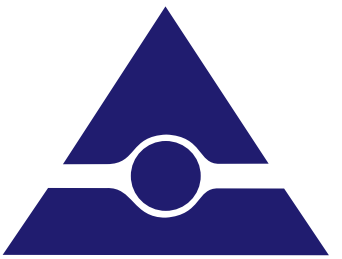
Axles India Limited



FORTY FOURTH ANNUAL REPORT
2025-26

Axles India Limited

FORTY FOURTH ANNUAL REPORT

Registered Office
21, Patullos Road, Chennai 600 002
CIN : U27209TN1981PLC008630
Website Address : www.axlesindia.com

Factories
Singaperumal Koil Road
Sriperumbudur, Tamil Nadu 602 105

Cheyyar Taluk, Tiruvannamalai District
Tamil Nadu 604 410

Adityapur Region, Purbi Singhbhum District,
Jharkhand - 832 106

Banker
HDFC Bank Limited

Registrars & Share Transfer Agents
Cameo Corporate Services Limited
"Subramanian Building"
1, Club House Road, Chennai 600 002
Phone: 044 - 40020780 /706 /741
E-mail : investor@cameoindia.com

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Board of Directors

S Ram (Chairman)

V Madhavan (Managing Director)

Srivats Ram

Nivedita Ram

Sriram Viji

Priyamvada Ramkumar

Audit Committee

S Ram (Chairman)

V Madhavan

Nivedita Ram

Stakeholders Relationship Committee

S Ram (Chairman)

V Madhavan

Srivats Ram

Corporate Social Responsibility Committee

S Ram (Chairman)

V Madhavan

Nivedita Ram

Auditors

Price Waterhouse & Co Chartered Accountants LLP
Chartered Accountants
7th & 10th Floor, Menon Eternity
165, St. Mary's Road
Alwarpet, Chennai 600 018

Chief Financial Officer

Y Krishnamoorthy

Company Secretary

C Bharathi

Notice to Shareholders

NOTICE is hereby given that the Forty Fourth (44th) Annual General Meeting of the Company will be held on Monday, June 1, 2026 at 10.30 A.M through Video Conference, to transact the following items of business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements for the year ended March 31, 2026 and the Report of the Directors and the Auditors thereon.
2. To declare Dividend for the financial year 2025-26.
3. To elect a Director in the place of Mr. S Ram (DIN 00018309) who retires by rotation and being eligible offers himself for re-election.

SPECIAL BUSINESS

4. Re-appointment of Mr. V Madhavan as Managing Director of the Company

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

   "**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013, including statutory modification(s) or re-enactment thereof, for the time being in force, the approval of the shareholders of the Company be and is hereby accorded for the re-appointment of Mr. V Madhavan (DIN 07548156), as Managing Director of the Company within the meaning of Sections 2(54) and 203 of the Companies Act, 2013.

   RESOLVED FURTHER THAT the appointment of Mr. V Madhavan as Managing Director shall be for a period of 5 (Five) years with effect from July 6, 2026 at a remuneration as set out in the Explanatory Statement annexed to the Notice convening this meeting with the authority to the Board of Directors to alter and vary such terms of appointment and remuneration during the continuance of his tenure from time to time as they may deem fit, so as to not exceed the limits specified in Schedule V to the Companies Act, 2013, as may be agreed to by the Board of Directors and Mr. V Madhavan.

   RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year during his term of office as Managing Director, Mr. V Madhavan will be paid remuneration not exceeding the limits specified under Section II of Part II of Schedule V to the Companies Act, 2013 (including any statutory modification or re-enactment thereof) or such other limit as may be prescribed by the Central Government from time to time.

   RESOLVED FURTHER THAT Mr. Y Krishnamoorthy, Chief Financial Officer and Mrs. C Bharathi, Company Secretary, be and are hereby severally authorised to do all such acts, deeds and things as deemed necessary, proper and expedient to give effect to the aforesaid resolution including the matters incidental thereto."

5. Appointment of Mr. Sriram Viji as Director of the Company

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

   "RESOLVED THAT pursuant to the provisions of Sections 149, 152, 160 and other applicable provisions of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, Mr. Sriram Viji (DIN- 03630636) who was appointed as an additional Director of the Company with effect from October 24, 2025, and who holds office upto the date of 44th Annual General Meeting in terms of Section 161 of the Act, be and is hereby appointed as a Director of the Company and that he shall be liable to retire by rotation."

By order of the Board
S Ram
Chairman
DIN: 00018309

Regd. Office:
21, Patullos Road Chennai 600 002
May 4, 2026

Notes:

1. The Ministry of Corporate Affairs ("MCA"), has vide their circulars dated, April 08, 2020, April 13, 2020, May 05, 2020, January 13, 2021, May 05, 2022, December 28, 2022, September 25, 2023, September 19, 2024 read with September 22, 2025 (collectively referred to as "MCA Circulars") permitted to holding the Annual General Meeting ("AGM") through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM"), without the physical presence of the shareholders at a common venue. In compliance with the provisions of the Companies Act, 2013 ("the Act"), and the MCA Circulars, the AGM of the Company is being held through VC / OAVM.
2. The explanatory statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013 in respect of special business to be transacted at the meeting under item nos. 4 and 5 is provided in Page Nos. 7 to 8.
3. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of shareholders has been dispensed with. Accordingly, the facility for appointment of proxies by the shareholders will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. Pursuant to MCA Circulars, the facility to appoint proxy to attend and cast vote for the shareholders is not available for this AGM. However, in pursuance of Sections 112 and 113 of the Companies Act, 2013, representatives of the shareholders such as the President of India or the Governor of a State or Body Corporate can attend the AGM through VC / OAVM and cast their votes through e-voting. Corporate shareholders intending to authorize their representatives to participate and vote at the meeting are requested to send a certified copy of the Board resolution / authorization letter to the Company.
5. The shareholders 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 to atleast 1000 shareholders 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.
6. Shareholders attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
7. The Register of Shareholders and Share Transfer Books of the Company will remain closed from May 26, 2026 to June 1, 2026 (both days inclusive) for payment of dividend on equity shares.
8. The dividend, as recommended by the Board of Directors, if declared at the meeting, shall be paid to those members whose name(s) appear in the Register of Members of the Company as on May 25, 2026. In respect of shares held in electronic form, the dividend will be paid on the basis of beneficial ownership as per details furnished by the Depositories for this purpose.

9. Members holding shares in demat form are hereby informed that bank particulars registered against their accounts will be used by the Company for payment of Dividend. Changes in bank details are only to be advised to the Depository Participants by the Members. Members who are holding shares in physical form and desirous of registering bank particulars or changing bank particulars already registered against their respective folios are requested to write to the Company or Registrar & Transfer Agents, M/s. Cameo Corporate Services Limited, “Subramanian Building”, No.1, Club House Road, Chennai – 600 002.

10. Pursuant to the provisions of Section 124(5) and 125 of the Companies Act, 2013, as amended, dividends declared for the financial year ended 2018-19 from the date of declaration of dividend and thereafter, which remain unclaimed for a period of 7 years will be transferred to the Investor Education and Protection Fund of the Central Government (IEPF). Shareholders who have not encashed the dividend warrant(s) so far for the above financial year or any subsequent financial year are requested to make their claim to the Company. All shareholders are requested to claim their dividend on or before October 14, 2026, being the due date for transfer of unpaid / unclaimed dividend to IEPF.

11. Pursuant to the applicable provisions of the Companies Act, 2013 and IEPF Rules, all such shares in respect of which dividend has not been paid or claimed for seven consecutive years are required to be transferred to the Demat account of the IEPF authority.

12. Pursuant to the aforesaid provisions, during the year, the Company has transferred 7993 shares pertaining to the year 2018 to the Demat Account of the IEPF Authority maintained with CDSL, in respect of which dividend had remained unpaid / unclaimed for a consecutive period of seven years.

13. In compliance with the aforesaid provisions of the IEPF Rules, the Company had submitted the corporate action information form of CDSL to its Registrar and Transfer Agents (RTA) for transfer / transmission of the aforesaid shares of the Company to the Demat Account of the IEPF Authority, which were subsequently transferred to the Demat Account of the IEPF Authority on execution of the corporate action by the RTA.

14. The shareholders, whose unclaimed dividends / shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF- 5 (as prescribed by MCA) available on the website at www.mca.gov.in and sending the physical copy of the same duly signed (as per the specimen signature recorded with the Company) along with requisite documents to the Company for verification of the claim.

15. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and MCA Circulars, the Company is providing facility of remote e-voting to its shareholders in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting’s agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

16. The shareholders who have cast their vote by remote e-voting prior to the meeting may also attend the meeting by way of VC / OAVM but shall not be entitled to cast their vote again. The details indicating the process and manner for voting by electronic means, the time, schedule including the time period during which the votes may be cast by remote e-voting, the details of the login ID, the process and manner for generating or receiving the password and for casting of vote in a secure manner are provided to the shareholders. The procedures and instructions for 'remote e-voting', 'attending the meeting through VC / OAVM' and 'e-voting at the meeting' are furnished as part of this Notice. (Please refer page nos. 9 to 13 of the Annual Report).

17. The Board of Directors have appointed M/s. S Dhanapal & Associates LLP, Practicing Company Secretaries, Chennai, as the Scrutinizer for conducting the remote e-voting and voting at the AGM in a fair and transparent manner. The Company has engaged the services of CDSL to provide e-voting facilities enabling the shareholders to cast their vote in a secure manner. The remote e-voting facility will be available at the link www.evotingindia.com during the e-voting period which would commence on May 28, 2026 (Thursday) at 9:00 A.M. (IST) and conclude on May 31, 2026 (Sunday) at 5:00 P.M. (IST). The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder cannot change it subsequently.

18. The Scrutinizer shall submit a Consolidated Scrutinizer's Report of the total votes cast in favour of or against, if any, not later than 48 hours after the conclusion of the meeting. Thereafter, the Results of remote e-voting and e-voting during the 44th AGM shall be declared by the Chairman or a person authorized by him in writing. The Results declared along with the Report of the Scrutinizer shall be placed on the Company's website at www.axlesindia.com.

19. Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of May 25, 2026 may cast their vote electronically.

20. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an e-mail to helpdesk.evoting@cdslindia.com.

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

22. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. Other documents referred to in the notice, if any, will be available for electronic inspection. The members seeking to inspect such documents can send mail to bharathi.c@axlesindia.com.

23. In line with the MCA Circulars, the Notice calling the AGM has been uploaded on the website of the Company at www.axlesindia.com.The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-voting facility and e-voting system during the AGM) at www.evotingindia.com.

24. Pursuant to the provisions of the Income-tax Act, as amended from time to time, dividend income is taxable in the hands of shareholders. Shareholders are requested to refer to the applicable provisions of the Income-tax Act and the relevant Finance Act for the prescribed tax rates applicable to various categories of shareholders.

    The Company is required to deduct tax at source ("TDS") from dividend paid to shareholders at the prescribed rates. However, no tax shall be deducted on dividend payable to a resident individual shareholder if the aggregate dividend paid/payable during Financial Year 2026-27 does not exceed Rs.10,000/- and the shareholder has furnished PAN.

    Further, resident individual shareholders may submit Form 121, subject to fulfilment of conditions prescribed under the Income-tax Act and Rules made thereunder, for non-deduction of tax at source. Form 121 can be downloaded from the weblink https://investors.cameoindia.com and may be submitted/uploaded through the said portal or e-mailed to investors@cameoindia.com on or before 11:59 P.M. IST on May 25, 2026. The facility for uploading the said form is also available on the aforesaid weblink provided by the Company's Registrar and Share Transfer Agent.

    For non-resident shareholders, taxes are required to be withheld in accordance with the provisions of the Income-tax Act and the applicable rates in force. Tax shall generally be deducted at the rate of 20% (plus applicable surcharge and cess) or at such other rate as may be prescribed under the Income-tax Act or applicable Double Taxation Avoidance Agreement ("DTAA").

    Non-resident shareholders may avail beneficial tax rates under the DTAA between India and their country of residence by furnishing the prescribed documents, including Tax Residency Certificate (TRC), Form 41, declaration of beneficial ownership, declaration of no Permanent Establishment in India and such other documents as may be required under the applicable provisions of the Income-tax Act. The aforesaid documents may be submitted by e-mail to investors@cameoindia.com or through the online portal https://wisdom.cameoindia.com on or before 11:59 P.M. IST on May 25, 2026.

    Any clarification required in this regard, you may contact Mr. V. Nagaraj, Manager, Cameo Corporate Services Limited (Ph. No. 044- 40020735). No communication would be accepted from Members after May 25, 2026 regarding the tax withholding matters

25. In compliance with the MCA Circulars, the Annual Report 2025-26 including, the Notice of the 44th AGM and instructions to shareholders for e-voting / attending meeting through VC / OAVM are being sent only through electronic mode to those shareholders whose email addresses are registered with the Company / depositories.

    Shareholders who would like to express their views / ask questions during the meeting may register themselves as a speaker and send their request mentioning their name, demat account number / folio number, e-mail ID, mobile number to bharathi.c@axlesindia.com from May 18, 2026, 9:00 A.M. (IST) to May 22, 2026, 05:00 P.M. (IST) only. The shareholders who have registered themselves as a speaker will only be allowed to express their views / ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No.4

The Board of Directors, subject to the approval of the shareholders of the Company, has re-appointed Mr. V Madhavan (DIN: 07548156) as Managing Director of the Company for a period of five (5) years with effect from July 6, 2026, on the terms and conditions set out below. He shall not be liable to retire by rotation.

The appointment is in accordance with the provisions of Section 196 and other applicable provisions of the Companies Act, 2013:

Salary	Basic pay is Rs.1.19 Crore per annum. Annual increase will be effective from July every year as may be decided by the Board.
Commission	Commission at 0.5% of net profits of the Company for each financial year or part thereof, computed in the manner laid down under the Companies Act, 2013, subject to a minimum of Rs. 60 Lakhs and within the overall limits prescribed under Section 197 of the Companies Act, 2013.

Perquisites and Amenities*

Insurance	Insurance policy as per company rules
Gratuity / Leave Salary / Provident Fund	Payment of Company's contribution to Provident Fund, Gratuity Fund and encashment of leave (at the end of the tenure) shall not be included in the computation of remuneration or ceiling on the perquisites.
Car	Provision of company owned and maintained car and reimbursement of driver pay.
Telephone	Reimbursement of residence telephones

* Perquisites shall be evaluated as per Income Tax Rules, wherever applicable and in the absence of any such rule, the same shall be evaluated at cost.

Minimum Remuneration	Where, in any financial year, during the currency of tenure of the Managing Director, the Company has no profits or its profits are inadequate, it may pay him remuneration by way of salary, allowances, commission and perquisites not exceeding the limits specified in Schedule V to the Companies Act, 2013 or such other limits as may be prescribed by the Government from time to time.

Mr. V Madhavan (DIN: 07548156), aged 57 years, is a Graduate in Mechanical Engineering with a Postgraduate qualification in Operations Management. He has over 35 years of rich experience in the auto components industry.

He was first appointed on the Board of the Company on July 6, 2016. During the financial year ended March 31, 2026, the remuneration paid to Mr. V Madhavan aggregated to Rs. 1.87 Crore. He attended 5 Board Meetings during the said financial year.

Mr. V Madhavan does not hold any equity shares in the Company. He is not related to any Directors or Key Managerial Personnel of the Company.

He does not hold directorships in any other companies and does not hold membership or chairmanship in any committees of the boards of other companies.

None of the Directors / Key Managerial Personnel of the Company / their relatives, except Mr. V Madhavan, are concerned or interested, financially or otherwise, in this resolution.

The Board recommends the resolution for the approval of the shareholders as an Ordinary Resolution.

Item No.5

Mr. Sriram Viji (DIN: 03630636), aged 47 years, holds a B.Tech in Aerospace Engineering from the Indian Institute of Technology Madras, an M.S. in Computer Science and Aeronautics from Stanford University and an MBA from the University of Michigan. He has rich and diverse experience across the automotive, technology and consulting sectors.

