395.51
(%) of total plan assets	100%	100%

The principal assumptions used in determining above defined benefit obligations for the Group's plans are shown below:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Discount rate	7.49% to 7.67%	6.7% to 6.82%
Future salary increase	8.00%	8.00%
Expected rate of return on plan assets	7.63%	6.77%
Expected average remaining working lives (in years)	14.33 to 16	14.73 to 15

A quantitative sensitivity analysis for significant assumption is as shown below:

Gratuity

Particulars	Sensitivity level	Effect on defined benefit obligation (impact)	
		Year ended March 31, 2026	Year ended March 31, 2025
Discount rate #	1% increase	1,608.19	1,463.59
	1% decrease	2,020.01	1,854.14
Future salary increase*	1% increase	2,010.66	1,845.05
	1% decrease	1,612.72	1,467.43

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligations as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The discount rate is based on the prevailing market yields of Government securities as at the Balance Sheet date for the estimated term of the obligations.

* The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

The followings are the expected future benefit payments for the defined benefit plan :

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Within the next 12 months (next annual reporting period)	86.76	73.81
Between 2 and 5 years	416.31	304.89
Beyond 5 years	908.38	764.69
Total expected payments	1,411.44	1,143.39

The followings are the expected contributions to planned assets for the next year:

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Gratuity	77.50	89.47

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

Risk Exposure

Asset volatility

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets under perform this yield, this will create a deficit. All plan assets are maintained in a trust fund managed by Life Insurance Corporation of India (LIC) who has been providing consistent and competitive returns over the years. The Holding Company has opted for a traditional fund wherein all assets are invested primarily in risk averse markets. The Holding Company has no control over the management of funds but this option provides a high level of safety for the total corpus. A single account is maintained for both the investment and claim settlement and hence, 100% liquidity is ensured. Also, interest rate and inflation risk are taken care of.

Changes in bond yields

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.

Future salary escalation and inflation risk

Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in higher present value of liabilities. Further, unexpected salary increases provided at the discretion of the management may lead to uncertainties in estimating this increasing risk.

Asset-Liability mismatch risk

Risk which arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the Group is successfully able to neutralize valuation swings caused by interest rate movements. Hence, companies are encouraged to adopt asset-liability management.

32. COMMITMENTS AND CONTINGENCIES

a. Commitments

- (i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances): As at March 31, 2026, the Group had commitments of ₹ 5,009.10 Lakhs (March 31, 2025 : ₹ 4,403.59 Lakhs).

b. Contingent liabilities

(i) Claims against the Group not acknowledged as debts (Legal claims)

Authorities and description of case	As at March 31, 2026	As at March 31, 2025	Note Reference
The Collector of Stamps, Solapur - Additional Stamp duty demanded for cancellation and issue of shares on amalgamation of Precision Valvetrain Components Limited	31.79	31.79	a.
Employees provident fund and Miscellaneous Provision Act, 1952 and other labour laws towards contribution to provident fund and other employee costs. (Amount reported is excluding interest)	24.23	24.23	b.
Commissioner of Central Excise, Pune - Demand of sales tax retained under sales tax deferral scheme.	20.76	20.76	c.
Income tax Act, 1961 - Tax demand on disallowance of ESOP expenditure	1,701.16	1,701.16	d.
Order u/s 270A from Assessing Officer imposing a penalty for the assessment year 18-19 for demand of income tax towards disallowance u/s 14A of the Act.	3.47	3.47	e.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

Authorities and description of case	As at March 31, 2026	As at March 31, 2025	Note Reference
Order from the commissioner of State Tax(GST) for the year 2017-18 demanding GST on tooling income & Mismatch in Input tax credit.	200.62	200.62	f.
Order under section 144C(1) of the Income Tax Act, 1961, for the assessment years 2020-21 & 2021-22, pertaining to adjustments on account of international transactions related to corporate guarantees:			
i. A.Y. 2020-21	-	19.47	g.
ii. A.Y. 2021-22	-	5.41	h.

(ia) Sub-Notes:

- The Collector of Stamps, Solapur has demanded payment of stamp duty of ₹ 31.79 Lakhs (March 31, 2025: ₹ 31.79 Lakhs) for cancellation and issue of equity shares after amalgamation of Precision Valvetrain Components Limited (PVPL) with the Company in year 2007-2008. The Holding Company has filed an appeal against demand made by the Collector of Stamps, Solapur with Controlling Revenue Authority, Pune.
- The Holding company had received an order from the Commissioner of Provident fund for the year May 2003 to May 2006 demanding PF liability amounting to ₹ 24.23 Lakhs (March 31, 2025: Rs 24.23 Lakhs) excluding interest. The Holding company had filed writ petition with the Hon'ble High court Mumbai against the said order and had paid Rs 12.12 Lakhs under protest.
- The Holding company had received an order from the Commissioner of Central Excise Pune for the year 2002-03, 2003-04 and 2004-05 demanding excise duty amounting to ₹ 20.76 Lakhs (March 31, 2025: ₹ 20.76 Lakhs) on sales tax retained under sales tax deferral scheme. The Holding company had filed appeal against the order with CESTAT and CESTAT via its order transfer the said case to the jurisdiction commissionerate.
- The Holding company had received order from Assessing Officer for the assessment year 2014-15 for demand of income tax amounting to ₹ 1,701.16 Lakhs (March 31, 2024 Rs 1,701.16 Lakhs) towards disallowance of ESOP expenditures and other disallowances. The Holding company had filed appeal against the above order with commissioner of income tax (Appeals) and has paid ₹335.41 Lakhs under protest.
- The Holding company had received an order from Assessing Officer for the assessment year 18-19 for demand of income tax amounting to ₹ 7.08 Lakhs (March 31, 2024: ₹ 7.08 Lakhs) towards disallownce u/s 14A of the Act. The Holding company has paid the said demand within due date specified by the department. Further assessing officer had passed an order u/s 270A imposing a penalty for ₹ 3.47 Lakhs (March 31, 2024 Rs 3.47 Lakhs) Lakhs for under reporting of income for incremental disallowance made u/s 14A of the act. The Holding company had filed appeal against the penalty order with Commissioner of Income Tax (Appeals) and has paid Rs 0.70 Lakhs under protest.
- The Holding company had received order from the commissioner of State Tax(GST) for the year 2017-18 demanding GST amounting to Rs 200.62 Lakhs (March 31, 2024: 200.62 Lakhs) (including interest and penalty) on tooling income & Mismatch in Input tax credit. The Holding company had filed writ petition with the Hon'ble High court Mumbai against the said order.
- During the financial year 2023-24, the Holding Company received a draft assessment order under Section 144C(1) of the Income-tax Act, 1961, for Assessment Year 2020-21. The draft order proposed adjustments relating to international transactions pertaining to corporate guarantees and a disallowance under Section 14A of the Act, aggregating to ₹19.47 Lakhs. The Holding Company filed objections against the proposed adjustments before the Dispute Resolution Panel (DRP). During the financial year 2024-25, the Holding Company received the final assessment order pursuant to the directions issued by the DRP and subsequently filed an appeal before the Income Tax Appellate Tribunal (ITAT), Pune. The Holding Company also paid an amount of ₹ 7.79 Lakhs under protest against the said demand. During the current year, the Holding Company received a favourable order from the ITAT, Pune, directing the Assessing Officer (AO) to recompute the relevant adjustments and finalise the assessment in accordance with the directions of the Tribunal.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

- During the financial year 2023-24, the Holding Company received a draft assessment order under Section 144C(1) of the Income-tax Act, 1961, for Assessment Year 2021-22. The draft order proposed an adjustment in respect of international transactions relating to corporate guarantees amounting to ₹5.41 Lakhs. The Holding Company filed objections against the proposed adjustment before the Dispute Resolution Panel (DRP). Subsequently, during the financial year 2024-25, the DRP issued its directions and the final assessment order was passed. Aggrieved by the said order, the Holding Company filed an appeal before the Income Tax Appellate Tribunal (ITAT), Pune. The Holding Company has also deposited the disputed tax demand of ₹5.40 Lakhs under protest. During the current year, the Holding Company received a favourable order from the ITAT, wherein the matter was remanded to the Assessing Officer (AO) with directions to recompute the adjustment and finalise the assessment in accordance with the observations of the ITAT.

In all the cases mentioned above outflow is not probable, and hence not provided by the group.

(ii) Corporate guarantees

The Holding Company has also given corporate guarantee on behalf of it's wholly owned subsidiary Memco Engineering Pvt. Ltd., to the lender bank. The outstanding amount of corporate guarantee is ₹317.50 Lakhs (March 31, 2025 ₹ 504.89 Lakhs).

