56th Annual Report 2025-26

SAN ENGINEERING AND LOCOMOTIVE COMPANY LIMITED

Engineered and built to last

Corporate Information

Board of Directors	Director's Identification Number (DIN)	Designation	Category
Mr. Milind S Thakker	00617882	Chairman	Non-Executive
Mr. Shiv Dayal	00461206	Independent Director	Non-Executive
Mr. Yash Gupta	00299621	Independent Director	Non-Executive
Mr. Jasjiv Sahney	00022886	Director	Non- Executive
Mr. Ramanathan Narayanan	06681365	Vice-Chairman & Managing Director	Executive

Company Secretary	Ms. Sunitha K S (A15358) - Till 14.11.2025 Mr. Rajiv Kumar Sharma (A59107) - w.e.f. 30.06.2026
Statutory Auditors	Messrs N R Rajagopalan & Co., Chennai 600 018
Bankers	State Bank of India
Factories	1) Whitefield Road, Bengaluru 560 048 2) Hebbal Industrial Area, Mysuru 570 018 3) Industrial Park, Patancheru, Hyderabad 502 319
Registered Office	P B 4802, Whitefield Road, Bengaluru, 560 048, Karnataka
Corporate Identification Number (CIN)	U74210KA1973PLC002424
Website	www.san-engineering.com
Contact Email-id	comsec@san-engineering.com
Telephone	(080) 2306 9200
Registrar and Transfer Agents (RTA)	BgSE Financials Limited, Stock Exchange Towers, No. 51, 1st Cross, J.C Road, Bengaluru 560 027, Karnataka, India. Tel No.: 080- 41329661 /66673353 /354 /355. Email vp-rta@bfsl.co.in / cs_rta@bfsl.co.in

BOARD COMMITTEES

1. Audit Committee

Mr. Shiv Dayal	Chairman
Mr. Yash Gupta	Member
Mr. Milind S Thakker	Member

2. Nomination and Remuneration Committee

Mr. Shiv Dayal	Chairman
Mr. Yash Gupta	Member
Mr. Milind S Thakker	Member

3. Corporate Social Responsibility Committee

Mr. Shiv Dayal	Chairman
Mr. Yash Gupta	Member
Mr. Milind S Thakker	Member

INVESTOR RELATIONS

NODAL OFFICER	Mr. Rajiv Kumar Sharma Company Secretary Post Box - 4802, Whitefield Road, Bengaluru, 560 048, Karnataka Telephone: (080) 2306 9200 (Extn: 353) Mail Id: rajiv.sharma@san-engineering.com
DEPUTY NODAL OFFICER	Mr. Darshan D Post Box - 4802, Whitefield Road, Bengaluru, 560 048, Karnataka Telephone: (080) 2306 9200 (Extn: 354) Mail Id: comsec@san-engineering.com

Vision

"To be a recognized supplier of rail and engineering products globally."

Mission

"To engineer and build innovative products to international standards that meets the needs of our customers and all stakeholders."

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Letter to the Stakeholder

Dear Stakeholder,

It is my pleasure to present to you the Annual Accounts of your Company for the financial year ended 31st March, 2026.

Financial year 2025-26 was a year of challenges. Geopolitical uncertainties created disruptions in supply chains to industries worldwide. Against this backdrop, your Company demonstrated notable resilience and adaptability.

We commenced the year on a strong footing. Multiple milestones were achieved through aggressive marketing, strategic planning, and diligent execution, and optimal utilization of the existing capacity. We recognize that there is more to be done and remain committed to enhancing our production capabilities, financial performance and becoming a more valuable and sustainable organization through cost optimization, productivity improvements, capacity building and innovation.

Your Company delivered notable performance across both production and financial metrics. The Company achieved a growth of 11 % and posted a Profit Before Tax ('PBT') of ₹254.38 Million during the financial year 2025-26.

From a financial and compliance perspective, the company has transitioned from Indian GAAP to Ind AS. Further, there would be a change in the presentation of financial statements, including additional disclosures. Surplus funds were deployed appropriately to enhance earnings.

As we look ahead to the next financial year, we are once again cautious; geopolitical and global tensions keeping everyone on edge. However, we are starting the financial year with a solid order book containing 17 no. of Rolling Stock and 208 no. of Special Purpose Vehicle (SPVs).

As a part of our growth journey, our focus remains resolute on enhancing agility, operational excellence, and stakeholder value. We will continue to prioritize safety, elevate manufacturing precision, execute projects efficiently, and maintain financial prudence.

I would like to take this opportunity to extend my sincere appreciation to all the employees of the Company, whose dedication fuels our progress and seek the continued support and trust of our shareholders and other stakeholders. Together, we will steer the Company towards sustainable growth and long-term value creation.

Best Regards,

M S. Thakker

Milind S Thakker

Chairman

Notice Convening 56th Annual General Meeting

NOTICE is hereby given that the 56th Annual General Meeting of the Members of **SAN ENGINEERING AND LOCOMOTIVE COMPANY LIMITED.** will be held on **Tuesday, the 8th day of September, 2026, at 11.30 A.M (IST)** at the Registered Office of the Company at Post Box 4802, Whitefield Road, Bengaluru - 560 048, Karnataka to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Standalone and Consolidated Audited Financial Statements of the Company for the financial year ended 31st March, 2026 and the Reports of the Auditors and Board of Directors thereon and if thought fit, to pass with or without modification (s), the following resolution as an **Ordinary Resolution:**

   "**RESOLVED THAT** the audited financial statement of the Company for the financial year ended 31st March, 2026 together with the reports of Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted."

2. To declare a Dividend of ₹10/- per share for the financial year ended March 31, 2026 and if thought fit, to pass with or without modification (s), the following resolution as an **Ordinary Resolution:**

   "**RESOLVED THAT** final dividend @ 100% (Rs. 10 per equity share of Rs.10/-) as recommended by the Board of Directors be and is hereby declared out of the profits of the Company for the financial year 2025-26."

3. To appoint a Director in place of Mr. Jasjiv Singh Devinder Singh Sahney (DIN: 00022886), who retires by rotation and being eligible, offers himself for re-appointment and if thought fit, to pass with or without modification (s), the following resolution as an **Ordinary Resolution.**

"**RESOLVED THAT** in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Jasjiv Singh Devinder Singh Sahney (DIN: 00022886), who retires by rotation at this meeting, be and is hereby appointed as a Director of the Company."

SPECIAL BUSINESS:

4. **Ratification of Remuneration of the Cost Auditors**

   To consider and, if thought fit, to pass, the following resolution as an **Ordinary Resolution:**

   "**RESOLVED THAT** pursuant to Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, including any statutory modification or re-enactment thereof for the time being in force, consent of the Company be and is hereby accorded for the payment of remuneration of ₹ 1.00 lakh (Rupees One Lakh only) plus taxes and out of pocket expenses to Company's Cost Auditor Messrs. Murthy & Co LLP (Registration No.000648), for auditing of cost records maintained by the Company for the financial year ending 31st March, 2027."

5. **Ratification of Re-appointment of Managing Director of the Company**

To consider and, if thought fit, to pass, the following resolution as an **Ordinary Resolution:**

"**RESOLVED THAT** pursuant to provisions of Sections 196,197, 198 and 203 read with Schedule V and the terms and conditions recommended by the Nomination and Remuneration Committee and pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modifications or re-enactment(s) thereof, for the time being in force), and pursuant to the recommendation of the Nomination & Remuneration Committee and approval of the Board of Directors in its meeting held on 22nd December, 2025, approval of Members of the Company be and is hereby accorded for re-appointment of Mr. Ramanathan Narayanan (DIN 06681365) as the Vice Chairman and Managing Director of the Company for a period of three years from 7th February 2026 to 6th February, 2029 on such terms and conditions as set out in this resolution and the explanatory statement annexed hereto and payment of such remuneration, as may be determined by the Board or a duly constituted Committee thereof, from time to time, within the maximum limits of remuneration for Managing Director approved by the Members of the Company.

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, Mr. Ramanathan Narayanan shall be entitled to receive remuneration including perquisites, etc. upto the limit as approved by the members herein above, as minimum remuneration.

RESOLVED FURTHER THAT the Board shall have the discretion and authority to modify the aforesaid terms and remuneration within, however, the limit as approved by the members.

RESOLVED FURTHER THAT in the event of any statutory amendments, modifications or relaxation by the Central Government to Schedule V to the Companies Act, 2013, the Board of Directors be and is hereby authorised to vary or increase the remuneration (including the minimum remuneration), that is, the salary, perquisites, allowances, etc. within such prescribed limit or ceiling and the terms and conditions of the said appointment as agreed to between the Board and Mr. Ramanathan Narayanan be suitably amended to give effect to such modification, relaxation or variation, subject to such approvals as may be required by law.

RESOLVED FURTHER THAT the Board of Directors or a duly constituted committee thereof be and is hereby authorized to take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board of Directors
For SAN Engineering and Locomotive Company Limited

Rajiv Kumar Sharma
Company Secretary
(Membership No: A59107)

Date: 30^{th} June 2026
Registered Office:
Post Box No. 4802,
Whitefield Road
Bengaluru-560 048

Notes:

1. A statement pursuant to Section 102(1) of the Companies Act, 2013 relating to special business under item no 4 and 5 as mentioned above and the details as required under Secretarial Standard on General Meeting (SS-2) in respect of the director seeking appointment/re- appointment at this AGM, to be transacted at the meeting is annexed thereto in **Annexure-I & II**.

2. **A member entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. Proxies to be effective must be received at the Registered Office of the Company not less than 48 hours before the meeting.**

3. A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

4. Members shall be entitled during the period beginning twenty-four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged with the Company, at any time during the business hours of the Company, provided not less than three days' notice in writing of the intention to inspect is given to the Company.

5. Members who wish to claim Dividends that remain unclaimed are requested to correspond with the Registrar and Share Transfer Agents. Members are requested to note that Dividends that are not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will, as per Section 124 of the Act, be transferred to the Investor Education and Protection Fund (IEPF). Shares on which dividend remains unclaimed for seven consecutive years will be transferred to the IEPF as per Section 124 of the Act, and applicable Rules. The list of unclaimed dividend is available on the website www.san-engineering.com of the Company.

6. Members/proxies should bring the attendance slip enclosed herewith, duly filled in for attending the Meeting.

7. Route-map to the venue of the Meeting is provided in the attendance slip attached to this Annual Report.

8. The provisions of Section 108 of the Companies Act, 2014 and rules there on, with regarding to providing e-voting facility are not applicable to the Company. As such no e-voting facility is provided.

9. Members may also note that the Notice of the 56th Annual General Meeting (AGM) and the Annual Report 2025-26 will be available on Company's website www.san-engineering.com.

10. Corporate members intending to send their authorized representatives to attend the meeting in terms of Section 113 of the Companies Act, 2013 are requested to send to the Company a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.

11. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.

12. Shareholders holding shares in physical mode are requested to convert the same into demat mode as the transfer of securities would henceforth be carried out only in dematerialized form. Please contact the Registrars and Share Transfer Agents of the Company for any assistance to this regard.

13. Members who have not registered their e-mail ID are requested to update the same with the Registrar and Share Transfer Agents of the Company, if held in physical form, or to the Depository, if held in demat mode.

14. Members who have not provided their Bank account details for dividend payment are requested to furnish the same to the Registrars and Share Transfer Agents of the Company.

15. Members holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company as permitted under Section 72 of the Act, read with Rules made there under are requested to send the prescribed Form SH-13 to the Registered Office of the Company. Any change or cancellation of the nomination already given is to be given in Form SH-14. The forms are available on the Company's website www.san-engineering.com. for download.

16. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, and The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the Members at the Annual General Meeting.

17. The Register of Members and Share Transfer books of the Company will remain closed from Wednesday, 2nd September 2026 to Tuesday, 8th September 2026, both days inclusive.

18. Dividend, if declared, will be payable on or before 7th October 2026 to the member whose names appear in the register of members of the Company as on 1st September 2026.

19. The Company has appointed BgSE Financials Limited, Stock Exchange Towers, No. 51, 1st Cross, J.C Road, Bengaluru 560 027, Karnataka, India. (Tel No.: 080- 41329661 /66673353 /354 /355.Email vp-rta@bfsl.co.in / cs_rta@bfsl.co.in) as the Registrar and Share Transfer Agents. The members are requested to communicate with the Registrar and Share Transfer Agents regarding share matters, change of address, nomination, dividend and other matters in respect of their shareholdings.

20. Pursuant to section 101 and 136 of the Companies Act, 2013 read with Rule 18 (1) of the Companies (Management and Administration) Rules, 2014, the Notice calling 56th Annual General Meeting along with the Annual Report for the financial year ended 31st March, 2026 would be sent by electronic mode on the email addresses as obtained from the Registrar and Share Transfer Agent, unless the members have requested for a physical copy of the same. For members who have not registered their e-mail addresses, physical copies would be sent by the permitted mode. Members are requested to support this green initiative by registering/updating their e-mail addresses with the depository participant (in case of share held in dematerialized form) or with BgSE Financials Limited (in case of shares held in physical form). Even after registering for ecommunication, Members are entitled to receive such communication in printed form, upon making a request for the same. For any communication, the members may also send request to the Company's investor email ID: comsec@san-engineering.com Members may also note that the notice of the AGM and the Annual Report for the Financial Year ended 31st March, 2026 will also be hosted on the Company's website www.san-engineering.com.

21. Payment of Dividend through electronic means:

a. The Company provides the facility to the Shareholders for remittance of dividend directly in electronic mode through National Electronic Funds Transfer (NEFT). Shareholders holding shares in dematerialized form are requested to provide the bank details to their respective Depository Participants.

b. In line with the General Circular No. 20/ 2020 dated May 5, 2020 issued by the MCA, in case the Company is unable to pay the dividend to any shareholder by the electronic mode, due to non-availability of their latest bank account details (Core Banking Solutions Enabled Account Number, 9 digit MICR and 11 digit IFSC Code), the Company shall dispatch the dividend warrant/ cheque to such shareholder by post.

c. Shareholders holding shares in dematerialized form are hereby informed that the bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company / RTA cannot act on any request received directly from the Shareholders holding shares in dematerialized form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Shareholders.

22. TDS on dividend:

In accordance with the provisions of the Income-tax Act, 2025 ("IT Act"), dividend declared and paid by the Company is taxable in the hands of its members and the Company is required to deduct tax at source ("TDS") from dividend paid to the members at the applicable rates. The tax rates would vary depending on the residential status of the shareholder and requisite documents registered with the Company. The information on TDS for various categories of shareholders along with required documents are given in **"Annexure III"**.

Annexure - I

Explanatory Statement pursuant to section 102 of the Companies Act, 2013

As required by Section 102 of the Companies Act, 2013 ("the Act"), the following Explanatory Statement sets out material facts relating to the special business under items No. 4 and 5 in the Notice.

Item No 4

In pursuance of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Company is required to maintain cost records for the products manufactured by the company and also appoint a cost auditor to audit these cost records. Accordingly, the Board of Directors of the Company at its meeting held on 30th June 2026 has considered the recommendations of audit committee and appointed Messrs. Murthy & Co LLP (Registration No.000648), as the Cost Auditor of the Company for the financial year 2026-27 at a remuneration of Rs 1.00 lakh and out of pocket expenses that may be incurred by the Cost Auditor.

In terms of the said Rules, the remuneration payable to the Cost Auditor is required to be ratified by the members of the Company in the general meeting.

Accordingly, the Board recommends the ordinary resolution given at item no. 4 for the approval of the members of the Company.

None of the directors, Key Managerial Personnel of the Company or their relatives is in anyway, concerned or interested, financially or otherwise, in the said resolution.

The Directors recommend the resolution for approval of the Shareholders.

Item No 5

Mr. Ramanathan Narayanan was appointed as the Managing Director of the Company for a period of three years with effect from 7th February, 2023, post approval of the Members. The present term of Mr. Ramanathan Narayanan ended on 6th February, 2026.

The Board has, based on the recommendation of the Nomination and Remuneration Committee and subject to the approval of the Members, approved the re-appointment of Mr. Ramanathan Narayanan as Vice-Chairman and Managing Director for a further term of three years from 7th February 2026 to 6th February, 2029.

Mr. Ramanathan Narayanan is not disqualified from being re-appointed as a Director in terms of Section 164 of the Act and has given his consent to act as Vice-Chairman and Managing Director of the Company. Mr. Ramanathan Narayanan satisfies all the conditions as set out in Section 196(3) of the Act and Part-I of Schedule V to the Act, for being eligible for his appointment.

The remuneration and other terms and conditions of appointment as set out below:

Remuneration:

Salary:

Rs. 10,00,000/- per month. (Rupees Ten Lakhs only)

The annual increments will be decided and approved by the Nomination and Remuneration Committee and the Board of Directors based on his and Company's performance.

Perquisites and benefits:

- House Rent Allowance or Reimbursement of House Rent for one house subject to a ceiling of 50% of Salary.

- Leave Travel Concession to the extent of one month's salary for self and family, once a year as per Company Rules.

- Club facility for a maximum of two clubs.

- Company maintained car with driver.

- Telephone and other telecommunication facilities at residence.

- Contribution to Provident Fund and Superannuation Fund as per Company Rules.

- Gratuity as per Scheme of the Company.

- Casual and Privilege leave as per Company Rules. Leave not availed of may be encashed as per Company Rules.

- Medical insurance for the family and Personal Accident Insurance Coverage as per Company Rules.

Performance Incentive:

- 1% of Net Profits of the Company if profits are less than Rs 10 Crores.
- 1.5% of Net Profits of the Company if the profits are greater than 10 Crores and less than Rs 20 Crores.
- 2% of Net Profits of Company if the profits are greater than Rs 20 Crores.

Others:

The contract may be determined by giving three months' notice in writing in that behalf by either party.

In terms of the said Rules, the re-appointment of Managing Director is required to be ratified by the members of the Company in the general meeting.

Accordingly, the Board recommends the ordinary resolution given at item no. 5 for the approval of the members of the Company.

Mr. Ramanathan Narayanan, Vice-Chairman & Managing Director of the Company is being interested in the said resolution.

Annexure - II

Details of Director proposed to be appointed/re-appointed at the ensuing Annual General Meeting

(Pursuant to Secretarial Standard-2 of the Institute of Company Secretaries of India)

SL. No.	Name of the Director	Jasjiv Singh Devinder Singh Sahney
1.	Director Identification Number	00022886
2.	Date of Birth	02-01-1965
3.	Date of first appointment at the Board	15-11-2024
4.	Qualifications	He holds a bachelor's degree in arts from Columbia University in the City of New York, United States. Later, he finished engineering from Cornell University, a private Ivy League research university based in Ithaca, New York, United States.
5.	Experience (Including expertise in specific functional area)/ Brief Resume	Mr Jasjiv Sahney is a seasoned business leader and also a Managing Director of Sahney Commutators Pvt. Ltd.
6.	Terms and Conditions of Appointment/ Re-appointment	His office shall be liable to retire by rotation
7.	Shareholding in the Company	NIL
8.	Relationship with other Directors and Key Managerial Personnel	None
9.	Number of Meetings of Board attended during the year	4
10.	Directorships held in other public companies	SAN MOTORS LIMITED

By Order of the Board of Directors
For SAN Engineering and Locomotive Company Limited.