The Board of Directors of the Company approved his appointment as an Additional Director of the Company with effect from October 24, 2025. He holds office up to the date of the ensuing Annual General Meeting and it is proposed to appoint him as a Director of the Company. He shall be liable to retire by rotation. He receives no remuneration from the Company apart from sitting fees, for attending Board meetings.

Mr. Sriram Viji does not hold any equity shares in the Company. He is not related to any Directors or Key Managerial Personnel of the Company.

He holds directorships in Carborundum Universal Limited, Brakes India Private Limited, TSF Investments Limited, Pinpoint Vehicle Systems Private Limited, Uthirattadhi Sri Ram Holdings Private Limited, Sundaram Composite Structures Private Limited and Mind S.r.l, Italy. He does not hold membership or chairmanship in any committees of the boards of other companies.

During the financial year ended March 31, 2026, he attended one Board Meeting of the Company. Notice has been received from a Member of the Company proposing the appointment of Mr. Sriram Viji as a Director of the Company.

None of the Directors / Key Managerial Personnel of the Company / their relatives, except Mr. Sriram Viji, are concerned or interested, financially or otherwise, in this resolution.

The Board recommends the resolution for the approval of the shareholders as an Ordinary Resolution.

A. FOR REMOTE E-VOTING:

i. The e-voting period begins on May 28, 2026 (Thursday) 9:00 A.M. (IST) and ends on May 31, 2026 (Sunday) 5:00 P.M. (IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of May 25, 2026 may cast their vote electronically. The e-Voting module shall be disabled by CDSL for voting thereafter.

ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

iii. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and MCA Circulars, the Company is required to provide remote e-Voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders / retail shareholders is at a negligible level.

Currently, there are multiple e-Voting service providers (ESPs) providing e-Voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the e-voting process, pursuant to a public consultation, it has been decided to enable e-Voting to all the demat account holders, by way of a single login credential, through their demat accounts / websites of Depositories / Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-Voting process.

iv. In terms of SEBI circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to aforementioned SEBI Circular, login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with **CDSL**	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by the company. On clicking the e-Voting 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 and voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL / NSDL / KARVY / LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi / Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration

	4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN from an e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin. The system will authenticate the user by sending OTP on registered mobile number and email ID as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with **NSDL**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting 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 name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting. 2) If the user is 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 3) 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 held 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 name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting. 4) For OTP based login can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin. jsp. You will have to enter your 8–digit DP ID, 8-digit Client Id, PAN No., Verification Code and generate OTP. Enter The OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or e-voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
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. After successful login, you will be able to see e-Voting option. Once you 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 name and you will be redirected to e-Voting service provider's website for casting your vote during the remote e-Voting period or joining virtual meeting and voting during the meeting.

Important note: Shareholders 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. CDSL and NSDL.

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

v. Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.

1. The shareholders should log on to the e-Voting website www.evotingindia.com.
2. Click on shareholders module.
3. Now enter your User ID
   a. For CDSL: 16 digits beneficiary ID,
   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
   c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
4. Next enter the Image Verification as displayed and Click on Login.
5. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-Voting of any company, then your existing password is to be used.
6. If you are a first time user follow the steps given below:

For Physical shareholders and other than individual shareholders holding shares in Demat.	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
	Shareholders who have not updated their PAN with the Company / Depository Participant are requested to use the sequence number sent by Company / RTA or contact Company / RTA.
Dividend Bank Details	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.
OR Date of Birth (DOB)	If both the details are not recorded with the depository or Company please enter the member id / folio number in the Dividend Bank details field.

vi. After entering these details appropriately, click on “SUBMIT” tab.

vii. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

viii. For shareholders holding shares in physical form, the details can be used only for e-Voting on the resolutions contained in this Notice.

ix. Click on the EVSN for the relevant Axles India Limited on which you choose to vote.

x. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

xi. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

xii. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

xiii. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

xiv. You can also take a print of the votes cast by clicking on "Click here to print" option on the e-Voting page.

xv. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.

xvi. There is also an optional provision to upload BR / POA. If BR / POA is uploaded, which will be available to Scrutinizer for verification.

xvii. Note for Non-Individual shareholders and Custodians:

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be e-mailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically and can be delinked in case of any wrong mapping.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non Individual shareholders are mandatorily required to send the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; bharathi.c@axlesindia.com, if they have voted from individual tab and not uploaded same in the CDSL e-Voting system for the scrutinizer to verify the same.

B. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC / OAVM AND E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting and e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC / OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-Voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the meeting through Laptop / iPad for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. 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.
7. Shareholders who would like to express their views / ask questions during the meeting may register themselves as a speaker by sending their request from May 18, 2026, 9:00 A.M. (IST) to May 22, 2026, 05:00 P.M. (IST) mentioning their name, demat account number / folio number, email id, mobile number at bharathi.c@axlesindia.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 15 days prior to meeting mentioning their name, demat account number / folio number, email id, mobile number at bharathi.c@axlesindia.com. These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views / ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC / OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any votes are cast by the shareholders through the e-Voting available during the AGM and if the same shareholders have not participated in the meeting through VC / OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-Voting during the meeting is available only to the shareholders attending the meeting.

C. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL / MOBILE NUMBER ARE NOT REGISTERED WITH THE COMPANY / DEPOSITORIES

1. For Physical shareholders- please provide necessary details like Folio Number, 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 Company / RTA email id.
2. For Demat shareholders - Please update your email id and mobile number with your respective Depository Participant (DP).
3. For Individual Demat shareholders – Please update your email id and mobile number with your respective Depository Participant (DP) which is mandatory while e-Voting and joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM and e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at Toll Free No. 1800 21 09911.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call Toll Free No. 1800 21 09911.

Report of the Directors for the financial year ended March 31, 2026

Your Directors present the Forty Fourth (44th) Annual Report of the Company along with the audited accounts for the year ended March 31, 2026.

Performance

(₹ in crores)

Particulars	2025-26	2024-25
Sales	**871.19**	841.54
Profit before depreciation	**109.70**	104.69
Depreciation	**(13.12)**	(11.54)
Profit before tax for the year	**96.58**	93.15
Profit after tax for the year	**73.24**	68.70
Total Comprehensive Income	**72.07**	68.26

Prospects

During FY'26, the Company recorded domestic axle housing sales of 2,41,000 units, compared to 2,15,000 units in the previous year. The growth was primarily attributable to higher demand in the M&HCV segment, driven by Medium Duty Trucks, bus, and tractor trailer applications.

Export axle housing sales were 95,000 units in FY'26 as against 1,11,000 units in the previous year. The reduction was driven by a slowdown in the North American Class 6/8 truck market and tariff-related uncertainties. Supplies to Brazil for long-distance haulage trucks commenced during the year, partially cushioning the decline.

For FY'27, the Company expects the domestic M&HCV market to remain stable overall, despite anticipated headwinds in the first half due to high fuel prices, elevated inflation, and below-average monsoon forecasts. The Company continues to explore new global business opportunities and remains well positioned for future growth through entry into new platforms and development of new products.

Dividend

Your Directors recommend a dividend of Rs. 10/- per equity share for the year ended March 31, 2026. The final dividend recommended, if approved at the Annual General Meeting (AGM) of the Company, will be paid to all shareholders, whose name appears in the Register of members as on the book closure date.

Deposits

The Company has not accepted any deposits within the meaning of Chapter V of the Companies Act, 2013 during the year and no amount of principal or interest was outstanding as on March 31, 2026.

Particulars of Loans, Guarantees or Investments

The Company has not given any loans or guarantees covered under the provisions of Section 186 of the Companies Act, 2013 ("the Act"). The details of the investments made by the Company are provided in the notes to the financial statements.

Associate Companies

There are no Associate Companies for the Company as per the Act, 2013; therefore relevant Form - AOC 1 is not applicable.

Change of Directorships

Mr. Sriram Viji (DIN : 03630636) was appointed as an Additional Director of the Company with effect from October 24, 2025, holds office up to the date of the ensuing AGM of the Company, is proposed to be appointed as Director by the Shareholders of the Company at the ensuing AGM.

Mrs. Priyamvada Ramkumar (DIN: 07878808), was appointed as an Independent Director of the Company, to hold office for a term with effect from August 25, 2025 up to March 31, 2028.

Mr. Rafael Ricardo Aquique Pinedo (DIN: 05204786) and Mr. Sandeep Bhim Khullar (DIN: 08071943) resigned from the office of the Director of the Company with effect from April 30, 2025.

Director retiring by rotation

Mr. S Ram (DIN 00018309) retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment.

Board Evaluation

Pursuant to the provisions of Sections 134(3) (p) of the Act, 2013, read with Rule 8 (4) of Companies (Accounts) Rules, 2014, Annual Performance Evaluation of the Board, the Directors as well as Committees of the Board have been carried out. The Criteria and manner in which the evaluation has been carried out are provided in Annexure 1 forming part of this Report.

Remuneration Policy

The Board has, on the recommendation of the Nomination and Remuneration Committee, framed a policy for determining qualifications, positive attributes and independence of a Director. It has recommended to the Board a policy relating to the remuneration of the Managing Director. The same is hosted in our website and the web address of the same is http://www.axlesindia.com/pdf/nomination-remuneration-policy.

Corporate Social Responsibility

As an initiative under Corporate Social Responsibility (CSR), in accordance with Schedule VII of the Companies Act, 2013, your Company constituted the CSR Committee under the Board. The Committee is to frame, monitor and execute the CSR activities. The Board has approved the CSR Policy and guidelines for implementation. The Committee effectively supervises the CSR projects.

The Company has spent Rs.1.06 Crore during the financial year 2025-26 and transferred Rs. 0.81 Crore to the 'Unspent CSR Account' of the Company for the CSR activities to be carried out as a multi-year / ongoing project(s). The Constitution of the CSR Committee and the report as required under the Act, are provided as Annexure 2 forming part of this Report.

Risk Management, Internal Financial Control Systems and Audit

Your Company has formulated a Risk Management policy. The policy provides for identification of risks and mitigation measures.

Your Company maintains an adequate and effective Internal Control System commensurate with its size. The Internal Control system provides a reasonable assurance to the effect that the transactions are executed with the authorisations and are recorded in all material respects to permit preparation of financial statements in conformity with established accounting principles and that the assets are secured and safeguarded against any misuse or loss. The internal control system is supplemented through an extensive internal audit programme and periodic review by the Management and Audit Committee. The Company has in place adequate internal financial Controls and no reportable material weakness was observed.

Vigil Mechanism

In accordance with the requirements of the Act, your Company has established a Vigil Mechanism / Whistle Blower Policy for Directors and Employees to report genuine concerns. The said policy meets the requirement of the Vigil Mechanism framework under the Act, and the members can view the details of the policy on http://www.axlesindia.com/vigil-mechanism.html.

Director's Responsibility Statement

The Board of Directors acknowledges the responsibility of ensuring compliance with the provisions of Section 134 (3) (c) of the Act. To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134 (3) (c) of the Act:

a) that in the preparation of the annual financial statements the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b) that such accounting policies as mentioned in the Financial Statements have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2026 and of the profit of the Company for the year ended on that date;

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

d) that the annual financial statements have been prepared on a going concern basis;

e) that proper systems are in place so as to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

Related Party Transactions

Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Act in Form AOC-2 are not applicable, as all transactions entered into during the year were in the ordinary course of business and on arm's length basis.

There are no materially significant related party transactions made by the Company with Promoters, Directors and Key Managerial Personnel which may have a potential conflict with the interest of the Company at large.

Meetings of the Board

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board business. The Board / Committee Meetings are pre-scheduled and a tentative annual calendar of the Board Meetings is circulated to the Directors in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings. The Board had met 5 times during the year under review on April 10, 2025, May 9, 2025, July 24, 2025, October 24, 2025 and January 23, 2026.

Directors	Attendance at Board Meetings		Attendance at AGM held on 25.08.2025
	Entitled to attend	Attended	
Mr. S Ram	5	5	Yes
Mr. V Madhavan	5	5	Yes
Dr. Nivedita Ram	5	5	Yes
Mr. Srivats Ram	5	5	Yes
Mr. Sriram Viji (From October 24, 2025)	1	1	No
Mrs. Priyamvada Ramkumar (From August 25, 2025)	2	1	No

Audit Committee

The Audit Committee comprises of Mr. S Ram, Chairman, Mr. V Madhavan, and Dr. Nivedita Ram (from October 24, 2025) as members. The Committee had met 2 times during the year under review on October 24, 2025 and January 23, 2026.

Nomination and Remuneration Committee

As per Companies (Appointment and Qualification of Directors) Amendment Rules, 2017, the companies enlisted under Rule 4(2) are exempted from appointing Independent Directors and are not required to constitute a Nomination and Remuneration Committee.

Stakeholders Relationship Committee

The Stakeholders Relationship Committee comprises of Mr. S Ram, Chairman, Mr. V Madhavan and Mr. Srivats Ram as members. The Committee had met 6 times during the year under review on May 9, 2025; August 7, 2025; October 13, 2025; November 28, 2025; December 24, 2025 and February 23, 2026.

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee comprises of Mr. S Ram, Chairman, Mr. V Madhavan, and Dr. Nivedita Ram as members. The Committee had met on May 9, 2025, July 24, 2025 and January 23, 2026.

Significant and Material Orders Passed by the Regulators or Courts

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations. There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

Employees and details of remuneration

None of the employees of the Company was in receipt of remuneration in excess of the limits prescribed under the Companies Act, 2013 and the rules framed there under.

Cost Audit

The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013 for any of the products of the Company. The Cost audit is not applicable to our company.

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

The Company has complied with the provisions relating to the constitution of the Internal Committee / Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder. The Internal Committee includes an external member from a Non-Governmental Organization (NGO) having relevant legal background and experience in women's rights and workplace compliance, as mandated under the Act.

The Company has implemented the PoSH Policy across all units and locations and follows a zero-tolerance approach towards sexual harassment at the workplace. Regular awareness programmes and training sessions are conducted to ensure compliance with the Act and to provide a safe and dignified working environment for all employees.

During the financial year under review:

Number of complaints of sexual harassment received during the year: Nil.

Number of complaints disposed of during the year: Nil.

Number of cases pending for more than ninety days: Nil.

Maternity Benefit Compliance

The Company affirms its commitment to providing a supportive and inclusive workplace for women employees. The Company has implemented all statutory maternity benefits and facilities for eligible women employees.

The Company provides maternity leave, maternity wages, medical bonus, nursing breaks, and other related benefits in accordance with statutory requirements.

The Company ensures that no woman employee is discriminated against on account of pregnancy, maternity leave, or related conditions, and that employment continuity and service benefits are protected during the maternity period.

During the financial year under review, the Company has complied with all applicable provisions and related rules, and no instances of non-compliance were reported.

Auditors

The Company had appointed M/s. Price Waterhouse & Co Chartered Accountants LLP (ICAI registration number FRN 304026E / E-300009) as the Statutory Auditors of the Company for the second term of five consecutive years from the conclusion of 40th Annual General Meeting till the conclusion of 45th Annual General Meeting of the Company.

Secretarial Audit

Pursuant to the provisions of Section 204 of the Act and the rules framed there under, the Company appointed M/s. S Dhanapal & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit is given as an Annexure 3 and forms part of this Report. The Company has complied with the Secretarial Standards for the Board Meetings (SS-1) and the General Meetings (SS-2) during the year 2025-26.

Comments on Auditors' report

There are no qualifications, reservations or adverse remarks or disclaimers made by the Statutory Auditors and Secretarial Auditors in their reports respectively. The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company in the year under review.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Conservation of Energy, Technology Absorption and 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 are enclosed as Annexure 4 and forms part of this report.

Annual Return

In compliance with Section 134(3)(a) and 92(3) of the Act, the Annual Return of the Company as on March 31, 2026 will be made available on the website of the Company, which can be accessed at https://axlesindia.com/annual-return.html.

Acknowledgment

Your Directors wish to thank the Customers and Bankers for their excellent support and we look forward to their continued support.

Your Directors wish to place on record their appreciation of the excellent effort put in by all the employees of the Company.