33. RELATED PARTY TRANSACTIONS

A Names of the related party and related party relationship:

a) Related parties under 'Ind AS 24- Related Party Disclosures', with whom transactions have taken place during the period

i) Key management personnel (KMP)

Mr. Yatin S. Shah, Managing Director

Mr. Ravindra R. Joshi, Director

Mr. Karan Y. Shah, Director

Dr. Suhasini Y. Shah, Non executive director and Director of subsidiary company

Ms. Smita N. Mandem, Director of subsidiary

Ms. Romita Mehta, Director of subsidiary

Mrs. Savani A. Laddha, Independent Director

Mr. Heldt, Oliver, Director of Subsidiary (upto February 28, 2025)

Mr. Ameet N Dravid, Independent Director

Mr. Suhas J. Ahirrao, Independent Director

Ms. Apurva P. Joshi, Independent Director

Mrs. Anagha S. Anasingaraju, Independent Director

Mr. Tanmay M. Pethkar, Company Secretary (up to January 05, 2025)

Mr. Harshal J. Kher, Company Secretary (w.e.f. February 12, 2025)

ii) Relatives of key management personnel (RKMP)

Ms. Tanvi Y. Shah, daughter of Mr. Yatin S. Shah

Mrs. Mayura K. Shah, Wife of Mr. Karan Y. Shah

iii) Enterprises owned or significantly influenced by key management personnel or their relatives:

Chitale Clinic Private Limited

Precision Foundation & Medical Research Trust

Yatin S. Shah (HUF)

Cams Technology Limited

Core Power

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

B Disclosure in respect of material related party transaction during the year:

Sr. No.	Particulars	Relationship	March 31, 2026	March 31, 2025
1	Remuneration*			
	Mr.Yatin S. Shah	Key management personnel	313.81	344.25
	Dr. Suhasini Y. Shah	Key management personnel	35.00	35.00
	Mr. Ravindra R. Joshi	Key management personnel	277.13	307.31
	Mr. Karan Y. Shah	Key management personnel	100.94	107.66
	Mrs.Savani A. Laddha	Key management personnel	5.00	5.00
	Mr. Ameet N Dravid	Key management personnel	5.00	5.00
	Ms. Smita Mandem	Key management personnel	32.56	28.75
	Ms. Romita Mehta	Key management personnel	6.10	5.40
	Mr. Heldt, Oliver (upto February 28, 2025)	Key management personnel	146.42	146.42
	Mr. Suhas J. Ahirrao	Key management personnel	5.00	5.00
	Ms. Apurva P. Joshi	Key management personnel	5.00	5.00
	Mrs. Anagha S. Anasingaraju	Key management personnel	5.00	5.00
	Mr. Tanmay M. Pethkar (upto January 05, 2025)	Key management personnel	-	6.25
	Mr. Harshal J. Kher, Company Secretary (w.e.f. February 12, 2025)	Key management personnel	8.82	1.38
2	Final dividend paid on equity shares			
	Cams Technology Limited	Entities where KMP / RKMP having significant influence	135.08	135.08
	Mr.Yatin S. Shah	Key management personnel	377.89	377.89
	Dr. Suhasini Y. Shah	Key management personnel	107.78	107.78
	Mr. Ravindra R. Joshi	Key management personnel	-	0.17
	Mr. Karan Y. Shah	Key management personnel	0.15	0.15
	Ms. Tanvi Y. Shah	Relatives of Key management personnel	0.02	0.02
	Ms. Mayura K. Shah	Relatives of Key management personnel	0.01	0.01
3	Donation Paid			
	Precision Foundation and Medical Research Trust	Entities where KMP / RKMP have significant influence	35.00	40.00
4	Purchases of goods, material or services (exclusive of taxes)			
	Cams Technology Limited	Entities where KMP / RKMP have significant influence	68.45	72.72
	Core Power	Entities where KMP / RKMP have significant influence	137.42	138.26

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

Balances outstanding

Sr. No.	Particulars	Relationship	March 31, 2026	March 31, 2025
1	Remuneration payable (exclusive of taxes)			
	Mr.Yatin S. Shah	Key management personnel	12.43	27.91
	Mr. Ravindra R. Joshi	Key management personnel	8.28	19.87
	Dr. Suhasini Y. Shah	Key management personnel	7.00	5.74
	Mr. Karan Y. Shah	Key management personnel	5.87	8.38
	Mrs. Savani A. Laddha	Key management personnel	4.50	4.50
	Mr. Ameet N Dravid	Key management personnel	4.50	4.50
	Mr. Heldt Oliver (upto February 28, 2025)	Key management personnel	-	12.20
	Mr. Suhas J. Ahirrao	Key management personnel	4.50	4.50
	Ms. Apurva P. Joshi	Key management personnel	4.50	4.50
	Mrs. Anagha S. Anasingaraju	Key management personnel	4.50	4.50
	Mr. Harshal J. Kher, Company Secretary (w.e.f. February 12, 2025)	Key management personnel	0.65	0.66
2	Trade payables			
	Cams Technology Limited	Entities where KMP / RKMP have significant influence	13.55	19.49

Compensation of Key managerial personnel of the Group

Particulars	March 31, 2026	March 31, 2025
Short term employee benefits (Gross salary)	861.18	913.79
Post employment benefits (PF+Superannuation)	84.60	93.63
Total compensation paid to key management personnel* (refer note 54)	945.78	1,007.42

The amounts disclosed in the table are the amounts recognized as an expense during the reporting period.

* The Compensation of key management personnel do not include provisions for encashable leave, gratuity and premium paid for group health insurance, as separate actuarial valuation/ premium paid are not available.

34. SEGMENT INFORMATION

The Group is engaged in manufacturing of Camshafts which is the primary business of the holding company along with the subsidiaries having different principal activities (Refer Note 37). Based on similarity of activities/products, risk and reward structure, organisation structure and internal reporting systems, the Group has structured its operations into single operating segment; however based on the geographic distribution of activities, the chief operating decision make identified India and outside India as two reportable geographical segments.

Revenue from Customers	March 31, 2026	March 31, 2025
Within India	43,815.63	41,805.08
Outside India		
Asia	4,158.92	8,652.23
Europe	17,153.07	20,022.19
Others	12,159.95	16,056.72
	33,471.94	44,731.14
Total revenue	77,287.57	86,536.22

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

The revenue information above is based on the locations of the customers.

There are two customers (March 31, 2025: one customer) whose revenue constitutes 10% or more of the group's total revenue. Further details regarding major customers constitute 10% or more of total revenue of each company within the group are disclosed in the respective financial statements.

Non-current operating assets*	March 31, 2026	March 31, 2025
Within India	37,127.52	32,358.05
Outside India		
Asia	-	-
Europe	553.42	3,630.05
Others	-	-
	553.42	3,630.05
Total	37,680.94	35,988.10

* As defined in paragraph 33 (b) of Ind AS 108 "Operating segments" non current assets excludes financial instruments, deferred tax assets and post-employment benefit assets.

35. FINANCIAL INSTRUMENTS - FAIR VALUES

Particulars of Financial Instruments by category of classification

Financial assets	March 31, 2026		March 31, 2025	
	Carried at FVTPL	Carried at Amortised Cost	Carried at FVTPL	Carried at Amortised Cost
Investments at FVTPL	35,667.87	-	31,960.55	-
Other financial assets	-	783.01	-	719.33
Cash and cash equivalents	-	3,887.88	-	4,879.30
Bank balances other than cash and cash equivalents	-	3,739.49	-	4,483.05
Trade receivables	-	12,531.58	-	16,463.99
Total	35,667.87	20,941.96	31,960.55	26,545.67

Financial liabilities	March 31, 2026		March 31, 2025	
	Carried at FVTPL	Carried at Amortised Cost	Carried at FVTPL	Carried at Amortised Cost
Borrowings (short term and long term borrowings)	-	4,352.96	-	9,659.46
Other financial liabilities	97.53	2,814.16	39.54	2,234.02
Lease liability	-	1,078.28	-	2,377.52
Trade payables	-	7,827.91	-	9,514.09
Total	97.53	16,073.31	39.54	23,785.09

36. FAIR VALUE HIERARCHY

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

A) The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2026:

Assets measured at fair value:	Fair value measurement using				
	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Investments	March 31, 2026	35,667.87	35,660.41	-	7.46

Quantitative disclosures fair value measurement hierarchy for liabilities as at March 31, 2026:

Liabilities measured at fair value:	Fair value measurement using				
	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Foreign exchange forward contracts receivable	March 31, 2026	97.53	-	97.53	-

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2025:

Assets measured at fair value:	Fair value measurement using				
	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Investments	March 31, 2025	31,960.55	31,953.09	-	7.46

Quantitative disclosures fair value measurement hierarchy for liabilities as at March 31, 2025:

Liabilities measured at fair value:	Fair value measurement using				
	Date of valuation	Total	Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Foreign exchange forward contracts receivable	March 31, 2025	39.54	-	39.54	-

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

- > The fair values of the quoted mutual funds are based on price (i.e. the NAV of the mutual funds) quotations at the reporting date.
- > The fair values of derivative forward contracts is determined using the marked-to-market valuation done by the banks.
- > The Fair value of Level 3 is determined on the basis of best estimate & information available.

B) Fair Value of financial assets and liabilities measured at amortised cost

The management assessed that cash and cash equivalents (including term deposits), trade receivables, other receivables, trade payables, Short term borrowings, lease liability and other financial liabilities approximate their carrying amounts because of the short term nature of these financial instruments.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

The amortized cost using effective interest rate (EIR) of non-current financial assets consisting of security deposit, and term deposit with more than 12 months and in case of non current financial liabilities consisting of long term borrowings and non current lease liability are not significantly different from the carrying amount.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

37. GROUP INFORMATION

Information about subsidiary and step down subsidiaries

Name	Country of incorporation	Principal activities	March 31, 2026	March 31, 2025
PCL (International) Holding B.V.	Netherlands	Finance, marketing and sales	100%	100%
Memco Engineering Private Limited	India	Manufacturing of parts of diesel engine, break parts and parts of measuring instruments	100%	100%
MFT Motoren und Fahrzeugtechnik GmbH (Through Wholly owned subsidiary PCL (International) Holding B.V.) (refer note 37A)	Germany	Manufacturing of camshafts as well as prismatic components	-	100%
Emiss Mobile Systems B.V., Netherlands (Through Wholly owned subsidiary PCL (International) Holding B.V.)	Netherlands	Designing, developing, producing and suppling complete electric powertrains for trucks, busses, military vehicles and heavy equipment	100%	100%

37A. DECONSOLIDATION OF SUBSIDIARY

The subsidiary of the Group, MFT Motoren und Fahrzeugtechnik GmbH, Germany ("MFT"), has filed an application for initiation of insolvency and liquidation proceedings before the Dresden District Court. The Court has admitted the application and provisional liquidator was appointed on September 08, 2025, consequently resulting into loss of control for the Parent Company with effect from the said date, in accordance with the requirements of Ind AS 110 - Consolidated Financial Statements. Consequent to the acceptance of insolvency petition, the financial statements of MFT Motoren und Fahrzeugtechnik GmbH, Germany have been prepared on a liquidation basis as at September 08, 2025, recognising all assets and liabilities at expected realisable value/settlement value. The Group has also de-consolidated MFT Motoren und Fahrzeugtechnik GmbH, Germany from the said date by derecognising all assets and liabilities relating to MFT Motoren und Fahrzeugtechnik GmbH, Germany in the consolidated financial statements.