Rajiv Kumar Sharma
Company Secretary
(Membership No: A59107)

Date: 30th June 2026
Registered Office:
Post Box No. 4802,
Whitefield Road
Bengaluru-560 048

Annexure - III

Information regarding deduction of Tax at source:

This is to further inform you that the Board at its meeting held on 30^{th} June, 2026, has recommended a final dividend of ₹10 /- (i.e. 100%) per equity share of the face value of ₹10/- each for the financial Year 2025-26, subject to the approval of members of the Company at Annual General Meeting scheduled to be held on 08th September, 2026. The said dividend will be payable to those members whose names appear in the Register of Members of the Company on the record date i.e. 1st September, 2026.

In accordance with the provisions of the Income-tax Act, 2025 ("IT Act"), dividend declared and paid by the Company is taxable in the hands of its members and the Company is required to deduct tax at source ("TDS") from dividend paid to the members at the applicable rates. The tax rates would vary depending on the residential status of the shareholder and requisite documents registered with the Company.

RESIDENT SHAREHOLDERS:

i. Resident individual shareholders:

Particulars	Current rate of withholding tax
Valid PAN updated in the Company's Register of Members	10%
Members not having PAN (not registered) / invalid PAN	20%
Submission of lower/nil tax deduction certificate issued by Income Tax Department u/s 395 of Income Tax Act, 2025	Rate specified in the certificate

ii. Members may note that no tax is required to be deducted on the dividend payable to a resident individual if the total dividend to be received by them during Financial Year 2026-27 does not exceed ₹10,000 or also in cases where members provide valid Form 121 subject to conditions specified in the IT Act.

iii. Resident Shareholders other than individuals:

In case of a certain class of resident shareholders other than individuals who are covered under provisions of Section 393(1)(7) or Section 393(4)(10) or Section 393(6)(a) of the Act, no tax shall be deducted at source ('NIL rate'), subject to submission of sufficient documentary evidence thereof, along with exemption notification, if any, as per the relevant provisions of the Income Tax Act, to the satisfaction of the Company. This illustratively includes following:

i. Insurance Companies: Public Sector & other insurance companies: A declaration that it has a full beneficial interest with respect to the shares owned by it along with a self-attested copy of PAN card.

ii. Mutual Funds: Self-declaration that they are specified and covered under Sch. VII(21) of the Act along with a self-attested copy of PAN card and registration certificate.

iii. Alternative Investment Fund ('AIF'): AIF established/incorporated in India - Self-declaration that its income is exempt under Sch. V(1) of the Act and they are governed by SEBI Regulations as Category I or Category II AIF along with a self-attested copy of the PAN card and registration certificate.

iv. Corporation established by or under a Central Act which is, under any law for the time being in force, exempt from income-tax on its income: Self-declaration specifying the specific Central Act under which such corporation is established and that their income is exempt under the provisions of the Act along with a self-attested copy of the PAN card and registration certificate.

v. Other Resident Non-Individual Shareholders: Shareholders who are exempted from the provisions of TDS as per Section 393(1)(7) of the Act or who are covered under Section 393(4)(10)of the Act shall also not be subjected to any TDS, provided they submit an attested copy of the PAN along with the documentary evidence in relation to the same.

Application of Nil rate at the time of tax deduction / withholding on the dividend is subject to completeness and satisfactory review by the Company, of the documents submitted by such shareholders. Notwithstanding anything contained above, in case where the shareholders provide a certificate under Section 393(6)(a) of the Act for lower / NIL withholding of taxes, the rate specified in the said certificate shall be considered, based on submission of self-attested copy of the same.

NON-RESIDENT SHAREHOLDERS

For non-resident shareholders, taxes are required to be withheld in accordance with the provisions of Section 393(2) and other applicable sections of the IT Act, at the rates currently in force. The withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) or as notified by the Government of India on the amount of dividend payable. However, as per Section 159 of the IT Act, non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) between India and the country of tax residence of the member, if such DTAA provisions are more beneficial to the shareholder. For this purpose, i.e. to avail the benefits under the DTAA, non-resident shareholders will have to provide the following:

- Self-attested copy of PAN Card, if any, allotted by the Indian Income Tax authorities;
- Self-attested copy of Tax Residency Certificate ('TRC') obtained from the tax authorities

of the country of which the shareholder is tax resident, valid as on date of payment;
- Self-declaration in online filing of Form 41 at income tax e filing website.
- Self-declaration for the financial year 2026-27 certifying the following:
  1. Shareholder is and will continue to remain a tax resident of the country of its residence during the Financial Year;
  2. Shareholder is eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company;
  3. Shareholder has no reason to believe that its claim for the benefits of the DTAA is impaired in any manner;
  4. Shareholder is the ultimate beneficial owner of its shareholding in the Company and dividend receivable from the Company; and
  5. Shareholder does not have a taxable presence or a permanent establishment in India during the financial year.

- Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by member.

Please note that the application of beneficial DTAA rate at the time of tax deduction / withholding on dividend shall be subject to completeness and satisfactory review by the Company of the documents submitted by the nonresident shareholders.

Dividend paid to Foreign Institutional Investors ("FII") and Foreign Portfolio Investors ("FPI") - Tax shall be deducted at source @ 20% (plus applicable surcharge and cess) on dividend paid to FII and FPI. For the purpose of withholding tax, it may not be possible to consider applicable DTAA benefits, if any, in case of FII and FPI since the provisions of the Act do not provide so;

Tax resident of any notified jurisdictional area - Where any shareholder is a tax resident of any country or territory notified as a notified jurisdictional area under Section 176 of the Income Tax Act 2025, tax will be deducted at source at the rate of 30% or at the rate specified in the relevant provision of the Act or at the rates in force, whichever is higher, from the dividend payable to such shareholder in accordance with Section 176 of the Act.

Notwithstanding anything contained above, in cases where the shareholders provide a certificate under Section 393(6)(a) of the Act for lower / NIL withholding of taxes, the rate specified in the said certificate shall be considered based on submission of self-attested copy of the same.

SHAREHOLDERS HAVING MULTIPLE ACCOUNTS UNDER DIFFERENT STATUS / CATEGORY: Shareholders holding shares under multiple accounts under different status / category and single PAN, may note that, higher of the tax as applicable to the status in which shares held under a PAN will be considered on their entire holding in different accounts.

SUBMISSION OF DOCUMENTS: To enable us to determine the appropriate TDS / withholding tax rate applicability, the aforementioned documents are required to be submitted to the Registrar and Share Transfer Agent viz. BgSE Financials Limited, Stock Exchange Towers, No. 51, 1st Cross, J.C Road, Bengaluru 560 027, Karnataka, India. (Tel No.:

080- 41329661 /66673353 /354 /355. Email : vp-rta@bfsl.co.in / cs_rta@bfsl.co.in) ("RTA") not later than 01st September, 2026. Communications or documents submitted thereafter will not be considered by the Company for computation of tax on dividend.

Transferring credit to the beneficial owner

In cases where the shareholder is merely a custodian of the shares and, accordingly, not the beneficial owner of the dividend payable in respect thereof, then, in order to transfer the credit of TDS to the beneficial owner of dividend income, the shareholder may provide a declaration prescribed by Rule 203 of the Income-tax Rules, 2026. The aforesaid declaration shall contain (i) name, address, PAN and residential status of the person to whom credit is to be given; (ii) payment in relation to which credit is to be given; and (iii) the reason for giving credit to such person.

The above declaration must be provided on or before 01st September, 2026 through emails on vp-rta@bfsl.co.in / cs_rta@bfsl.co.in, in order to enable the Company to determine and deduct appropriate TDS/withholding tax. Please note that the application for transfer of credit of TDS under Rule 203 would not be entertained in absence of the aforesaid prescribed details.

In case tax on dividend is deducted at a higher rate in the absence of receipt of the aforementioned details / documents, you still have the option of claiming refund of the excess tax paid at the time of filing your income tax return. However, no claim shall lie against the Company in respect of such taxes deducted.

For further information or clarification, Members can write to comsec@san-engineering.com or to our RTA at vp-rta@bfsl.co.in / cs_rta@bfsl.co.in.

Director's Report

Dear Members,

Your Directors take pleasure in presenting the 56th Director's Report on the business and operations together with the Audited Annual Standalone as well as the Consolidated Accounts for the year ended 31st March 2026 of SAN Engineering and Locomotive Company Limited. ("SAN" or "Company").

RESULTS OF OUR OPERATIONS AND STATE OF AFFAIRS

The Company's financial performance for the year ended 31st March 2026:

(Rupees in Million except EPS)

	STANDALONE		CONSOLIDATED	
Particulars	**2025-26**	**2024-25**	**2025-26**	**2024-25**
Net Sales and Other Income:	2959.84	2659.46	2988.18	2689.67
Profit Before Finance Cost, Depreciation and Taxes	321.43	442.61	338.34	466.45
Less: Interest and Financial charges	6.47	17.46	6.47	17.46
Depreciation	60.58	63.66	64.57	66.58
Profit Before Tax	**254.38**	**361.49**	**267.30**	**382.41**
Exceptional Item	-	250.50	-	250.50
Profit after Exceptional Item	254.38	611.99	267.30	632.91
Less: Taxes	65.03	128.12	67.96	134.31
Profit after Tax (PAT)	**189.35**	**483.87**	**199.34**	**498.60**
Other comprehensive income/(loss)	(6.16)	(2.13)	(6.35)	(0.94)
Total comprehensive income for the year	183.19	481.74	192.99	497.66
Earnings per share (EPS)				
Basic earnings per share	42.55	108.73	44.80	112.04
Diluted earnings per share	42.55	108.73	44.80	112.04
Balance as per Last Balance Sheet	303.60	164.23	335.56	181.46
Amount available for Appropriation	492.95	648.10	534.90	680.06
Appropriation				
Final Dividend	44.50	44.50	44.50	44.50
Transfer of General Reserve	-	300.00	-	300.00
Balance carried to Balance sheet	448.45	303.60	490.40	335.56

PERFORMANCE OF THE COMPANY

The Company posted a Net Sales turnover and other income of ₹ 2959.84 million for the year 2025-26 as compared to ₹ 2659.46 million of the year 2024-25. The corresponding profit after tax was ₹ 189.35 million against ₹ 483.87 million posted in the previous year.

DIVIDENDS

The Board is pleased to recommend a dividend of ₹ 10 per equity share representing 100% of nominal value of ₹ 10/- each for the financial year ended 31st March, 2026. The dividend if approved by the Members at the ensuing Annual General Meeting would involve a cash outflow of ₹ 44.50 Million.

TRANSFER TO RESERVE

The Company do not propose to transfer any amount to the General Reserve for the financial year 2025-26.

NATURE OF BUSINESS

There were no major events or changes in the nature of business of the company except routine business activities.

UNPAID DIVIDEND & IEPF

During the financial year under review, the Company transferred an amount of Rs. 0.20 million to the Investor Education and Protection Fund, being unclaimed/unpaid.

The amount lying in Unpaid Dividend Account of the Company in respect of the last seven years along with the dates when it is due for transfer to Investor Education & Protection Fund (IEPF) is as per below table:-

Year	Amount Unpaid (in Million)	Due date of transfer to IEPF
2018-19	0.13	03-10-2026
2019-20	0.02	31-12-2027
2020-21	0.02	27-09-2028
2021-22	0.04	29-09-2029
2022-23	0.06	16-09-2030
2023-24	0.27	06-10-2031
2024-25	0.26	30-10-2032

CHANGES IN SHARE CAPITAL

During the Financial Year 2025-2026, there were no change in the Equity share capital of the company.

Disclosure regarding Issue of Equity Shares with Differential Rights:
The company has not issued any shares with differential rights during the year.

Disclosure regarding Issue of Employee Stock Options:
The company has not issued any shares under an Employee Stock Option scheme during the year.

Disclosure regarding Issue of Sweat Equity Shares:
The company has not issued any sweat equity shares during the year.

CORPORATE GOVERNANCE

Directors

Mr. Jasjiv Singh Devinder Singh Sahney (DIN: 00022886) will retire by rotation at the ensuing AGM and being eligible has offered himself for reappointment.

Mr. Ramanathan Narayanan (DIN:06681365) has been re-appointed as Vice-Chairman and Managing Director by the board subject to the approval of the Members at the ensuing AGM for a further term of three years from 7th February 2026 to 6th February, 2029.

Mr. Mallavarapu Venkata Apparao (DIN: 00286308) and Mr. Udayant Malhoutra (DIN: 00053714) have tendered their resignation from the post of Additional Director of the Company with effect from 26.06.2025.

The Board placed on record their appreciation for the assistance and guidance provided by Mr. Mallavarapu Venkata Apparao and Mr. Udayant Malhoutra during their tenure as directors of the Company.

Directors' Responsibility Statement

Pursuant to Section 134(5) of the Companies Act, 2013, your Directors confirm that:

a) in the preparation of the annual accounts for the year ended March 31, 2026, the applicable Indian accounting standards (Ind AS) read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2026, and of the profit of the Company for the year ended on that date;

c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

d) the Directors have prepared the annual accounts on a 'going concern' basis;

e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Constitution of the Board

As of 31st March 2026, the Company's Board of Directors consisted of 5 Directors namely:

Sl No.	Name of Member	Designation
1.	Mr. Milind S Thakker	Chairman and Director (Non-Executive)
2.	Mr. Shiv Dayal	Independent Director (Non-Executive)
3.	Mr. Yash Gupta	Independent Director (Non-Executive)
4.	Mr. Jasjiv Sahney	Director (Non-Executive)
5.	Mr. Ramanathan Narayanan	Vice-Chairman & Managing Director (Executive)

Board Meetings

The Board Meetings are generally conducted once every quarter to consider strategy and policy issues, matters relating to the operations of the Company and also to review financial results and other reports. The Board met four times during the financial year under review. The meetings were held on 26th June 2025, 29th September, 2025, 22nd December, 2025 and 26th March, 2026. Number of Board Meetings attended by directors is as under:

Name of Director	No of Board Meetings held	No of Board meetings attended
Mr. Milind S Thakker	4	4
Mr. Shiv Dayal	4	3
Mr. Yash Gupta	4	3
Mr. Apparao Mallavarapu	4	1
Mr. Udayant Malhoutra	4	1
Mr. Jasjiv Sahney	4	4
Mr. Ramanathan Narayanan	4	4

Audit Committee

The composition of the Audit Committee during the year under review is as under:

Name of Member	Period
Mr. Shiv Dayal	Chairman
Mr. Yash Gupta	Member
Mr. Milind S Thakker	Member

During the year under review two audit committee meetings were held on 26th June 2025 and 26th March 2026.

Corporate Social Responsibility Policy and its Report

The Corporate Social Responsibility (CSR) Policy of the Company primarily focuses on education, eradication of hunger, employment enhancing skill development, environmental protection and health care. The Company aims to spend a minimum of 2% of its average net profits for the last three financial years on CSR activities and the Company is committed to upholding the interests of stakeholders by implementing these objectives.

The CSR policy adopted by the Board and the constitution of CSR committee are available on the web site of the Company: https://www.san-engineering.com/csr-policy/

During the year under review, two CSR committee meetings were held on 26th June 2025 and 22nd December, 2025 to review CSR activities.

The Annual Report on the CSR activities containing CSR Policy, Composition of Committee and CSR activities, projects undertaken and the amount spent during the year 2025-26 is appended as **Annexure A** to this Report.

Nomination and Remuneration Committee (NRC)

The composition of the Nomination and Remuneration Committee for the year under review was as under:

Name of Member	Designation
Mr. Shiv Dayal	Chairman
Mr. Yash Gupta	Member
Mr. Milind S Thakker	Member

During the year under review one Nomination and Remuneration Committee meeting was held on 22nd December 2025.

Independents Directors' Meeting

A meeting of the Independent Directors' was held on 29th September 2025 to discuss matters as per Schedule IV of the Companies Act, 2013.

Policy on Appointment and Remuneration of Directors

Pursuant to Section 178(3) of the Companies Act, 2013, the Nomination and Remuneration Committee of the Company has formulated a policy on board nominations as well as the appointment and remuneration of Directors and Key Managerial Personnel, Senior Management Personnel. There was no change in the Nomination and Remuneration Policy of the Company, during the year under review. The Remuneration policy of the Company is available on the website of the Company www.san-engineering.com.

Remuneration / Commission Drawn From Holding / Subsidiary Company:

The details of remuneration / commission received by the directors of the Company from subsidiary companies are as follows:-

Name of Director	Nature (Remuneration / Commission)	Amount In Rs. (Actual)	Company from which this amount is drawn
Mr. Milind S Thakker	Sitting Fees	20,000	SAN Motors Limited (Subsidiary).
Mr. Milind S Thakker	Sitting Fees	20,000	San Rolling Stock Services Limited (Subsidiary).
Mr. Jasjiv Sahney	Sitting Fees	20,000	SAN Motors Limited (Subsidiary).
Mr. Ramanathan Narayanan	Sitting Fees	20,000	SAN Motors Limited (Subsidiary).
Mr. Ramanathan Narayanan	Sitting Fees	20,000	San Rolling Stock Services Limited (Subsidiary).

Particulars of Employees

Information as per Rule 5(2) of Chapter XIII, of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as **Annexure C** which forms part of this report.

Protection of women at workplace

The Company has formulated a policy on 'Protection of Women's Rights at the Workplace' as per the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, and in compliance of the said provisions, an internal complaint committee has been constituted to address the grievances. There were no complaints received by the Company in the financial year 2025-26.

Report on the performance and financial position of Subsidiaries

The Company has two subsidiary companies namely San Motors Limited and San Rolling Stock Services Limited as of 31st March, 2026.

During the year, the Board of Directors ('the Board') reviewed the affairs of the subsidiaries. In accordance with section 129(3) of the Companies Act, 2013, we have prepared consolidated financial statements of the company, which forms part of this Annual Report. Further, a statement containing salient features of the financial statements of the Company's subsidiary in Form AOC-1 is appended as **Annexure D** to the Board's report. The statement also provides the details of performance and financial positions of each subsidiaries.

In accordance with section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the company and audited accounts of each of its subsidiaries are available on our website, www.san-engineering.com.

First time adoption of Indian Accounting Standard (IND AS)

The Ministry of Corporate Affairs (MCA), notified the Indian Accounting Standards (Ind As) applicable to certain classes of companies. Ind AS would replace the existing Indian GAAP prescribed under section 133 of the Companies Act, 2013 read with rule 7 of the companies (Accounts) Rules, 2014. For SAN ENGINEERING AND LOCOMOTIVE COMPANY LIMITED. and its subsidiaries, Ind AS would be applicable for the accounting periods beginning April 1, 2025, with a transition date of April 1, 2024.