For and on behalf of the Board of Directors

S Ram
Chairman
DIN: 00018309

Chennai
May 4, 2026

ANNEXURE 1

BOARD EVALUATION

The criteria for Evaluation were in accordance with the Nomination & Remuneration Policy adopted by the Company. The evaluation was undertaken taking into account the following:-

Composition of the Board and availability of multi-disciplinary skills, Commitment to good corporate governance practices, Adherence to regulatory compliance, Grievance Redressal Mechanism, Track record of financial performance, Existence of integrated Risk Management system, Use of modern technology and Commitment to CSR.

In addition to the above the following were also considered:- Qualifications & experience, Leadership qualities, Standard of integrity, Understanding of Macro & micro economic and industry trends, Public relations, Future vision and innovation, Attendance in Board Meetings / Annual General meeting, Understanding of Company's business Value addition in Board Meetings and other parameters mentioned in the Policy.

For and on behalf of the Board of Directors

S Ram
Chairman
DIN: 00018309

Chennai
May 4, 2026

ANNEXURE 2

ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2025-26

<table>
<tr><td>1</td><td>Brief outline on CSR policy of the company</td><td>The policy of the Company extends to all the CSR activities as covered under Schedule VII of the Companies Act, 2013 and also covers additional and allied activities, as will be notified by Ministry of Corporate Affairs or such other body, as appointed / notified by Central or State Government, from time to time.</td></tr>
<tr><td>2</td><td colspan="2">Composition of CSR Committee
<table>
<tr><th>Sl. No.</th><th>Name of Director</th><th>Designation / Nature of Directorship</th><th>Number of meetings of CSR Committee held during the year</th><th>Number of meetings of CSR Committee attended during the year</th></tr>
<tr><td>1</td><td>Mr. S Ram</td><td>Chairman</td><td>3</td><td>3</td></tr>
<tr><td>2</td><td>Mr. V Madhavan</td><td>Managing Director</td><td>3</td><td>3</td></tr>
<tr><td>3</td><td>Dr. Nivedita Ram</td><td>Director</td><td>3</td><td>2</td></tr>
</table></td></tr>
</table>

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	http://axlesindia.com/pdf/CSR-Policy
4	Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable	Not Applicable
5	(a) Average net profit of the company as per sub-section (5) of section 135	₹ 93.28 Crores
	(b) Two percent of average net profit of the company as per sub-section (5) of section 135.	₹1.87 Crore
	(c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years.	-
	(d) Amount required to be set-off for the financial year, if any.	-
	(e) Total CSR obligation for the financial year [(b)+(c)-(d)].	₹1.87 Crore
6	(a) Amount spent on CSR Projects (both On-going Project and other than On-going Project).	₹1.06 Crore
	(b) Amount spent in Administrative Overheads.	-
	(c) Amount spent on Impact Assessment, if applicable	-
	(d) Total amount spent for the Financial Year [(a)+(b)+(c)].	₹1.06 Crore

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

Total Amount Spent for the Financial Year (₹ in crores)	Amount Unspent in (₹ in crores)				
1.06	Total Amount transferred to Unspent CSR Account as per subsection (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
	0.81	April 28, 2026	-	-	-

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

Sl. No.	Particular	Amount (₹ in crores)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	1.87
(ii)	Total amount spent for the Financial Year	1.06
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	-
(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)]	-

7	Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:	Not Applicable
8	Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year	No
9	Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135.	Not Applicable

V Madhavan
Managing Director
DIN: 07548156

S Ram
Chairman - CSR Committee
DIN: 00018309

Chennai
May 4, 2026

ANNEXURE 3

FORM NO. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31.03.2026

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

To

The Members,
M/S. AXLES INDIA LIMITED,
Chennai.

1. We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/S.AXLES INDIA LIMITED, (hereinafter called the company). Secretarial Audit was conducted based on records made available to us in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion/ understanding thereon.

2. Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and made available to us and also the information provided by the Company, its Officers, Agents and Authorized Representatives during the conduct of Secretarial Audit subject to verification of audited financial statements, register of investments,internal audit report, verification of records in Registrar and Transfer Agent, we, on strength of those records, and information so provided, hereby report that in our opinion and understandings, the Company, during the audit period covering the financial year ended on March 31, 2026, appears to have complied with the statutory provisions listed hereunder and also in our limited review, the Company has proper and required Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

   We have not carried out audit to make sure and validate the correctness and appropriateness of Financial Records and Books of Accounts of the Company and compliance with respect to the applicable Financial Laws such as Direct and Indirect Tax Laws etc. Based on the information & explanations provided by the management and officers of the Company and certificates placed before the Board of Directors, we report that adequate systems are in place to monitor and ensure compliance.

   We have examined the Books, Papers, Minutes' Book, Forms and Returns filed and Other Records maintained by the Company and made available to us, for the financial year ended on March 31, 2026 according to the applicable provisions of:

   i) The Companies Act, 2013 (the Act) and the rules made thereunder and the Companies Act, 1956 and the rules made thereunder as applicable;

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

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

   iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings to the extent applicable.

v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI ACT') – (NOT APPLICABLE TO THE COMPANY AS THE COMPANY IS UNLISTED PUBLIC COMPANY).

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

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

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; which is replaced by Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 w.e.f. 09.08.2021;

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

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; which is replaced by Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 w.e.f. 10.06.2021; and

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

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

i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) made effective 1st July, 2015 and revised with effect from 1st April, 2024.

ii) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited and BSE Limited and The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (effective 1st December, 2015) - (NOT APPLICABLE AS THE COMPANY IS UNLISTED PUBLIC COMPANY)

During the period under review, the Company has complied in accordance with the requirements to be met with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards mentioned above to the extent applicable during the year.

It is represented to us that the Company has initiated measures, wherever required, to address issues raised by the Statutory Authorities and Letters/ Notices received by the Company during the financial year under various enactments as applicable to the Company.

We further report that, subject to the above, the related documents that we have come across depict that:

The Board of Directors of the Company is constituted as applicable with proper balance of Executive Directors, Non-Executive Directors and the changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act .

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that, based on our limited review of the compliance mechanism established by the Company, there appear 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.

We further report that, during the audit period the company has sought the approval of its members for special business at the Annual General Meeting held on 25.08.2025 as follows:

a) Appointment of Dr. Nivedita Ram as a Director of the Company

b) Appointment of Mrs. Priyamvada Ramkumar as an Independent Director of the Company

c) Adoption of new set of Articles of Association in substitution to existing set of Articles of Association

We further report that, during the period under review, a scheme of amalgamation was entered between Forge 2000 Private Limited (Transferor Company) with Axles India Limited (Transferee Company), pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and a petition has been filed by the Companies before the Hon'ble National Company Law Tribunal, Chennai for sanction of scheme which is pending before Hon'ble National Company Law Tribunal, Chennai.

We further report that, our Audit was subjected only to verifying adequacy of systems and procedures that are in place for ensuring proper compliance by the Company and we are not responsible for any lapses in those compliances on the part of the Company.

For **S Dhanapal & Associates LLP**
(A firm of Practicing Company Secretaries)
Peer Review Certificate No. 7751/2026
Firm UIN.: L2023TN014200

Place: Chennai
Date: May 4, 2026

Ramanathan Nachiappan
Designated Partner
FCS: 6665
CP No. 11084
UDIN: F006665H000271481

This Report is to be read with our testimony of even date which is annexed as Annexure and forms an integral part of this Report.

ANNEXURE TO SECRETARIAL AUDIT REPORT

To
The Members,
M/s. AXLES INDIA LIMITED,
Chennai.

Auditor's responsibility

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

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company and for which we relied on the report of statutory auditor.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **S Dhanapal & Associates LLP**
(A firm of Practicing Company Secretaries)
Peer Review Certificate No. 7751/2026
Firm UIN.: L2023TN014200

Place: Chennai
Date: May 4, 2026

Ramanathan Nachiappan
Designated Partner
FCS: 6665
CP No. 11084
UDIN: F006665H000271481

ANNEXURE 4

CONSERVATION OF ENERGY

Your Company across all plants and office locations, undertaking structured energy conservation initiatives. Area-wise monitoring of consumption helps us pinpoint improvement areas and execute effective measures to enhance overall efficiency.

Renewable Energy

We have further strengthened our investments in renewable energy sources such as wind and hybrid (solar + wind) models to progressively increase the share of RE in our total consumption. During the last year, we consumed around 13 million units from RE sources against a planned 12 million units, accounting for approximately 53% of total consumption, compared to 32% in the previous year.

Energy Efficient Lighting

We have fully transitioned to 100% LED lighting across shop floors, utilities, estate, canteen, and office areas, replacing conventional fixtures. This has reduced power consumption by 40%, doubled luminosity, and lowered emissions. The higher lux levels have also enabled a reduction of approximately 25% in the total number of fittings.

Energy Efficient Welding Power Sources

Our gradual shift to inverter-type power systems across manufacturing lines has reached 50% implementation, delivering savings of around 2 million units.

Fossil Fuel Reduction in Operations and Canteen

As part of our sustainability efforts, we have adopted induction equipment and furnaces in the canteen, making it LPG-free and significantly reducing fossil fuel consumption. This has resulted in a 70% reduction in LPG usage and a CO_2 emission reduction of 116 tons, along with enhanced safety, better cooking control, and improved hygiene. Further, paint ovens have been upgraded to electrical heating technology, replacing diesel-based systems and reducing CO_2 emissions by about 300 tons. The shift to 100% battery-operated forklifts has also helped lower emissions by nearly 230 tons. Overall, our initiatives contribute to a recurring annual CO_2 reduction of approximately 43,000 tons.

Energy Efficient RO Plant

We have installed upgraded RO plants that consume 40% less power and achieve a 36% reduction in water usage.

Energy Saving Projects Implementation:

- Implementation of energy-efficient motor replacement programs
- Motor capacity and performance optimisation initiatives
- VFD-based motor efficiency improvements
- Star connection introduced in grinding machines replacing delta configuration
- High-efficiency shot blast machine installed in place of four older machines, saving ~350,000 units annually
- Smart sensor switches deployed for efficient operation of man coolers

- All new equipment sourced with 5-star energy ratings
- IE4 permanent magnet air compressor installed for plasma cutting with ~30% energy reduction

Reinforces the Company's focus on sustainability and green operations

Water Conservation Initiatives

Achieved 22% reduction in fresh water consumption through targeted initiatives

- Sprinkler taps installed for optimal water flow during hand washing
- Electronic sensor-based taps implemented to minimize wastage
- Waterless urinals introduced in the admin block
- Drip irrigation adopted for gardening
- STP-treated water reused for urinal cleaning and toilet flushing
- STP-treated water utilized for gardening purposes
- 11 rainwater harvesting pits installed to recharge groundwater levels
- Online monitoring of water consumption implemented at 18 high-usage points

Achieved zero discharge plant status through these measures

Technology Absorption

Your Company has capability to design and test Axle Housings that perform satisfactorily under Indian operating conditions. Axle Housings that are exported are made to customer designs. Your Company continues to innovate and increase its technology deployment to meet the requirements of its customers in various industry segments and will continue its efforts towards yield improvement, resource optimisation and improved performance of its products. Principles of circularity, sustainability, and digital initiatives are embedded into design and Operational Process.

FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign Exchange used	Rs. 15.95 Crore
Foreign Exchange earned	Rs. 282.71 Crore

For and on behalf of the Board of Directors

S Ram
Chairman
DIN 00018309

Chennai
May 4, 2026

To the Members of Axles India Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Axles India 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 financial statements, including material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Other Information

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the financial statements and our auditor's report thereon.

   Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

5. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

7. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

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

   - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

     The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

   - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related

disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

10. 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.

11. 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.

Report on other legal and regulatory requirements

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

13. 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.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

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

(f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 29 to the financial statements;

ii. The Company was not required to recognise a provision as at March 31, 2026 under the applicable law or Indian Accounting Standards, as it does not have any material foreseeable losses on long-term contract. The Company did not have any long term derivative contracts as at March 31, 2026.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year.

vi. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 33(vii) to the 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, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 33(vii) to the 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, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures that we 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 (a) and (b) contain any material misstatement.

v. The dividend declared and paid by the Company during the year in respect of the prior year ended March 31, 2025 is in accordance with Section 123 of the Act to the extent it applies to declaration and payment of dividend. Further, as stated in Note 26(b)(ii) to the financial statements, the Board of Directors of the Company has 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.

vi. Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software. During the course of our audit, we did not notice any instance of audit trail feature being tampered with. Further, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

14. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse & Co Chartered Accountants LLP
Firm Registration Number: 304026E/E-300009

Arun Kumar R
Partner
Membership Number: 211867
UDIN: 26211867GOPPEO8976

Place: Chennai
Date: May 4, 2026

Referred to in paragraph 13(f) of the Independent Auditor's Report of even date to the members of Axles India Limited on the financial statements as of and for the year ended March 31, 2026

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Axles India Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("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

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/E-300009
Arun Kumar R
Partner
Membership Number: 211867
UDIN: 26211867GOPPEO8976

Place: Chennai
Date: May 4, 2026

Referred to in paragraph 12 of the Independent Auditor's Report of even date to the members of Axles India Limited on the financial statements for the year ended March 31, 2026

In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.

(B) The Company is maintaining proper records showing full particulars of Intangible Assets.

(b) The Property, Plant and Equipment of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.

(c) The title deeds of all the 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 Note 3 to the financial statements, are held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or Intangible Assets or both during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or Intangible Assets does not arise

(e) No proceedings have been initiated on (or) are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) [formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)] and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the financial statements, does not arise.

ii. (a) The physical verification of inventory excluding stocks with third parties has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. In respect of inventory lying with third parties, these have substantially been confirmed by them. 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, in aggregate, from a bank on the basis of security of current assets. The Company has filed quarterly returns or statements with the said bank, which are in agreement with the unaudited books of account. (Also, refer Note 33(ii) to the financial statements).

iii. (a) The Company has made investments in a company and granted unsecured advances in nature of loans to employees. The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such advances in the nature of loans to parties other than subsidiaries, joint ventures and associates are as per the table given below:

	Advances in nature of loans (in INR crores)
Aggregate amount granted/ provided during the year - Others	0.28
Balance outstanding as at balance sheet date in respect of the above case - Others	0.13

(Also, refer Note 5(c) to the financial statements)

(b) In respect of the aforesaid investment/ advances in nature of loans, the terms and conditions under which such loans were granted/investments were made are not prejudicial to the Company's interest.

(c) In respect of the advances in nature of loans, the schedule of repayment of principal and payment of interest has been stipulated, and the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest as applicable.

(d) In respect of the advances in nature of loans, there is no amount which is overdue for more than ninety days.

(e) There were no loans/ advances in nature of loans which have fallen due during the year and were renewed/extended. Further, no fresh loans were granted to same parties to settle the existing overdue loans/ advances in nature of loan.

(f) There were no loans/ advances in nature of loans which were granted during the year, including to promoters/ related parties that were repayable on demand or without specifying any terms or period of repayment.

iv. In our opinion, the Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Companies Act, 2013. The Company has complied with the provision of Section 186 of the Companies Act, 2013 in respect of investments made by it.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under. Accordingly, the reporting under clause 3(v) of the Order is not applicable to the Company.

vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products and services of the Company. Accordingly, reporting under clause 3(vi) of the Order is not applicable to the Company.

vii. (a) In our opinion, the Company is regular in depositing the undisputed statutory dues, including goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, and other statutory dues, as applicable, with the appropriate authorities. Also, refer Note 29 to the financial statements regarding management's assessment on certain matters relating to provident fund.