38. EXCEPTIONAL ITEMS

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Compensation from customer (Refer A)	1,195.13	3,892.00
Statutory impact of new Labour Codes (Refer B)	(318.99)	-
Impairment of property, plant and equipment (refer note 3)	-	(100.00)
Gain on de-consolidation (refer note C)	935.04	-
FCTR Balance reversal with respect to MFT (refer note C)	(754.40)	-
Impairment of goodwill (refer note 4)	-	(299.39)
Net Amount	1,056.78	3,492.61

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

Note A

Compensation from Customer - During the year ended March 31, 2026 & March 31, 2025, the Holding Company has settled to receive compensation for termination of certain purchase contracts and indemnification for capacity under-utilisation from two major customers amounting to ₹ 1195.13 Lakhs and ₹ 3,892 Lakhs respectively. The Holding Company has recognised the stated income as an exceptional item for the year ended March 31, 2026 and March 31, 2025.

Note B

On November 21, 2025, the Government of India notified the four labour codes – the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020 (collectively referred to as "the Labour Codes").

Based on the requirements of New Labour Codes and relevant Accounting Standards, the Group has estimated the liability for employee benefits, which has resulted in an incremental expense, on account of recognition of past service cost of gratuity liability and leave encashment liability to the employees amounting to ₹ 265.77 Lakhs and ₹ 53.22 Lakhs respectively during the year ended March 31, 2026. The Group continues to monitor the finalisation of Central and State Rules and clarifications from the Government on the New Labour Codes and would provide appropriate accounting effect on the basis of such developments, as needed.

Note C

The step-down subsidiary of the Group, MFT Motoren und Fahrzeugtechnik GmbH, Germany ("MFT"), has filed an application for initiation of insolvency and liquidation proceedings before the Dresden District Court. The Court has admitted the application and a provisional liquidator was appointed on September 08, 2025, consequently resulting into loss of control for the Parent Company with effect from the said date, in accordance with the requirements of Ind AS 110 – Consolidated Financial Statements. Consequent to the acceptance of insolvency petition, the financial statements of MFT Motoren und Fahrzeugtechnik GmbH, Germany have been prepared on a liquidation basis as at September 08, 2025, recognising all assets and liabilities at expected realisable value/settlement value. The Group has also de-consolidated MFT Motoren und Fahrzeugtechnik GmbH, Germany from the said date by derecognising all assets and liabilities relating to MFT Motoren und Fahrzeugtechnik GmbH, Germany in the consolidated financial results, resulting into a gain of ₹ 935.04 Lakhs. Further, the foreign currency translation reserve loss amounting to ₹ 754.40 Lakhs relating to this subsidiary since inception has been reclassified from Other Comprehensive Income in Equity to Statement of Profit and Loss and disclosed under Exceptional items.

39. CAPITAL MANAGEMENT

For the purpose of the group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the group's capital management is to maximise the shareholder value and to ensure the group's ability to continue as a going concern. The group manages its capital structure and makes adjustments for compliance with the requirements of the financial covenants. To maintain or adjust the capital structure, the group may adjust the dividend payment to shareholders, return capital to shareholders. The group monitors gearing ratio i.e. total debt in proportion to its overall financing structure, i.e. equity and debt. Total debt comprises of long term and short term borrowing which represents term loans, packing credit and cash credit taken from banks and financial institution. The group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

	March 31, 2026	March 31, 2025
Borrowings (refer note 12)	4,352.96	9,659.46
Less: cash and cash equivalents (refer note 9)	(3,887.88)	(4,879.30)
Net debt (i)	465.08	4,780.16
Equity	83,561.92	79,250.05
Total Equity (ii)	83,561.92	79,250.05
Overall financing (iii) = (i) + (ii)	84,027.00	84,030.21
Gearing ratio (i) / (iii)	0.55%	5.69%

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2026 and March 31, 2025.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

40. DIVIDEND DISTRIBUTION MADE AND PROPOSED

	March 31, 2026	March 31, 2025
Cash dividends on equity shares declared and paid		
Final dividend for the year ended on March 31, 2025 (₹ 1.00 per share)	949.86	-
Final dividend for the year ended on March 31, 2024 (₹ 1.00 per share)	-	949.86
	949.86	949.86

The Board of Directors, of Holding Company, in their meeting on May 23, 2024, proposed a final dividend of ₹ 1.00 per equity share and the same was approved by the shareholders at the Annual General Meeting held on July 26, 2024. Subsequently, the dividend has been paid by the Holding Company in FY 2024-2025.

The Board of Directors, of Holding Company, in their meeting on May 27, 2025, proposed a final dividend of ₹ 1.00 per equity share and the same was approved by the shareholders at the Annual General Meeting held on July 30, 2025. Subsequently, the dividend has been paid by the Holding Company in current year.

The Board of Directors, of Holding Company, in their meeting on May 22, 2026, proposed a final dividend of ₹ 1.00 per equity share for the year ended March 31, 2026. The payment of dividend is subject to approval of shareholders at the ensuing Annual General Meeting of the Holding Company.

41. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's principal financial liabilities, other than derivatives, comprise loans and borrowings; trade and other payables, lease liability and other financial liabilities. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include loans, trade and other receivables, investments in mutual funds and cash and cash equivalents that derive directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, and derivative financial instruments.

The sensitivity analysis in the following sections relate to the position as at March 31, 2026 and March 31, 2025.

The sensitivity analysis have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant.

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity and other post retirement obligations and provisions.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term and short-term debt obligations with floating interest rates.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

Sensitivity

Year	Increase/decrease in basis points	Effect on profit before tax
March 31, 2026	50.00	(67.20)
	-50.00	67.20
March 31, 2025	50.00	(36.66)
	-50.00	36.66

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency) and borrowings of the Group.

When a derivative is entered into for the purpose of being a hedge, the Group negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency.

Foreign currency Exposure

Nature of Exposure	Currency	March 31, 2026		March 31, 2025	
		Amount in Curr	Amount in ₹	Amount in Curr	Amount in ₹
Trade Receivables	USD	43.79	4,117.46	58.98	5,013.20
	EUR	3.40	365.96	2.49	227.56
Trade Payables	USD	2.45	233.28	1.74	149.40
	EUR	0.14	15.03	0.11	10.07
	JPY	68.40	41.03	-	-
Forward Contract	USD	14.00	1,338.18	84.88	7,321.00
	EUR	0.38	41.40	3.20	304.41

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD, EUR and JPY exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives and embedded derivatives. The impact on the Group's pre-tax equity is due to changes in the fair value of forward exchange contracts designated as cash flow hedges and net investment hedges. The Group's exposure to foreign currency changes for all other currencies is not material.

Sensitivity

Year	Change in USD rate	Effect on profit before tax In ₹
March 31, 2026	5%	284.45
	-5%	(284.45)
March 31, 2025	5%	609.24
	-5%	(609.24)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

Year	Change in EUR rate	Effect on profit before tax In ₹
March 31, 2026	5%	346.97
	-5%	(346.97)
March 31, 2025	5%	426.13
	-5%	(426.13)

Year	Change in JPY rate	Effect on profit before tax In ₹
March 31, 2026	5%	2.05
	-5%	(2.05)
March 31, 2025	5%	-
	-5%	-

Commodity risk

The Group is affected by the price volatility of certain commodities. Its operating activities require the ongoing manufacture of Camshafts, parts of diesel engine, break parts and parts of measuring instruments and therefore require a continuous supply majorly of Pig iron, MS Scrap, Resin coated sand and steel bars.

The Group's exposure to the risk of exchange in key raw material prices are mitigated by the fact that the price increases/decreases from the vendors are passed on to the customers based on understanding with the customers. Hence the fluctuation of prices of key raw materials do not materially affect the consolidated statement of profit and loss. Also as at March 31, 2026, there were no open purchase commitments/ pending material purchase order in respect of key raw materials.

Accordingly, no sensitivity analysis have been performed by the management.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Trade receivables

Customer credit risk is managed subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored.

An impairment analysis is performed at each reporting date on an individual basis for major clients. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 8. The Group does not hold collateral as security. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy.

The investment of surplus funds is made in mutual funds and fixed deposits which are approved by the Director.

The Group's maximum exposure to credit risk for the components of the balance sheet at March 31, 2026 and March 31, 2025 is the carrying amounts as illustrated in note 9.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

Liquidity risk

Liquidity risk is the risk that the group's will not be able to meet its financial obligation as they become due. The group's manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liability when due.

The table below summarises the maturity profile of the group's financial liabilities:

Particulars	Less than 1 year	1 to 5 years	> 5 years	Total
Year Ended March 31, 2026				
Non current Borrowings	-	-	-	-
Current Borrowings	4,352.96	-	-	4,352.96
Lease Liability	147.81	817.61	112.86	1,078.28
Other financial liabilities	2,911.69	-	-	2,911.69
Trade payables	7,827.91	-	-	7,827.91
	15,240.37	817.61	112.86	16,170.84
Year Ended March 31, 2025				
Non current Borrowings	-	230.61	-	230.61
Current Borrowings	9,428.85	-	-	9,428.85
Lease Liability	1,413.96	855.47	108.09	2,377.52
Other financial liabilities	2,273.56	-	-	2,273.56
Trade payables	9,514.09	-	-	9,514.09
	22,630.46	1,086.08	108.09	23,824.63

42. ADDITIONAL INFORMATION REQUIRED BY SCHEDULE III OF THE COMPANIES ACT 2013.

Name of the Entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in Other Comprehensive Income (OCI)		Share in Total comprehensive Income (TCI)	
	As % of conso. net assets	Amt	As % of conso. P&L	Amt	As % of conso. OCI	Amt	As % of TCI	Amt
Parent								
Precision Camshafts Limited ((including effect of consolidation elimination and adjustment effects)	106.10%	88,658.43	11.29%	578.39	26.67%	237.80	13.57%	816.19
Subsidiaries								
Indian:								
Memco Engineering Private Limited	3.21%	2,678.64	-1.33%	(68.01)	1.31%	11.72	-0.94%	(56.29)
Foreign:								
PCL (International) Holding B.V. (Consolidated) (attributable to equity holders of parent)	-7.92%	(6,615.15)	-22.42%	(1,148.91)	58.30%	519.78	-10.46%	(629.13)
Consolidation elimination and adjustment effects *	-1.39%	(1,160.00)	112.46%	5,763.06	13.72%	122.31	97.83%	5,885.36
Total	100%	83,561.92	100%	5,124.53	100%	891.60	100%	6,016.13