The Company has evaluated the effect of transition from Indian GAAP to Ind AS and the following are the areas which would have an impact on account of the transition on the Company:

- Fair valuation of financial assets and liabilities.
- Employee costs pertaining to defined benefits obligations.
- Trade receivables.
- Provision for warranty
- Goodwill
- Deferred tax

Further, there would be a change in the presentation of financial statements including additional disclosures.

Public Deposits

The Company has not accepted any public deposits from the public or its members during the financial year under review and no amount on account of principal or interest was outstanding as on the date of the balance sheet.

Particulars of loans, guarantees or investments under Section 186 of the Companies Act, 2013.

Details of loans, guarantees and investments made under section 186 of the Companies Act, 2013 are given in the Note no. 51 to the Financial Statements.

Related Party Transactions

The transactions between the Company and its related parties during the year 2025-26 were in the ordinary course of business and were conducted on the principles of arm's length. The details of material related party transactions at an aggregate level for the year ended 31st March, 2026 in form AOC-2 are appended as **Annexure B** which forms part of this Report.

Annual Return

In accordance with Section 92(3) and Sec 134(3)(a) of the Companies Act, 2013, the annual return of the Company as on 31st March, 2026, in the prescribed format is available on the website of the Company https://www.san-engineering.com/investor-details/.

Internal financial controls with reference to financial statements

The Company has in place adequate internal financial controls with reference to financial statements during the year under review. Such controls were tested and no reportable material weakness in the design or operation was observed.

Risk Management Framework

The Company has taken steps for strengthening its business processes by setting up SOP's (Standard Operating Procedures) in day to day business activities. Systems are established to create an environment for timely and effective response by strengthening the internal control systems in the Company.

Declaration by Independent directors

The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that he meets the criteria of independence laid down in Section 149(6) of the Act.

Maternity Benefit Disclosure

The Company has complied with the provisions of the Maternity Benefit Act, 1961, including the provisions relating to maternity leave, maternity benefits, nursing breaks, and other related facilities. The Company has instituted appropriate policies and procedures to ensure a compliant and conducive working environment for women employees.

Auditors

Statutory Auditors

At the AGM held on 30th August, 2022, Messrs N R Rajagopalan & Co, Chartered Accountants (Firm Registration No. 003400S) were appointed as statutory auditors of the Company for a period of five years. Accordingly, they hold the office of Statutory Auditors till the conclusion of Annual General Meeting to be held in the calendar year 2027.

The Auditor's Report for the fiscal 2026 does not contain qualification, reservation, or adverse remarks. The Auditors' Report is enclosed with financial statements in this Annual Report.

Secretarial Auditor

The Board appointed Practicing Company Secretary Mr. M.V Bhat, to conduct the Secretarial Audit for the financial year ended March 31, 2026 as required under Section 204 of the Companies Act, 2013 and rules thereunder. The secretarial audit report for the fiscal 2026 forms part of Annual Report as "**Annexure- E**" to the Board's Report. The Secretarial Audit Report does not contain qualification, reservation, or adverse remarks.

Audit remarks and frauds reported by the auditor under section 143(12) of the Companies Act, 2013:

There are no qualifications, reservations or adverse remarks made by the Auditors in their report for the financial year ending March 31, 2026. No frauds have been reported by the Auditors in the Report under sub-section (12) of section 143 made by Auditors for the financial year ending March 31, 2026.

Explanations or Comments by the Board on qualification, reservation or adverse remark or disclaimer made by the auditor in their report

As there were no instances of qualifications, reservations or adverse remarks made by the Auditors in their report to the Members for the financial year ending March 31, 2026, comments by the Board do not arise.

Cost Auditor and Cost Records

The provisions regarding the maintenance and audit of Cost Records as specified by the Central Government under Section (1) of Section 148 of the Companies Act, 2013 is applicable to the products manufactured by the Company and accordingly such accounts and records are made and maintained.

In pursuance of Section 148 of the Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Board of Directors has appointed Messrs Murthy & Co. LLP as Cost Accountants (Registration No: 000648) as the Cost Auditors for the year 2026-27. The remuneration payable to the cost auditor is placed for ratification by the members of the Company in terms of the said rules.

Information required under Sec 134(m) of the Companies Act, 2013

A) Conservation of Energy

(i) The Steps taken or impact on conservation of energy:

The Company is making continuous efforts to conserve and optimize energy wherever practicable by economizing on fuel and power.

The Company has taken several steps to reduce power consumption in all machines, especially in high consumption areas such as Heat Treatment by optimizing the loads and proper maintenance of furnaces. The Company has modernized the machine shop by installing several CNC machines in place of convention machines. These machines have low energy consumption compared to convention machines.

(ii) Steps taken by the Company for utilizing alternate sources of energy:

No alternate source of energy was used during the financial year under review.

(iii)Capital investment on energy conservation equipment:

No specific investment was made on energy conservation equipment during the year.

(B) Research & Development and Technology Absorption

(i) Efforts made towards technology absorption:

The Company continues to make technical efforts for development of products, process and improvement of quality through its in house R & D activities.

(ii) Import of Technology:

No import of technology was made in the previous three financial years and no foreign technical collaboration is in force as on the date.

RESEARCH AND DEVELOPMENT

The Company has a Research & Development Centre, which is recognized as an in-house R & D facility by the Ministry of Science and Technology, New Delhi. The R & D department is continuously engaged in the development of new range of products and improvement of existing products and processes.

Specific areas in which R & D was carried out by the Company:

During the year under review the Company carried R & D activities on various ongoing projects as well as development of new products.

Ongoing projects:

- Completed RDSO trials of the Diesel Hydraulic Multiple Unit for the Kalka–Shimla section of Indian Railways; Awaited for CCRS trials in June / July 2026.
- Completed Development of 8W RBMV including Oscillation Trials & CCRS Trials and is now put into service of Indian Railways.
- Design & Development of Woodward Governing System & Automatic Emergency Brake System for DETC.
- Completed Development of Inspection Car including Oscillation Trials by RDSO. Awaiting for CCRS trials.

- Completed Development of Track Recording Car including Oscillation Trials by RDSO. Awaiting for CCRS trials.
- Completed development of OHE Recording Car. Awaiting for Oscillation Trials by RDSO and CCRS trials.
- Standardization of locomotives and Rail products.
- Indigenously developed Roof mounted Twin Radiator for all Self Propelled Track & OHE Inspection Cars of DFCCIL. Implemented in Inspection Car, Track Recording Car, OHE recording Car.
- Indigenously developed Lifting and Swiveling Platforms for Diesel Electric Tower Cars of Indian Railways which is under ICF approval.
- Development of Gear and Gear boxes tailored to meet specific customer requirement.

New Products under development:

- Design & Development of Modernization of Locomotive.
- Design & Development of 8 Wheeler Utility Track Vehicle.
- Design & Development of 8 Wheeler Rail Borne Maintenance Vehicle (New Design).
- Design & Development of Diesel Electric Locomotive - Twin Power Pack [700HP X 2].
- Design & Development of Self Propelled Ultrasonic Testing Car.
- Design & Development of High Rise Diesel Electric Tower Car.
- Design & Development of Straight Electric Traction Power Pack.
- Design & Development of YDM4 Locomotive for Indian Railways including development of Traction Equipment.
- Design of installation of KAVACH System & Video Surveillance System for DETC.
- Design & Development of Control Panels for 42KVA DA Set.
- Design & Development of new Traction Power Packs with optimized performance rating for UTV (On board mounting) and New RBMV (Underslung mounting).
- Design & development of Floor mounted Radiator for all Self Propelled Track Maintenance Machines of Indian Railways with combination of media for Engine Coolant, Transmission Oil and Engine Charge Air Cooler. Implemented in UTV and New RBMV.

Apart from the above, the R & D team also continued its work on standardization of various inputs and sub-assemblies of locomotives and rail vehicles.

Benefits derived as a result of R & D:

With orientation of R & D activities towards product development and cost reduction, the Company has been successfully achieving these objectives on a continuous basis. Value engineering activities are being undertaken for specific cost reduction.

Expenditure on R & D:

Particulars	₹ In Million
Capital	NIL
Recurring	14.59
Total	14.59
Total R & D Expenditure as a Percentage of Total Turnover	0.49 %

(C) Foreign Exchange Earnings & Outflow:

Particulars	₹ In Million
i) Foreign Exchange Earned: Export of goods on F.O.B basis	**19.25**
ii) Outflow of Foreign Exchange:	
Raw Materials/ Spares	38.00
Expenditure on Travelling and Others	0.69

Secretarial Standards:

The Company complied with the Secretarial Standards on Meetings of Board of Directors (SS-1) and General Meetings (SS-2).

Disclosure on Establishment of a Vigil Mechanism:

The Company is not required to statutorily required to maintain a Vigil Mechanism Policy and whistle blower policy.

Significant orders by regulators/courts/tribunals

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

Material changes and commitment if any affecting the financial position of the company occurred between the end of the financial year to which this financial statements relate and the date of the report

There are no significant material changes and commitments affecting the financial position of the company between 31st March 2026 and the date of the Board's Report.

Acknowledgement

Your Directors acknowledge the dedicated service rendered by the Employees of the Company at all levels. The Directors also acknowledge the support and cooperation received especially from Shareholders, Investors, Customers, well wishers and all authorities and institutions.

For and on behalf of the Board of Directors

MILIND S THAKKER
Chairman
DIN : 00617882

Bengaluru
30th June, 2026

Annexure - A to Director’s Report

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. Brief outline on CSR policy of the Company

The CSR policy of the Company aims at increased commitment of the organization in operating its business in an economically, socially and environmentally sustainable manner while recognizing the interests of all its stakeholders.

The CSR policy of the Company sets the framework guiding the Company’s CSR activity. The Company has continued to focus largely in the area of education, eradication of hunger, employment enhancing skill development, environment protection, health care and welfare activities to fulfill CSR objectives of the Company.

2. Composition of CSR Committee

Sl. No.	Name of Director	Designation / nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Shiv Dayal	Chairperson Independent Non-Executive	2	1
2.	Mr. Yash Gupta	Member Independent Non-Executive	2	2
3.	Mr. Milind S Thakker	Member Non Independent Non-Executive	2	2

3. Provide the Website/web-link where Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company:

   The information is available on the Company’s website www.san-engineering.com.

4. Provide the details of impact assessment of CSR projects carried out in pursuance of Sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules 2014, if applicable

   Not Applicable

5. Details of the amount available for set off in pursuance of Sub-Rule (3) of Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial year (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
-	-	NIL	NIL

6. Average net profit of the Company as per Section 135(5): ₹ 334.02 million.

7. (a) Two percent of average net profit of the Company as per Section 135(5): ₹ 6.70 million.
   (b) Surplus arising out of the CSR Projects or programmes or activities of the previous financial year: NIL
   (c) Amount required to be set-off for the financial year if any: NIL
   (d) Total CSR obligation for the financial year (7a+7b-7c): ₹ 6.70 million.

8. (a) CSR amount spend or unspent for the financial year:

Total amount spent for the Financial Year (₹/million)	Amount Unspent (Rs/ million)				
	Total Amount transferred to Unspent CSR account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second provision to Section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
6.70 million	NIL	-	-	NIL	-

   (b) Details of CSR amount spent against ongoing projects for the financial year: NIL

   (c) Details of CSR amount spent against other than ongoing projects for the financial year:

1	2	3	4	5		6	7	8	
Sl. No.	Name of the project	Item from The list of Activities In schedule VII of the Act		Location of the Project		Amount Spent for the project (₹/ million	Mode of Implementation (Direct Yes/ No)	Mode of implementation – Through agency	
				State	District			Names of Agency	CSR Regn. No
1	Education including Special education and employment enhancing vocational training	(ii)	Yes	Karnataka	Bangalore	3.35	No	1. SGBS Trust 2. SOS Children's Villages 3. Social Assn for Help (SATH) 4. National Association for the Blinds 5. Aditya Birla Education Trust 6. Siddhagiri Sai Foundation	CSR00011765 CSR00000692 CSR00007500 CSR00002631 CSR00004879
2	Eradicating hunger, poverty and malnutrition, promoting health care including preventive health, and sanitation	(i)	Yes	Karnataka	Bangalore	2.35	No	1. Akshaya Patra Foundation. 2. Prasanna Trust 3. Sankara Eye Foundation 4. Bangalore Hospice (Karunasraya)	CSR00000286 CSR00003636 CSR00003159 CSR00002889
3	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, etc.	(iv)	Yes	Karnataka	Bangalore & Mysore	1.00	No	1. Girija Shastry Memorial Trust (Admanya Chetana) 2. Sampige Foundation 3. Arohana Grameen sabhivruddi Samsthe	CSR00005727 CSR00079241 CSR00013150

(d) Amount spent in Administration overheads: NIL
(e) Amount spent on Impact Assessment, if any: NIL
(f) Total amount spent for the Financial year (8a+8b+8c+8d): ₹ 6.70 million.
(g) Excess amount for set off, if any: NIL.

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

Unspent CSR amount for the preceding three years: NIL
Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any: NIL
Amount remaining to been spent in succeeding financial year: NIL

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): NIL

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details)

(a) Date of creation or acquisition of the capital asset(s): None
(b) Amount of CSR spent for creation or acquisition of Capital asset: Nil
(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, then address etc: Not Applicable
(d) Provide details of the capital asset(s) created or acquired (including complete address and location of capital Asset: Not Applicable

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

Not applicable

For and on behalf of the Board of Directors

MILIND S THAKKER	**RAMANATHAN NARAYANAN**
Chairman	Vice-Chairman & Managing Director
DIN: 00617882	DIN: 06681365

Bengaluru
30th June 2026

Annexure - B to Director's Report

(Pursuant to clause (h) of Sub-section (3) of section 134 of the Companies Act 2013 and Rule 8(2) Rule 82) of the Companies (Accounts) Rules 2014

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

1 Details of contracts or arrangements or transactions not at arm's length basis: The Company has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during financial year 2025-26

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

Sl no	Name(s) of related party or nature of relationship & CIN	Nature of the contracts / arrangements/ transactions	Duration of the contract / arrange ments / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
i.	San Motors Ltd CIN: U34103KA1997PLC101338	Rent Contract	Three years	Rent received for the factory shed at Whitefield road, Bangalore ₹ 8.07 millions.	26th June 2025	NIL
		Purchase / sale of material	On going	Sale of material & Purchase of fabricated items valued at ₹ 57.38 millions during the year.	26th June 2025	NIL
ii.	San Rolling Stock Services Ltd CIN: U74999KA2017PLC102366	Rent Contract	Three years	Rent received for office space at Whitefield Road, Bangalore on rent of ₹ 2.95 millions.	26th June 2025	NIL
		Sale/Purchase/ Service contract	On going	Sale/ Purchase of material, commissioning & maintenance service valued at ₹ 32.18 millions.	26th June 2025	NIL
		Service contract	On going	Service Charges Received valued at at ₹ 4.11 millions.	26th June 2025	NIL
iii.	Sonmil Engineering Private Limited CIN: U29309MH2016PTC287265	Rent Contract	From 15.5.2024 to 14.5.2029	Rent paid for the lease of factory land and building at Patencheru valued at ₹ 4.73 millions.	26th June 2025	NIL
iv.	Importex International Private Limited CIN: U17120MH1973PTC016761	Service contract	On going	Service contracts valued at ₹ 2.34 millions lakh during the year.	26th June 2025	NIL

For and on behalf of the Board of Directors

H S Thakker

MILIND S THAKKER
Chairman
DIN: 00617882

RAMANATHAN NARAYANAN
Vice-Chairman & Managing Director
DIN: 06681365

Bengaluru
30th June 2026

Annexure C to Director's Report

Statement of particulars of employees

(Pursuant to Sub rule 2 of rule 5 of Chapter XIII/ Section 134 of the Companies Act 2013)

Name of the employee/(Age)	Designation	Remuneration Received	Nature of Employment	Qualification/(Experience)	Date of Commencement	Last employment held	% of Equity shares held	Whether Employee is a relative of director / manager
Ramanathan Narayanan (68 Yrs) DIN :06681365	Vice-Chairman & Managing Director	₹ 20.01 millions	Contractual	B.E. (Hon's)., PGDMM (44 Yrs)	19/02/2010	CEO, ICIL	0%	NO

For and on behalf of the Board of Directors

H S. Thakker

MILIND S THAKKER
Chairman
DIN : 00617882

RAMANATHAN NARAYANAN
Vice-Chairman & Managing Director
DIN: 06681365

Place : Bengaluru
Date : 30th June 2026

Annexure D to Director's Report

Form AOC - 1

(**Annexure** pursuant to first proviso to sub-section(3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014.)

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures.

Part "A" : Subsidiaries (₹ in millions)

Sl No	Name of the Subsidiary Company & CIN	The date since when subsidiary was acquired	Provisions Pursuant to which has become a subsidiary (Section 2(87)(i)/ Section 2(87)(ii))	Reporting Period	Reporting Currency	Share Capital	Reserves & Surplus	Total Liabilities (excluding share capital and reserves and surplus)	Total Assets	Turn over	Profit / Loss before Taxation	Tax Expenses / Credit	Profit / (Loss) after Taxation	Proposed Dividend	Percentage of holding
1	SAN Rolling Stock Services Ltd CIN: U74999KA2017PLC102366	4/19/2017	2(87)(ii)	Apr - Mar	₹ millions.	10.00	32.39	7.68	50.07	51.42	6.28	(1.58)	4.7	Nil	100%
2	SAN Motors Ltd CIN: U34103KA1997PLC101338	8/16/2018	2(87)(ii)	Apr - Mar	₹ millions.	25.00	64.46	11.97	101.43	52.16	6.64	(1.35)	5.29	Nil	100%

Part "B" Associates and Joint Ventures:
The Company does not have any Associate or Joint Venture.

For and on behalf of the Board of Directors

MILIND S THAKKER	**RAMANATHAN NARAYANAN**
Chairman	Vice-Chairman & Managing Director
DIN : 00617882	DIN: 06681365

Place : Bengaluru
Date : 30th June 2026

Annexure E to Director's Report

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026

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

To,

The Members,
SAN Engineering and Locomotive Company Limited
Post Box No.4802, Whitefield Road
Bengaluru, 560048

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SAN ENGINEERING AND LOCOMOTIVE COMPANY LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **31st March 2026** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made herein after:

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

i. The Companies Act, 2013 (the Act) and the rules made thereunder;
ii. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment, if any,
iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder.
iv. Other laws applicable specifically to the company namely:
a) The Factories Act, 1948.
b) The Contract Labour (Regulation and Abolition) Act, 1970.

c) The Water (Prevention & Control of Pollution) Act, 1974.
d) The Air (Prevention & Control of Pollution) Act, 1981.
e) The Trade Marks Act, 1999.

I have also examined compliance with the applicable clauses of Secretarial Standards issued by the Institute of Company Secretaries of India.