(b) The particulars of statutory dues referred to in sub-clause (a) as at March 31, 2026 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. In crores)	Period to which the amount relates	Forum where the dispute is pending
Central Sales Tax, 1956	Sales tax	**	1989-90	TN Sales Tax Appellate Tribunal
Tamil Nadu General Sales Tax Act	Sales tax	**	1995-96	Appellate Assistant Commissioner (CT)
Central Sales Tax, 1956	Sales tax	0.01	2007-08	Assistant/Deputy Commissioner (CT)
Tamil Nadu Value added Tax Act	Sales tax	2.17*	2013-14 to 2016-17	Assistant Commissioner (Sales Tax)

** Amount considered above is net of INR 0.23 crores paid under protest*

*** The amount is below of the rounding off norms adopted by the Company.*

viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961.

ix. (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) 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) The Company has not obtained any term loans during the year ended March 31, 2026 and there was no unutilized balance of term loan obtained in earlier years as on April 1, 2025. Accordingly, reporting 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 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 procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year. Accordingly, reporting under clause 3(ix)(e) of the Order is not applicable to the Company.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year. Accordingly, reporting under clause 3(ix)(f) of the Order is not applicable to the Company.

x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

(b) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed by us, as statutory auditors, with the Central Government. Further, no such report has been filed by any other auditor appointed by the Company under the Act. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

(c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act. Further, the Company has constituted an Audit Committee voluntarily, though the provisions of Section 177 of the Act do not apply to the Company and, accordingly, to this extent, the reporting under clause 3(xiii) of the Order is not applicable to the Company. (Also, refer Note 10 to the financial statements)

xiv. (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) The reports of the Internal Auditor for the period under audit have been considered by us.

xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with the director(s). Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under 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. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company as defined in the regulations made by the Reserve Bank of India. Accordingly, the additional reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) In our opinion, the Group [as defined in the Reserve Bank of India (Core Investment Companies) Directions, 2025] has one CIC as part of the Group as detailed in Note 33(xv) to the financial statements.

xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and, accordingly, the reporting under clause 3(xviii) of the Order is not applicable.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 the Company is not capable of meeting its liabilities existing at the date of balance

sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.

xx. (a) The Company does not have any amount remaining unspent under sub-section (5) of Section 135 of the Act as at balance sheet date in respect of "other than ongoing projects" of Corporate Social Responsibility. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable to the Company.

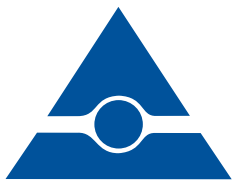
(b) The Company has transferred the amount of Corporate Social Responsibility remaining unspent under sub-section (5) of Section 135 of the Act pursuant to ongoing projects to a special account in compliance with the provision of sub-section (6) of Section 135 of the Act. (Also, refer Note 21(b) to the financial statements)

xxi. As stated in Note 33(xvi) to the financial statements, the Company does not have subsidiaries or joint ventures or associate companies and does not prepare Consolidated Financial Statements. Accordingly, the reporting under clause 3(xxi) of the Order is not applicable to the Company.

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/E-300009

Arun Kumar R
Partner
Membership Number: 211867
UDIN: 26211867GOPPEO8976

Place: Chennai
Date: May 4, 2026



ACCOUNTS - 2025-2026

Balance Sheet as at 31 March 2026

(All amounts in INR Crores, unless otherwise stated)

Particulars	Notes	As at 31 March 2026	As at 31 March 2025
ASSETS			
Non-current assets			
Property, plant and equipment	3	**93.10**	57.84
Capital work-in-progress	3	**0.06**	39.96
Intangible assets	4	**0.28**	0.38
Financial assets			
(i) Investments	5(a)	**3.04**	2.01
(ii) Other financial assets	5(e)	**3.64**	3.87
Deferred tax assets (net)	14	**0.96**	0.92
Other non-current assets	6	**1.02**	2.08
Total non-current assets		**102.10**	107.06
Current assets			
Inventories	7	**151.25**	178.54
Financial Assets			
(i) Trade Receivables	5(b)	**198.80**	190.70
(ii) Cash and cash equivalents	5(d)(i)	**76.06**	29.49
(iii) Bank balances other than (ii) above	5(d)(ii)	**0.25**	0.28
(iv) Loans	5(c)	**0.58**	0.63
Other current assets	9	**13.99**	12.06
Total current assets		**440.93**	411.70
Total assets		**543.03**	518.76
EQUITY AND LIABILITIES			
Equity			
Equity share capital	10(a)	**25.49**	25.49
Other Equity			
Reserves and surplus	10(b)	**344.00**	282.12
Total equity		**369.49**	307.61
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	11(a)	**2.86**	8.59
Employee benefit obligations	13	**3.34**	0.35
Other non-current liabilities	15(a)	**9.47**	10.88
Total non-current liabilities		**15.67**	19.82
Current Liabilities			
Financial liabilities			
(i) Borrowings	11(b)	**7.76**	41.59
(ii) Trade payables			
Total outstanding dues of micro and small enterprises	11(c)	**9.30**	7.42
Total outstanding dues of creditors other than micro and small enterprises	11(c)	**108.04**	110.48
(iii) Other financial liabilities	11(d)	**5.66**	8.41
Provisions	12	**14.16**	10.45
Employee benefit obligations	13	**6.28**	5.69
Current tax liabilities (net)	8	**0.01**	0.78
Other current liabilities	15(b)	**6.66**	6.51
Total current liabilities		**157.87**	191.33
Total liabilities		**173.54**	211.15
Total equity and liabilities		**543.03**	518.76

The accompanying notes are an integral part of these financial statements.
This is the Balance Sheet referred to in our report of even date.

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/E-300009

Arun Kumar R
Partner
Membership Number: 211867

Place: Chennai
Date: May 4, 2026

For and on behalf of the Board of Directors
Axles India Limited

S Ram
Chairman
DIN: 00018309

V Madhavan
Managing Director
DIN: 07548156

Y Krishnamoorthy
Chief Financial Officer

C Bharathi
Company Secretary
Membership Number: F9406

Chennai
May 4, 2026

Statement of profit and loss for the year ended 31 March 2026

(All amounts in INR Crores, unless otherwise stated)

Particulars	Notes	Year ended 31 March 2026	Year ended 31 March 2025
REVENUE			
Revenue from operations	16	**871.19**	841.54
Other income	17(a)	**2.27**	2.11
Other gains/(losses)	17(b)	**14.39**	3.13
Total income		**887.85**	846.78
EXPENSES			
Cost of materials consumed	18(a)	**488.02**	479.43
Changes in inventories of work-in-progress and finished goods	18(b)	**34.33**	25.44
Employee benefit expenses	19	**95.05**	88.40
Depreciation and amortisation expenses	20	**13.12**	11.54
Other expenses	21	**159.75**	147.95
Finance costs	22	**1.00**	0.87
Total expenses		**791.27**	753.63
Profit before tax		**96.58**	93.15
Income tax expense / (income)			
- Current Tax	23	**23.38**	25.07
- Deferred Tax	23	**(0.04)**	(0.62)
Total tax expense		**23.34**	24.45
Profit for the year		**73.24**	68.70
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Remeasurement of post-employment benefit obligations		**(1.56)**	(0.59)
Income tax relating to above item		**0.39**	0.15
Other comprehensive income for the year, net of tax		**(1.17)**	(0.44)
Total Comprehensive Income for the year		**72.07**	68.26
Earnings per equity share:			
Basic and Diluted earnings per share (in INR)	31	**28.74**	26.96

The accompanying notes are an integral part of these financial statements.
This is the Statement of profit and loss referred to in our report of even date.

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/E-300009

Arun Kumar R
Partner
Membership Number: 211867

Place: Chennai
Date: May 4, 2026

For and on behalf of the Board of Directors
Axles India Limited

S Ram
Chairman
DIN: 00018309

V Madhavan
Managing Director
DIN: 07548156

Y Krishnamoorthy
Chief Financial Officer
Chennai
May 4, 2026

C Bharathi
Company Secretary
Membership Number: F9406

Statement of Changes in Equity for the year ended 31 March 2026

(All amounts in INR Crores, unless otherwise stated)

A. Equity Share Capital

	Notes	
As at 1 April 2024	10(a)	25.49
Changes in equity share capital		-
As at 31 March 2025		25.49
As at 1 April 2025	10(a)	25.49
Changes in equity share capital		-
As at 31 March 2026	10(a)	25.49

B. Other Equity

Particulars	Reserves and Surplus		Total
	General Reserve	Retained Earnings	
As at 1 April 2024	0.79	248.75	249.54
Profit for the year	-	68.70	68.70
Other comprehensive income	-	(0.44)	(0.44)
Total comprehensive income for the year	**-**	**68.26**	**68.26**
Transactions with owners in their capacity as owners:			
Dividend	-	(35.68)	(35.68)
As at 31 March 2025	**0.79**	**281.33**	**282.12**
As at 1 April 2025	**0.79**	**281.33**	**282.12**
Profit for the year	-	73.24	73.24
Other comprehensive income	-	(1.17)	(1.17)
Total comprehensive income for the year	**-**	**72.07**	**72.07**
Transactions with owners in their capacity as owners:			
Dividend	-	(10.19)	(10.19)
As at 31 March 2026	**0.79**	**343.21**	**344.00**

The accompanying notes are an integral part of these financial statements.
This is the Statement of changes in equity referred to in our report of even date.

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/E-300009

Arun Kumar R
Partner
Membership Number: 211867

Place: Chennai
Date: May 4, 2026

For and on behalf of the Board of Directors
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Chief Financial Officer
Chennai
May 4, 2026

C Bharathi
Company Secretary
Membership Number: F9406

Statement of Cash Flows for the year ended 31 March 2026

(All amounts in INR Crores, unless otherwise stated)

Particulars	Notes	Year ended 31 March 2026	Year ended 31 March 2025
Cash flow from operating activities:			
Profit before tax		**96.58**	93.15
Adjustments for:			
Interest and other finance cost	22	**1.00**	0.87
Net exchange differences		**(3.01)**	0.36
Depreciation and amortisation expense	20	**13.12**	11.54
Gain on disposal of property, plant and equipment	17(b)	**(5.44)**	-
Interest income	17(a)	**(2.27)**	(2.11)
Operating profit before working capital changes		**99.98**	103.81
Changes in working capital:			
(Increase) / decrease in trade receivables		**(4.86)**	11.53
Decrease/ (increase) in loans to employees		**0.05**	(0.09)
Decrease/ (increase) in other financial assets		**0.23**	(0.35)
Increase in other current assets		**(1.93)**	(5.03)
Decrease in inventories		**27.29**	31.29
Decrease in trade payables		**(0.68)**	(3.98)
Increase / (decrease) in other financial liabilities		**(2.01)**	1.64
Increase / (decrease) in provisions		**3.71**	(0.92)
Increase / (decrease) in employee benefit obligation		**2.02**	0.32
Increase / (decrease) in other liabilities		**(1.23)**	2.10
Cash generated from operations		**122.57**	140.32
Income tax paid	8	**(23.76)**	(22.28)
Net cash inflow from operating activities		**98.81**	118.04
Cash flow from investing activities:			
Payments for property, plant and equipment (including capitalised borrowing cost)		**(8.17)**	(31.95)
Proceeds from sale of property, plant and equipment		**5.44**	-
Interest received		**2.27**	2.11
Payment for acquisition of investment		**(1.03)**	-
Net cash outflow from investing activities		**(1.49)**	(29.84)
Cash flow from financing activities:			
Proceeds/(Repayment) of short term borrowings (net)		**(33.83)**	(37.83)
Proceeds from long term borrowings		**-**	7.70
Repayment of long term borrowings		**(5.78)**	(2.17)
Interest paid		**(0.95)**	(1.01)
Dividends paid to Company's shareholders		**(10.19)**	(35.68)
Net cash outflow from financing activities		**(50.75)**	(68.99)
Net increase in cash and cash equivalents		**46.57**	19.21
Cash and cash equivalents at the beginning of the year		**29.49**	10.28
Cash and cash equivalents at the end of the year		**76.06**	29.49

The accompanying notes are an integral part of these financial statements.
This is the Statement of Cash Flows referred to in our Report of even date

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/E-300009

Arun Kumar R
Partner
Membership Number: 211867

Place: Chennai
Date: May 4, 2026

For and on behalf of the Board of Directors
Axles India Limited

S Ram
Chairman
DIN: 00018309

V Madhavan
Managing Director
DIN: 07548156

Y Krishnamoorthy
Chief Financial Officer
Chennai
May 4, 2026

C Bharathi
Company Secretary
Membership Number: F9406

1. Background

Axles India Limited (the 'Company') is engaged in manufacturing of Axle housings to automobile companies. The Company has its manufacturing plants in Sriperumbudur and Cheyyar in Tamil Nadu and Jamshedpur, Jharkhand and sells primarily in India and United States. The Company is an unlisted public limited Company.

Basis of preparation

1.1 Compliance with Ind AS

The financial statements comply in all material aspects with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

1.2 Historical cost convention

The financial statements have been prepared on a historical cost basis, except certain financial assets and liabilities (including derivative instruments) measured at fair value and defined benefit plans - plan assets measured at fair value.

1.3.1 New and amended standards adopted by the Company

The Ministry of Corporate Affairs vide notification dated 7 May 2025 and 13 August 2025 notified the Companies (Indian Accounting Standards) Amendment Rules, 2025 and Companies (Indian Accounting Standards) Second Amendment Rules, 2025, respectively, which amended certain accounting standards (see below), and are effective for annual reporting periods beginning on or after 1 April 2025.

- Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants – Amendments to Ind AS 1;
- Supplier Finance Arrangements – Amendments to Ind AS 7 and Ind AS 107;
- International Tax Reform – Pillar Two Model Rules – Amendments to Ind AS 12; and
- Lack of Exchangeability – Amendments to Ind AS 21

These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

1.3.2 New standards or amendments not yet adopted

Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants

Amendments to Ind AS 1 - This amendment also includes specific provisions that will take effect for reporting periods beginning on or after 1 April 2026, as outlined below.

Under the existing Ind AS 1, where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

However, the amended requirements stipulate that entities will no longer be permitted to consider lender waivers that are granted after the reporting date but before the financial statements are approved for the purpose of classification of loans. This amendment is required to be applied retrospectively in accordance with Ind AS 8.

The Company does not expect this amendment to have an impact on its operations or financial statements.

2. Critical estimates and judgements

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements. In addition, this note also explains where there have been actual adjustments this year as a result of changes to previous estimates.

In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are included in the following notes:

- Note 11(c): Vendor pricing provision

- Note 12: Provision for warranty

- Note 13: Provision for employee benefits

- Note 16: Variable consideration in relation to contracts with customers

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

3. Property, plant and equipment (including Capital Work in progress)

Accounting Policy

Freehold land is carried at historical cost. All other property, plant and equipment is recognised at historical cost less depreciation.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate the cost of the assets, net of their residual values, over their estimated useful lives as follows:

Estimated useful life of assets are as follows which is based on technical evaluation of the useful lives of the assets:

Particulars	Useful life in years ascertained by the Company	Useful life of the asset as prescribed in schedule II of Companies Act, 2013
Buildings	30	30
Plant & Machinery - Electrical installations	10	10
Plant & Machinery - others	15*	15*
Furniture and fixtures	3-10	10
Vehicles	8	8
Computer hardware	3	3

* The useful life disclosed pertains to single shift usage. Where the assets are operated on multiple shifts, the depreciation will be adjusted for shift factor as prescribed under Schedule II of the Companies Act, 2013.

The residual values are not more than 5% of the original cost of the asset.

See Note 35(k) and 35(s) for other accounting policies relevant to property,plant and equipment.