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

31-Mar-25

Name of the Entity	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in Other Comprehensive Income (OCI)		Share in Total comprehensive Income (TCI)	
	As % of conso. net assets	Amt	As % of conso. P&L	Amt	As % of conso. OCI	Amt	As % of TCI	Amt
Parent								
Precision Camshafts Limited ((including effect of consolidation elimination and adjustment effects)	112.04%	88,792.10	13.60%	735.73	-50.44%	22.92	14.14%	758.65
Subsidiaries								
Indian:								
Memco Engineering Private Limited	3.45%	2,734.93	2.54%	137.39	-24.55%	11.16	2.77%	148.55
Foreign:								
PCL (International) Holding B.V. (Consolidated) (attributable to equity holders of parent)	-6.60%	(5,231.62)	-50.57%	(2,736.32)	174.99%	(79.53)	-52.48%	(2,815.85)
Consolidation elimination and adjustment effects *	-8.89%	(7,045.36)	134.44%	7,273.71	-	-	135.58%	7,273.71
Total	100.00%	79,250.05	100.00%	5,410.51	100.00%	(45.45)	100.00%	5,365.06

* The consolidation adjustments primarily pertain to the impairment of investment in subsidiaries recorded by the holding company, which has been eliminated at the consolidated level. Additionally, the adjustments include entries related to intercompany transactions.

43. LEASES WHERE COMPANY IS A LESSEE

Changes in the carrying value of Right-of-use Assets

Particulars	Asset Class 1 (Land and Building)	Asset Class 1 (Plant & Machinery) Sale and Lease back
Balance as at April 01, 2024	683.26	-
Additions	743.89	791.29
Deletion	(46.83)	-
Depreciation	(336.18)	(118.69)
Foreign Currency translation reserve	17.45	4.89
Balance as at March 31, 2025	1,061.59	677.50
Additions	54.05	359.90
Deletion	(103.22)	-
Derecognition due to deconsolidation of subsidiary	-	(579.37)
Depreciation (net)	(295.73)	(100.99)
Foreign Currency translation reserve	18.77	-
Balance as at March 31, 2026	735.47	357.04

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

Changes in the Lease liabilities

Particulars	Category of ROU Asset	
	Land and Building	Plant and Machinery
Balance as at April 01, 2024	764.40	-
Additions (net)	455.27	1,585.41
Interest on lease payments	31.41	59.56
Lease Payments	(256.73)	(261.80)
Balance as at March 31, 2025	994.35	1,383.17
Additions (net)	54.05	359.90
Deletions	(19.92)	-
Interest on lease payments	28.64	28.40
Lease Payments	(368.76)	(418.35)
Liabilities derecognised on de-consolidation	-	(939.47)
Foreign Currency translation reserve	68.15	(91.89)
Balance as at March 31, 2026	756.51	321.76

Break-up of current and non-current lease liabilities

Particulars	March 31, 2026	March 31, 2025
Current Lease Liabilities	147.81	1,413.96
Non-current Lease Liabilities	930.47	963.56

Maturity analysis of lease liabilities

Particulars	March 31, 2026	March 31, 2025
Less than one year	147.81	1,413.96
One to five years	817.61	855.47
More than five years	112.86	108.09
Total	1,078.28	2,377.52

Amounts recognised in statement of Profit and Loss account

Particulars	March 31, 2026	March 31, 2025
Interest on Lease Liabilities	57.04	90.97
Depreciation on ROU asset	482.98	454.87
Total	540.03	545.84

Amounts recognised in statement of Cash Flows

Particulars	March 31, 2026	March 31, 2025
Total Cash outflow for leases	787.11	518.53

Amounts recognised in Profit and Loss account - Short term leases

Lease arrangements which qualify as short-term leases under Ind AS 116 (Leases), have been recognised as an expense in the Statement of Profit and Loss for the year ended March 31, 2026 and March 31, 2025.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

43A. Disclosure for Sale and leaseback transactions :

- (a) During the FY 24-25, the subsidiary company MFT Motoren und Fahrzeugtechnik GmbH entered into a sale and leaseback transaction involving certain owned plant and machinery.
- (b) Reasons and Prevalence of Sale and Leaseback Transactions:
- The Company undertakes sale and leaseback arrangements selectively as part of its capital efficiency and asset-light strategy, primarily for the following reasons:
- Unlock capital tied in fixed assets;
 - Improve liquidity and return metrics;
- (c) Key Terms and Conditions of Transactions :
- Particulars of Asset sold and leased back - Plant and machinery (owned by subsidiary company)
 - Sale consideration - ₹ 1,449.38 Lakhs
 - Lessor - Nord Leasing GmbH
 - Carrying value of asset sold - Net block of ₹ 764.77 Lakhs
 - Loss on sale (recognized immediately) - ₹ 37.73 Lakhs
 - Lease term - 60 months
 - Lease payment terms - ₹ 29.09 Lakhs for each month
- (d) The Company recognized a Right-of-Use (ROU) asset of ₹ 797.05 Lakhs and a Lease Liability of Euro 1,527.32 Lakhs at the inception of the leaseback.
- (e) The Cash Flow effect of proceeds from sale and leaseback transactions of ₹ 1,449.38 Lakhs have been reported in the Consolidated Cash Flow Statement of March 31, 2025.
- During the year ended March 31, 2026, both Right-of-Use (ROU) asset and lease liability has been derecognised as a result of deconsolidation of subsidiary. Refer note 37A for details.

44. AGEING OF CWIP

- (a) For Capital-work-in progress ageing schedule

March 31, 2026

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,186.52	3,838.70	1,464.07	-	6,489.29
Projects temporarily suspended	-	-	-	-	-

March 31, 2025

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	3,310.77	2,520.40	-	-	5,831.17
Projects temporarily suspended	-	-	-	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

(b) i) March 31, 2026

There are no projects as Capital Work in Progress as at March 31, 2026, whose completion is overdue or cost of which has exceeds in comparison to its original plan.

i) March 31, 2025

There are no projects as Capital Work in Progress as at March 31, 2025, whose completion is overdue or cost of which has exceeds in comparison to its original plan.

45. RECONCILIATION OF QUARTERLY RETURNS OR STATEMENTS OF CURRENT ASSETS FILED BY THE HOLDING COMPANY WITH BANKS:

March 31, 2026

Quarter	Name of bank	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly return/statement	Amount of difference	Reason for material discrepancies
Jun-25	Bank of India and Bank of Baroda	Trade Receivables	11,294.59	14,956.93	(3,662.34)	The difference is due to submission to the Banks before financial reporting closure process.
		Trade Payables *	4,967.84	4,928.36	39.48	
		Inventories	5,759.64	2,460.29	3,299.35	
Sep-25	Bank of India and Bank of Baroda	Trade Receivables	11,510.49	14,909.78	(3,399.29)	
		Trade Payables *	6,411.01	6,357.09	53.92	
		Inventories	5,329.81	2,406.74	2,923.07	
Dec-25	Bank of India and Bank of Baroda	Trade Receivables	10,500.31	14,348.00	(3,847.69)	
		Trade Payables *	6,108.82	6,412.57	(303.75)	
		Inventories	5,053.16	2,335.52	2,717.64	
Mar-26	Bank of India and Bank of Baroda	Trade Receivables **	11,235.79	14,713.69	(3,477.90)	
		Trade Payables *	7,669.14	7,088.81	580.33	
		Inventories	5,212.88	2,549.31	2,663.57	

March 31, 2025

Quarter	Name of bank	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly return/statement	Amount of difference	Reason for material discrepancies
Jun-24	Bank of India and Bank of Baroda	Trade Receivables	14,425.67	20,340.36	(5,914.69)	The difference is due to submission to the Banks before financial reporting closure process.
		Trade Payables *	5,900.43	5,796.34	104.09	
		Inventories	7,176.48	3,713.08	3,463.40	
Sep-24	Bank of India and Bank of Baroda	Trade Receivables	13,086.71	17,409.93	(4,323.22)	
		Trade Payables *	5,663.63	5,539.33	124.30	
		Inventories	6,561.46	2,484.77	4,076.69	
Dec-24	Bank of India and Bank of Baroda	Trade Receivables	11,590.15	15,215.45	(3,625.30)	
		Trade Payables *	5,218.38	5,209.12	9.26	
		Inventories	5,812.51	3,060.95	2,751.56	
Mar-25	Bank of India and Bank of Baroda	Trade Receivables **	11,870.71	15,677.29	(3,806.58)	
		Trade Payables *	6,548.50	6,245.06	303.44	
		Inventories	6,172.15	2,988.54	3,183.61	

* Excluding provision for expenses and including capital payables

** Excluding Unbilled dues.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

46. DETAILS OF BENAMI PROPERTY HELD

The group does not have any benami property, where any proceeding has been initiated or pending against the group for holding any benami property.

47. WILFUL DEFAULTER

The group has not being declared as wilful defaulter by any bank or financials institution or any government authority.

48. RELATIONSHIP WITH STRUCK OFF COMPANIES UNDER SECTION 248 OF THE COMPANIES ACT, 2013 OR SECTION 560 OF COMPANIES ACT, 1956,

The group does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

49. REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES

The group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

50. COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES

The group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

51. UTILISATION OF BORROWED FUNDS AND SHARE PREMIUM:

- (i) 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 Company (ultimate beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries
- (ii) 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,

52. UNDISCLOSED INCOME

The group does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year and previous year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.)

53. DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY:

The group has not traded or invested in crypto currency or virtual currency during the financial year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

54. REMUNERATION OF KEY MANAGERIAL PERSONNEL

During the financial year 2025-26, the remuneration paid to the Managing Director and Whole Time Directors of Holding Company exceeded the limits prescribed under Section 197 read with Schedule V to the Companies Act, 2013 based on the effective remuneration limits applicable to the Holding Company for the year as computed under the provisions of the Companies Act, 2013. Details of remuneration paid and excess over the prescribed limits are as under:

Particulars	Amount (₹ Lakhs)
Aggregate remuneration paid to Managing Director and Whole Time Directors	661.88
Aggregate permissible limit under Schedule V	530.00
Aggregate excess Remuneration paid together to Managing Director and Whole Time Directors	131.88

The Holding Company is in the process of seeking approval of the shareholders by way of special resolution pursuant to the provisions of Section 197 and Schedule V to the Companies Act, 2013 for waiver of the excess remuneration paid as stated above.

55. PREVIOUS YEAR COMPARATIVES

Previous year's figures have been regrouped/reclassified to correspond with the current year's classification/disclosure.

56. EVENTS AFTER THE REPORTING PERIOD

The Board of Directors of the Holding Company, in their meeting on May 22, 2026, proposed a final dividend of ₹ 1.00 per equity share for the year ended March 31, 2026. The payment of dividend is subject to approval of shareholders at the ensuing Annual General Meeting of the Holding Company.

57. AUDIT TRAIL

The Ministry of Corporate Affairs (MCA) has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of accounts, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of accounts along with the date when such changes were made and ensuring that the audit trail cannot be disabled. Companies must also now ensure daily backups of their financial data, to be stored on servers physically located within India.

Pursuant to the above requirements, the Holding Company and the Subsidiary incorporated in India, uses two primary software systems:

- a. Maintaining books of Accounts
- b. Payroll Processing

The Holding Company and the Subsidiary incorporated in India has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility, except that audit trail feature was not enabled at the database level in respect of such accounting software to log any direct data changes. Further, to the extent enabled, audit trail feature has operated throughout the year for all relevant transactions recorded in the accounting software. Also, we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail of prior year(s) has been preserved by the Holding Company and the Subsidiary incorporated in India, as per the statutory requirements for record retention to the extent it was enabled and recorded in previous years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2026 (Contd.)

(All amounts are in Rupees Lakhs, unless otherwise stated)

The Holding Company and the Subsidiary incorporated in India has used an accounting software for maintaining and processing its payroll records (managed and maintained by a third-party software service provider), which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software. Further, we did not come across any instance of audit trail feature being tampered with at application level. Additionally, the audit trail has been preserved by the Holding Company and the Subsidiary incorporated in India as per the statutory requirements for record retention for application level. However, with respect to the database level of the said software has been managed and maintained by a third-party service provider. In the absence of sufficient and appropriate audit evidence including adequate coverage in SOC report we are unable to assess whether the database of the software to log any direct changes has a feature of recording audit trail (edit log) facility and whether the same has been enabled and operated throughout the year for all relevant transaction recorded or whether there is any instance of audit trail feature being tampered with. Also, we are unable to assess whether the audit trail feature of prior year(s) has been preserved by the Holding Company and the Subsidiary incorporated in India as per the statutory requirements for record retention at database level.

The daily backup of both the above-mentioned software applications is maintained on servers physically located in India and is performed on a daily basis.

The accompanying notes are an integral part of the Consolidated financial statements
As per our report attached of even date

For M S K A & Associates LLP
(formerly known as M S K A & Associates)

Chartered Accountants
Firm Regn. Number: 105047W/W101187

For and on behalf of the Board of Directors of

Precision Camshafts Limited
CIN : L24231PN1992PLC067126

Yogesh Yewale

Partner
Membership Number: 158877

Place: Mangalwedha
Date: May 22, 2026

Yatin S. Shah

Managing Director
DIN: 00318140

Place: Mangalwedha
Date: May 22, 2026

Ravindra R. Joshi

Whole-time Director & CFO
DIN: 03338134

Place: Mangalwedha
Date: May 22, 2026

Karan Y. Shah

Whole-time Director
DIN: 07985441

Place: Mangalwedha
Date: May 22, 2026

Harshal J. Kher

Company Secretary
Membership Number : A69147

Place: Mangalwedha
Date: May 22, 2026

NOTICE

NOTICE is given that the 34th Annual General Meeting (AGM) of the members of Precision Camshafts Limited will be held on Thursday, July 30, 2026, at 3:00 PM (IST) through Video Conferencing (VC)/Other Audio-Visual Means (OAVM) to transact the following business:

ORDINARY BUSINESS

- To receive, consider and adopt: -
 - the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2026, including Reports of the Board of Directors and Auditors thereon; and
 - the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2026, including the Reports of the Auditors thereon.
- To declare final dividend of ₹ 1 per equity share of ₹ 10/- each for the Financial Year ended March 31, 2026.
- To appoint a director in place of Mr. Karan Y. Shah (DIN:07985441), who retires by rotation, and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

- TO RATIFY THE REMUNERATION OF COST AUDITORS FOR THE FINANCIAL YEAR ENDING MARCH 31, 2027.**

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

“RESOLVED THAT pursuant to the provisions of Section 148 of the Companies Act, 2013, read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the members of the Company hereby ratify the remuneration of ₹1,50,000/- (Rupees One Lakhs Fifty Thousand Only) plus taxes thereon, and out-of-pocket expenses incurred in connection with the audit, if any, chargeable extra on actual basis, payable to M/s. S. V. Vhatte & Associates, Cost Accountants (Membership No: 7501 Firm Registration No. 100280) who have been appointed as Cost Auditors by the Board of Directors of the Company, to conduct cost audit of the cost records of the Company for the Financial Year ending March 31, 2027.

RESOLVED FURTHER THAT the Board of Directors (including any committee thereof) be and are hereby authorized to do or to authorize any person to do all such acts, deeds, matters and things as may be considered necessary, relevant, usual, customary, proper and/or expedient for giving effect to this resolution and for matters connected therewith or incidental thereto.”

- TO APPROVE THE PAYMENT OF REMUNERATION PAID TO THE EXECUTIVE DIRECTORS IN EXCESS OF THE LIMITS SPECIFIED UNDER SECTION 197 AND SCHEDULE V OF THE COMPANIES ACT, 2013 FOR THE FINANCIAL YEAR 2025-26**

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

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198, and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V thereto and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, the approval of the members of the Company be and is hereby accorded to ratify, confirm, and approve the payment of remuneration made to the Executive Directors (including Whole-time Directors and Managing Director) of the Company for the Financial Year 2025-26, which is in excess of the limits specified under Section 197 read with Schedule V of the Companies Act, 2013, due to the inadequacy or absence of profits during the said financial year, as calculated in accordance with the applicable provisions of the Act.

RESOLVED FURTHER THAT any Director and/or Key Managerial Personnel of the Company be and are hereby severally authorized to take all such steps as may be necessary for obtaining requisite approvals, statutory or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and execute all applications, documents, writings and filings as may be required on behalf of the Company, and generally to do all such acts, deeds and things as may be necessary, proper or expedient for giving effect to this resolution.”

6. **TO APPROVE THE PAYMENT OF REMUNERATION TO MR. YATIN S. SHAH, CHAIRMAN AND MANAGING DIRECTOR, IN THE EVENT OF INADEQUACY OR ABSENCE OF PROFITS FOR THE FINANCIAL YEAR 2026-27**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), and based on the recommendation of the Audit Committee, the Nomination and Remuneration Committee and approval of the Board of Directors, the approval of the members of the Company be and is hereby accorded to pay remuneration to Mr. Yatin S. Shah (DIN: 00318140), Chairman and Managing Director of the Company, for the Financial Year 2026-27, which may be in excess of the limits specified under Section 197 and Schedule V of the Companies Act, 2013, including remuneration payable in the event of inadequacy or absence of profits during the said financial year.

RESOLVED FURTHER THAT any Executive Director and/or the Company Secretary of the Company be and are hereby severally authorized to take all such steps as may be necessary, proper or expedient to give effect to this resolution, including but not limited to filing of requisite forms with the Registrar of Companies, and to do all such acts, deeds, matters and things as may be necessary or incidental thereto.”

7. **TO APPROVE THE PAYMENT OF REMUNERATION TO MR. RAVINDRA R. JOSHI, WHOLE-TIME DIRECTOR AND CHIEF FINANCIAL OFFICER, IN THE EVENT OF INADEQUACY OR ABSENCE OF PROFITS FOR THE FINANCIAL YEAR 2026-27**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Appointment and

Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and based on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, the approval of the members of the Company be and is hereby accorded to pay remuneration to Mr. Ravindra R. Joshi (DIN: 03338134), Whole-time Director and Chief Financial Officer of the Company, for the Financial Year 2026-27, which may be in excess of the limits specified under Section 197 and Schedule V of the Companies Act, 2013, including remuneration payable in the event of inadequacy or absence of profits during the said financial year.

RESOLVED FURTHER THAT any Executive Director and/or the Company Secretary of the Company be and are hereby severally authorized to take all such steps as may be necessary, proper or expedient to give effect to this resolution, including but not limited to filing of requisite forms with the Registrar of Companies, and to do all such acts, deeds, matters and things as may be necessary or incidental thereto.”

8. **TO APPROVE THE PAYMENT OF REMUNERATION TO MR. KARAN Y. SHAH, WHOLE-TIME DIRECTOR, IN THE EVENT OF INADEQUACY OR ABSENCE OF PROFITS FOR THE FINANCIAL YEAR 2026-27**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), and based on the recommendation of the Audit Committee, the Nomination and Remuneration Committee and approval of the Board of Directors, the approval of the members of the Company be and is hereby accorded to pay remuneration to Mr. Karan Y. Shah (DIN: 07985441), Whole-time Director of the Company, for the Financial Year 2026-27, which may be in excess of the limits specified under Section 197 and Schedule V of the Companies Act, 2013, including remuneration payable in the event of inadequacy or absence of profits during the said financial year.

RESOLVED FURTHER THAT any Executive Director and/or the Company Secretary of the Company be and are hereby severally authorized to take all such steps as may be necessary, proper or expedient to give effect

to this resolution, including but not limited to filing of requisite forms with the Registrar of Companies, and to do all such acts, deeds, matters and things as may be necessary or incidental thereto.”