I report that, during the audit period the Company has complied with the provisions of the Acts, rules and regulations, mentioned above.

I further report that, being unlisted Company, during the audit period, the following Acts and the rules and regulations made thereunder were not applicable to the Company:

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

ii. The Securities and Exchange Board of India Act, 1992 ('SEBI Act') and the Regulations and Guidelines made/issued thereunder.

I further report that, the compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have been subject to review by statutory financial auditor and other designated professionals.

I further report that, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors. 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.

As per the minutes of the meetings duly recorded and signed by the Chairman the decisions of the Board were unanimous and no dissenting views have been recorded.

I further report that, based on the information provided and the representation made by the Company and also on the review of the compliance certificates/reports taken on record by the Board of Directors of the Company, in my opinion there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I report further that, during the audit period there were no other specific events/actions in pursuance of the above referred laws, rules, regulations, guidelines, etc. having a major bearing on the company's affairs.

MAHABALESHWAR BHAT Digitally signed by MAHABALESHWAR BHAT Date: 2026.06.30 18:19:54 +05'30'
M V BHAT

M V BHAT
Practicing Company Secretary
FCS: 12261 / C.P.No: 19221
UDIN: F012261G000665661

Place : Bengaluru
Date : 30th June 2026

This report is to be read with **Annexure A** which forms an integral part of this report.

Annexure A of Secretarial Audit Report

To,
The Members
San Engineering and Locomotive Company Limited
Post Box No.4802, White Field Road
Bangalore, 560048

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.

2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices I followed provide a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, I have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

MAHABALES HWAR BHAT Digitally signed by MAHABALESHWAR BHAT Date: 2026.06.30 18:19:54 +05'30'
M V BHAT

M V BHAT
Practicing Company Secretary
FCS: 12261 / C.P.No: 19221

Place: Bangalore
Date: June 30, 2026
UDIN: F012261H000717108

Independent Auditor's Report

To the Members of
SAN Engineering and Locomotive Company Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying Standalone Ind AS Financial Statements of **SAN Engineering and Locomotive Company Limited** (**"the Company"**), which comprise the Balance Sheet as at 31 March 2026, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date and notes to the Financial Statements, including a summary of the material accounting policies and other explanatory information (hereinafter referred to as **"the Financial Statements")**.

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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, **("Ind AS"**) and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2026, its profit and other comprehensive income/ loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

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

4. The Company's management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information in the Company's Annual Report, but does not include the Financial Statements and our auditor's report thereon.
5. Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

6. In connection with our audit of the Financial Statements, our responsibility is to read the other information identified above when it becomes available and in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

7. 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

8. The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards ("Ind AS") specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.

9. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection of the appropriate accounting software for ensuring compliance with applicable laws and regulations including those related to retention of audit logs; 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.

10. In preparing the Financial Statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management and Board of Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

12.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 Standards of Auditing ("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.

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

- Identify and assess the risks of material misstatement of the 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

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

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 and Board of Directors.

- Conclude on the appropriateness of Management's and Board of Directors' use of the going concern basis of accounting in preparation of Financial Statements 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.

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

14. 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

15. 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

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

17. (A) 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 Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

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

f. With respect to the maintenance of accounts and other matters connected therewith, reference is made to our reporting in paragraph 17(A)(b) above (on reporting under section 143(3)(b) of the Act) and paragraph 17(B)(f) below (on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended)).

g. 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 B"** to this report.

(B) 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:

a. The Company does not have any pending litigations as on 31 March 2026 which would impact its financial position.

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

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

d. (i) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The Management has also represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other person(s) or entity(ies) identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries, and

(iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, performed by us, nothing has come to our notice that has caused us to believe that the representations under paragraphs 17 (B) (d) (i) and 17 (B) (d) (ii) contain any material misstatement.

e. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.

f. Based on our examination which included test checks, the Company has used accounting softwares for maintaining its books of accounts for the financial year ended 31 March 2026, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across 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.

(C) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

As required by Section 197(16) of the Act, we report that the remuneration paid by the company to its directors is in accordance with the provisions of Section 197 of the Act and the remuneration paid to every director is within the limit specified under Section 197 of the Act.

For N R Rajagopalan and Co
Chartered Accountants
Firm's registration number: 003400S

K G Purushothaman
Partner
Membership number: 028537
UDIN: 26028537DHGLAR5161

Chennai
30th June 2026

"Annexure A" to Independent Auditor's Report

(Referred to in paragraph 16 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a) A. The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment, capital work-in-progress.

B. The Company has maintained proper records showing full particulars of intangible assets.

(b) In our opinion, Property, Plant and Equipment have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification during the year.

(c) Based on our examination of the registered sale deed(s) provided to us, we report that, the title deeds of all the immovable properties disclosed in the financial statements and included in property, plant and equipment, capital work-in-progress, are held in the name of the Company as at the Balance Sheet date.

(d) The Company has not revalued any of its property, plant and equipment and intangible assets during the year. Therefore, the provisions of Clause (i)(d) of paragraph 3 of the order are not applicable to the company.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder. Therefore, the provisions of Clause (i)(e) of paragraph 3 of the order are not applicable to the company.

(ii) (a) The inventories (except for goods-in-transit, which have been received subsequent to the year-end) were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No material discrepancies were noticed on such verification.

(b) The company has the working capital limits of Rs. 950 millions with Bank on the basis of security of current assets being Stock and Book debts. The quarterly returns filed by the company with Banks are in agreement with the books of accounts of the Company.

(iii) During the year, the Company has not granted loans or advances in the nature of loans, stood guarantee or provided security to any other parties covered in the register maintained under Section 189 of the Act.

(iv) Based on our audit procedures and according to the information and explanation given to us, the Company has complied with provision of section 185 and 186 of the Companies Act 2013 in respect of grant of loans, making investments and providing guarantees, and securities as applicable.

(v) The Company has not accepted any deposits from the public within the meaning of the Act and the rules made there under and hence clause 3(v) of the Order is not applicable.

(vi) The maintenance of cost records is specified by the Central Government under Section 148(1) of the Companies Act, 2013 for the products of the Company. We have broadly reviewed the cost records maintained by the Company under the Act and are of the opinion that Prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the accounts and records with a view to determine whether these are accurate and complete.

(vii) (a) According to the information and explanations given to us and the records of the Company examined by us, the Company has generally been regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of customs, duty of excise, Goods and Services Tax (GST), cess and any other statutory dues as applicable with the appropriate authorities.

There were no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, duty of customs, duty of excise, Goods and Services Tax (GST), cess and any other statutory dues were in arrears, as at 31st March 2026 for a period of more than six months from the date they became payable. Therefore, the provisions of Clause 3 (vii)(a) of the Order are not applicable to the Company.

(b) There are no dues relating to income tax /sales tax /service tax /duty of customs / duty of excise /value added tax, Goods and Services Tax (GST) which have not been deposited on account of any dispute. Therefore, the provisions of Clause 3 (vii)(b) of the Order are not applicable to the Company.

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix)(a) In our opinion, 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) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not availed any term loan during the year and hence clause No. 3 (ix) (c) of the order is not applicable to the Company.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associate.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate company.

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

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3 (x)(b) of the order is not applicable to the Company.

(xi) (a) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

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

(c) As auditor, we did not receive any whistle blower complaint during the year.

(xii) The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

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

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with directors or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(b) In our opinion, the Company is not a part of any group or any Core Investment Company. Hence, reporting under clause 3(xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year and hence 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 and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Balance Sheet date, will get discharged by the Company as and when they fall due.

(xx) There is no unspent amount towards Corporate Social Responsibility (CSR) on ongoing projects and hence the requirement of transfer to a Fund specified in Schedule VI of the Companies Act are not applicable to the Company.

(xxi) The Company has invested in subsidiary companies. The auditors have made no qualification or there have been no adverse remarks by the respective auditor in Company Audit Report Order (CARO) of any the subsidiary company included in the consolidated financial statements.

For N R Rajagopalan and Co
Chartered Accountants
Firm's registration number: 003400S

K G Purushothaman

K G Purushothaman
Partner
Membership number: 028537
UDIN: 26028537DHGLAR5161

Chennai
30th June 2026

"Annexure B" to Independent Auditor's Report

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Act

(Referred to in paragraph 18(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

1. We have audited the internal financial controls with reference to Financial Statements of SAN Engineering and Locomotive Company Limited (**"the Company"**) as at 31 March 2026 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

2. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to Financial Statements and such internal financial controls were operating effectively as at 31 March 2026, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the **"Guidance Note"**).

Management's Responsibilities for Internal Financial Controls

3. 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Companies Act, 2013 ("the Act").

Auditor's Responsibility

4. 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, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to Financial Statements. Those SAs and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable

assurance about whether adequate internal financial controls with reference to Financial Statements were established and maintained and whether such controls operated effectively in all material respects.

5. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control 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 such 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.

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

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

For N R Rajagopalan and Co
Chartered Accountants
Firm's Registration No: 003400S

K G Purushothaman
Partner
Membership No: 028537
UDIN: 26028537DHGLAR5161

Chennai
30th June 2026

STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

Balance Sheet As At 31st March 2026

	Notes	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
ASSETS				
Non-current assets				
Property, plant and equipment	4	712.97	415.21	478.83
Capital work in progress	5	4.22	-	-
Intangible assets (other than Goodwill)	4	1.64	2.48	2.37
Goodwill	6	2.51	2.51	2.51
Right of use asset	4	6.70	10.97	15.91
Financial assets				
Investments	7	218.14	218.14	218.14
Other financial assets	8	40.98	39.02	28.27
Deferred Tax Asset		-	-	-
Other Non Current Assets	9	0.64	3.13	2.09
Total non-current assets		**987.80**	**691.46**	**748.12**
Current assets				
Inventories	10	733.17	931.48	783.06
Financial assets				
Investments	11	112.57	296.16	369.27
Trade receivables	12	1,471.71	1,377.12	1,053.90
Cash and cash equivalents	13	93.49	60.63	46.61
Bank balances other than above	14	95.95	64.79	80.96
Other financial assets	15	20.59	23.80	28.68
Other current assets	16	45.65	26.38	47.69
Current tax assets (Net)	17	0.56	-	0.45
Total current assets		**2,573.69**	**2,780.36**	**2,410.62**
Total Assets		**3,561.49**	**3,471.82**	**3,158.74**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	18	44.50	44.50	44.50
Other equity	19	2,952.03	2,813.34	2,376.10
Total equity		**2,996.53**	**2,857.84**	**2,420.60**
Liabilities				
Non-current liabilities				
Financial liabilities				
Lease liabilities	20	3.51	7.41	11.33
Provisions	21	36.89	29.66	24.54
Deferred Tax Liability	22	6.91	14.72	20.09
Other Non Current Liabilities				
Total non-current liabilities		**47.31**	**51.79**	**55.96**
Current liabilities				
Financial liabilities				
Trade payables	23			
(a) total outstanding dues of micro enterprises and small enterprises		78.46	80.54	65.54
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		294.27	330.19	398.75
Lease liabilities	24	3.91	3.92	3.98
Other current financial liabilities	25	67.33	66.92	67.70
Other current liabilities	26	64.29	69.42	138.82
Short Term Provisions	27	9.39	8.57	7.39
Current tax liabilities (Net)	28	-	2.63	-
Total current liabilities		**517.65**	**562.19**	**682.18**
Total liabilities		**564.96**	**613.98**	**738.14**
Total Equity and Liabilities		**3,561.49**	**3,471.82**	**3,158.74**

The accompanying notes form an integral part of the financial statements
As per our report of even date attached

For N R RAJAGOPALAN & CO.,
Chartered Accountants
(Firm Registration No. 003400S)

For and on behalf of the Board
SAN ENGINEERING AND LOCOMOTIVE COMPANY LIMITED

K G PURUSHOTHAMAN
Partner
Membership No : 028537
Place : Chennai
Date : 30th June 2026

MILIND S THAKKER
Chairman
DIN : 00617882
Place : Bengaluru
Date : 30th June 2026

RAMANATHAN NARAYANAN
Vice Chairman & Managing Director
DIN : 06681365
Place : Bengaluru
Date : 30th June 2026

RAJIV KUMAR SHARMA
Company Secretary
M No. A59107
Place : Bengaluru
Date : 30th June 2026

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

	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
Continuing Operations			
A Income			
Revenue from operations	29	2,929.08	2,626.41
Other income	30	30.76	33.05
Total income		**2,959.84**	**2,659.46**
B Expenses			
Cost of materials consumed	31	1,684.06	1,575.88
Changes in inventories of work-in-progress and finished goods	32	98.25	(154.44)
Employee benefits expense	33	414.90	386.35
Finance costs	34	6.47	17.46
Depreciation and amortization expense	35	60.58	63.66
Other expenses	36	441.20	409.06
Total expenses		**2,705.46**	**2,297.97**
C Profit before exceptional items and tax		**254.38**	**361.49**
Exceptional items - Profit/(loss) on sale of Property, Plant and Equipment.		-	250.50
D Profit before tax from continuing operations		254.38	611.99
Income tax expense	37		
Current tax		70.32	133.10
Tax charge/ (credit) for earlier years based assessment completed		0.45	(0.33)
Deferred tax (credit)/ charge		(5.74)	(4.65)
Profit for the year		**189.35**	**483.87**
E Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of post employment benefit obligations		(8.23)	(2.85)
Income tax relating to these items		2.07	0.72
Other comprehensive income/(loss) for the year, net of tax		**(6.16)**	**(2.13)**
Total comprehensive income for the year		**183.19**	**481.74**
Earnings per share	38		
Basic earnings per share		42.55	108.73
Diluted earnings per share		42.55	108.73

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For N R RAJAGOPALAN & CO.,
Chartered Accountants
(Firm Registration No. 003400S)

For and on behalf of the Board
SAN ENGINEERING AND LOCOMOTIVE COMPANY LIMITED

K G PURUSHOTHAMAN
Partner
Membership No : 028537

Place : Chennai
Date : 30th June 2026

MILIND S THAKKER
Chairman
DIN : 00617882

Place : Bengaluru
Date : 30th June 2026

RAMANATHAN NARAYANAN
Vice Chairman & Managing Director
DIN : 06681365

Place : Bengaluru
Date : 30th June 2026

RAJIV KUMAR SHARMA
Company Secretary
M No. A59107

Place : Bengaluru
Date : 30th June 2026

Statement of Cash flows for the year ended March 31, 2026

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Cash Flow From Operating Activities		
Profit before tax	254.38	611.99
Adjustments for		
Depreciation and amortisation expense	60.58	63.66
Bad Debts Written off	2.27	1.25
Expected Credit Loss	3.05	3.67
(Profit)/ Loss on sale of property, plant and equipment	(0.97)	(2.55)
(Profit)/ Loss on sale of current investments	(9.33)	(18.61)
Exceptional items - Profit/(loss) on sale of Property, Plant and Equipment.	-	(250.50)
Fair Value changes of investments considered in the profit and loss	(0.89)	(5.27)
Interest received	(4.68)	(5.25)
Dividend received	-	-
Finance costs	6.47	17.46
	310.88	415.85
Change in operating assets and liabilities		
(Increase)/ decrease in Other financial assets	(1.96)	(10.75)
(Increase)/ decrease in Inventories	198.31	(148.42)
(Increase)/ decrease in Trade receivables	(99.91)	(328.14)
(Increase)/ decrease in Other assets	(14.55)	21.74
Increase/ (decrease) in Provisions and other liabilities	(11.44)	(70.71)
Increase/ (decrease) in Trade payables	(38.00)	(53.56)
Cash generated from operations	343.33	(173.99)
Less : Income taxes paid (net of refunds)	(71.33)	(129.69)
Net cash from/ (used in) operating activities (A)	**272.00**	**(303.68)**
Cash Flows From Investing Activities		
Purchase of PPE (including changes in CWIP)	(357.52)	(29.87)
(Purchase)/ disposal proceeds of Investments	193.81	96.99
Sale proceeds of PPE (including changes in CWIP)	1.04	287.71
(Investments in)/ Maturity of fixed deposits with banks (other than cash and cash equivalents)	(31.16)	16.17
Dividend income	-	-
Interest income	5.66	8.66
Net cash from/ (used in) investing activities (B)	**(188.17)**	**379.66**
Cash Flows From Financing Activities		
Finance costs	(6.47)	(17.46)
Dividend Paid	(44.50)	(44.50)
Net cash from/ (used in) financing activities (C)	**(50.97)**	**(61.96)**
Net increase (decrease) in cash and cash equivalents (A+B+C)	**32.86**	**14.02**
Cash and cash equivalents at the beginning of the financial year	60.63	46.61
Cash and cash equivalents at end of the year	**93.49**	**60.63**

Notes:

1. The above cash flow statement has been prepared under indirect method prescribed in Ind AS 7 "Cash Flow Statements".

2. Components of cash and cash equivalents (refer note 13)

Balances with banks		
- in current accounts	91.71	59.24
- in demand deposits (with original maturity of 3 months and less)	-	-
Cash on hand	1.78	1.39
	93.49	**60.63**

As per our report of even date attached

For N R RAJAGOPALAN & CO.,
Chartered Accountants
(Firm Registration No. 003400S)

For and on behalf of the Board
SAN ENGINEERING AND LOCOMOTIVE COMPANY LIMITED

K G PURUSHOTHAMAN	**MILIND S THAKKE**	**RAMANATHAN NARAYANAN**	**RAJIV KUMAR SHARMA**
Partner	Chairman	Vice Chairman & Managing Director	Company Secretary
Membership No : 028537	DIN : 00617882	DIN : 06681365	M No. A59107
Place : Chennai	Place : Bengaluru	Place : Bengaluru	Place : Bengaluru
Date : 30th June 2026	Date : 30th June 202€	Date : 30th June 2026	Date : 30th June 2026

Changes in Equity for the year ended March 31, 2026

(A) Equity Share Capital

Balance at the beginning of April 1, 2024	**44.50**
Changes in equity share capital due to prior period errors	-
Restated balance at the beginig of the current reporting period	-
Changes in equity share capital during the year	-
Balance at the end of March 31, 2025	**44.50**
Changes in equity share capital due to prior period errors	-
Restated balance at the beginig of the current reporting period	-
Changes in equity share capital during the year	-
Balance at the end of March 31, 2026	**44.50**

(B) Other Equity

Particulars	General Reserve				Other Comprehensive Income *	Total
	General Reserve	Securities Premium Reserve	Capital Reserve	Retained Earnings		
Balance as at April 1, 2024	**2,137.38**	**76.74**	**0.01**	**164.23**	**(2.26)**	**2,376.10**
Changes due to prior period errors	-	-	-	-	-	-
Final Dividend paid	-	-	-	(44.50)	-	(44.50)
Total Comprehensive Income for the year	-	-	-	483.87	(2.13)	481.74
Transfer from retained earnings to capital reserve	300.00	-	-	(300.00)	-	-
Balance as at March 31,2025	**2,137.38**	**76.74**	**0.01**	**603.60**	**(4.39)**	**2,813.34**
Changes due to prior period errors	-	-	-	-	-	-
Final Dividend paid	-	-	-	(44.50)	-	(44.50)
Total Comprehensive Income for the year	-	-	-	189.35	(6.16)	183.19
Transfer from retained earnings to capital reserve	-	-	-	-	-	-
Balance as at March 31, 2026	**2,137.38**	**76.74**	**0.01**	**748.45**	**(10.55)**	**2,952.03**

*Note: Other Comprehensive Income represents remeasurement gain/ loss on defined benefit obligations.