Particulars	Freehold land	Freehold buildings	Furniture and fittings	Plant and machinery	Computers	Vehicles	Total	Capital Work-in-progress
Year ended 31 March 2025								
Gross carrying amount								
Opening gross carrying amount	0.15	15.71	1.72	119.90	1.57	0.15	139.20	7.59
Additions	-	1.73	-	4.35	0.17	0.53	6.78	39.32
Disposals / Adjustments	-	-	-	-	-	-	-	(6.95)
Gross carrying amount as at 31 March 2025	**0.15**	**17.44**	**1.72**	**124.25**	**1.74**	**0.68**	**145.98**	**39.96**
Accumulated Depreciation								
Opening accumulated depreciation	-	5.55	1.00	69.37	0.72	0.06	76.70	-
Depreciation charge during the year	-	0.72	0.22	10.15	0.29	0.06	11.44	-
Disposals	-	-	-	-	-	-	-	-
Accumulated depreciation as at 31 March 2025	**-**	**6.27**	**1.22**	**79.52**	**1.01**	**0.12**	**88.14**	**-**
Net carrying amount as at 31 March 2025	**0.15**	**11.17**	**0.50**	**44.73**	**0.73**	**0.56**	**57.84**	**39.96**
Year ended 31 March 2026								
Gross carrying amount								
Opening gross carrying amount	0.15	17.44	1.72	124.25	1.74	0.68	145.98	39.96
Additions	-	24.30	-	23.94	0.04	-	48.28	8.38
Disposals / Adjustments	*	(0.04)	-	-	-	-	(0.04)	(48.28)
Gross carrying amount as at 31 March 2026	**0.15**	**41.70**	**1.72**	**148.19**	**1.78**	**0.68**	**194.22**	**0.06**
Accumulated Depreciation								
Opening accumulated depreciation	-	6.27	1.22	79.52	1.01	0.12	88.14	-
Depreciation charge during the year	-	1.43	0.14	11.07	0.31	0.07	13.02	-
Disposals	-	(0.04)	-	-	-	-	(0.04)	-
Accumulated depreciation as at 31 March 2026	**-**	**7.66**	**1.36**	**90.59**	**1.32**	**0.19**	**101.12**	**-**
Net carrying amount as at 31 March 2026	**0.15**	**34.04**	**0.36**	**57.60**	**0.46**	**0.49**	**93.10**	**0.06**

* The amounts are below the rounding off thresholdadopted by the Company.

Capital work-in-progress

Aging of CWIP as on 31 March 2026

	Amount in Capital work in progress				
	Less than one year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Project in Progress	0.06	-	-	-	0.06

Aging of CWIP as on 31 March 2025

	Amount in Capital work in progress				
	Less than one year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress	38.05	1.91	-	-	39.96

3(a). Property, plant and equipment

(i) Property, Plant and equipment pledged as security

Refer note 11(a) and 11(b) for information on property, plant and equipment pledged as security by the Company.

(ii) Contractual obligations

Refer note 30 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(iii) Capital work-in-progress

Capital work-in-progress mainly comprises plant and machinery to be installed. There are no projects in progress which have experienced cost or time overrun as at the respective balance sheet date.

4. Intangible assets

Accounting policy

Intangible assets are stated at cost of acquisition or construction less accumulated depreciation less accumulated impairment, if any.

Amortisation and estimated useful lives

Intangible assets with a finite useful life using the straight-line method over the contractual period of license or 5 year period whichever is less.

See Note 35(s) for other accounting policies relevant to Intangible assets

Particulars	Computer Software - Acquired
Year ended 31 March 2025	
Gross carrying amount	
Opening gross carrying amount	1.50
Additions	0.17
Gross carrying amount as at 31 March 2025	1.67
Accumulated Amortisation	
Opening accumulated depreciation	1.19
Amortisation charge for the year	0.10
Accumulated amortisation as at 31 March 2025	1.29
Net carrying amount	0.38
Year ended 31 March 2026	
Gross carrying amount	
Opening gross carrying amount	1.67
Additions	-
Gross carrying amount as at 31 March 2026	1.67
Accumulated Amortisation	
Opening accumulated depreciation	1.29
Amortisation charge for the year	0.10
Accumulated amortisation as at 31 March 2026	1.39
Net carrying amount	0.28

5. Financial assets

Accounting policy

(i) Classification of financial assets at amortised cost

The Company classifies its financial assets at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows, and
- the contractual terms give rise to cash flows that are solely payments of principal and interest

Financial assets classified at amortised cost comprise trade receivables, loans, security deposits and bonds.

(ii) Financial assets at Fair Value through Other Comprehensive Income (FVOCI)

Financial assets at fair value through other comprehensive income (FVOCI) comprise:

- Equity securities (listed and unlisted) which are not held for trading, and for which the Company has irrevocably elected at initial recognition to recognise changes in fair value through OCI rather than profit or loss.
- Debt securities where the contractual cash flows are solely principal and interest and the objective of the Company's business model is achieved both by collecting contractual cash flows and selling financial assets. There are currently no assets classified as FVOCI.

(iii) Classification of financial assets at fair value through profit or loss

The Company classifies the following financial assets at fair value through profit or loss (FVPL):

- debt investments (bonds, debentures and mutual funds) that do not qualify for measurement at either amortised cost or FVOCI,
- equity investments that are held for trading, and
- equity investments for which the entity has not elected to recognise fair value gains and losses through OCI.

See Note 35(i) for other accounting policies relevant to Financial assets

5(a) Non-current investments

Particulars	**As at 31 March 2026**	As at 31 March 2025
Investments in equity instruments (measured at fair value)		
Unquoted, fully paid		
Dalavaipuram Renewables Private Limited		
25,37,761 Equity shares face value of INR 10/- each	**2.54**	1.51
(31 March 2025 - 15,13,983 Equity shares face value of INR 10/- each)		
Investments in bonds (measured at amortised cost)		
500 units of NHAI bonds at face value of INR 10,000 (5% interest p.a)	**0.50**	0.50
(31 March 2025 - 500 units)		
Total	**3.04**	**2.01**
Total non-current investments	**3.04**	2.01
Aggregate amount of quoted investments	**-**	-
Aggregate market value of quoted investments	**-**	-
Aggregate amount of unquoted investments	**3.04**	2.01
Aggregate amount of impairment in the value of investments	**-**	-

5(b) Trade receivables

Accounting policy

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business and reflects Company's unconditional right to consideration (that is, payment is due only on the passage of time). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

For trade receivables and contract assets, the Company applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

See Note 35(g) for other accounting policies relevant to Trade receivable:

Particulars	**As at 31 March 2026**	As at 31 March 2025
Trade receivables	**198.80**	190.70
Total receivables	**198.80**	190.70
Current portion	**198.80**	190.70
Non-current portion	-	-

Break-up of security details

Particulars	**As at 31 March 2026**	As at 31 March 2025
Trade receivables considered good - Secured	**-**	-
Trade receivables considered good - Unsecured	**198.80**	190.70
Trade receivables which have significant increase in credit risk	**-**	-
Trade receivables credit impaired	-	-
Total trade receivables	**198.80**	190.70

Refer Note 28 for receivables from related parties.

Transferred receivables

The carrying amounts of the trade receivables includes INR 1.97 (31 March 2025: INR 35.75) which are subject to bills discounting arrangement. Under this arrangement, the Company has transferred the relevant receivables under bills discounting facility in exchange for cash and is prevented from selling or pledging the receivables. However, the Company has retained late payment and credit risk. The Company therefore continuous to recognise the transferred assets in their entirety in its balance sheet. The amount repayable under this agreement is presented as borrowing. Refer note 11(b).

Aging of trade receivables as at 31 March 2026

	Outstanding for following periods from the due date					
	Unbilled	Not due	Less than 6 months	6 months to 1 year	More than 1 year	Total
Undisputed trade receivables						
considered good	-	181.22	17.53	0.05	-	198.80
which have significant increase in credit risk	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-
Disputed trade receivables						
considered good	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-
Total	**-**	**181.22**	**17.53**	**0.05**	**-**	**198.80**

Aging of trade receivables as at 31 March 2025

	Outstanding for following periods from the due date					
	Unbilled	Not due	Less than 6 months	6 months to 1 year	More than 1 year	Total
Undisputed trade receivables						
considered good	-	178.16	12.54	-		190.70
which have significant increase in credit risk	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-
Disputed trade receivables						
considered good	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-
Total	-	178.16	12.54	-	-	190.70

5(c) Loans - current

Particulars	**As at 31 March 2026**	As at 31 March 2025
Unsecured, considered good		
Loan to employees	**0.58**	0.63
Total loans	**0.58**	0.63

5(d) (i) Cash and cash equivalents

Particulars	As at 31 March 2026	As at 31 March 2025
Cash on hand	*	*
Balances with banks		
- in current accounts	76.06	29.49
Total cash and cash equivalents	**76.06**	29.49

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior period.

* The amounts are below the rounding off threshold adopted by the Company.

5(d) (ii) Bank balances other than above

Particulars	As at 31 March 2026	As at 31 March 2025
Other bank balances		
- Earmarked funds - unpaid dividend accounts (Refer note 15(b))	0.25	0.28
Total bank balances other than above	**0.25**	0.28

5(e) Other financial assets

Particulars	As at 31 March 2026		As at 31 March 2025	
	Current	Non-Current	Current	Non-Current
Security deposits	-	3.64	-	3.87
Total other financial assets	-	3.64	-	3.87

6. Other non-current assets

Particulars	As at 31 March 2026	As at 31 March 2025
Advance for capital goods	1.02	2.08
Total other non-current assets	**1.02**	2.08

7. Inventories (net of provisions)

Accounting Policy : The costs of individual items of inventory are determined on a weighted average basis. Volume rebates or discounts are taken into account when estimating the cost of inventory if it is probable that they have been earned and will take effect.

See note 35(h) for the Company's other accounting policies for inventories.

Particulars	**As at 31 March 2026**	As at 31 March 2025
Raw materials and components	**61.05**	54.91
Work-in-progress	**14.85**	13.75
Tools (including in progress)	**13.64**	12.11
Finished goods*	**57.62**	93.05
Stores and spares	**2.57**	3.90
Loose tools	**1.52**	0.82
Total inventories	**151.25**	178.54

Write-downs of inventories to net realisable value amounted to INR 0.09 (31 March 2025 - INR 0.13) and provision for slow moving inventory amounted to INR 1.97 (31 March 2025 - 0.40) . These were recognised as an expense during the year and included in 'cost of materials consumed' in statement of profit and loss.

* Includes goods in transit amounting to INR 16.26 (31 March 2025 - INR 24.38)

8. Current Tax Liabilities

Current Tax Liabilities (net of advance tax)

Particulars	**As at 31 March 2026**	As at 31 March 2025
Opening Liability/(Asset) balance	**0.78**	(1.86)
Tax paid	**(23.76)**	(22.28)
Tax payable during the year	**22.99**	24.92
Closing Balance *	**0.01**	0.78

* Net of advance income tax INR 140.74 (31 March 2025 -INR 116.98).

9. Other current assets

Particulars	**As at 31 March 2026**	As at 31 March 2025
Advance to vendors	**0.63**	0.79
Prepaid expenses	**0.17**	0.27
Other receivables including balance with government authorities	**13.19**	11.00
Total other current assets	**13.99**	12.06

10(a) Equity share capital

Particulars	Number of shares (in numbers)	Amount
Authorised Equity Share Capital		
As at 1 April 2024	26,000,000	26.00
Increase during the year	-	-
As at 31 March 2025	26,000,000	26.00
Increase during the year	-	
As at 31 March 2026	**26,000,000**	**26.00**

(i) Movements in equity share capital (Subscribed and paid up)*

Particulars	Number of shares	Amount
As at 1 April 2024	25,490,646	25.49
Increase during the year	-	-
As at 31 March 2025	25,490,646	25.49
Increase during the year	-	-
- Subscribed and paid up	25,490,646	25.49
As at 31 March 2026	**25,490,646**	**25.49**

* Includes 6,236 (31 March 2025 - 6,236) forfeited shares on which amount paid up amounts to INR 0.01 (31 March 2025 - INR 0.01)

Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of INR 10 per share. Each shareholder is eligible for one vote, either in person or by proxy, per share held. The dividend proposed by the board of directors is subject to the approval of shareholders in ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all the preferential amounts, in proportion to their shareholding.

(ii) Details of shareholders holding more than 5% shares in the Company

Particulars	**As at 31 March 2026**		As at 31 March 2025	
	Number of shares	**% holding**	Number of shares	% holding
TSF Investments Limited (formerly known as Sundaram Finance Holdings Limited)	16,049,962	62.98%	9,891,754	38.81%
Wheels India Limited	3,189,194	12.51%	2,424,661	9.51%
Forge 2000 Private Limited.	5,393,674	21.17%	-	-
Dana Global Products Inc.,	-	-	12,316,415	48.32%

(iii) Details of shareholding of promoters

Name of the Company	As at 31 March 2026			As at 31 March 2025		
	Number of shares	% of total number of shares	% of change during the year	Number of shares	% of total number of shares	% of change during the year
TSF Investments Limited (formerly known as Sundaram Finance Holdings Limited)	16,049,962	62.98%	24.17%	9,891,754	38.81%	-
Wheels India Limited	3,189,194	12.51%	3.00%	2,424,661	9.51%	-
Forge 2000 Private Limited.	5,393,674	21.17%	21.17%	-	-	-
Dana Global Products Inc.,	-	-	-	12,316,415	48.32%	-

During the year, in April 2025 Dana Global Products Inc, has transferred its entire shareholding in the Company, transferring 6,158,208 shares to TSF Investments Limited (formerly known as Sundaram Finance Holdings Limited) and 6,158,207 shares to Forge 2000 Private Limited a wholly owned subsidiary of TSF Investments Limited.

Subsequent to the above transfer, in June 2025, the Company entered into a shareholders' agreement with its shareholders—TSF Investments Limited, Wheels India Limited, and Forge 2000 Private Limited—governing the rights and obligations of the shareholders. Based on an assessment of the arrangement, for the purpose of determination of related party under Ind AS 24, the Company has determined that TSF Investments Limited and Wheels India Limited to jointly exercise control over the Company under the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015]. Further, based on legal advice, the Company has concluded that TSF Investments Limited and Wheels India Limited jointly exercise control over the Company and the Company shall not be considered as a subsidiary of TSF Investments Limited under the provisions of the Companies Act, 2013. Accordingly, the Company has been classified as a joint venture of TSF Investments Limited and Wheels India Limited and has availed itself of the exemptions applicable to joint venture companies under the Companies Act, 2013, including those relating to appointment of independent directors, the constitution of the Audit Committee, Nomination and Remuneration Committee, among others.

Further in July 2025, Forge 2000 Private Limited has transferred 764,533 shares to Wheels India Limited.

10(b) Reserves and surplus

Particulars	As at 31 March 2026	As at 31 March 2025
General Reserve	**0.79**	0.79
Retained Earnings	**343.21**	281.33
Total reserves and surplus	**344.00**	282.12
(i) General reserve		
Opening balance	**0.79**	0.79
Appropriations during the year	**-**	-
Closing balance	**0.79**	0.79
(ii) Retained earnings		
Opening balance	**281.33**	248.75
Profit for the year	**73.24**	68.70
Other Comprehensive income arising from the remeasurement of defined benefit obligation (net of tax)	**(1.17)**	(0.44)
Dividend	**(10.19)**	(35.68)
Closing balance	**343.21**	281.33

Nature and purpose of reserves

Retained earnings

Represents accumulated profits after distribution of dividend. These reserves are available for distribution.

General Reserve

The general reserve is a free reserve, retained from Company's profits and can be utilized upon fulfilling certain conditions in accordance with the Companies Act.

11(a). Non-current borrowings

Particulars	Maturity date	Terms of repayment	Coupon / Interest rate	As at 31 March 2026	As at 31 March 2025
Secured					
Term Loans					
From a Bank	31 Aug 2027	Quarterly Repayment after one year moratorium from the date of first drawal	3 Months MCLR	8.65	14.43
Total non-current borrowings				8.65	14.43
Less: current maturity of long-term debt (included in note no.11(b))				5.73	5.73
Less: interest accrued (included in note no.11(b))				0.06	0.11
Non-current borrowings				2.86	8.59

Non-current borrowings are secured by a first charge on Plant and machinery of the Company.

11(b). Current borrowings

Particulars	Maturity date	Terms of repayment	Coupon / Interest rate	**As at 31 March 2026**	As at 31 March 2025
Loan repayable on demand					
Unsecured					
From Banks					
Bills discounted with Banks	2 months from invoice date	Payable on maturity	NA	**1.97**	35.75
Current maturities of long term borrowings*				**5.79**	5.84
Total current borrowings				**7.76**	41.59

In addition to the above, the Company has a facility from bank amounting to INR 90 which is secured by a first charge on current assets of the Company and second charge on Plant and machinery of the Company. There were no outstanding drawn amount against this facility as at 31 March 2026 and 31 March 2025.