By the Order of the Board of Directors
For **Precision Camshafts Limited**

Yatin S. Shah

Chairman and Managing Director
DIN: 00318140

Date: May 22, 2026

Place: Mangalwedha

CIN : L24231PN1992PLC067126

Website : www.pclindia.in

E-mail ID: cs@pclindia.in

Registered Office

D-5 Chincholi, MIDC, Solapur-413255,
Maharashtra, India

Phone: +91 9168646531/32/33

Corporate Office:

3rd Floor, “Kohinoor B Zone Baner”,

Mumbai – Bangalore Highway, Baner, Pune – 411045

Phone: -020-25673050

NOTES:

1. For holding general meetings through VC/OAVM, the Ministry of Corporate Affairs (“MCA”) vide General Circular dated September 22, 2025, read with previous circulars issued by MCA in this regard (collectively referred to as “MCA Circulars”) read with other circulars issued by SEBI in this regard (collectively referred to as “SEBI Circulars”), the Companies are allowed to hold Annual General Meeting (“AGM”) through VC or OAVM, without the physical presence of Members at a common venue. Hence, in compliance with the said circulars and provisions of the Companies Act, 2013 (the “Act”) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), the AGM of the Company is being held through VC/OAVM.
2. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 (the “Act”), setting out the material facts for each item of special business mentioned in items enumerated above of the Notice to be transacted at the AGM is annexed and forms an integral part of the Notice.
3. In terms of the MCA and SEBI Circulars, physical attendance of the Members to the AGM venue is not required and general meeting be held through VC/OAVM. Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
4. In terms of the MCA and SEBI Circulars, the AGM is conducted through VC/OAVM, and since physical attendance of member is dispensed with, there is no requirement of appointment of proxies. Therefore, the facility for appointment of Proxy by the Members is not available for this AGM and hence Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.
5. In accordance with the Secretarial Standard – 2 on General Meetings issued by the Institute of Company Secretaries of India (“ICSI”), read with clarification/guidance note on applicability of Secretarial Standards – 1 and 2, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be deemed to be the venue of the AGM.
6. If the final dividend, as recommended by the Board of Directors, is approved at the AGM, payment of such dividend subject to deduction of Tax at Source (TDS) will be made within the statutory time limit. As it is important for the Company to receive the relevant information from members to determine the rate of tax deduction, the members are requested to furnish relevant documentation in the prescribed manner on

the portal of Registrar and Transfer Agent (“RTA”) on or before cut-off date i.e. **Thursday, July 23, 2026**. The applicable TDS rate for dividends and documents to be furnished by each category of members is given in the **Annexure II**. The format of relevant documents can be downloaded at [MUFG Intime India Private Limited](#). The relevant documents can be uploaded on the RTA’s portal at [MUFG Intime India Private Limited](#). The information given in the Annexure may not be exhaustive and the members should evaluate on their own about the category for which they should furnish the documents. In absence of all the relevant documents, the Company shall determine TDS rate based on information available with the RTA (for shares held in physical form) and the Depository Participants (“DPs”) (for shares held in dematerialized form). Please note that the duly completed & signed documents should be uploaded on the portal of the RTA on or before July 22, 2026. Ambiguous, incomplete and/or unsigned forms and declarations will not be considered by the Company. No communication on the tax determination/deduction shall be considered after the above-mentioned date & time. Members are also requested to update changes in their Residential Status, if any, with the RTA (for shares held in physical form) & the DPs (for shares held in dematerialized form), along with the supporting documents. If the Permanent Account Number (“PAN”) is not as per the database of the Income-tax portal, it would be considered as an invalid PAN. Further, individual members are requested to link their Aadhaar number with the PAN. In case, TDS is deducted at a higher rate in the absence of receipt of the specified details/documents, you would still have the option of claiming refund of the excess tax paid at the time of filing your income tax return, only in case your valid PAN is registered with the RTA (for shares held in physical form) and the DPs (for shares held in dematerialized form). No claim shall lie against the Company for such taxes deducted. Members should note that any document/form not uploaded on the portal will not be considered for the purpose of processing and shall be rejected, therefore, it should be uploaded on the portal only. In case of any queries, please write to us at tds.dividend@pclindia.in

7. SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021 (subsequently amended by Circular Nos. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated December 14, 2021, SEBI/HO/MIRSD/MIRSD-PoD1/P/CIR/2023/37 March 16, 2023 and SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 November 17, 2023) has

- mandated that with effect from April 01, 2024, dividend to security holders (holding securities in physical form), shall be paid only through electronic mode. Such payment shall be made only after furnishing the PAN, choice of nomination, contact details including mobile number, bank account details and specimen signature.
8. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 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.
9. 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.
10. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and relevant MCA circulars and Regulation 44 of SEBI Listing Regulations, 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 National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency.
11. Members holding shares in dematerialized mode are requested to intimate all changes pertaining to their bank details, ECS mandates, email addresses, nominations, power of attorney, change of address/name etc. to their Depository Participant (DP) only and not to the Company or its Registrar and Transfer Agent. Any such changes effected by the DPs will automatically reflect in The Company’s subsequent records.
12. The Company’s Registrar and Transfer Agents for its Share Registry work (physical and electronic) are MUFG Intime India Private Limited (Block No. 202, Akshay Complex, 2nd floor, near Ganesh Temple, Off Dhole Patil Road, Pune - 411 001).
13. Members can avail of the nomination facility by filing Form SH-13, as prescribed under Section 72 of the Act and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, with the Company.

14. The Board of Directors, in their meeting held on May 22, 2026, have appointed Mr. Jayavant B. Bhavne, Proprietor of M/s J. B. Bhavne and Co., Company Secretaries, Pune as the scrutinizer for conducting the E-voting process in a fair and transparent manner.

ELECTRONIC DISPATCH OF NOTICE AND ANNUAL REPORT AND PROCESS FOR REGISTRATION OF EMAIL ID FOR OBTAINING COPY OF ANNUAL REPORT:

15. In accordance with the General Circular No. 20/2020 dated May 05, 2020, General Circular No. 02/2021 dated January 13, 2021 and General Circular No. 10/2022 dated December 28, 2022 issued by MCA and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 and SEBI/HO/CFD/PoD2/P/CIR/2023/4 dated January 05, 2023 issued by SEBI, the financial statements (including Report of Board of Directors, Auditor’s report or other documents required to be attached therewith), including the Notice of AGM are being sent only in electronic mode to Members whose e-mail address is registered with the Company/Registrar and Transfer Agent (“RTA”) or Depository Participant(s) (“DP”). The Company will not be dispatching physical copies of such statements and Notice of AGM to any member.
16. Members are requested to check that the correct account number has been recorded with the Depository. Members holding shares in electronic form are requested to intimate any change in their addresses, e-mail IDs, signature(s) or bank mandates to their respective DPs with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to intimate such changes to the RTA of the Company by furnishing Form No. ISR-1 and other forms pursuant to SEBI Master Circular No. SEBI/HO/MIRSD/SECFATF/P/CIR/2023/169 dated October 12, 2023.
17. In order to increase the efficiency of the voting process and pursuant to SEBI circular no. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024, all individual Members holding shares in demat mode can now cast their vote by way of a single login credential, through either their demat accounts / websites of Depositories / DPs thereby not only facilitating seamless authentication but also ease and convenience of participating in the e-voting process. Members are advised to update their mobile number and e-mail ID with their Depository Participants to access this facility.

18. A copy of the Notice of this AGM along with Annual Report for the Financial Year 2025-26, is available on the website of the Company at <https://www.pclindia.in> and on the website of Stock Exchanges i.e. BSE Limited (BSE) and The National Stock Exchange of India Limited (NSE) at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL at www.evoting.nsdl.com

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER: -

The Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all the resolutions set forth in this Notice. [Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI Listing Regulations and SEBI

Circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020, in relation to “e-voting Facility Provided by Listed Entities”]

The remote e-voting period begins on Monday, July 27, 2026, at 9:00 A.M. and ends on Wednesday, July 29, 2026, at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Thursday, July 23, 2026, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Thursday, July 23, 2026.

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 meetings for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 09, 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.	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 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. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Type of shareholders	Login Method
	<ol style="list-style-type: none"> 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	<ol style="list-style-type: none"> Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 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. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or 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
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 etc.

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

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

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

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

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to jbbhave@gmail.com with a copy marked to evoting@nsdl.com. Institutional 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.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to Ms. Pallavi Mhatre at evoting@nsdl.com

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to cs@pclindia.in.
2. In case shares are held in demat mode, please provide DPID-CLID (16-digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to cs@pclindia.in. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively, shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 09, 2023, on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

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

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

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

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

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

PROCEDURE FOR SPEAKER REGISTRATION, SUBMISSION OF QUESTIONS / QUERIES:

1. As the AGM is being conducted through VC/OAVM, for the smooth conduct of proceedings of the AGM, members are requested to express their views/send their queries in advance mentioning their name, demat account number / folio number, email id, mobile number, their queries/views/questions at cs@pclindia.in.
2. Members holding shares as on the cut-off date i.e. **Thursday, July 23, 2026**, and who would like to speak or express their views or ask questions during the AGM may register themselves as speakers by sending an email to cs@pclindia.in during, **Monday, July 27, 2026, at 9:00 A.M. upto Wednesday, July 29, 2026, at 05:00 P.M.** Those members who have registered themselves as speaker will only be allowed to speak/express their views/ask questions during the AGM.
3. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

By the Order of the Board of Directors
For **Precision Camshafts Limited**

Yatin S. Shah
Chairman and Managing Director
DIN: 00318140

Date: May 22, 2026
Place : Mangalwedha

EXPLANATORY STATEMENT AS PER SECTION 102 OF THE COMPANIES ACT, 2013**Item No. 4****Ratification of Remuneration to M/S. S. V. Vhatte & Associates, Cost Accountants as Cost Auditor:**

The Board of Directors of the Company in their meeting held on May 22, 2026, approved the appointment and remuneration of M/s S. V. Vhatte & Associates, Cost Accountants [Firm Registration No.: 100280; Membership No. 7501] as the Cost Auditors of the Company to conduct the audit of the cost records of the Company for the Financial Year 2026-27 at a remuneration of ₹ 1,50,000/- (Rupees One Lakhs Fifty Thousand only) plus taxes thereon and out-of-pocket expenses to be incurred during the Audit, subject to the approval of members at General Meeting.