As per our report of even date attached

For N R RAJAGOPALAN & CO.,
Chartered Accountants
(Firm Registration No. 003400S)

For and on behalf of the Board
SAN ENGINEERING AND LOCOMOTIVE COMPANY LIMITED

K G PURUSHOTHAMAN
Partner
Membership No : 028537

Place : Chennai
Date : 30th June 2026

MILIND S THAKKER
Chairman
DIN : 00617882

Place : Bengaluru
Date : 30th June 2026

RAMANATHAN NARAYANAN
Vice Chairman & Managing Director
DIN : 06681365

Place : Bengaluru
Date : 30th June 2026

RAJIV KUMAR SHARMA
Company Secretary
M No. A59107

Place : Bengaluru
Date : 30th June 2026

Notes to Financial Statements for the year ended March 31, 2026

1 Corporate Information

The Company was incorporated in the year 1973 under the provisions of the Companies Act, 1956. The Company manufactures diesel hydraulic and diesel electric locomotives, gear boxes, gears, cardan shafts, power packs, and fibre glass parts — all for railway applications. The registered office of the company is at P.B 4802, Whitefield Road, Bengaluru - 560048. The Company has complied with the provisions of the applicable Indian Accounting Standards as notified under Companies (Indian Accounting Standards) Rules 2015, as amended and in force, under the provisions of the Companies Act, 2013.

2 Basis of preparation of financial statements

Statement of compliance

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') in force. The Ind AS are prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 and amendments thereto.

Basis of preparation and presentation

For all periods up to and including the year ended 31 March, 2025, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

The financial statements for the year ended March 31, 2026 are the first financial statements the Company has prepared in accordance with Ind AS with the date of transition as 1 April , 2024. Refer to Note 55 for information on how the Company adopted Ind AS.

"The transition from Previous GAAP to Ind AS has been accounted for in accordance with Ind AS 101 "First Time Adoption of Indian Accounting Standards", with 1 April 2024 being the transition date.

In accordance with Ind AS 101 "First time adoption of Indian Accounting Standards", the Company has presented a reconciliation from the presentation of financial statements under accounting standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP") to Ind AS of total equity as at 1 April 2024 and 31 March 2025, total comprehensive income and cash flow for the year ended 31 March 2025."

Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods.

Functional and presentation currency

"These financial statements are presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded to the nearest millions (up to two decimals).

The financial statements are approved for issue by the Company's Board of Directors on 30th June 2026."

2A Critical accounting estimates and management judgments

In application of the material accounting policies, which are described in Note 3, the management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and assumptions are based on historical experience and other factors that are considered to be relevant.

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

Property, Plant and Equipment (PPE)

The residual values and estimated useful lives of Property, Plant and Equipment, Right-Of-Use Assets and Intangible Assets are assessed by the internal technical team at each reporting date by taking into account the nature of asset, the estimated usage of the asset, the operating condition of the asset, past history of replacement and maintenance support. Upon review, the management accepts the assigned useful life and residual value for computation of depreciation/amortization. Also, management judgement is exercised for classifying the asset as investment property or vice versa.

Current tax

Calculations of income taxes for the current period are done based on applicable tax laws and management's judgement by evaluating positions taken in tax returns and interpretations of relevant provisions of law.

Deferred Tax Assets / Liabilities

Significant management judgement is exercised by reviewing the deferred tax assets / liabilities at each reporting date to determine the amount of deferred tax assets that can be retained / recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Fair value

Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available. In applying the valuation techniques, management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

Expected Credit Loss for Trade Receivables

Expected Credit Loss for trade receivables are estimated based on assumptions about risk of default and expected loss rates. The assumptions, selection of inputs for calculation of impairment are based on management judgement considering the past history, market conditions and forward looking estimates at the end of each reporting date.

Impairment of Non-financial assets (PPE)

The impairment of non-financial assets is determined based on estimation of recoverable amount of such assets. The assumptions used in computing the recoverable amount are based on management judgement considering the timing of future cash flows, discount rates and the risks specific to the asset.

Investments in Subsidiaries

Determining whether the investments in subsidiaries are impaired requires an estimate of the value in use of investments. In considering the value in use, the management anticipates the future commodity prices, capacity utilisation of plant, order book position, operating margins, discount rates and other factors of the underlying businesses / operations of the subsidiaries.

Defined Benefit Plans and Other long term benefits

"The cost of the defined benefit plan and other long term benefits, and the present value of such obligation are determined by the independent actuarial valuer. An actuarial valuation involves making various assumptions that may differ from actual developments in future. Management believes that the assumptions used by the actuary in determination of the discount rate, future salary increases, mortality rates and attrition rates are reasonable. Due to the complexities involved in the valuation and its long term nature, this obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date."

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities could not be measured based on quoted prices in active markets, management uses valuation techniques including the Discounted Cash Flow (DCF) model, to determine its fair value The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is exercised in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

Provisions and contingencies

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the reporting date. The actual outflow of resources at a future date may therefore vary from the figure estimated at end of each reporting period.

Liquidated Damages

"Liquidated damages on supply of products are measured based on the contractual obligations or deduction made by the customers considering the current situation and status of the contract, the reasons for delays and past experience with the customers."

Warranties

The Company's product warranty obligations and estimations thereof are determined using historical information of claims received up to the year end and the management's estimate of further liability to be incurred in this regard during the warranty period, computed on the basis of past trend of such claims.

2B Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards)Rules 2015, as issued from time to time.

New and amended standards

"The Ministry of Corporate Affairs (MCA) has notified amendments to certain Ind AS standards effective 01 April 2025. Amendments to Ind AS 21 provide guidance on assessing exchangeability of currencies and determining spot rates where exchangeability is lacking, along with enhanced disclosures. Amendments to Ind AS 1 clarify principles for classification of liabilities as current or non-current, including the need for a substantive right to defer settlement and treatment of covenants and settlement through own instruments. Further, amendments to Ind AS 7 and Ind AS 107 introduce additional disclosures for supplier finance arrangements to enhance transparency on liquidity risk and cash flows. Amendments to Ind AS 12 introduce a temporary exception for deferred tax recognition relating to Pillar Two rules and require targeted disclosures. These amendments do not have a material impact on the Company's financial statements."

Standards notified but not yet effective

"During the year ended 31 March 2026, MCA notified amendments to Ind AS 1 relating to classification of liabilities with covenants. The amendment revises paragraph 74 to require classification of a liability as current where a covenant breach at the reporting date makes the liability payable on demand, even if the lender subsequently waives the right before approval of financial statements. This reflects that the entity does not have a substantive right to defer settlement as of the reporting date.The amendment is effective for annual periods beginning on or after 01 April 2026 and is to be applied retrospectively in accordance with Ind AS 8. The Company does not expect this amendment to have a material impact on its financial statements."

3 Material Accounting Policies

a) Current versus non-current classification
The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when:

i) It is expected to be realised or intended to be sold or consumed in normal operating cycle or
ii) It is held primarily for the purpose of trading or
iii) It is expected to be realised within twelve months after the reporting period or
iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:
i) It is expected to be settled in normal operating cycle or

ii) It is held primarily for the purpose of trading or
iii) It is due to be settled within twelve months after the reporting period or

iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified 12 months as its operating cycle.

b) Fair value measurement

The Company has applied the fair value measurement wherever necessitated at each reporting period.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

i) In the principal market for the asset or liability;
ii) In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non - financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and the best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 : Quoted (unadjusted) market prices in active market for identical assets or liabilities;

Level 2 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

Level 3 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company has designated appropriate personnel to determine the policies and procedures for both recurring and non - recurring fair value measurement. External valuers are involved, wherever necessary with the approval of Company's board of directors. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

For the purpose of fair value disclosure, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risk of the asset or liability and the level of the fair value hierarchy as explained above. The component wise fair value measurement is disclosed in the relevant notes.

c) Revenue Recognition

"The Company has applied five step model as per Ind AS 115 'Revenue from contracts with customers' to recognise revenue in the financial statements. The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

a) The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or
b) The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
c) The Company's performance does not create an asset with an alternative use to the Company and the entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied. Revenue is recognised either at point of time and over a period of time based on various conditions as included in the contracts with customers.

Revenue is measured at transaction price (net of variable consideration, if any). The transaction price is the consideration received or receivable and is reduced by rebates, allowances and taxes and duties collected on behalf of the government. Revenue also includes adjustments made towards liquidated damages and price variations wherever applicable.

Revenue is recognised in the income statement to the extent that it is probable that the economic benefits will flow to the Company and the revenue and costs, if applicable, can be measured reliably.

Sale of Products

Revenue for sale of products mainly comprises of locomotives, power pack, engineering products and related items, where revenue is recognised at a point in time, when control of the asset is transferred to the customer, which generally occurs on receipts of dispatch memo / inspection certificate from customer as per terms of contract. On receipt of same, the control on goods passes on to the customer basis the laid down criteria under the standard

Sale of Services

Revenue from service contracts are recognised in the accounting period in which the services are rendered. Where the contracts include multiple performance obligations, the transaction price is allocated to each performance obligation based on the standalone selling price and revenue is recognised at point in time on fulfillment of respective performance obligation. In case, the service contracts include one performance obligation, revenue is recognised based on the actual service provided to the end of the reporting period as proportion of the total services to be provided. This is determined based on the actual expenditure incurred to the total estimated cost. Revenue from services rendered is recognised as the services are rendered and is booked based on agreement / arrangements with the concerned parties.

Export entitlements

Export entitlements from Government authorities are recognised in the statement of profit and loss when the right to receive credit as per the terms of the scheme is established in respect of the exports made by the Company, and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

Interest Income

Interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividend Income

Dividends are recognised in profit or loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

d) Property, plant and equipment and capital work in progress

Presentation

Property, plant and equipment and capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs of a qualifying asset, if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

"Advances paid towards the acquisition of tangible assets outstanding at each balance sheet date, are disclosed as capital advances under long term loans and advances and the cost of the tangible assets not ready for their intended use before such date, are disclosed as capital work in progress."

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant an equipment recognised as at April 1, 2024 as per previous GAAP and use that carrying value as the deemed cost of property, plant and equipment.

Component Cost

All material/ significant components have been identified for the plant and have been accounted separately, wherever applicable. The useful life of such component are analysed independently and wherever components are having different useful life other than plant they are part of, useful life of components are considered for calculation of depreciation.

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of repairs and maintenance are recognised in the statement of profit and loss as incurred.

Machinery spares/ insurance spares that can be issued only in connection with an item of fixed assets are capitalised. Other spares are charged as revenue expenditure as and when consumed.

Derecognition

Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

e) Depreciation on property, plant and equipment

Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life. The depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less 5% being its residual value.

Buildings, Plant and Machinery are depreciated under Straight line Method (SLM Method) and Other Assets are depreciated under Written Down Value Method (WDV Method) on the basis of useful lives of assets as estimated by the management , and in compliance with Schedule II of the Companies Act, 2013.

The useful lives of the assets determined by the management are as follows :-

Class of Asset	Useful Life
Building's - Factory	30 years
Building's - Residential	60 years
Plant and Machinery (Double Shift)	10 years
Plant and Machinery (Single Shift)	15 years
Computers - Desktop, Laptop, Printers	3 years
Computers - Servers, Networks	6 years
Furniture & Fixtures	10 years
Vehicles - Motor Cars	8 years
Vehicles - Motor Cycles	10 years
Office and Canteen Equipments	5 years
Electrical Installations	10 years
Patterns, Jigs and Fixtures	5 years
Tools	5 years

Depreciation for PPE on additions is calculated on pro-rata basis from the date of such additions. For deletion/ disposals, the depreciation is calculated on pro-rata basis up to the date on which such assets have been discarded/ sold. Additions to fixed assets, costing Rs.5,000 each or less are fully depreciated retaining its residual value.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

f) Intangible assets

Presentation
Intangible assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

Class of Asset	Useful Life
Software	6 years

Research and Development Expenditure

Expenditure on research activities is recognised as an expense in the Statement of Profit and Loss as and when incurred. Development expenditure is capitalised as an intangible asset only when the Company can demonstrate the technical feasibility of completing the asset, its intention and ability to complete and use or sell the asset, the probability of future economic benefits, and the availability of adequate resources to complete the development and to reliably measure the related expenditure; all other development expenditure is expensed as incurred. Capitalised development costs are stated at cost less accumulated amortisation and impairment losses, and are amortised on a straight-line basis over the estimated useful life of the underlying product or process from the date the asset is available for use.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all its intangible assets recognised as at April 1, 2024 as per previous GAAP and use that carrying value as the deemed cost of intangible assets.

Derecognition

Gains or losses arising from derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Amortisation

The intangible assets are amortised on straight line method, over their useful life. Amortisation method and useful lives are reviewed periodically including at each financial year end.

g) Inventories

Inventories comprises of Raw Materials, components, consumables, packing materials, spares, work in progress and finished goods which are valued at cost or net realizable value, whichever is lower. Costs are determined on Weighted average method. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Raw Materials, components, consumables, packing materials and spares are valued at cost (including the cost incurred in bringing to their present location and condition) or net realizable value, whichever is lower.

Work-in Progress and finished goods includes conversion costs in addition to the costs of raw materials and inputs.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

h) 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 payment:

a) Fixed payments (including in substance fixed payments) less any lease incentive receivable.
b) Variable lease payment that are based on an index or a rate, initially measured using the index or a rate at the commencement date.
c) Amount expected to be paid by the Company as under residual value guarantees.
d) Exercise price of a purchase option if the Company is reasonably certain to exercise that option.
e) Payment of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

To determine the incremental borrowing rate, the Company:

a) Where possible, use recent third party financing received by the individual lessee as a starting point, adjusted to reflect changes in the financing conditions since third party financing was received.

b) Use a built up approach that starts with risk free interest rate adjusted for credit risk of leases held by the Company, which does not have recent third party financing.

The incremental borrowing rate considered by the Company is in the range of 9% - 10% Lease payments are allocated between principal and finance cost. The finance cost is charged to Statement of profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period

Right-of-Use Assets are measured at cost comprising the following :-
"i) the amount of the initial measurement of lease liability

ii) any lease payment made at or before the commencement date less any lease incentive received
iii) any initial direct cost and
iv) present value of restoration costs.

Right of use of assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight line basis.

Payment associated with short-term leases of equipment and all the leases of low value assets are recognised on a straight line basis as an expenses in the statement of profit and loss. Short term leases are leases with a lease term of less than 12 months or less.

i) Investments in Subsidiaries

Investments in subsidiaries are carried at cost less provision for impairment, if any. Investment in subsidiaries 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 carrying amount of investments exceeds its recoverable amount.

j) Financial Instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instruments.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified on the basis of their contractual cash flow characteristics and the entity's business model of managing them.

Financial assets are classified into the following categories:

- Financial instruments other than equity instruments at amortised cost
- Financial instruments other than equity instruments at fair value through other comprehensive income (FVTOCI)
- Financial instruments other than equity instruments at Fair Value through Profit or Loss (FVTPL)
- Equity investments (other than Investment in Subsidiaries)

Financial instruments other than equity instruments at amortised cost

The Company classifies a financial instruments other than equity instruments as at amortised cost, if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Financial instruments other than equity instruments at FVTOCI

The Company classifies a financial instrument other than equity at FVTOCI, if both of the following criteria are met:
a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Financial instruments other than equity instruments included within the FVTOCI category are measured as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the profit and loss statement. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Financial instruments other than equity instruments at FVTPL

The Company classifies all financial instruments other than equity instruments, which do not meet the criteria for categorization as at amortized cost or as FVTOCI, as at FVTPL.

Financial instruments other than equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Equity investments (Other than Investment in Subsidiaries)

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. Where the Company makes an irrevocable election of equity instruments at FVTOCI, it recognises all subsequent changes in the fair value in other comprehensive income, without any recycling of the amounts from OCI to profit and loss, even on sale of such investments.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Financial assets are measured at FVTPL except for those financial assets whose contractual terms give rise to cash flows on specified dates that represents solely payments of principal and interest thereon, are measured as detailed below depending on the business model:

Classification	Name of the financial asset
Amortised cost	Trade receivables, loans, other deposits, interest receivable and other advances recoverable in cash
FVTOCI	Equity investments in companies other than subsidiaries and associates as an option exercised at the time of initial recognition.
FVTPL	Other investments.

Derecognition

A financial asset is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement: and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are other than equity instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance.
b) Financial assets that are other than equity instruments and are measured at FVTOCI
c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115

The Company follows ‘simplified approach’ for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and

- All lease receivables resulting from transactions within the scope of Ind AS 116

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime Expected Credit Loss (ECL) at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12 months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 months ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, the Company considers all contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument and Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss, net of lien available on securities held against the receivables. This amount is reflected under the head ‘other expenses’ in the profit and loss. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, which reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

- Financial instruments other than equity instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

For impairment purposes, significant financial assets are tested on individual basis at each reporting date. Other financial assets are assessed collectively in groups that share similar credit risk characteristics. Accordingly, the impairment testing is done retrospectively on the following basis:

Name of the financial asset	Impairment Testing Methodology
Trade Receivables	"Expected Credit Loss model (ECL) is applied. The ECL over lifetime of the assets are estimated by using a provision matrix which is based on historical loss rates reflecting current conditions and forecasts of future economic conditions which are grouped on the basis of similar credit characteristics such as nature of industry, customer segment, past due status and other factors that are relevant to estimate the expected cash loss from these assets.
Other financial assets	"When the credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. When there is significant change in credit risk since initial recognition, the impairment is measured based on probability of default over the life time. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12 month ECL.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL and as at amortised cost.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.
All financial liabilities are recognised initially at fair value and, in the case of loans and

borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts.

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to profit and loss. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The company has not designated any financial liability as at fair value through profit and loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

S. No	Original classification	Revised classification	Accounting treatment
1	Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L.
2	FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
3	Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
4	FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
5	FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
6	FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Foreign currency transactions and translations

Transactions and balances

Transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. However, for practical reasons, the Company uses an average rate, if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

k) Borrowing Costs

Borrowing cost include interest computed using effective interest rate method, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are directly attributable to the acquisition, construction, production of a qualifying asset are capitalised as part of the cost of that asset which takes substantial period of time to get ready for its intended use. The Company determines the amount of borrowing cost eligible for capitalisation by applying capitalisation rate to the expenditure incurred on such cost. The capitalisation rate is determined based on the weighted average rate of borrowing cost applicable to the borrowings of the Company which are outstanding during the period, other than borrowings made specifically towards purchase of the qualifying asset. The amount of borrowing cost that the Company capitalises during the period does not exceed the amount of borrowing cost incurred during that period. All other borrowings costs are expensed in the period in which they occur.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

l) Government Grants

Government grants are recognised at fair value where there is a reasonable assurance that the grant will be received and all the attached conditions are complied with.