* Includes interest accrued on long-term borrowing amounting to INR 0.06 (March 31, 2025: INR 0.11)

Net Debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

Particulars	**As at 31 March 2026**	As at 31 March 2025
Cash and cash equivalents	**76.06**	29.49
Non-current borrowings	**(2.86)**	(8.59)
Current borrowing	**(7.76)**	(41.59)
Net Cash/(Debt)	**65.44**	(20.69)

Particulars	**Other assets**	**Liabilities from financing activities**		
	Cash and cash equivalents	**Current borrowings**	**Non-current borrowings**	**Total**
Net debt as at 1 April 2024	10.28	(73.67)	(8.79)	(72.18)
Cash flows	19.21	39.36	(5.53)	53.04
Interest expense	-	(1.55)	-	(1.55)
Reclassifications	-	(5.73)	5.73	-
Net debt as at 31 March 2025	**29.49**	**(41.59)**	**(8.59)**	**(20.69)**
Cash flows	46.56	34.89	5.78	87.24
Interest expense	-	(1.11)	-	(1.11)
Reclassifications	-	0.05	(0.05)	-
Net debt as at 31 March 2026	**76.06**	**(7.76)**	**(2.86)**	**65.44**

11(c). Trade Payables

Particulars	As at 31 March 2026	As at 31 March 2025
Current		
(a) Total outstanding dues to micro enterprises and small enterprises (Refer note 32) and	**9.30**	7.42
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises*	**108.04**	110.48
Total trade payables	**117.34**	117.90

* The above amounts also consist of variable consideration arising from fluctuations in base steel prices and other linked input cost adjustments. Based on accumulated experience and prevailing market trends, the Company estimates and provides for purchase price variations using the expected value method. Such provisions are recognised to the extent that it is highly probable that a significant reversal of the recognised amount will not occur.

Aging of trade payables as at 31 March 2026

Particulars	Outstanding for following periods from the due date				
	Not due	Less than one year	1 to 2 years	More than 2 years	Total
Undisputed trade payables					
Micro and small enterprises	9.30	-	-	-	9.30
Other than micro and small enterprises	104.84	3.20	-	-	108.04
Disputed trade payables					
Micro and small enterprises	-	-	-	-	-
Other than micro and small enterprises	-	-	-	-	-
Total	**114.14**	**3.20**	**-**	**-**	**117.34**

Aging of trade payables as at 31 March 2025

Particulars	Outstanding for following periods from the due date				
	Not due	Less than one year	1 to 2 years	More than 2 years	Total
Undisputed trade payables					
Micro and small enterprises	7.42	-	-	-	7.42
Other than micro and small enterprises	110.48	-	-	-	110.48
Disputed trade payables					
Micro and small enterprises	-	-	-	-	-
Other than micro and small enterprises	-	-	-	-	-
Total	117.90	-	-	-	117.90

11(d). Other financial liabilities - Current

Particulars	As at 31 March 2026	As at 31 March 2025
Capital creditors	**0.37**	1.11
Due to director	**0.60**	0.60
Due to employees	**4.69**	6.70
Total other financial liabilities	**5.66**	8.41

12. Provisions - Current

Particulars	**As at 31 March 2026**	As at 31 March 2025
Provision for warranty	**14.16**	10.45
Total Provisions	**14.16**	10.45

Information about individual provisions and significant estimates

Provision for Warranty

Provision is made for estimated warranty claims in respect of products sold which are still under warranty at the end of the reporting period. These claims are expected to be settled over the warranty period which ranges upto 48 months. However, since the Company does not have an unconditional right to defer the settlement for atleast twelve months after the reporting period, these have been presented under current liability. Management estimates the provision based on historical warranty claim information and any recent trends that may suggest future claims could differ from historical amounts.

(i) Movements in provisions

Movements in each class of provisions during the financial year, are set out below:

Particulars	Warranty
As at 1 April 2024	11.37
Charged to profit or loss	
- additional provision recognised	4.07
Amount used during the year	(4.99)
Amount reversed during the year (credited to profit or loss)	-
As at 31 March 2025	10.45
As at 1 April 2025	10.45
Charged to profit or loss	
- additional provision recognised	4.25
Amount used during the year	(0.54)
Amount reversed during the year (credited to profit or loss)	-
As at 31 March 2026	**14.16**

13. Employee benefit obligations

	As at 31 March 2026			As at 31 March 2025		
	Current	**Non-Current**	**Total**	Current	Non-Current	Total
Leave obligations	**5.16**	**-**	**5.16**	4.60	-	4.60
Gratuity	**1.12**	**3.34**	**4.46**	1.09	0.35	1.44
Total employee benefit obligations	**6.28**	**3.34**	**9.62**	5.69	0.35	6.04

(i) Leave obligations

The leave obligations cover the Company's liability for earned leave.

The entire amount of the provision of INR 5.16 (31 March 2025 - INR 4.60) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Company does not expect all employees to avail the full amount of accrued leave or require payment for such leave within the next 12 months.

Particulars	**As at 31 March 2026**	As at 31 March 2025
Leave obligations not expected to be settled within the next 12 months	**2.76**	3.81

I. Post employment benefit obligations

(i) Defined benefit plans

Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employee's last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contribution to recognised fund in India.

(ii) Defined contribution plans

The Company also has certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% basic salary as per the regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount and it has no further contractual nor any constructive obligation. The Company also operates a Superannuation fund for certain employees. The expense recognised during the period towards defined contribution plan is INR 3.57 (31 March 2025 INR 3.08).

(a) Reconciliation of defined benefit plan

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Present value of obligation	Fair value of plan assets	Net amount
1 April 2024	14.03	(12.81)	1.22
Current service cost	0.87	-	0.87
Interest expense / (income)	0.98	(0.94)	0.04
Total amount recognised in profit or loss	**1.85**	**(0.94)**	**0.91**
Remeasurements			
Actuarial (gain) / losses	0.59	-	0.59
Total amount recognised in other comprehensive income	**0.59**	**-**	**0.59**
Employer contributions/premium paid	-	(1.28)	(1.28)
Benefits payment	(1.02)	1.02	-
31 March 2025	**15.45**	**(14.01)**	**1.44**

Particulars	Present value of obligation	Fair value of plan assets	Net amount
1 April 2025	15.45	(14.01)	1.44
Current service cost	1.13	-	1.13
Plan Amendments (past service cost)*	**1.79**	-	**1.79**
Interest expense / (income)	1.06	(1.01)	0.05
Total amount recognised in profit or loss	3.98	(1.01)	2.97
Remeasurements			
Actuarial (gain) / losses	1.56	-	1.56
Total amount recognised in other comprehensive income	**1.56**	-	**1.56**
Employer contributions/premium paid	-	(1.51)	(1.51)
Benefits payment	(0.42)	0.42	-
31 March 2026	**20.57**	**(16.11)**	**4.46**

* The new Labour Codes introduced by the Government of India, inter alia, require gratuity to be calculated based on wages constituting at least 50% of total remuneration. This has resulted in an increase in gratuity benefits in respect of services rendered in prior periods, and accordingly, the Company has recognised past service cost amounting to INR 1.79 during the year. In accordance with Ind AS 19, the past service cost has been recognised in the statement of profit and loss in the current year in which the plan amendment became effective.

The gratuity obligation has been actuarially valued by an independent actuary using the projected unit credit method, considering the revised definition of wages for gratuity computation.

Particulars	**31 March 2026**	31 March 2025
Major category of Plan Assets as a % of total Plan Assets		
Fund managed by LIC	**100%**	100%
The net liability disclosed above relates to funded plans are as follows:		
Present value of funded obligations	**20.57**	15.45
Fair value of plan assets	**(16.11)**	(14.01)
Deficit of gratuity plan	**4.46**	1.44
The significant actuarial assumptions were as follows:		
Discount rate	**6.97%**	6.92%
Expected return on plan assets	**6.92%**	7.26%
Salary growth rate	**5.75%**	5.75%
Attrition rate	**5.00%**	5.00%

Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumption is:

Particulars	Change in assumption	Impact on defined benefit obligation			
		Increase in assumption		Decrease in assumption	
		31 March 2026		**31 March 2026**	
Discount rate	100 base points	Decrease by	5.94%	Increase by	6.62%
Salary growth rate	100 base points	Increase by	6.41%	Decrease by	5.85%
Attrition rate	100 base points	Increase by	0.13%	Decrease by	0.13%

Particulars	Change in assumption	Impact on defined benefit obligation			
		Increase in assumption		Decrease in assumption	
		31 March 2025		31 March 2025	
Discount rate	100 base points	Decrease by	6.13%	Increase by	6.87%
Salary growth rate	100 base points	Increase by	6.60%	Decrease by	5.99%
Attrition rate	100 base points	Increase by	0.14%	Decrease by	0.15%

Expected contributions to post-employment benefit plans for the year ending 31 March 2027 are INR 1.26 The weighted average duration of the defined benefit obligation is 10.20 years (31 March 2025: 10.60 years). Maturity analysis of undiscounted gratuity is as follows:

Particulars	**31 March 2026**	31 March 2025
Within next 12 months (next annual reporting period)	**2.29**	1.59
Between 2 to 5 years	**7.28**	5.38
Beyond 5 years	**30.60**	19.43
Total	**40.17**	26.40

Risk exposure

Through its defined benefit plans the Company is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit.

Change in bond yields

A decrease in bond yields will create plan liabilities although this will be partially offset by an increase in the value of plan's bond holdings.

14. Deferred tax Asset (Net)

The balance comprises temporary differences attributable to:

Particulars	As at 31 March 2026	As at 31 March 2025
Property, Plant and equipment and Intangibles - Depreciation	**(0.61)**	(0.32)
Others - expenses to be allowed on payment basis as per the provisions of Income Tax Act, 1961	**1.57**	1.24
Total Deferred Tax Assets (net)	**0.96**	**0.92**

Movement in deferred tax assets

Particulars	Property, Plant and equipment and Intangibles	Other Items
As at 1 April 2024	**(0.78)**	**1.08**
Charged		
- to profit or loss	0.46	0.16
- to other comprehensive income	-	-
As at 31 March 2025	**(0.32)**	**1.24**
Charged		
- to profit or loss	(0.29)	0.33
- to other comprehensive income	-	-
As at 31 March 2026	**(0.61)**	**1.57**

15 (a). Other non-current liabilities

Particulars	As at 31 March 2026	As at 31 March 2025
Deferred revenue (Refer note 16.3)	**9.47**	10.88
Total other non-current liabilities	**9.47**	10.88

15 (b). Other current liabilities

Particulars	As at 31 March 2026	As at 31 March 2025
Deferred revenue (Refer note 16.3)	**2.00**	2.00
Liability towards CSR (Refer note 21(b))	**0.81**	1.19
Unclaimed dividend *	**0.25**	0.28
Statutory dues	**1.44**	1.54
Trade deposits	**0.14**	0.13
Advance from customers	**2.02**	1.37
Total other current liabililties	**6.66**	6.51

* There is no amount which has fallen due as at Balance sheet date to be credited to Investor Education and Protection Fund. The unclaimed dividend portion is kept separately in earmarked bank accounts. Refer note 5(d)(ii).

16. Revenue from operations

Revenue is recognised when the performance obligations are satisified and the control of the product is transferred, being when the goods are delivered as per the relevant terms of the contract at which point in time the Company has a right to payment for the asset, customer has possession and legal title of the asset, customer bears significant risk and rewards of ownership and the customer has accepted the asset or the Company has objective evidence that all criteria for acceptance have been satisfied. Payment for the sale is made as per the credit terms in the agreements with the customers. The credit period is generally short term, thus there is no significant financing component.

The Company's contracts with customers does not provide for any right to returns, refunds or similar obligations. The Company's obligation to repair or replace faulty products under standard warranty terms is recognised as a provision, see note 12.

The Company's contracts with customers also contain an element of variable consideration for increase/ decrease in input costs and also provide for volume/ value based rebates. Revenue from these sales is recognised based on the price specified in the contract duly adjusted for the said variable considerations. Accumulated experience is used to estimate and provide for the above variable consideration, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur.

The Company also sells tools to its customers that are to be used in the manufacturing of Axle housings. The Company has assessed that the sale of such tools do not constitute a distinct good (since the customer will not be able to derive the benefit from the tool on its own or together with other readily available resources) and the tool is used to customise the production of axle housing which is also promised within the contract. Consequently, the Company recognises revenue on such tools over the period of transfer of the axle housings produced using the tool. The amounts invoiced to customers pertaining to such tools are recognised as contract liabilities and amortised over the period of transfer of control of the individual axle housing. The tools so produced are reflected within inventory and amortised over the period of transfer of control of the individual axle housing.

Income from service

Revenue is recognised on a time proportionate basis in the accounting period in which the services are rendered as the customer simultaneously receives and consumes the benefits as the obligations are performed. Payment for the services provided are received as per the credit terms as agreed with the customers. The credit period is generally short term, and thus there is no significant financing component.

Particulars	**Year ended 31 March 2026**	Year ended 31 March 2025
Sale of products	**823.53**	793.00
Sale of services	**3.95**	3.17
Other operating revenue (Refer note 16.6)	**43.71**	45.37
Total revenue	**871.19**	841.54

16.1 Disaggregated revenue

Revenue from contracts with customers are disaggregated into categories that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors. The Company identifies the product lines, amongst others to indicate the factors as mentioned above. The details of revenue from contracts with customers on the basis of various product lines are as under:

Particulars	**Year ended 31 March 2026**	Year ended 31 March 2025
A. Type of goods or service		
1. Sale of products	**823.53**	793.00
2. Sales of services	**3.95**	3.17
3. Other operating revenue	**43.71**	45.37
B. Timing of recognition of revenue		
1. At a point in time	**863.88**	835.57
2. Over time	**7.31**	5.97

16.2 The operations of the Company relate to only one segment viz., automotive components and tools. Thus, the information on the relationship between disaggregated revenue under Ind AS 115 and for reportable segment under Ind AS 108 is not required. Refer note 27(b) for entity wide disclosures.

16.3 Reconciliation of contracts with customers

The following schedule gives the movement of contract liabilities for the reporting period.

Particulars	**Year ended 31 March 2026**	Year ended 31 March 2025
Contract liabilities at the beginning of the period	**12.88**	10.62
Add / (Less) :		
Consideration received during the year as advance	**1.95**	5.06
Revenue recognized from contract liability	**(3.36)**	(2.80)
Contract liabilities at the end of the period	**11.47**	12.88

The Company recognises revenue on tools over the period of transfer of the axle housings produced using the tool. The amounts invoiced to customers pertaining to such tools are recognised as contract liabilities and amortised over the period of transfer of control of the individual axle housing.

16.4 Transaction price allocated to the remaining performance obligations

The aggregate amount of revenue not recognised as at March 31, 2026 pertaining to above contracts are as set out in Note 16.3 above. The Company expects to recognise the revenue over a period ranging upto 5 years.

The Company's other contracts with customers are short term contracts with performance obligations that has an original expected duration of one year or less. Therefore, taking the practical expedient, the details on transaction price allocated to the remaining performance obligations are not disclosed in relation to the said contracts.

16.5 Reconciliation of revenue with contract price

Particulars	**Year ended 31 March 2026**	Year ended 31 March 2025
Contract price	**830.98**	785.53
Adjustments :		
Sales Price adjustments (net) and rebates	**(3.50)**	10.64
Revenue from operations as per Statement of Profit and loss (excluding other operating income)	**827.48**	796.17

16.6 Other operating revenue

Particulars	**Year ended 31 March 2026**	Year ended 31 March 2025
Scrap sales	**35.40**	36.83
Income from export incentives	**4.95**	5.74
Sale of tools	**3.36**	2.80
Total other operating revenue	**43.71**	45.37

17. Other income and other gains/(losses)

(a) Other income

Particulars	**Year ended 31 March 2026**	Year ended 31 March 2025
Interest income on bank deposits	**2.22**	2.04
Interest income on advances	**0.02**	0.01
Interest income on bonds	**0.03**	0.06
Total other income	**2.27**	2.11

(b) Other gains / (losses)

Particulars	**Year ended 31 March 2026**	Year ended 31 March 2025
Net gain on disposal of property, plant and equipment**	**5.44**	*
Net foreign exchange gain	**8.95**	3.13
Total other gains/(losses)	**14.39**	3.13

* The amounts are below the rounding off threshold adopted by the Company

** During the year, a portion of land owned by the Company was acquired by the Government under the applicable land acquisition regulations. The Company has received a compensation amounting to INR 5.44 and the gain arising from such acquisition has been recognised under Other gains/losses in the Statement of Profit and Loss for the year.