In terms of the provisions of Section 148 (3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is to be ratified by the members of the Company.

The Directors recommend that the remuneration payable to the Cost Auditor in terms of the resolution set out at Item No. 4 of the Notice be ratified by the members.

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

The Board recommends the Resolution set out in Item No. 4 for approval of members as ordinary resolution.

Item No. 5**To approve the payment of remuneration paid to the Executive Directors in excess of the limits specified under Section 197 and Schedule V of the Companies Act, 2013 for the Financial Year 2025-26.**

During the Financial Year 2025-26, the Company's profits, calculated in accordance with Section 198 of the Companies Act, 2013, were lower than expected due to challenging business conditions and market factors. As a result, the remuneration paid to the Executive Directors, though within the limits approved by the Members at the time of their appointment/re-appointment, exceeded the percentage limits prescribed under Section 197 of the Act.

Pursuant to Section 197 read with Part II of Schedule V of the Companies Act, 2013, where a company has inadequate profits, remuneration may be paid to its managerial personnel beyond the limits specified under Section 197, subject to the approval of the Members by way of a Special Resolution.

The Nomination and Remuneration Committee and the Board of Directors have reviewed the remuneration paid to the Executive Directors and are of the view that the same is reasonable and commensurate with their responsibilities and contribution to the Company's operations and performance. Accordingly, the approval of the Members is sought to ratify and confirm the remuneration paid during FY 2025-26.

None of the Directors, Key Managerial Personnel of the Company, or their relatives, except the Executive Directors to whom the remuneration relates, are concerned or interested, financially or otherwise, in this Resolution.

Item No. 6**To approve the payment of remuneration to Mr. Yatin S. Shah, Chairman and Managing Director, in the event of inadequacy or absence of profits for the Financial Year 2026-27**

Mr. Yatin S. Shah (DIN: 00318140) was re-appointed as the Chairman and Managing Director of the Company by the Members through a Special Resolution passed via Postal Ballot on May 09, 2022. The terms of his appointment include remuneration up to an overall limit of ₹3,82,50,000/- (Rupees Three Crores Eighty-Two Lakhs Fifty Thousand only) per annum.

Considering the business environment and the possibility of inadequate profits during the Financial Year 2026-27, the net profits of the Company, computed in accordance with Section 198 of the Companies Act, 2013, may not be sufficient to support the remuneration payable within the limits prescribed under Section 197 of the Act.

Mr. Yatin s. Shah is a Promoter of the Company and has played a significant role in its growth and operations. His experience, industry knowledge and leadership continue to be valuable for the Company.

Accordingly, pursuant to Section 197 read with Part II of Schedule V of the Companies Act, 2013, the Board of Directors, based on the recommendation of the Audit Committee and the Nomination and Remuneration Committee, seeks the approval of the Members by way of a Special Resolution to pay remuneration, including remuneration in the event of inadequacy of profits up to ₹3,82,50,000/- per annum or such other higher amount as may be decided by the Board of Directors on the recommendation of the Nomination and Remuneration Committee, to Mr. Yatin S. Shah for the Financial Year 2026-27, which may be in excess of the limits prescribed under Section 197 and Schedule V of the Act.

Disclosures as Required under Section II of Part II of Schedule V of the Act:**I. General Information:**

1.	Nature of the Industry	Manufacturing and supply of high-precision Camshafts
2.	Date or expected date of commencement of commercial production	The Company commenced its commercial operations in 1992 and has been engaged in manufacturing activities since then.
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable
4.	Financial performance based on given indicators	Revenue from Operations for FY 2025-26: ₹57,754.77 Lakhs Net Profit for FY 2025-26: ₹578.39 Lakhs
5.	Foreign investments or collaborations, if any.	The Company has a wholly owned subsidiary, PCL NL. Apart from this, there are no material foreign collaborations.

II. Information about the Director:

1.	Background details	Mr. Yatin S. Shah is the Promoter, Chairman and Managing Director of the Company. He has over 30 years of experience in the automotive component industry and possesses extensive expertise in business management, strategic planning, marketing, sales, and corporate administration.
2.	Past remuneration	Mr. Yatin S. Shah was paid Remuneration of ₹ 3,13,81,055/- in FY 2025-26.
3.	Recognition or awards	Mr. Shah has received various recognitions and industry accolades during his professional career.
4.	Job profile and his suitability	As Chairman and Managing Director, Mr. Shah is responsible for the overall management and affairs of the Company, including strategic planning, business development, operational oversight and stakeholder engagement. Considering his experience and long association with the Company, he is well suited for the position.
5.	Remuneration proposed	Up to an overall limit of ₹3,82,50,000/- (Rupees Three Crores Eighty-Two Lakhs Fifty Thousand only).
6.	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The proposed remuneration is commensurate with the size and scale of the Company's operations, the responsibilities entrusted to Mr. Shah, and the remuneration levels prevailing in comparable companies in the automotive component industry.
7.	Pecuniary relationship directly or indirectly with the Company, or relation with the managerial personnel, if any.	Mr. Shah is a Promoter and shareholder of the Company. Apart from the remuneration payable to him and dividend received as a shareholder, he is related to Mr. Karan Y. Shah, Whole-time Director, and Mrs. Suhasini Y. Shah, Non-Executive Director of the Company.

III. Other information:

1.	Reasons of loss or inadequate profits	During FY 2025-26, the Company witnessed a decline in revenue compared to the previous financial year. Profitability was impacted by volatility in raw material prices, higher logistics and freight costs, and increased energy costs arising from global geopolitical developments. These factors adversely affected operating margins and resulted in inadequate profits.
----	---------------------------------------	--

2.	Steps taken or proposed to be taken for improvement	The Company continues to focus on operational efficiency, cost optimization, enhanced capacity utilization, automation of manufacturing processes, product diversification, and strengthening relationships with existing and new customers. The Company is also expanding its presence in emerging automotive segments, including components for electric vehicle applications, while maintaining a strong focus on quality, productivity, and value-added products.
3.	Expected increase in productivity and profits in measurable terms	The initiatives undertaken by the Company are expected to improve operational efficiencies, optimize costs, and enhance capacity utilization. Subject to market conditions and customer demand, the Company expects gradual improvement in profitability over the next 12 to 18 months.

Item No. 7**To approve the payment of remuneration to Mr. Ravindra R. Joshi, Whole-Time Director and Chief Financial Officer, in the event of inadequacy or absence of profits for the Financial Year 2026-27**

The Members of the Company, through a Special Resolution passed via Postal Ballot on October 18, 2023, approved the remuneration payable to Mr. Ravindra R. Joshi (DIN: 03338134), Whole-time Director and Chief Financial Officer, up to an overall limit of ₹3,14,50,000/- (Rupees Three Crores Fourteen Lakhs Fifty Thousand only) per annum.

Considering the prevailing business environment and the possibility of inadequate profits during the Financial Year 2026-27, the net profits of the Company, computed in accordance with Section 198 of the Companies Act, 2013, may not be sufficient to support the remuneration payable within the limits prescribed under Section 197 of the Act.

Mr. Joshi has extensive experience in finance, corporate management and strategic planning. As Whole-time Director and Chief Financial Officer, he is responsible for overseeing the financial affairs of the Company, including financial planning, treasury management, internal controls, budgeting, statutory compliance and risk management. His continued guidance and expertise contribute significantly to the Company's operations and long-term growth.

Accordingly, pursuant to Section 197 read with Part II of Schedule V of the Companies Act, 2013, the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, seeks the approval of the Members by way of a Special Resolution to pay remuneration including remuneration in the event of inadequacy of profits up to ₹3,14,50,000/- (Rupees Three Crores Fourteen Lakhs Fifty Thousand only) or such other higher amount as may be decided by the Board of Directors on the recommendation of the Nomination and Remuneration Committee per annum to Mr. Ravindra R. Joshi for the Financial Year 2026-27, which may be in excess of the limits prescribed under Section 197 and Schedule V.

Disclosures as Required under Section II of Part II of Schedule V of the Act:**I. General Information:**

1.	Nature of the Industry	Manufacturing and supply of high-precision Camshafts
2.	Date or expected date of commencement of commercial production	The Company commenced its commercial operations in 1992 and has been engaged in manufacturing activities since then.
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable
4.	Financial performance based on given indicators	Revenue from Operations for FY 2025-26: ₹57,754.77 Lakhs Net Profit for FY 2025-26: ₹578.39 Lakhs
5.	Foreign investments or collaborations, if any.	The Company has a wholly owned subsidiary, PCL NL. Apart from this, there are no material foreign collaborations.

II. Information about the Director:

1.	Background details	Mr. Ravindra R. Joshi has over 35 years of experience in finance, accounting, mergers and acquisitions, profitability management and corporate governance. He has played a key role in the Company's expansion initiatives, financial management and cost optimization efforts. He has also demonstrated strong cross-functional leadership by overseeing procurement and production functions and was instrumental in the successful implementation of the SAP ERP system across the organization.
2.	Past remuneration	Mr. Ravindra R. Joshi was paid Remuneration of ₹ 2,77,13,398 /- in FY 2025-26.
3.	Recognition or awards	Mr. Joshi has received various recognitions and industry accolades during his professional career.
4.	Job profile and his suitability	As Whole-time Director and Chief Financial Officer, he is responsible for the overall financial management of the Company, including treasury operations, financial planning, risk management and regulatory compliance. Considering his experience and expertise, he is well suited for the position.
5.	Remuneration proposed	Up to an overall limit of ₹3,14,50,000/- (Rupees Three Crores Fourteen Lakhs Fifty Thousand only)
6.	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The proposed remuneration is commensurate with the size and scale of the Company's operations, the responsibilities entrusted to Mr. Joshi, and the remuneration levels prevailing for similar positions in comparable companies in the automotive component and manufacturing industry.
7.	Pecuniary relationship directly or indirectly with the Company, or relation with the managerial personnel, if any.	He has no direct or indirect personal or promotional pecuniary relationship with the Company or any other managerial personnel, except for the receipt of his employment remuneration and a nominal shareholding.