In case of revenue related grant, the income is recognised on a systematic basis over the period for which it is intended to compensate an expense and is disclosed under "Other operating revenue" or netted off against corresponding expenses wherever appropriate. Receivables of such grants are shown under "Other Financial Assets". Income Grants related to Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

Government grants related to assets, are adjusted in the carrying amount of the related assets.

m) Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, at the reporting date in the countries where the Company operates and generates taxable income.

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

n) Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Where there is deferred tax assets arising from carry forward of unused tax losses and unused tax credit, they are recognised to the extent of deferred tax liability.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

o) Retirement and other employee benefits

Short-term employee benefits

A liability is recognised for short-term employee benefit in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Defined contribution plans

Post employment benefits in the form of contributions to provident fund and superannuation fund are defined contribution scheme. The Company has no obligation, other than the contribution payable to the respective funds. The Company recognizes contribution payable to the schemes as an expense, when an employee renders the related service. If the contribution payable to the schemes 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.

Defined benefit plans

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Compensated absences (Earned Leave)

Earned leave obligations are treated as Other Long-Term Employee Benefits under Ind AS 19. The liability in respect of leave encashment payable on separation is determined on the basis of an actuarial valuation carried out by an independent actuary at the Balance Sheet date using the Projected Unit Credit method, and is recognised as a provision in the Balance Sheet.

Other long term employee benefits

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by the employees up to the reporting date.

p) Impairment of non financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

q) Provisions, contingent liabilities and contingent asset

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are discounted, if the effect of the time value of money is material, using pre-tax rates that reflects the risks specific to the liability. When discounting is used, an increase in the provisions due to the passage of time is recognised as finance cost. These provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Necessary provision for doubtful debts, claims, etc., are made, if realisation of money is doubtful in the judgement of the management.

Warranties

Provisions for warranty related costs are recognised when the product is sold. Initial recognition is based on historical experience i.e. claims received up to the year end and the Management's estimate of further liability to be incurred in this regard during the warranty period, computed on the basis of past trend of such claims. The initial estimate of warranty related costs is revised annually. In terms of paragraph 45 of Ind AS 37, where the effect of the time value of money is material, provisions are measured at their present value. The Company has assessed that the effect of discounting on warranty provisions is not material to the financial statements and accordingly, warranty provisions have not been discounted.

Onerous Contract

Provision is recognised for the contract, where unavoidable cost of meeting the obligation under the contract exceeds the economic benefits expected to be received.

The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it.

Contingent liability

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. Contingent liabilities are disclosed separately.
Show cause notices issued by various Government authorities are considered for evaluation of contingent liabilities only when converted into demand.

Contingent assets

Where an inflow of economic benefits is probable, the Company discloses a brief description of the nature of the contingent assets at the end of the reporting period, and, where practicable, an estimate of their financial effect. Contingent assets are disclosed but not recognised in the financial statements.

r) Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances with original maturity of less than 3 months, highly liquid investments that are readily convertible into cash, which are subject to insignificant risk of changes in value.

Cash Flow Statement

Cash flows are presented using indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

Bank borrowings are generally considered to be financing activities. However, where bank overdrafts which are repayable on demand form an integral part of an entity's cash management, bank overdrafts are included as a component of cash and cash equivalents for the purpose of Cash flow statement.

s) Segment Reporting

"The Company manufactures a range of engineering and locomotive products. In terms of Ind AS 108 Operating Segments, an operating segment is a component of an entity that engages in business activities generating revenues and expenses, whose results are regularly reviewed by the Chief Operating Decision Maker (CODM) to allocate resources and assess performance, and for which discrete financial information is available.

The CODM of the Company is the Vice Chairman and Managing Director/Board of Directors. The CODM reviews the financial performance and makes resource allocation decisions on the basis of the Company's operations as a whole. Internal management reporting is prepared and presented at the entity level. Discrete financial information disaggregated by product line or product group is not used by the CODM for the purposes of performance evaluation or resource allocation decisions.

Accordingly, the entire operations of the Company constitute a single operating segment under Ind AS 108 Para 5.

Further, even considering the diversity of products manufactured, all products share similar economic characteristics — they arise from similar engineering and manufacturing processes, are sold to a similar class of customers (industrial and government purchasers), operate under a similar regulatory environment, and employ similar distribution methods. The criteria for aggregation under Ind AS 108 Para 12 are therefore satisfied.

Since the Company has only one reportable operating segment, presentation of separate segment disclosures as required by Ind AS 108 Paras 20–24 is not applicable. The financial information of this single segment is reflected in the financial statements as a whole."

t) Earnings per share

The basic earnings per share are computed by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted EPS is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate

u) Business Combination

In accordance with Ind AS 101 provisions related to first time adoption, the company has elected to apply Ind AS accounting for business combinations prospectively from 1 April 2024. As such, Indian GAAP balances relating to business combinations entered into before that date have been carried forward with minimal adjustment.

"Any business combinations involving entities or businesses under common control are accounted for using the pooling of interests method :

The assets and liabilities of the combining entities are reflected at their carrying amounts.
No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies."

Financial Statements for the year ended March 31 2026

4 Property, plant and equipment

Particulars	Tangible Assets									Intangible Assets	
	Plant and Machinery	Furniture and Fittings	Computers	Patterns, Jigs and Fixtures	Vehicles	Land	Buildings	Total	Right of use asset	Software	Total
Cost/ deemed cost as at April 1, 2024	**274.76**	**4.82**	**5.36**	**2.20**	**7.04**	**33.95**	**150.70**	**478.83**	**15.91**	**2.37**	**2.37**
Additions	20.70	1.01	0.34	0.61	-	-	6.04	28.70	-	1.17	1.17
Disposals	(4.67)	(0.01)	-	-	(0.48)	(29.50)	-	(34.66)	-	-	-
Cost as at March 31, 2025	**290.79**	**5.82**	**5.70**	**2.81**	**6.56**	**4.45**	**156.74**	**472.87**	**15.91**	**3.54**	**3.54**
Additions	5.04	0.16	1.64	0.06	2.94	341.21	2.25	353.30	-	-	-
Disposals	(6.67)	-	-	-	(1.54)	-		(8.21)	-	0	-
Cost as at March 31, 2026	**289.16**	**5.98**	**7.34**	**2.87**	**7.96**	**345.66**	**158.99**	**817.96**	**15.91**	**3.54**	**3.54**
Depreciation as at April 1, 2024	-	-	-	-	-	-	-	-	-	-	-
Charge for the year	45.80	1.58	2.03	0.55	2.02	-	5.68	57.66	4.94	1.06	1.06
Disposals	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2025	**45.80**	**1.58**	**2.03**	**0.55**	**2.02**	-	**5.68**	**57.66**	**4.94**	**1.06**	**1.06**
Charge for the year	43.69	1.14	2.06	0.49	2.22	-	5.87	55.47	4.27	0.84	0.84
Disposals	(6.67)	-	-	-	(1.47)	-	-	(8.140)	-	-	-
As at March 31, 2026	**82.82**	**2.72**	**4.09**	**1.04**	**2.77**	-	**11.55**	**104.99**	**9.21**	**1.90**	**1.90**
Net Block											
As at April 1, 2024	274.76	4.82	5.36	2.20	7.04	33.95	150.70	478.83	15.91	2.37	2.37
As at March 31, 2025	244.99	4.24	3.67	2.26	4.54	4.45	151.06	415.21	10.97	2.48	2.48
As at March 31, 2026	206.34	3.26	3.25	1.83	5.19	345.66	147.44	712.97	6.70	1.64	1.64

Notes:

For the year ended 31 March 2026 and each of the Comparative years presented;

(a) The title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company.

(b) The Company has not revalued its property, plant and equipment (including right-of-use asset) during the year, since the Company has adopted cost model as its accounting policy to an entire class of Property, Plant and Equipment in accordance with Ind AS 16. Further there were no other Adjustments/ Impairment Loss/ Reversal to report.

(c) The Company has not revalued its intangible asset, since the Company has adopted cost model as its accounting policy to an entire class of Intangible Asset in accordance with Ind AS 38.

(d) There were no acquisition of tangible and intangible assets through business combinations. Further there were no other adjustments (including the related amortization and impairment Loss or reversals) to report.

(e) There were no temporarily idle property, plant and equipment.

(f) There was no borrowing costs that were capitalised.

(g) Refer Note 54(b) for information relating to ageing schedule of Intangible assets under development.

Financial Statements for the year ended March 31 2026

		As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
5	**Capital Work-in-progress**			
	Building	4.22	-	-
	Electrical Fittings	-	-	-
	Plant and Machinery	-	-	-
	Office Equipment	-	-	-
		4.22	-	-
	Refer Note 54(a) for information relating to ageing schedule of Capital work in progress			
6	**Goodwill**			
	Opening	2.51	2.51	2.51
	Add: Goodwill on Business Combination	-	-	-
	Less: Impairment of Goodwill	-	-	-
	Total	2.51	2.51	2.51
7	**Non Current Investments**			
	Investments in Equity Shares - Subsiadiaries (at cost)			
	SAN Rolling Stock Services Ltd., (10,00,000 Equity Shares of Rs.10/- each Fully paid up)	10.00	10.00	10.00
	SAN Motors Ltd., (24,79,000 Equity Shares of Rs.83.70 each Fully paid up and 21,000 Equity Shares of Rs.31 each Fully paid up)	208.14	208.14	208.14
	Less : Provision for diminution in value of investments	-	-	-
		218.14	218.14	218.14
8	**Other non- current financial assets (at amortised cost)**			
	Unsecured - considered good			
	Security deposits	40.98	39.02	28.27
		40.98	39.02	28.27
9	**Other Non Current Assets**			
	Capital Advances	0.64	3.13	-
	Net Defined Benefit Assets (Gratuity)	-	-	2.09
		0.64	3.13	2.09
	Note: The Company has not granted any loan or advance in the nature of loan to promoters, directors, KMPs and other related parties that are repayable on demand or without specifying any terms or period of repayment			
10	**Inventories**			
	Raw Materials and Components	268.45	372.25	343.39
	Work in Progress	395.04	493.29	338.85
	Goods in Transit	62.29	56.26	87.04
	Stores & Spares	7.39	9.68	13.78
		733.17	931.48	783.06
	Inventory comprises of			
	Raw Materials			
	Others	268.45	372.25	343.39
		268.45	372.25	343.39
	Work in Progress			
	Others	395.04	493.29	338.85
		395.04	493.29	338.85
	Goods in Transit			
	Others	62.29	56.26	87.04
		62.29	56.26	87.04

Financial Statements for the year ended March 31 2026

		As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
	Stores & Spares			
	Others	7.39	9.68	13.78
		7.39	**9.68**	**13.78**
	Note:			
	i. Goods in Transit included in Inventories	62.29	56.26	87.04
	ii. Amount of Inventories written-off and recognized as expenses during the year	-	-	-
	iii.Amount of reversal of write-down during the year	-	-	-
	iv.Circumstances of write-down	NA	NA	NA
	v. Carrying amount of inventories pledged as security for liabilities	733.17	931.48	783.06
	The Company has physically verified the inventories at reasonable intervals and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed during such verification.			
11	**Current Investments**			
	Investments carried at fair value through profit or loss			
	Investments in Mutual Funds - Non Trade, Quoted			
	SBI Liquid Fund Reg Growth Plan (CY: Nil, PY:7707.299 Units)	-	30.95	35.28
	SBI Arbitrage Opportunities Fund - Regular Growth Plan (CY:31,82,981.017 Units, PY: 79,72,115.264 Units)	112.48	265.12	333.91
	SBI Low Duration Fund Regular Growth Plan (CY & PY - 25.667 Units)	0.09	0.09	0.08
	Less: Impairment in Value of Investments	-	-	-
		112.57	**296.16**	**369.27**
	Total current investments			
	Aggregate cost of quoted investments	110.27	284.70	354.02
	Aggregate market value of quoted investments	112.57	296.16	369.27
	Aggregate amount of impairment in value of investments	-	-	-
12	**Trade receivables**			
	Outstanding for a period exceeding six months from the date they are due for payment			
	Trade Receivables - Unsecured, considered good	279.49	260.43	246.75
	Trade Receivables - Unsecured, credit impaired	9.04	7.43	6.41
		288.53	267.86	253.16
	Less: Allowance for expected credit loss	9.04	7.43	6.41
	(A)	**279.49**	**260.43**	**246.75**
	Outstanding for a period less than six months			
	Trade Receivables - Unsecured, considered good	1,192.22	1,116.69	807.15
	Trade Receivables - Unsecured, credit impaired	12.03	10.60	7.95
		1,204.25	1,127.29	815.10
	Less: Allowance for expected credit loss	12.03	10.60	7.95
	(B)	**1,192.22**	**1,116.69**	**807.15**
	(A+B)	**1,471.71**	**1,377.12**	**1,053.90**

Note:

Trade receivables are neither due from directors or other officers of the Company either severally or jointly with any other person.

Refer Note 52 c) for Trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

Refer Note 50 for information about risk profile of Trade Receivables under Financial Risk Management

Refer Note 54(c) for trade receivables ageing schedule

Financial Statements for the year ended March 31 2026

13	**Cash and cash equivalents**			
	Cash on hand	0.33	0.20	0.36
	Cash on hand- Foreign Currency	1.45	1.19	-
	Balances with Banks*			
	In current accounts	90.62	58.65	45.60
	In current accounts (Dividend)	1.09	0.59	0.65
		93.49	**60.63**	**46.61**

*Includes margin money held as lien, margin money or security, against Borrowings, Letters of Credit, guarantees and other commitments for INR Nil/- (Previous year INR Nil/-, Preceding previous year INR Nil/-)

*Includes Earmarked balances with banks for INR 1.09 millions (Previous year INR 0.59 millions)

Note:
There are no repatriation restrictions in respect of any Cash and Cash equivalents

14	**Other Bank Balances**			
	In term deposits with banks (maturing within 12 months from the reporting date)	95.95	64.79	80.96
		95.95	**64.79**	**80.96**

*Includes margin money held as lien against Letters of Credit, Bank Guarantees and other commitments for INR 95.95 millions (Previous year INR 64.79 millions, Preceding previous year INR 80.96 millions)

Note:
There are no repatriation restrictions in respect of any Cash and Cash equivalents

15	**Other Current Financial assets**			
	Unsecured, considered good			
	Advances to employees	2.94	5.17	6.64
	Interest accrued on deposits	17.65	18.63	22.04
		20.59	**23.80**	**28.68**

Note: The Company has not granted any loan or advance in the nature of loan to promoters, directors, KMPs and other related parties that are repayable on demand or without specifying any terms or period of repayment

16	**Other current assets**			
	Unsecured, considered good			
	Balances with government authorities	13.17	6.78	5.66
	Advance to suppliers	18.94	7.52	23.63
	Prepaid expenses	13.54	12.08	18.36
	Others	-	-	0.04
		45.65	**26.38**	**47.69**
17	**Current tax assets (Net)**			
	Advance Income tax and Tax deducted at source (net of provisions)	0.56	-	0.45
	Net of Advance Tax, TDS and TCS - Provision for Taxation:	**0.56**	-	**0.45**
	FY 2025-2026: INR 70.88 millions - INR 70.32 millions			
	FY 2023-2024: INR 94.55 millions - INR 94.10 millions			

Financial Statements for the year ended March 31 2026

		As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
18	Capital			
	Authorised Share Capital			
	Equity Shares - 47,50,000 shares of INR 10 each	47.50	47.50	47.50
	Redeemable Preference Shares - 25,000 shares of INR 100 each	2.50	2.50	2.50
		50.00	**50.00**	**50.00**
	Issued Share Capital			
	Equity Shares - 44,50,000 shares of INR 10 each fully paid up	44.50	44.50	44.50
		44.50	**44.50**	**44.50**
	Subscribed and fully paid up share capital			
	Equity Shares - 44,50,000 shares of INR 10 each fully paid up	44.50	44.50	44.50
		44.50	**44.50**	**44.50**

Notes:

1) **Reconciliation of number of equity shares subscribed**

	March 31, 2026	March 31, 2025	April 1, 2024
Balance at the beginning and end of the year	4,450,000	4,450,000	4,450,000

2) **Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date**

Particulars	March 31, 2026	March 31, 2025	March 31, 2024	March 31, 2023	March 31, 2022
No. of equity shares allotted as fully paid bonus shares by capitalisation of securities premium	-	-	-	-	-

3) **Shareholders holding more than 5% of the total share capital**

Name of the share holder	March 31, 2026		March 31, 2025		April 1, 2024	
	No of shares	% of Holding	No of shares	% of Holding	No of shares	% of Holding
Milind S Thakker	2,003,177	45.02%	2,003,177	45.02%	2,003,177	45.02%
Anjana M Thakker	298,764	6.71%	298,764	6.71%	298,764	6.71%
Sonmil Engineering Pvt Ltd	1,532,252	34.43%	1,532,252	34.43%	1,532,252	34.43%
Importex International Pvt Ltd	415,343	9.33%	415,343	9.33%	415,343	9.33%
Total	**4,249,536**	**95.49%**	**4,249,536**	**95.49%**	**4,249,536**	**95.49%**

4) **Details of Promoter's Shareholding in Equity Shares**

Name of the share holder	March 31, 2026		March 31, 2025		% Change during the year
	No of shares	% of Holding	No of shares	% of Holding	
Milind S Thakker	2,003,177	45.02%	2,003,177	45.02%	0%
Anjana M Thakker	298,764	6.71%	298,764	6.71%	0%
Sonmil Engineering Pvt Ltd	1,532,252	34.43%	1,532,252	34.43%	0%
Importex International Pvt Ltd	415,343	9.33%	415,343	9.33%	0%

5) **Rights, preferences and restrictions in respect of equity shares issued by the Company**

For the years ended 31st March 2026 and the comparative years presented:

The company has one class of equity shares having a par value of INR 10 per share. Each shareholder is eligible for one vote per share held. These shares rank pari-passu in all respects including voting rights and entitlement to dividend.

6) **For the years ended 31st March 2026 and the comparative years presented**

ii) There are no shares reserved for issue under options and contracts/ commitments for the sale of shares or divestment.

iii) There are no securities issued convertible into equity shares.

iv) There are no calls unpaid and further there are no forfeited shares to report.