18(a) Cost of materials consumed

Particulars	**Year ended 31 March 2026**	Year ended 31 March 2025
Raw materials at the beginning of the year	**54.91**	62.91
Add: Purchases	**494.16**	471.43
Less: Raw materials at the end of the year	**61.05**	54.91
Total cost of material consumed	**488.02**	479.43

18(b). Changes in inventories of Work-in-progress and Finished Goods

Particulars	**Year ended 31 March 2026**	Year ended 31 March 2025
Opening Balance		
Work-in-progress	**13.75**	11.70
Finished goods	**93.05**	120.54
Total opening balance	**106.80**	132.24
Closing balance		
Work-in-progress	**14.85**	13.75
Finished goods	**57.62**	93.05
Total closing balance	**72.47**	106.80
Total changes in inventories of work-in-progress and finished goods	**34.33**	25.44

19. Employee benefit expenses

Particulars	**Year ended 31 March 2026**	Year ended 31 March 2025
Salaries, wages and bonus	**81.73**	77.73
Contribution to provident fund and other funds	**3.72**	3.29
Gratuity (refer note 13)	**2.97**	0.91
Staff welfare expenses	**6.63**	6.47
Total employee benefit expenses	**95.05**	88.40

20. Depreciation and amortisation expense

Particulars	**Year ended 31 March 2026**	Year ended 31 March 2025
Depreciation of Property, plant and equipment	**13.02**	11.44
Amortisation of Intangible assets	**0.10**	0.10
Total depreciation and amortisation expense	**13.12**	11.54

21. Other expenses

Particulars	**Year ended 31 March 2026**	Year ended 31 March 2025
Consumption of stores, spares and tools	**21.29**	21.94
Power and fuel	**21.27**	20.97
Rent including lease rentals	**6.48**	8.05
Rates and taxes excluding tax on income	**0.47**	0.68
Repairs		
Building	**3.06**	3.30
Plant & machinery	**10.76**	11.13
Others	**1.03**	0.78
Insurance	**1.20**	1.06
Packing and carriage outwards	**73.60**	62.04
Directors' sitting fees	**0.09**	0.09
Provision for warranty	**4.25**	4.07
Payments to auditors (refer note 21(a) below)	**0.48**	0.36
Expenditure on Corporate Social Responsibilities (Refer note 21(b) below)	**1.87**	1.54
Miscellaneous expenses	**13.90**	11.94
Total other expenses	**159.75**	147.95

21(a) Details of payments to auditors

Payment to auditors

Particulars	**Year ended 31 March 2026**	Year ended 31 March 2025
As auditor:		
Audit fee	**0.35**	0.30
Other services	**0.12**	0.05
Reimbursement of expenses	**0.01**	0.01
Total payments to auditors	**0.48**	0.36

21(b) Corporate Social Responsibility expenditure

Disclosures in relation to corporate social responsibility expenditure

Particulars	**Year ended 31 March 2026**	Year ended 31 March 2025
Contribution to Government School, Jamshedpur	**-**	0.05
Contribution to Cancer Institute, Adyar Chennai	**0.57**	-
Contribution to Palani Hills Conservation Council	**0.17**	-
Contibution to Mycelium	**0.12**	-
Contribution to Khadi and Village Industries Trust, Gandhigram	**0.20**	0.25
Sriperumbudur Town Panchayat - Battery Vehicle	**-**	0.05
Accural towards unspent obligations in relation to :		
Ongoing Project*	**0.81**	1.19
Other than ongoing Projects	**-**	-
Total	**1.87**	1.54
Amount required to be spent as per Section 135 of the Act	**1.87**	1.54
Amount spent during the year on:		
Construction/ acquisition of an asset	**-**	-
On Purposes other than above	**1.06**	0.35

* The Company has transferred obligation towards unspent CSR in relation to ongoing projects to a separate bank account within 30 days from the end of the respective financial year.

22. Finance costs

Particulars	**Year ended 31 March 2026**	Year ended 31 March 2025
Interest expense	**1.11**	2.42
Less: Amount capitalised*	**(0.11)**	(1.55)
Total finance cost	**1.00**	0.87

* The amount capitalised pertains to specific borrowing for the construction of plant in Jamshedpur.

23. Income tax expense

Particulars	**Year ended 31 March 2026**	Year ended 31 March 2025
Current tax on profits for the year	**23.38**	25.07
Increase in deferred tax asset	**(0.04)**	(0.62)
Total income tax expenses	**23.34**	24.45

(a) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

Particulars	**Year ended 31 March 2026**	Year ended 31 March 2025
Profit before income tax expenses	**96.58**	93.15
Tax at the Indian tax rate of 25.17% (Previous year 25.17%)	**24.31**	23.45
Tax effects of amounts which are not deductible (taxable) in calculating taxable income:		
- Corporate social responsibility expenditure	0.47	0.39
- Income not chargeable to tax (net of expenses in relation to exempt income)	(1.04)	-
- Other items	(0.40)	0.61
Income tax expenses	**23.34**	**24.45**

24. Fair value measurements

Financial instruments by category and hierarchy

Particulars	Hierarchy	31 March 2026			31 March 2025		
		FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
Financial Assets							
Loans	Level 3	-	-	0.58	-	-	0.63
Investments	Level 2/Level 3	2.54	-	0.50	1.51	-	0.50
Trade receivables	Level 3	-	-	198.80	-	-	190.70
Cash and cash equivalents		-	-	76.06	-	-	29.49
Bank balances other than above		-	-	0.25	-	-	0.28
Other financial assets	Level 2/Level 3	-	-	3.64	-	-	3.87
Total		**2.54**	**-**	**279.83**	**1.51**	**-**	**225.47**
Financial Liabilities							
Borrowings	Level 2	-	-	10.62	-	-	50.18
Trade payables	Level 3	-	-	117.34	-	-	117.90
Other financial liabilities	Level 2/Level 3	-	-	5.66	-	-	8.41
Total		**-**	**-**	**133.62**	**-**	**-**	**176.49**

(i) Fair value hierarchy

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments. The fair value of equity instrument which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (for example forward contracts) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(ii) Valuation technique used to determine fair value

The carrying amounts of trade receivable, cash and cash equivalents, loan and other financial asset carried at amortised cost are considered to be the same as their fair values, due to their short term nature.

The carrying amounts of current borrowings, trade payables and other financial liabilities carried at amortised cost are considered to be the same as their fair values, as these comprise balances which are largely short term in nature. In case of non-current borrowing, considering the variable rate of interest, the carrying amount is considered to be a reasonable approximation of its fair value.

There are no transfers between level 1, level 2 and level 3 during the year.

25. Financial risk management

The Company's activities expose it to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance, derivative financial instruments, such as foreign exchange forward contracts are entered to hedge foreign currency risk exposures. Derivatives are exclusively for hedging purposes and not as trading or speculative instruments.

(A) Credit risk

Credit risk arises from cash and cash equivalents, deposits with bank and credit exposures to customers including outstanding receivables.

(i) Credit risk management

Credit risk on balances with bank is mitigated by depositing the funds with reputed private sector banks.

For trade receivables, the primary source of credit risk is that these are unsecured. The Company's customers are established OEM's and there have been no defaults in the past. The Company sells the products to the customer only when the collection is certain. The credit risk is monitored on a on-going basis throughout the reporting period. Based on the credit assessment, the Company does not expect any defaults as at the balance sheet. An impairment analysis is performed at each reporting date on a individual basis for major clients. Any recoverability of receivables is provided for based on the assessment. Based on the credit risk assessment and historical trend, the Company had no significant credit risk as at 31 March 2026 and 2025.

The credit risk on liquid funds and derivative financial instruments is limited because the counter party are banks with high credit ratings.

(ii) Provision for expected credit loss

Year ended 31 March 2026

(a) Expected credit loss for trade receivables under simplified approach.

Ageing	Not due	0 - 30 days past due	31 - 60 days past due	61 - 90 days past due	91 - 180 days past due	180 days to 365 days past due	More than 365 days past due	Total
Gross carrying amount	**181.22**	**17.30**	**0.23**		**0.04**	**0.01**	**-**	**198.80**
Loss provision specifically identified and provided	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Carrying amount of trade receivable (net of impairment)	**181.22**	**17.30**	**0.23**	**-**	**0.04**	**0.01**	**-**	**198.80**

Year ended 31 March 2025

(a) Expected credit loss for trade receivables under simplified approach

Ageing	Not due	0 - 30 days past due	31 - 60 days past due	61 - 90 days past due	91 - 180 days past due	180 days to 365 days past due	More than 365 days past due	Total
Gross carrying amount	178.16	12.33	-	0.20	0.01	-	-	190.70
Loss provision specifically identified and provided	-	-	-	-	-	-	-	-
Carrying amount of trade receivable (net of impairment)	178.16	12.33	-	0.20	0.01	-	-	190.70

(B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of commited credit facilities to meet obligations when due. The management monitors rolling forecasts of the Company's liquidity position (comprising undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows.

(i) Financing arrangements

The Company has the following undrawn borrowing facilities at the end of the reporting period:

Particulars	**31 March 2026**	31 March 2025
Floating rate		
- Valid unless revoked (Bank loan facility)	**90.00**	90.00
- Expiring within one year (Bank loan facility)	**-**	-

(ii) Maturities of financial liabilities

The table below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities.

The amounts disclosed in the table are the contractual undisclosed cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 and 5 years	Total
31 March 2026						
Borrowings	3.56	1.57	3.04	2.94	-	11.11
Trade payables	117.34	-	-	-	-	117.34
Other financial liabilities:						
- Capital creditors	0.37	-	-	-	-	0.37
- Due to director	0.60	-	-	-	-	0.60
- Due to employees	4.69	-	-	-	-	4.69
Total non-derivative liabilities	**126.56**	**1.57**	**3.04**	**2.94**	**-**	**134.11**

Contractual maturities of financial liabilities	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 and 5 years	Total
31 March 2025						
Borrowings	37.51	1.70	3.29	6.20	2.89	51.59
Trade payables	117.90	-	-	-	-	117.90
- Capital creditors	1.11	-	-	-	-	1.11
- Due to director	0.60	-	-	-	-	0.60
- Due to employees	6.70	-	-	-	-	6.70
Total non-derivative liabilities	**163.82**	**1.70**	**3.29**	**6.20**	**2.89**	**177.90**

(C) Market Risk

(i) Foreign currency risk

The Company's activities expose it to foreign exchange risk arising from foreign currency transactions in USD. The foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency other than the functional currency(INR). The risk is measured through a forecast of highly probable foreign currency cash flows. The objective of the hedges is to minimise the volatility of the INR cash flows of highly probable transactions.

Until March 2023, the Company's risk management policy was to hedge 100% of the forecasted foreign currency. Subsequently, the Company has decided to hedge on a need basis. The Company has adopted hedge accounting for its derivative contracts, if any. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged, and the type of hedge relationship designated.

Cash Flow hedges that qualify for hedge accounting:

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, within other gains/(losses).

The Company also imports certain materials which are denominated significantly in USD which exposes it to foreign currency risk.

(a) Foreign currency risk exposure:

The Company's exposure of foreign currency risk in USD currency at the end of the reporting period is expressed in INR are as follows:

Particulars	**31 March 2026**	31 March 2025
Financial assets		
Trade receivable	**79.22**	30.39
Derivative assets:		
Foreign exchange forward contracts:	**-**	-
Sell foreign currency	**-**	-
Net exposure to foreign currency risk (assets)	**79.22**	**30.39**
Financial liabilities		
Foreign currency loan facility	**-**	-
Trade payables	2.33	3.69
Derivative liabilities:		
Foreign exchange forward contracts	**-**	-
Buy foreign currency	-	-
Net exposure to foreign currency risk (liabilities)	2.33	3.69

(b) Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	**Impact on profit after tax**		**Impact on Other Comprehensive Income**	
	31 March 2026	31 March 2025	**31 March 2026**	31 March 2025
USD sensitivity				
INR/USD - Increase by 5%	**(2.88)**	(1.00)	**-**	-
INR/USD - Decrease by 5%	**2.88**	1.00	**-**	-

Amounts in negative represents loss and amounts in positive respresents gain

(ii) Interest rate risk

(a) The exposure of Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	**31 March 2026**	31 March 2025
Variable rate borrowing	**8.59**	14.32
Fixed rate borrowing	**1.97**	35.75
Total borrowing	**10.56**	50.07

(b) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Particulars	**Impact on profit after tax**	
	31 March 2026	31 March 2025
Interest rates - increase by 50 basis points*	**(0.03)**	(0.05)
Interest rates - decrease by 50 basis points*	**0.03**	0.05

*Holding all other variables constant

Amounts in negative represents loss and amounts in positive respresents gain.

26. Capital management

(a) Risk management

The Company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The Company determines the amount of capital required on the basis of annual master planning and budgeting and five year's corporate plan for working capital, capital outlay and long-term product and strategic involvements. The funding requirements are met through equity, internal accruals and a combination of both long-term and short-term borrowings.

The Company monitors the capital structure on the basis of total debt to equity and maturity profile of the overall debt portfolio of the Company.

Particulars	**31 March 2026**	31 March 2025
Net (Asset)/Debt	**(65.44)**	20.69
Total Equity	**369.49**	307.61
Net Debt to equity ratio	**NA**	0.07

(i) Loan covenants

Under the terms of the major borrowing facilities, the Company is required to comply with the following financial covenants:

- the ratio of total outside liabilities to tangible net worth must be not more than 1.5 times,
- the ratio of total debt to EBITDA must be not more than 3 times, and
- the debt service ratio must be more than 1.2 times.

The Company has complied with these covenants throughout and as at the end of the reporting period.

(b) Dividends

Particulars	**31 March 2026**	31 March 2025
(i) Equity shares		
Final dividend for the year ended 31 March 2025 - Rs. 4/- (31 March 2024 - Rs.14) per fully paid share	**10.19**	35.68
(ii) Dividends not recognised at the end of the reporting period		
In addition to the above dividends, subsequent to the year end, the directors have recommended the payment of a final dividend for 31 March 2026 - Rs. 10 per share (31 March 2025 Rs.4 per share). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	**25.48**	10.20

27. Segment information

(a) Description of segments and principal activities

The Company is in the manufacturing of Axle housing for global vehicle manufacturers with sales in India and outside India.

The Board of Directors of the Company have been identified as the CODM and they evaluate the Company performance, allocates resources based on analysis of various performance indicators of the Company as a single unit. Therefore there is no reportable segment for the Company. The Company is domiciled in India.

(b) Entity wide disclosures

(i) Revenue from geographical areas

The segment revenue is measured in the same way as in the statement of profit or loss:

Particulars	31 March 2026			31 March 2025		
	Total	**Within India**	**Outside India**	Total	Within India	Outside India
Segment revenue by location of customers	**871.19**	**588.48**	**282.71**	841.54	533.53	308.01

All non-current assets are within India.

(ii) Information about major customers

Revenues of INR 566.97 (31 March 2025 - INR 499.05) are derived from 4 customers, contributing more than 10% of revenue individually.