III. Other information:

1.	Reasons of loss or inadequate profits	During FY 2025-26, the Company witnessed a decline in revenue compared to the previous financial year. Profitability was impacted by volatility in raw material prices, higher logistics and freight costs, and increased energy costs arising from global geopolitical developments. These factors adversely affected operating margins and resulted in inadequate profits.
2.	Steps taken or proposed to be taken for improvement	The Company continues to focus on operational efficiency, cost optimization, enhanced capacity utilization, automation of manufacturing processes, product diversification, and strengthening relationships with existing and new customers. The Company is also expanding its presence in emerging automotive segments, including components for electric vehicle applications, while maintaining a strong focus on quality, productivity, and value-added products.
3.	Expected increase in productivity and profits in measurable terms	The initiatives undertaken by the Company are expected to improve operational efficiencies, optimize costs, and enhance capacity utilization. Subject to market conditions and customer demand, the Company expects gradual improvement in profitability over the next 12 to 18 months.

Item No. 8**To approve the payment of remuneration to Mr. Karan Y. Shah, Whole-Time Director, in the event of inadequacy or absence of profits for the Financial Year 2026-27**

Mr. Karan Y. Shah (DIN: 07985441) was re-appointed as a Whole-time Director of the Company at the 31st Annual General Meeting held on July 26, 2023, with remuneration not exceeding ₹78,00,000/- (Rupees Seventy-Eight Lakhs only) per annum.

Considering the prevailing business environment and the possibility of inadequate profits during the Financial Year 2026-27, the net profits of the Company, computed in accordance with Section 198 of the Companies Act, 2013, may not be sufficient to support the remuneration payable within the limits prescribed under Section 197 of the Act.

Mr. Karan Y. Shah is associated with the Company's business operations and is actively involved in business development, operational management and strategic initiatives. He contributes towards strengthening customer relationships, improving operational efficiencies and supporting the Company's growth objectives.

Accordingly, pursuant to Section 197 read with Part II of Schedule V of the Companies Act, 2013, the Board of Directors, based on the recommendation of the Audit Committee and the Nomination and Remuneration Committee, seeks the approval of the Members by way of a Special Resolution to pay remuneration including remuneration in the event of inadequacy of profits up to ₹78,00,000/- (Rupees Seventy-Eight Lakhs only) or such other higher amount as may be decided by the Board of Directors on the recommendation of the Nomination and Remuneration Committee per annum to Mr. Karan Y. Shah, which may be in excess of the limits prescribed under Section 197 and Schedule V of the Act.

Disclosures as Required under Section II of Part II of Schedule V of the Act:**I. General Information:**

1.	Nature of the Industry	Manufacturing and supply of high-precision Camshafts
2.	Date or expected date of commencement of commercial production	The Company commenced its commercial operations in 1992 and has been engaged in manufacturing activities since then.
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable
4.	Financial performance based on given indicators	Revenue from Operations for FY 2025-26: ₹57,754.77 Lakhs Net Profit for FY 2025-26: ₹578.39 Lakhs
5.	Foreign investments or collaborations, if any.	The Company has a wholly owned subsidiary, PCL NL. Apart from this, there are no material foreign collaborations.

II. Information about the Director:

1.	Background details	Mr. Karan Y. Shah holds a Bachelor's degree in Mechanical Engineering from Purdue University, USA, and a Master of Business Administration from Harvard Business School, USA. He has experience in business development, strategic planning and engineering, and contributes to the Company's business growth, operational excellence and long-term strategic initiatives.
2.	Past remuneration	Mr. Karan Y. Shah was paid Remuneration of ₹ 70,94,408 /- in FY 2025-26.
3.	Recognition or awards	Mr. Shah has received various recognitions and industry accolades during his professional career.
4.	Job profile and his suitability	As Whole-time Director, Mr. Karan Y. Shah is responsible for business development, strategic planning, operational excellence and implementation of growth initiatives. He is actively involved in strengthening customer relationships, exploring new business opportunities and supporting the Company's long-term growth strategy. Considering his educational background, industry knowledge and contribution to the Company's operations, he is well suited for the position.

5.	Remuneration proposed	Up to an overall limit of ₹78,00,000/- (Rupees Seventy-Eight Lakhs only)
6.	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The proposed remuneration is commensurate with the size and scale of the Company's operations, the responsibilities entrusted to Mr. Shah, and the remuneration levels prevailing for similar positions in comparable companies in the automotive component and manufacturing industry.
7.	Pecuniary relationship directly or indirectly with the Company, or relation with the managerial personnel, if any.	Mr. Karan Y. Shah is a Promoter and shareholder of the Company. Apart from the remuneration payable to him and dividend received as a shareholder, he is related to Mr. Yatin S. Shah, Chairman and Managing Director, and Mrs. Suhasini Y. Shah, Non-Executive Director of the Company.

III. Other information:

1.	Reasons of loss or inadequate profits	During FY 2025-26, the Company witnessed a decline in revenue compared to the previous financial year. Profitability was impacted by volatility in raw material prices, higher logistics and freight costs, and increased energy costs arising from global geopolitical developments. These factors adversely affected operating margins and resulted in inadequate profits.
2.	Steps taken or proposed to be taken for improvement	The Company continues to focus on operational efficiency, cost optimization, enhanced capacity utilization, automation of manufacturing processes, product diversification, and strengthening relationships with existing and new customers. The Company is also expanding its presence in emerging automotive segments, including components for electric vehicle applications, while maintaining a strong focus on quality, productivity, and value-added products.
3.	Expected increase in productivity and profits in measurable terms	The initiatives undertaken by the Company are expected to improve operational efficiencies, optimize costs, and enhance capacity utilization. Subject to market conditions and customer demand, the Company expects gradual improvement in profitability over the next 12 to 18 months.

By the Order of the Board of Directors
For **Precision Camshafts Limited**

Yatin S. Shah
Chairman and Managing Director
DIN: 00318140

Date: May 22, 2026
Place : Mangalwedha

ANNEXURE II – TDS ON DIVIDEND (Applicable for the Financial Year 2025-26)

Pursuant to the provisions of the Income-tax Act, 1961 ("the Act"), the Company is required to withhold taxes at the prescribed rates at the time of payment of dividend. The applicable tax deduction at source (TDS) provisions for FY 2025-26 are summarized below:

1. Applicable TDS Rates on Dividend:

Shareholder Category	TDS Rate	Conditions
Resident Individual	10%	If valid PAN is furnished and aggregate dividend exceeds ₹10,000 during FY 2025-26
	20%	If PAN not furnished or is invalid
Resident Non-Individual (Companies, Firms, HUF, AOP, Trusts)	10%	With valid PAN
	20%	Without PAN or invalid PAN
Non-Resident Members (Including FPIs)	20%	Plus applicable surcharge and health & education cess. DTAA rate may apply if documents are submitted (see below)

Note: No TDS is applicable for resident individuals if total dividend paid or likely to be paid during FY 2025-26 does not exceed ₹10,000.

2. Submitting Forms / Declaration to Claim Exemption or Lower TDS

In order to claim exemption from TDS or avail lower TDS or benefit of DTAA provisions, shareholders must upload the requisite documents on the portal of the Registrar and Share Transfer Agent (RTA) at: <https://in.mpms.mufg.com/> under the 'Forms for Tax Exemption on Dividend' tab.

2.1 For Resident Individual Shareholders:

- Form 15G (for individuals below 60 years) or 15H (for individuals aged 60 or above), if applicable;
- Valid PAN;
- Any other documents as prescribed under the Act for lower or nil TDS.

2.2 For Resident Non-Individuals (Companies, HUFs, Trusts, Firms):

- Valid PAN;
- Lower withholding tax certificate under Section 197, if available.

2.3 For Mutual Funds:

- Valid PAN;
- SEBI Registration Certificate;
- Declaration that the income is exempt under Section 10(23D).

2.4 For Insurance Companies:

- Valid PAN;
- IRDAI Registration Certificate;

- Declaration confirming beneficial ownership of shares.

2.5 For Alternative Investment Funds (AIFs):

- Valid PAN;
- SEBI registration as Category I or II AIF;
- Declaration under Section 10(23FBA).

2.6 For Non-Resident Shareholders (including FPIs):

To avail the benefit of a lower TDS rate under the Double Taxation Avoidance Agreement (DTAA), non-resident shareholders must provide the following self-attested documents:

- PAN (mandatory as per Rule 37BC, even for DTAA);
- Tax Residency Certificate (TRC) for FY 2025-26, issued by the foreign revenue authority;
- Form 10F, duly filled and signed;
- Self-declaration confirming:
 - Beneficial ownership of the shares;
 - No Permanent Establishment (PE) in India;
 - Eligibility under the specific DTAA;
- Any other documents as prescribed under the Act.

The Company is not obligated to apply DTAA benefits unless complete and satisfactory documentation is provided and reviewed by the Company.

3 Dividend Payable to Person Other Than Registered Member (Record Date Consideration)

If the dividend income is assessable in the hands of a person other than the registered member, the registered shareholder must furnish the following details on or before Thursday, July 23, 2026:

- Name, PAN, and Address of the beneficial owner;
- Beneficiary account number (16 digits);
- Number of shares held;
- Reason for crediting TDS to another person.

Important Notes:

- PAN must be linked with Aadhaar to be valid (per Rule 114AAA).
- TDS is deducted at the time of payment or credit, whichever is earlier.
- All supporting documents must be submitted latest by Thursday, July 23, 2026, to be considered for withholding tax purposes.

Please ensure that the relevant documents are submitted on time to avoid excess tax deduction.



where **Passion**
meets **Performance**

PRECISION CAMSHAFTS LIMITED

Registered Office:

D-5, Chincholi M.I.D.C.
Solapur - 413 255, Maharashtra, India

Manufacturing Facilities

D - 5, 6, 7, 7/1 MIDC, Chincholi
Solapur - 413 255, Maharashtra, India
Phone: 9168646531/32/33
E - 90, 102 / 103, MIDC, Akkalkot Road
Solapur - 413 006
Phone: 9168646536 / 37