Financial Statements for the year ended March 31 2026

		As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
19	**Other Equity**			
	Capital Reserve	0.01	0.01	0.01
	Securities Premium	76.74	76.74	76.74
	General Reserve	2,437.38	2,437.38	2,137.38
	Other Comprehensive Income	(10.55)	(4.39)	(2.26)
	Retained earnings	448.45	303.60	164.23
		2,952.03	**2,813.34**	**2,376.10**
	a) Capital reserve			
	Balance at the begening and end of the year	**0.01**	**0.01**	**0.01**
	Capital Reserve represents the reserve created out of re-issue of forfeitted equity shares. This reserve is not a free reserve, it may generally be utilised only for purposes permitted under the Companies Act, 2013			
	b) Securities Premium			
	Balance at the beginning and end of the year	**76.74**	**76.74**	**76.74**
	Securities Premium Reserve is used to record the premium on issue of shares. The Reserve can be utilised only for limited purposes such as issuance of Bonus shares, buy back of its own shares in accordance with the provisions of the Companies Act, 2013.			
	c) General reserve			
	Balance at the beginning and end of the year	2,437.38	2,137.38	2,137.38
	Additions during the year	-	300.00	-
		2,437.38	**2,437.38**	**2,137.38**
	General Reserve represents the reserve created in accordance with Companies Act, 2013 by transferring a portion of profit of the year. This is a free reserve and the Company can use it for declaration of dividends, subject to the conditions prescribed by the Companies Act, 2013.			
	d) Other Comprehensive Income			
	Balance at the beginning of the year	(4.39)	(2.26)	-
	Additions during the year	-	-	-
	Deductions/Adjustments during the year	(6.16)	(2.13)	(2.26)
	Balance at the end of the year	**(10.55)**	**(4.39)**	**(2.26)**
	Other comprehensive income represents the changes in the fair value of remeasurement of defined benefit obligations in OCI.			
	e) Retained earnings - balance in profit and loss account			
	Balance at the beginning of the year	303.60	164.23	196.36
	Comprehensive income for the year	189.35	483.87	-
	Final Dividend paid	(44.50)	(44.50)	-
	Ind AS adjustments	-	-	(32.13)
	Transfer from/ (to) General Reserve		(300.00)	
	Transfer from/ (to) other comprehensive income	-	-	-
	Balance at the end of the year	**448.45**	**303.60**	**164.23**
	Balance in the Retained Earnings- Profit and Loss account represent the undistributed profits of the Company remaining after transfer to other Reserves. This is a free reserve and the Company can use it for declaration of dividends, subject to the conditions prescribed by the Companies Act, 2013.			
20	**Lease liabilities (Non-current)**			
	Lease liabilities	3.51	7.41	11.33
		3.51	**7.41**	**11.33**

Financial Statements for the year ended March 31 2026

		As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
21	**Long Term Provisions**			
	Provision for Gratuity	10.58	0.11	-
	Provision for Compensated Absences	17.12	19.67	15.27
	Provision for Warranty	9.19	9.88	9.27
		36.89	**29.66**	**24.54**

Table for Movement in Long Term Provisions as at March 31, 2026

Particulars	Opening Balance	Additional Provision	Utilisation/Reversal	Closing Balance
Provision for Gratuity	0.11	10.47	-	10.58
Provision for Compensated Absences	19.67	-	2.55	17.12
Provision for Warranty	9.88	-	0.69	9.19
Total	**29.66**	10.47	3.24	**36.89**

Table for Movement in Long Term Provisions as at March 31, 2025

Particulars	Opening Balance	Additional Provision	Utilisation/Reversal	Closing Balance
Provision for Gratuity	-	0.11	-	0.11
Provision for Compensated Absences	15.27	4.40	-	19.67
Provision for Warranty	9.27	0.61	-	9.88
Total	**24.54**	5.12	-	**29.66**

		As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
22	**Deferred Tax Liability (Net)**			
	Deferred Tax			
	Deferred Tax Liability			
	On Property, Plant and Equipment	19.76	22.36	24.82
	On fair valuation of financial instruments	0.58	2.88	3.84
		20.34	**25.24**	**28.66**
	Deferred Tax Asset			
	On Provision for employee benefits	13.25	10.43	8.72
	On Lease liabilities	0.18	0.09	(0.15)
		13.43	**10.52**	**8.57**
	Net Deferred tax liability/ (asset)	6.91	14.72	20.09
		6.91	**14.72**	**20.09**
23	**Trade payables**			
	Dues to Micro enterprises and Small enterprises *	78.46	80.54	65.54
	Dues to Creditors other than Micro and Small enterprises	294.27	330.19	398.75
		372.73	**410.73**	**464.29**

** Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management represents the principal amount payable to these enterprises. There

Refer Note 54(d) for trade payables ageing schedule

Refer Note 44 for Disclosures required by the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

		As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
24	**Lease liabilities (Current)**			
	Lease liabilities	3.91	3.92	3.98
		3.91	**3.92**	**3.98**
25	**Other current financial liabilities**			
	Employees Dues Payable	24.80	31.33	30.85
	Salaries payable	20.96	18.34	17.64
	Expenses Payable	20.93	15.48	16.71
	Others	0.64	1.77	2.50
		67.33	66.92	67.70
26	**Other current liabilities**			
	Statutory dues	37.62	35.30	29.94
	Unpaid Dividend	0.88	0.58	0.64
	Advance from customers	24.66	32.49	107.46
	Others	1.13	1.05	0.78
		64.29	**69.42**	**138.82**

Financial Statements for the year ended March 31 2026

27 Short Term Provisions			
Provision for employee benefits:			
Provision for Compensated absences	3.85	3.64	2.76
Provision for Warranty	5.54	4.93	4.63
	9.39	**8.57**	**7.39**

Table for Movement in Short Term Provisions as at March 31, 2026

Particulars	Opening Balance	Additional Provision	Utilisation/Reversal	Closing Balance
Provision for Compensated Absences	3.64	0.21	-	3.85
Provision for Warranty	4.93	-	-0.61	5.54
Total	**8.57**	**0.21**	**-0.61**	**9.39**

Table for Movement in Short Term Provisions as at March 31, 2025

Particulars	Opening Balance	Additional Provision	Utilisation/Reversal	Closing Balance
Provision for Compensated Absences	2.76	0.88	-	3.64
Provision for Warranty	4.63	0.30	-	4.93
Total	**7.39**	1.18	-	**8.57**

28 Current tax liabilities (Net)			
Provision for Income tax (net of advance tax and tax deducted at source)		2.63	-
Net of Provision for Income Tax - Advance tax, TDS and TCS	-	**2.63**	-
FY 2024-2025: INR 133.10 millions - INR 130.47 millions			

Financial Statements for the year ended March 31 2026

		For the year ended March 31, 2026	For the year ended March 31, 2025
29	**Revenue from operations**		
	Sale of Products		
	Locomotives	594.73	442.23
	Powerpack	356.53	408.41
	Spare Parts	552.60	519.60
	Special Vehicles	992.19	879.69
	Engineering Products	326.24	258.48
	Less: Discounts / Incentives on Sales	-	-
		2,822.29	**2,508.41**
	Sale of Services		
	Locomotive Services	105.63	116.89
	Other Operating Revenue		
	Scrap Sales	1.16	1.11
		2,929.08	**2,626.41**

i) The Company believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are affected.

Particulars	**For the year ended**	
Disaggregated revenue by timing of revenue	**31.03.2026**	**31.03.2025**
Revenue recognised at a point in time	2,929.08	2,626.41
Revenue recognised over time	-	-

ii) Revenue recognised from performance obligations satisfied in previous periods

Particulars	**March 31, 2026**	**March 31, 2025**
Revenue recognised from performance obligations satisfied in previous periods	-	-
Total	-	-

		March 31, 2026	March 31, 2025
	(iii) Sale of products comprises		
	Export sales	19.25	-
	Domestic sales	2,803.04	2,508.41
		2,822.29	2,508.41
30	**Other income**		
	Interest Income	4.68	5.25
	Lease Rental receipts	2.87	1.34
	Dividend Income from Mutual Funds	-	-
	Gain on foreign exchange fluctuation (Net)	0.18	-
	Net gain on sale of current investments	9.33	18.61
	Gain on fair valuation of investments	0.89	5.27
	Profit on sale of property, plant and equipment	0.97	2.55
	Government Grant - EPCG Scheme	2.99	-
	Others	8.85	0.03
		30.76	**33.05**
31	**Cost of materials consumed**		
	Opening inventory of raw materials	428.00	429.08
	Add: Purchases	1,585.81	1,574.80
	Less: Closing Stock	(329.75)	(428.00)
	Cost of materials consumed (Refer Non No: 42 and 43)	**1,684.06**	**1,575.88**
32	**Changes in inventories of work-in-progress and finished goods**		
	Opening Balance		
	Finished goods	-	-
	Work-in-progress	493.29	338.85
		493.29	**338.85**
	Closing Balance		
	Finished goods	-	-
	Work-in-progress	395.04	493.29
		395.04	**493.29**
	Total changes inventories of work-in-progress and finished goods	**98.25**	**(154.44)**
33	**Employee benefits expense**		
	Salaries, wages and bonus	362.46	335.24
	Contribution to provident and other funds	23.37	21.63
	Staff/ workmen welfare expenses	29.07	29.48
		414.90	**386.35**

Financial Statements for the year ended March 31 2026

		For the year ended March 31, 2026	For the year ended March 31, 2025
34	**Finance Cost**		
	Interest		
	Working Capital facilities from Banks	0.34	0.81
	Finance Lease	0.91	1.28
	Others	0.07	13.26
	Other charges	5.15	2.11
		6.47	**17.46**
35	**Depreciation and amortization expense**		
	Depreciation on property, plant and equipment	55.47	57.66
	Amortisation of Intangible assets	0.84	1.06
	Depreciation on ROU Asset	4.27	4.94
		60.58	**63.66**
36	**Other expenses**		
	Power, fuel and water charges	30.58	27.73
	Consumption of stores and spare parts	66.39	67.84
	Consumption of packing materials	-	-
	Repairs to machinery	7.51	6.05
	Repairs to Building	2.81	3.69
	Other repairs and maintenance	5.00	4.91
	Job Charges	103.76	80.82
	Rent	1.72	1.24
	Rates and taxes	6.81	5.62
	R&D Expenditure	14.59	23.63
	Repairs & Maintenance to Vehicles	9.52	9.83
	Insurance	3.91	2.70
	Security Services	13.24	11.34
	Electricity charges	-	-
	Postage, Telephone & Communication Expenses	1.68	1.71
	Travelling & Conveyance	31.76	36.75
	Printing & Stationery	1.69	2.35
	Freight, Transportation, Clearing and Forwarding Expenses	49.39	33.38
	Office Maintenance	-	-
	Legal and professional charges	25.29	13.02
	General Expenses	11.40	25.36
	Commission & Selling Expenses	15.79	30.52
	Directors sitting fees	0.42	0.45
	ERP Recurring Expenses	-	-
	Membership & Subscriptions	-	-
	Payment to the auditors [refer note 36 (a)]	1.45	1.70
	Donations & Contributions	-	-
	Advertisement and Sales Promotion	-	-
	CSR expenses [refer note 36 (b)]	6.70	4.91
	Bad Debts Written off	2.27	1.25
	Liquidated Damages	4.71	0.13
	Bank charges	-	-
	Expected Credit Loss	3.05	3.67
	Provision for Warranty	-	0.91
	Bank charges	19.76	7.55
	Loss on foreign exchange fluctuations (Net)	-	-
	Directors Remuneration	-	-
	Royalty, usage of patent and trade mark	-	-
		441.20	**409.06**
36(a)	**Payments to the auditors comprises:**		
	For Statutory audit	1.20	1.25
	For Tax audit	0.15	0.25
	Certification Fees	0.05	0.15
	Reimbursement of expenses	0.05	0.05
		1.45	1.70

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		For the year ended March 31, 2026	For the year ended March 31, 2025
36(b)	**Expenditure on Corporate Social Responsibility**		
(i)	Gross amount required to be spent on CSR expenditure in accordance with Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014	6.70	4.91
(ii)	Amount unspent/ (excess spent) carried forward from earlier years	-	-
(iii)	Amount actually spent during the year on		
	a) Promotion of Education	3.35	2.53
	b) Promotion of Healthcare	2.35	1.64
	c) Others	1.00	0.74
		6.70	4.91
(iv)	Amount unspent/ (excess spent)	Nil	Nil
37	**Income tax expense**		
	(a) Income tax expense		
	Current tax		
	Current tax on profits for the year	70.32	133.10
	MAT credit entitlement/reversal	-	-
	Adjustments for current tax of prior periods	0.45	(0.33)
	Total current tax expense	**70.77**	**132.77**
	Deferred tax		
	Deferred tax adjustments	(5.74)	(4.65)
	Total deferred tax expense/(benefit)	**(5.74)**	**(4.65)**
	Income tax expense	**65.03**	**128.12**
	b) The income tax expense for the year can be reconciled to the accounting profit as follows:		
	Profit before tax from continuing operations	254.38	611.99
	Income tax expense calculated at 25.17% (Previous year 25.17%)	64.03	154.04
	Tax effect of expenses that are not deductible in determining taxable profit:		
	Deduction u/s 35 to 35E, 32AD, 33AB, 33ABA	-	-
	Deduction u/s 80G	-	-
	Deduction u/s 80JJAA	-	-
	Disallowance u/s 40(a)(ia) and 40(A)(3)	-	
	Other disallowances	-	-
	CSR expenditure	1.69	1.24
	Change in tax rate		
	Others	(0.69)	(27.16)
	Income tax expense	**65.03**	**128.12**
	c) Income tax recognised in other comprehensive income		
	Deferred tax		
	Remeasurement of defined benefit obligation	2.07	0.72
	Total income tax recognised in other comprehensive income	**2.07**	**0.72**

Financial Statements for the year ended March 31 2026

d) Movement of deferred tax expense during the year ended March 31, 2026

Deferred tax (liabilities)/assets in relation to:	Opening balance	Recognised in profit or loss	Recognised in OCI	Closing balance
Property, plant, and equipment and Intangible Assets	(22.36)	2.60	-	(19.76)
Expenses allowable on payment basis under the Income Tax Act	-	-		-
Remeasurement of financial instruments under Ind AS	(2.88)	2.30	-	(0.58)
Other temporary differences	10.52	2.91		13.43
Total	**(14.72)**	**7.81**	**-**	**(6.91)**

e) Movement of deferred tax expense during the year ended March 31, 2025

Deferred tax (liabilities)/assets in relation to:	Opening balance	Recognised in profit or loss	Recognised in OCI	Closing balance
Property, plant, and equipment and Intangible Assets	(24.82)	2.46	-	(22.36)
Expenses allowable on payment basis under the Income	-	-	-	-
Remeasurement of financial instruments under Ind AS	(3.84)	0.96	-	(2.88)
Other temporary differences	8.57	2.67	(0.72)	10.52
Total	**(20.09)**	**6.09**	**(0.72)**	**(14.72)**

		For the year ended March 31, 2026	For the year ended March 31, 2025
38	**Earnings per share**		
	Profit for the year attributable to owners of the Company	189.35	483.87
	Weighted average number of ordinary shares outstanding	4,450,000	4,450,000
	Basic earnings per share (in INR)	42.55	108.73
	Diluted earnings per share (in INR)	42.55	108.73
39	**Earnings in foreign currency**		
	FOB value of exports	19.25	
		19.25	-
40	**Expenditure in foreign currency**		
	Travelling	0.08	0.50
	Membership Fee	0.61	0.64
	Sales Promotion Expenses		2.00
		0.69	**3.14**
41	**Value of Imports (on C.I.F basis)**		
	Raw Materials	37.23	143.12
	Spares & Consumables	0.77	
	Capital goods		
	Services		
		38.00	**143.12**

42 Details of Raw materials consumed

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Bearings, Compressors & Electrical items	160.56	82.24
Castings & Forgings	272.91	257.70
DG Set, Tool Supervisory Van, Traction Motor	156.88	165.15
Engines	232.06	330.53
Transmissions	55.88	87.86
Others	805.77	652.40
	1,684.06	**1,575.88**

43 Value of imported and indigenous Raw materials, Spares and Components consumed during the financial year and the percentage of each to the total consumption

Particulars	Year ended March 31, 2026		Year ended March 31, 2025	
	In INR Millions	Percentage (%)	In INR Millions	Percentage (%)
Raw Materials				
Imported	37.23	2.21	143.12	9.08
Indigenous	1,646.83	97.79	1,432.76	90.92
	1,684.06	**100.00**	**1,575.88**	**100.00**
Spares and Components				
Imported	0.77	1.16	-	-
Indigenous	65.62	98.84	67.84	100.00
	66.39	**100.00**	**67.84**	**100.00**

44 Disclosures required by the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 are as under *

Particulars	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
(a) The principal amount remaining unpaid at the end of the year	78.46	80.54	65.54
(b) The delayed payments of principal amount paid beyond the appointed date during the year	-	-	-
(c) Interest actually paid under Section 16 of MSMED Act	-	-	-
(d) Normal Interest due and payable during the year, as per the agreed terms	-	-	-
(e) Total interest accrued during the year and remaining unpaid	-	-	-

*This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

45 Commitments, contingent assets and contingent liability

Particulars	As at March 31, 2026	As at March 31, 2026	As at March 31, 2025
Contingent Liabilities*			
Claims against the company not acknowledged as debts			
In respect of Bank guarantees and Acceptances	811.21	453.08	491.82
In respect of Export Obligation to be fulfilled	33.54	32.03	33.09
Commitments			
Estimated amount of contracts remaining to be executed	-	-	-

* The management believes, based on internal assessment, that the probability of an ultimate adverse decision and outflow of resources of the company is not probable and accordingly, no provision for the same is considered necessary.

46 Operating Segments

The Company is engaged in the business of manufacturing of Locomotives, Power packs and gear boxes and therefore has only one reportable segment in accordance with Ind AS 108 'Operating Segments'.

Informartion relating to geographical areas

a) Revenue from External Customers

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
India	2,909.83	2,626.41
Rest of the World	19.25	
Total	2,929.08	2,626.41

b) Non Current Assets

The manufacturing facilities of the Company are situated in India and no non-current assets are held outside India.

Informartion about major customers

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Number of External Customers each contributing more than 10% of total revenue	2.00	2.00
Total revenue from the above customers	1,193.26	987.62

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47 Leases

The company has applied Ind AS 116 with the date of initial application of April 1, 2024. The company has applied Ind AS 116 using the modified retrospective approach, under which the cumulative effect of initial application is recognized in retained earnings at April 1, 2024.

As Lessee

The Company has entered into operating lease arrangements for certain facilities. Some leases are non cancellable at the option of either party to lease and others are cancellable at the option of the lease. The Lease may be renewed based on mutual agreement of the parties.

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Expense relating to short term leases / leases of low-value assets accounted for applying para 6 of Ind AS 116	1.72	1.24
Right of use asset as on the opening date	10.97	15.91
Additions during the year	-	-
Interest expense for the year	0.91	1.28
Depreciation charge for the year	4.27	4.94
Right of use asset as at the end of the reporting date	6.70	10.97
Total Cash outflow for finance lease arrangements	Nil	Nil

As Lessor

The Company has entered into operating lease arrangements for certain facilities. The Lease may be renewed based on mutual agreement of the parties.