28. Related party transaction

(a) Names of related parties and nature of relationship

Jointly controlled by:

TSF Investments Limited (formerly known as Sundaram Finance Holdings Limited)*

Wheels India Limited*

Dana Global Products Inc (until 30 April, 2025)

* Also refer note 10

Other related parties with whom transactions have taken place during the year or previous year:

Subsidiaries of entities exercising joint control over the Company

Dana Automotive Systems Group LLC (until 30 April 2025)

Dana Commercial Vehicle Mfg.LLC (until 30 April 2025)

Dana Commercial Vehicle Prod. LLC (until 30 April 2025)

Dana Automotive Manufacturing, Inc (until 30 April 2025)

Dana Australia Pty Ltd (until 30 April 2025)

Dana India Private Limited (until 30 April 2025)

Dana India Technical Centre Private Ltd (until 30 April 2025)

Dana Industrias LTDA (until 30 April 2025)

Dana Automocian S.A. (until 30 April 2025)

Dana Driveshaft Manufacturing, LLC (until 30 April 2025)

Forge 2000 Private Limited (with effect from 30 April 2025)

Key Managerial Personnel with whom transactions have taken place during the year:

Mr.V Madhavan - Managing Director
Mr. S Ram - Director
Mr. Srivats Ram - Director
Dr. Nivedita Ram - Director (appointed on 24 July 2024)
Mr. Sriram Viji - Director (appointed on 24 October 2025)
Mrs. Priyamvada Ramkumar - Director (appointed on 25 August 2025)

(a) Transactions with related parties

Particulars	**31 March 2026**	31 March 2025
Sale of goods*		
Dana Automotive Systems Group LLC	**-**	0.20
Dana Commercial Vehicle Mfg.LLc	**2.89**	53.24
Dana Commercial Vehicle Prod. LLC	**10.05**	161.03
Dana Australia Pty Ltd	**0.32**	0.74
Dana Automotive Manufacturing, Inc	**7.18**	73.46
Dana Industrias LTDA	**-**	7.57
Dana Automocian S.A.	**-**	0.05
Dana India Private Limited	**4.28**	65.92
Purchase of goods		
Wheels India Limited	**0.02**	0.08
Receiving of services		
Wheels India Limited	**-**	0.03
Rendering of services		
Wheels India Limited	**3.95**	3.17
Dividend paid :		
TSF Investments Limited (formerly known as Sundaram Finance Holdings Limited)	**6.42**	13.85
Wheels India Limited	**1.27**	3.39
Forge 2000 Private Limited.	**2.16**	-
Dana Global Products Inc	**-**	17.24

* Includes tooling revenue based on invoiced amounts. Also the amounts set out for the year ended 31 March 2026 are until the date of related party relationship.

(b) Key managerial personnel compensation

(i) Sitting fees

Particulars	**31 March 2026**	31 March 2025
Mr. S. Ram	**0.04**	0.05
Mr. Srivats Ram	**0.03**	0.03
Dr. Nivedita Ram	**0.02**	0.01
Mr. Sriram Viji	*	
Mrs. Priyamvada Ramkumar	*	-

* The amounts are below the rounding off threshold adopted by the Company.

(ii) Others

Particulars	**31 March 2026**	31 March 2025
Mr. V Madhavan		
Short term benefits*	**1.74**	1.66
Post employment benefits**	**0.13**	0.12

* The Commission paid to the KMP is considered on an actual payment basis for the purpose of this disclosure.

** As gratuity and compensated absences are computed for all the employees in aggregate, the amounts relating to Key Managerial Personnel cannot be individually identified.

(c) Outstanding receivable balances as at year end

Particulars	**31 March 2026**	31 March 2025
Wheels India Limited	**1.26**	0.67
Dana India Private Limited	**-**	29.97
Dana India Technical Centre Pvt.Ltd	**-**	0.01
Dana Australia Pty Ltd	**-**	0.30
Dana Industrias LTDA	**-**	6.22
Dana Automocian S.A.	**-**	-
Dana Automotive Manufacturing, Inc	**-**	9.22
Dana Commercial Vehicle Mfg.LLC	**-**	0.35
Dana Commercial Vehicle Prod. LLC	**-**	11.09

(d) Outstanding payable balances as at year end

Particulars	**31 March 2026**	31 March 2025
Key Managerial personnel	**0.60**	0.60

The related party transactions were made on terms equivalent to those that prevail in arm's length transactions.

29. Contingent liabilities

Particulars	31 March 2026	31 March 2025
Claims against the Company not acknowledged as debts: (excluding interest)		
- Income tax matters	-	0.02
- Indirect tax matters	3.84	3.84
- Labour related issues	-	-

The Company is contesting the demands and the management, including its tax advisors and legal consultant (as applicable), believe that its position will be likely upheld in the appellate process. No tax/expense has been accrued in the financial statements for the above demands raised. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the Company's financial position and results of operations. The potential undiscounted amount of the total payments that the Company could be required to make if there was an adverse decision related to the above demands is as set out above. Outflows, if any, arising out of these claims would depend on the outcome of the decision of the appellate authorities and the Company's rights for future appeals. No reimbursements are expected. The timing of the payment, if any, is presently not ascertainable and is dependent upon the closure of the appellate proceedings in the respective tribunals/courts.

The Company has evaluated the impact of the Supreme Court Judgment in case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. C-I/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees' Provident Fund Organisation in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. In the assessment of the management, the aforesaid matter is not likely to have a significant impact and accordingly, no provision has been made in these Financial Statements.

30. Capital Commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

Particulars	31 March 2026	31 March 2025
Property, plant and equipment	2.60	5.22

31. Earnings per share

Particulars	**31 March 2026**	31 March 2025
(a) Basic earnings per share		
Basic earnings per share attributable to equity shareholders of the Company	**28.74**	26.96
(b) Diluted earnings per share		
Diluted earnings per share attributable to equity shareholders of the Company	**28.74**	26.96
(c) Profit attributable to equity holders of the Company used in calculating basic and diluted earnings per share	**73.24**	68.70
(d) Weighted average number of equity shares used as a denominator in calculating basic and diluted earnings per share *	**25,484,410**	25,484,410

* Excludes forfeited shares

32. Dues to micro and small enterprises*

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

Particulars	**31 March 2026**	31 March 2025
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	9.30	7.42
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year	**-**	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	**-**	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	**-**	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	**-**	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	**-**	-
Further interest remaining due and payable for earlier years	**-**	-

* As certified by the Company

33. Additional regulatory information required by Schedule III

(i) Details of Benami Property

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Borrowing secured against current assets

The Company has borrowings from a bank on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with the bank is in agreement with the books of accounts.

(iii) Willful defaulter

The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(iv) Relationship with struck off companies

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(v) Compliance with number of layers of Companies

The Company does not have any downstream investments. Hence compliance with the number of layers prescribed under the Companies Act, 2013, read with the Companies (Restriction on number of Layers) Rules, 2017 is not applicable.

(vi) Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year. Also refer Note 34.

(vii) Utilisation of borrowed funds and share premium

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

(viii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(ix) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(x) Valuation of PP&E, intangible asset and investment property

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(xi) Title deeds of immovable properties not held in name of the Company

The title deeds of all the 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 notes 3 to the financial statements, are held in the name of the Company."

(xii) Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

(xiii) Utilisation of borrowings availed from banks and financial institutions

The borrowings obtained by the Company from a bank have been applied for the purposes for which such loans were taken.

(xiv) Loans and advances to specified persons

No loans or advances in the nature of loans are granted to promotors, directors, KMPs and the related parties (as defined under Companies Act, 2013) by the Company, either severally or jointly with any other person.

(xv) Core Investment Company

The Company is not a Core Investment Company (CIC). The Group has 1 exempted CIC as part of the group namely TSF Investments Limited (formerly known as Sundaram Finance Holdings Limited) - Exempt CIC.

(xvi) The Company does not have any Subsidiaries, joint ventures or associate companies.

(xvi) Ratios

Ratio	Numerator	Denominator	31 March 2026	31 March 2025	% of variance	Reason for variance, where the variance is more than 25%
Current ratio (times)	Current assets	Current liabilities	**2.79**	2.15	30%	The increase is attributable to: a) Increase in current asset balance due to increase cash balance b) Reduction in current liability balance due to repayment of borrowings
Debt-equity ratio (times)	Debt	Equity	**0.03**	0.16	-82%	The reduction is due to repayment of borrowings during the year.
Debt service coverage ratio	Earning for debt service	Debt service	**9.98**	1.58	531%	The increase is due to reduction of current borrowings.
Return on equity ratio	Net profit after tax	Average Shareholder's equity	**22%**	24%	-8%	Not applicable
Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	**3.17**	4.71	-33%	Not applicable
Trade receivable turnover ratio (times)	Revenue from operations	Average Trade receivables	**4.47**	4.41	1%	Not applicable
Trade payables turnover ratio (times)	Purchases	Average Trade payables	**4.20**	3.93	7%	Not applicable
Net capital turnover ratio (times)	Revenue from operations	Working capital	**3.08**	3.82	-19%	Not applicable
Net profit ratio	Net profit after tax	Revenue from operations	**8%**	8%	3%	Not applicable
Return on capital employed	Earnings before interest and tax	Tangible Capital employed	**26%**	26%	-2%	Not applicable
Return on investment	Earnings before interest and tax	Total assets	**18%**	18%	-1%	Not applicable

34. Scheme of Arrangement

The Company has filed an application with the National Company Law Tribunal (NCLT) for a scheme of Arrangement under Section 230-232 of the Companies Act, 2013 wherein Forge 2000 Private Limited, a subsidiary of TSF Investments Limited (formerly Sundaram Finance Holdings Limited), is proposed to be amalgamated with the Company, with an appointed date of 1 April 2025. In consideration of the amalgamation, the shareholders of Forge 2000 Private Limited will be issued equity shares of the Company. As the scheme is pending approval by the NCLT as of date, no accounting effect has been given to the proposed amalgamation in the financial statements.

35. Summary of Other accounting policies

This note provides a list of other accounting policies adopted in the preparation of these financial statements to the extent they have not already been disclosed in the other notes above. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Rounding of amounts

All amounts disclosed in the financial statements and the accompanying notes have been rounded off to the nearest INR crores as per the requirement of Schedule III of the Companies Act 2013, unless otherwise stated.

(b) Foreign currencies

Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in profit or loss. Foreign exchange gains and losses arising on foreign currency borrowings are presented in the statement of profit and loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).

(c) Income Taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

(d) Leases

As a lessee:

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable,
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date,
- amounts expected to be payable by the Company under residual value guarantees,
- the exercise price of a purchase option if the Company is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability,
- any lease payments made at or before the commencement date less any lease incentives received,
- any initial direct costs, and
- restoration costs.

(e) Impairment of assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

(f) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

(g) Trade receivables

See Note 5(b) for information about the accounting for Trade receivable and note 28 for receivables from related parties.

(h) Inventories

Raw materials and stores, work in progress, Loose tools and finished goods

Inventories are valued at the lower of cost and net realizable value. Cost of raw materials comprises cost of purchases. The cost of work-in-progress and finished goods comprises raw materials, direct labor, other direct costs and appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

Entity-specific details about inventories are provided in note 7.

(i) Investments and other financial assets

(i) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss)
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will

depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

The Compamy reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, being the date on which the Company commits to purchase or sell the financial asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

(iii) Measurement

At initial recognition, the Company measures a financial asset (excluding trade receivables which do not contain a significant financing component) at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in Other Income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses). Impairment losses are presented as separate line item in the statement of profit and loss.
- Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in statement of profit and loss.
- Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and

presented net within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iv) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. Note 25 details how the Company determines whether there has been a significant increase in credit risk.

Entity-specific details about investments and other financial assets are provided in note 5.

(j) Derivative financial instruments and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The Company designates certain derivatives as hedges of risk associated with the cash flows of highly probable forecast transactions (cash flow hedges).

At inception of the hedge relationship, the Company documents the economic relationship between hedging instruments and hedged items including whether the changes in the cash flows of the hedging instrument are expected to offset changes in cash flows of hedged items. The Company documents its risk management objective and strategy for undertaking its hedge transactions.

Cashflow hedges that qualify for hedge accounting:

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, within other gains/(losses).

When forward contracts are used to hedge forecast transactions, the Company generally designate the full change in fair value of the forward contract (including forward points) as the hedging instrument. Consequently, the gains or losses relating to the effective portion of the change in fair value of the entire forward contract are recognised in the cash flow hedging reserve within equity.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs, resulting in the recognition of a non-financial asset. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss within other gains/(losses).

(k) Property, plant and equipment

The Company's accounting policy for land is explained in note 3. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. The other repairs and maintenance of revenue nature are charged to profit or loss during the reporting period in which they are incurred.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposal are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

(l) Trade payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 45-60 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(m) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest rate method.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Borrowings are classified as current liabilities unless the Company as at the end of the reporting period has a right to defer settlement for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

(n) Borrowing cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. In cashflow statement, these are presented under investing activities.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

(o) Provisions

Provisions: Provisions for legal claims and service warranties are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

(p) Employee benefits

(i) Short term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(ii) Other long term employee benefits

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of the expected future payments to be made in respect of services provided by employee up to the end of reporting period using the projected unit credit method.

The benefits are discounted using the appropriate market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Measurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss. The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the period-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the leave as a current liability in the balance sheet; to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond 12 months, the same is presented as non-current liability.

(iii) Post-employment obligation

The Company operates the following post-employment schemes:

a) Defined contribution plans such as provident fund, and

b) Defined benefit plans such as gratuity for its eligible employees.

Defined benefit plan

The Company has a gratuity defined benefit plan for its employees. The costs of providing benefits under these plans are determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out for each plan using the projected unit credit method. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and the balance sheet. The Company has funded this with Life Insurance Corporation of India ('LIC'). The contributions made to the LIC are treated as plan assets. The defined benefit obligation recognised in the balance sheet represents the present value of the defined benefit obligation as reduced by the fair value of plan assets. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Defined contribution plan

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme and pension scheme as expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund. The Company also has a super annuation scheme for few employees which is also in the nature of a Defined Contribution Scheme.

Bonus plans

The Company recognizes a liability and an expense for bonus. The Company recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

(q) Dividend

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

(r) Earnings per share

Basic earnings per share have been computed by dividing the net income by the weighted average number of shares outstanding during the year. Diluted earnings per share has been computed using the weighted average number of shares and diluted potential shares, except where the result would be anti-dilutive.

(s) Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of its property, plant and equipment and intangible assets recognised as at 1 April 2016, measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment and intangible assets.

(t) Revenue recognition

See note 16 for information about the Company's accounting policies for revenue recognition.

36. The Financial Statements were authorised for issue by the directors at their meeting held on 4 May 2026.

For **Price Waterhouse & Co Chartered Accountants LLP**
Firm Registration Number: 304026E/E-300009

Arun Kumar R
Partner
Membership Number: 211867
Chennai
Date: May 4, 2026

For and on behalf of the Board of Directors
Axles India Limited

S Ram
Chairman
DIN: 00018309

V Madhavan
Managing Director
DIN: 07548156

Y Krishnamoorthy
Chief Financial Officer
Chennai
Date: May 4, 2026

C Bharathi
Company Secretary
Membership Number: F9406

Financial Summary - Last Ten Years

₹ in Croes

Particulars	**31.3.26**	31.3.25	31.3.24	31.3.23	31.3.22	31.3.21	31.3.20	31.3.19	31.3.18	31.3.17
Sales Turnover (including other income & Net of Excise duty)	**887.85**	846.78	855.10	745.93	572.37	312.02	408.62	621.05	475.06	413.59
Paid-up Capital	**25.49**	25.49	25.49	25.49	25.49	25.49	25.49	25.49	25.49	25.49
Reserves & Surplus	**344.00**	282.12	249.53	185.63	149.91	110.03	111.36	112.12	83.43	67.12
Profit Before Tax	**96.58**	93.15	115.49	70.73	45.18	4.04	13.97	58.55	34.18	22.78
Profit After Tax	**73.24**	68.70	86.27	52.64	33.83	2.96	12.17	38.06	22.31	14.92
Dividend - Amount	**25.48***	10.19	35.68	22.94	10.19	-	3.82	10.19	7.65	8.41
- Rate	**100%**	40%	140%	90%	40%	-	15%	40%	30%	33%

* Refer Notes to Financial Statements No. 26(b).