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Income earned during the year in respect of Operating leases	2.87	1.34

48 Working Capital Sanctions

The Company has been sanctioned with working capital facilities to INR 950 million as on March 31, 2026 (Previous year - INR 950 million), which consists of Cash Credit Facilities, Working Capital Demand Loans, Bank Guarantee, Letter of Credit.

During the current year, the Company has not drawn any amount from this facility.

Working Capital facilities from Banks are primarily secured by hypothecation of Inventories and Book Debts of the Company and further secured by hypothecation of Plant & Machineries and Equitable Mortgage of Immovable properties of Bengaluru Unit.

49 The Board of Directors at its meeting held on June 30, 2026 has recommended a final dividend of INR 10 per equity share of face value INR 10 each for the year ended 31 March 2026 (previous year: INR 10 per share), subject to shareholders' approval at the ensuing Annual General Meeting.In accordance with Ind AS 10 – Events after the Reporting Period, a dividend proposed after the reporting date is a non-adjusting event and is therefore not recognised as a liability as at 31 March 2026. It will be recognised as a liability, appropriated from retained earnings, in the period in which it is approved by the shareholders.

50 Financial Instruments

Capital management

The Company manages its capital to ensure that entities in the Company 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 operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity, long-term borrowings and other short-term borrowings.

For the purposes of the Company's capital management, capital includes issued capital and all other equity reserves attributable to the equity holders.

Gearing Ratio:	March 31, 2026	March 31, 2025	April 1, 2024
Debt	-	-	-
Less: Cash and bank balances	93.49	60.63	46.61
Net debt	(93.49)	(60.63)	(46.61)
Total equity	2,996.53	2,857.84	2,420.60
Net debt to equity ratio (%)	**NA**	**NA**	**NA**

Categories of Financial Instruments	March 31, 2026	March 31, 2025	April 1, 2024
Financial assets			
a. Measured at amortised cost			
Other non-current financial assets	40.98	39.02	28.27
Trade receivables	1,471.71	1,377.12	1,053.90
Cash and cash equivalents	93.49	60.63	46.61
Bank balances other than above	95.95	64.79	80.96
Other financial assets	20.59	23.80	28.68
b. Mandatorily measured at fair value through profit or loss (FVTPL)			
Investments (current)	112.57	296.16	369.27
Financial liabilities			
a. Measured at amortised cost			
Lease Liabilities (Non current and current)	7.42	11.33	15.31
Trade payables	372.73	410.73	464.29
Other current financial liabilities	67.33	66.92	67.70
b. Mandatorily measured at fair value through profit or loss (FVTPL)	Nil	Nil	Nil

Financial risk management objectives

The treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company seeks to minimise the effects of these risks by using multiple risk mitigation strategies.

Market risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Company actively manages its currency and interest rate exposures through its finance division and uses derivative instruments such as forward contracts and currency swaps, wherever required, to mitigate the risks from such exposures. The use of derivative instruments is subject to limits and regular monitoring by appropriate levels of management.

Financial Statements for the year ended March 31 2026

Foreign currency risk management
The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Company actively manages its currency rate exposures through a centralised treasury division and uses natural hedging principles to mitigate the risks from such exposures. The use of derivative instruments, if any, is subject to limits and regular monitoring by appropriate levels of management.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

As on March 31, 2026 (all amounts are in equivalent INR Millions)

Particulars	Liabilities			Assets			Net overall exposure on the currency - net assets / (net liabilities)
	Gross exposure	Exposure hedged using derivatives	Net liability exposure on the currency	Gross exposure	Exposure hedged using derivatives	Net asset exposure on the currency	
Trade Receivables	-	-	-		-	-	-
Trade Payables		-	-	-	-	-	-

As on March 31, 2025 (all amounts are in equivalent INR Millions)

Particulars	Liabilities			Assets			Net overall exposure on the currency - net assets / (net liabilities)
	Gross exposure	Exposure hedged using derivatives	Net liability exposure on the currency	Gross exposure	Exposure hedged using derivatives	Net asset exposure on the currency	
Trade Receivables	-	-	-		-	-	-
Trade Payables		-	-	-	-	-	-

As on April 1, 2024 (all amounts are in equivalent in INR Millions)

Currency	Liabilities			Assets			Net overall exposure on the currency - net assets / (net liabilities)
	Gross exposure	Exposure hedged using derivatives	Net liability exposure on the currency	Gross exposure	Exposure hedged using derivatives	Net asset exposure on the currency	
Trade Receivables	-	-	-	-	-	-	-
Trade Payables		-	-		-	-	-

Foreign currency sensitivity analysis
In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year. Hence the same is not furnished.

Interest rate sensitivity analysis
The sensitivity analyses below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 25 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

The 25 basis point interest rate changes will impact the profitability by INR 0.02 Lakhs for the year (Previous year INR 0.04Lakhs)

Credit risk management
Credit risk arises when a customer or counterparty does not meet its obligations under a customer contract or financial instrument, leading to a financial loss. The Company is exposed to credit risk from its operating activities primarily trade receivables and from its financing/ investing activities, including deposits with banks and foreign exchange transactions. The Company has no significant concentration of credit risk with any counterparty.

Exposure to credit risk
The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure is the total of the carrying amount of balances with banks, short term deposits with banks, trade receivables, margin money and other financial assets excluding equity investments.

(a) Trade Receivables
Trade receivables are consisting of a large number of customers. The Company has credit evaluation policy for each customer and, based on the evaluation, credit limit of each customer is defined.

The Company does not have higher concentration of credit risks to a single customer. As per simplified approach, the Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default in payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk.

(b) Investments, Cash and Cash Equivalents and Bank deposits
Credit Risk on cash and cash equivalents, deposits with the banks/financial institutions is generally low as the said deposits have been made with the banks/financial institutions, who have been assigned high credit rating by international and domestic rating agencies.

Credit Risk on Derivative Instruments is generally low as the Company enters into the Derivative Contracts with the reputed Banks.

Investments of surplus funds are made only with approved Financial Institutions/Counterparty. Investments primarily include investment in units of quoted Mutual Funds. These Mutual Funds and Counterparties have low credit risk. The Company has standard operating procedures and investment policy for deployment of surplus liquidity, which allows investment in debt securities and mutual fund schemes of debt and arbitrage categories.

Offsetting related disclosures
Offsetting of cash and cash equivalents to borrowings as per the consortium agreement is available only to the bank in the event of a default. Company does not have the right to offset in case of the counter party's bankruptcy, therefore, these disclosures are not required.

Liquidity risk management
Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company invests its surplus funds in bank fixed deposit/ mutual funds, which carry minimal mark to market risks. The Company also constantly monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility.

Liquidity tables
The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

March 31, 2026	Due in 1st year	Due in 2nd to 5th year	Due after 5th year	Carrying amount
Borrowings	-	-	-	-
Trade payables	372.73	-	-	372.73
	372.73	**-**	**-**	**372.73**

March 31, 2025	Due in 1st year	Due in 2nd to 5th year	Due after 5th year	Carrying amount
Borrowings	-	-	-	-
Trade payables	410.73	-	-	410.73
	410.73	**-**	**-**	**410.73**

April 1, 2024	Due in 1st year	Due in 2nd to 5th year	Due after 5th year	Carrying amount
Borrowings	-	-	-	-
Trade payables	464.29	-	-	464.29
	464.29	**-**	**-**	**464.29**

	March 31, 2026	March 31, 2025	April 1, 2024
Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required):	Nil	Nil	Nil

51 **Disclosues pursuant to Ind AS-113**
Fair Valuation techniques :
Ind AS 113 specifies following valuation techniques to measure fair values:

i) Market Approach
– The market approach uses prices and other relevant information generated by market transactions involving identical or comparable (i.e. similar) assets, liabilities or a group of assets and liabilities, such as a business.
– For example, valuation techniques consistent with the market approach often use market multiples derived from a set of comparables. Multiples might be in ranges with a different multiple for each comparable. The selection of the appropriate multiple within the range requires judgement, considering qualitative and quantitative factors specific to the measurement.

ii) Income Approach
– The income approach converts future amounts (e.g. cash flows or income and expenses) to a single current (i.e. discounted) amount. When the income approach is used, the fair value measurement reflects current market expectations about those future amounts.
– It is a present value of all future earnings from an entity whose fair values are being evaluated or in other words all future cash flows to be discounted at current date to get fair value of the asset / liability.
– Assumption to the future cash flows and an appropriate discount rate would be based on the other market participant's views. Related risks and uncertainty would require to be considered and would be taken into either in cash flow or discount rate.

iii) Cost Approach
– This method describes how much cost is required to replace existing asset/ liability in order to make it in a working condition. All related costs will be its fair value. It actually considers replacement cost of the asset/ liability for which we need to find fair value.

Key Inputs to Fair Valuation
– The inputs refer broadly to the assumptions that market participants would use when pricing the asset or liability, including assumptions about risk.
– In order to establish comparability and consistency in fair value measurement, Ind AS 113 has made some hierarchy to define the level of inputs for fair value.
– The hierarchy is purely based on the level of inputs available for the specific Asset/ liability for which the fair value is to be measured.

Level 1 Inputs
– Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
– A quoted price in an active market provides the most reliable evidence of fair value and shall be used without adjustment to measure fair value whenever available

Level 2 Inputs
– Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
– If the asset or liability has a specified (contractual) term, a Level 2 input must be observable for substantially the full term of the asset or liability.
– Level 2 inputs include the following:
i. quoted prices for similar assets or liabilities in active markets.
ii. quoted prices for identical or similar assets or liabilities in markets that are not active.
iii. inputs other than quoted prices that are observable for the asset or liability.

Level 3 inputs
– Level 3 inputs are unobservable inputs for the asset or liability.
– Unobservable inputs shall be used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date.
– Unobservable inputs shall reflect the assumptions that market participants would use when pricing the asset or liability, including assumptions about risk.

Fair Valuation principle :

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as explained herebelow.

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a. Financial Assets measured at Fair Value through Profit & Loss

Particulars	Note Ref	**Fair Value hierarchy**	**March 31, 2026**	**March 31, 2025**	**April 1, 2024**
Financial Assets measured at FVTPL					
Current Investments	11	Level 1	112.57	296.16	369.27

Note: There were no Financial Liabilities measured at Fair Value through Profit & Loss

b. Financial Assets measured at Fair Value through Other Comprehensive Income

Particulars	Note Ref	**Fair Value hierarchy**	**March 31, 2026**	**March 31, 2025**	**April 1, 2024**
Financial Assets measured at Fair Value through OCI	Nil	NA	**Nil**	**Nil**	**Nil**

Note: There were no Financial Liabilities measured at Fair Value through Other Comprehensive Income

c. Financial assets and financial liabilities measured at amortised cost

Particulars	**Note Ref**	**Fair Value hierarchy**	**March 31, 2026**	**March 31, 2025**	**April 1, 2024**
Financial assets					
Non-current assets					
Other financial assets	8	Level 2	40.98	39.02	28.27
Current assets					
Trade receivables	12	Level 2	1,471.71	1,377.12	1,053.90
Cash and cash equivalents	13	Level 1	93.49	60.63	46.61
Bank balances other than above	14	Level 1	95.95	64.79	80.96
Other financial assets	15	Level 2	20.59	23.80	28.68
			1,722.72	**1,565.36**	**1,238.42**
Financial liabilities					
Non-current liabilities					
Lease liabilities	20	Level 2	3.51	7.41	11.33
Current liabilities					
Trade payables	23	Level 2	372.73	410.73	464.29
Lease liabilities	24	Level 2	3.91	3.92	3.98
Other current financial liabilities	25	Level 2	67.33	66.92	67.70
			447.48	**488.98**	**547.30**

Financial Statements for the year ended March 31 2026

52 Related party disclosure

a) List of parties having significant influence
Investing Parties (by virtue of Equity Share Holdings)

A) Reporting company

i) SAN ENGINEERING AND LOCOMOTIVE COMPANY LIMITED

B) Subsidiary

i) SAN Motors Ltd.,

ii) SAN Rolling Stock Services Ltd.,

C) Directors of the Company

i) Mr. Milind S Thakker - Chairman & Director

ii) Mr. Ramanathan Narayanan, Executive - Vice Chairman & Managing Director

iii) Mr. Shiv Dayal, Non-Executive - Independent Director

iv) Mr. Yash Gupta, Non-Executive - Independent Director

v) Mr. Jasjiv Sahney, Non-Executive, Director

D) Key Management Personnel (KMP)

i) Mr. Ramanathan Narayanan - Vice Chairman & Managing Director

E) Enterprises which exert significant influence over the reporting entity

i) Sonmil Engineering Pvt Ltd

b) Transactions with related parties are as follows

Sl.No	Transactions	Enterprises in which Key Management Personnel and their Relatives have significant influence		Key Management Personnel and their Relatives	
		March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
1	**Remuneration to Key Managerial Personnel**				
	Mr. Ramanathan Narayanan	-	-	20.01	21.81
		-	-		
		-	-		
		-	-		
2	**Commission to Key Managerial Personnel**				
	Mr. Ramanathan Narayanan			5.61	7.87
3	**Sitting fees to Directors**				
	Mr. Milind S			0.14	0.12
	Mr. Apparao Mallavarapu			0.02	0.08
	Mr. Jasjiv Sahney			0.06	0.03
	Mr. Yash Gupta	-	-	0.11	0.08
	Mr. Shiv Dayal	-	-	0.09	0.08
	Mr. Udayant Malhoutra	-	-	0.02	0.08
4	**Sale of Goods**				
	SAN Rolling Stock Services Ltd.,	32.18	17.05	-	-
	SAN Motors Ltd.,	57.38	52.27	-	-
5	**Rent Received**				
	SAN Rolling Stock Services Ltd.,	2.95	0.17	-	-
6	**Services availed by the Company**				
	SAN Rolling Stock Services Ltd.,	4.11	10.44	-	-
7	**Rent**				
	Sonmil Engineering Pvt.	4.73	4.54	-	-
	SAN Motors Ltd.,	8.07	2.29		
8	**Manpower Supply**				
	Importex International Pvt. Ltd.,	2.34	1.81	-	-

Note: The provisions relating to Post employment benefit relating to gratuity and long term employee benefit relating to compensated absence are determined based on Actuarial valuation for the Company as a whole. Accordingly, it is not possible to disclose the benefits provided for individual key mangement personnel.

Financial Statements for the year ended March 31 2026

c) **Balances with related parties are as follows**

S.no	Balances	Enterprises in which Key Management Personnel and their Relatives have significant influence		Key Management Personnel and their Relatives	
		March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
	Trade Receivables				
1	SAN Rolling Stock Services Ltd.,	-	-	-	-
2	SAN Motors Ltd.,	-	-	-	-
	Trade Payables				
1	SAN Rolling Stock Services Ltd.,	-	-	-	-
2	SAN Motors Ltd.,	-	-	-	-

Notes:
1. All related party transactions were made on terms equivalent to those that prevail in an arm's length transaction.
2. Outstanding balances at the year-end are unsecured and settlement takes place in cash.
3. For the year ended 31 March 2026 and 31 March 2025, the company has not recorded any impairment provision in respect of receivables relating to amounts owed by related parties.

4. For the year ended 31 March 2026 and 31 March 2025, the company has not written-off any receivable amounts owed by related parties. Further as at 31 March 2026 and 31 March 2025, there were no outstanding provision for doubtful debts in respect of amount owed by related parties.

5. There have been no guarantees provided or received by the company in respect of any related party receivables or payables. Further there were no outstanding commitments in respect of any related parties.

6. For the year ended 31 March 2026 and 31 March 2025, there are no amounts incurred for provision of key management personnel services that are provided by a separate entity.

Financial Statements for the year ended March 31 2026

53 **Employee benefit plans**

Defined contribution plans

In accordance with Indian law, eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. The contributions, as specified under the law, are made to the Provident fund .

The total expense recognised in profit or loss of INR 17.68 Lakhs (for the year ended March 31, 2025: INR 17.4 Lakhs) represents contribution payable to these plans by the Company at rates specified in the rules of the plan.

Defined benefit plans
(a) Gratuity
Gratuity is payable as per The Code on Social Security 2020 (for the years ended March 31,2025 and April 1, 2024 :Payment of Gratuity Act, 1972). In terms of the same, gratuity is computed by multiplying last drawn salary (basic salary including dearness Allowance if any) by completed years of continuous service with part thereof in excess of six months and again by 15/26. The Act provides for a vesting period of 5 years for withdrawal and retirement and a monetary ceiling on gratuity payable to an employee on separation, as may be prescribed under the Payment of Gratuity Act, 1972, from time to time. However, in cases where an enterprise has more favourable

This plan typically expose the Company to actuarial risks such as: investment risk, interest rate risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the market yields on government bonds denominated in Indian Rupees. If the actual return on plan asset is below this rate, it will create a plan deficit.
Interest risk	A decrease in the bond interest rate will increase the plan liability. However, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	March 31, 2026	March 31, 2025
Attrition rate	10.00%	10.00%
Discount Rate	7.33%	6.86%
Rate of increase in compensation level	5.00%	5.00%
Rate of Return on Plan Assets	0.00%	0.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Amounts recognised in total comprehensive income in respect of these defined benefit plans are as follows:	**March 31, 2026**	**March 31, 2025**
Amount recognised under Employee Benefits Expense in the Statement of profit and Loss:		
Current service cost	5.33	4.56
Net interest expense	(0.11)	(0.33)
Administrative expenses /taxes	0.47	-
Components of defined benefit costs recognised in profit or loss	**5.69**	**4.23**
Amount recognised in Other Comprehensive Income (OCI) for the Year	**March 31, 2026**	**March 31, 2025**
Remeasurement on the net defined benefit liability comprising:		
Actuarial (gains)/losses recognised during the period	8.23	2.85
Components of defined benefit costs recognised in other comprehensive income	**8.23**	**2.85**
	13.92	**7.08**

The current service cost and the net interest expense for the year are included in the 'employee benefits expense' in profit or loss.

The actuarial gain/ loss on remeasurement of the net defined benefit liability is included in other comprehensive income.

The amount included in the balance sheet arising from the Company's obligation in respect of its defined benefit plans is as follows:	**March 31, 2026**	**March 31, 2025**
Present value of defined benefit obligation	65.95	51.06
Fair value of plan assets	(55.36)	(50.94)
Net liability arising from defined benefit obligation	**10.58**	**0.11**
Funded	10.58	0.11
Unfunded	-	-
	10.58	**0.11**
The above provisions are reflected under 'Provision for gratuity [Refer note 21 and 27]		
Movements in the present value of the defined benefit obligation in the current year were as follows:		
Opening defined benefit obligation	51.06	44.34
Current service cost	5.33	4.56
Past service cost - (vested benefit)	-	-
Interest cost	3.35	3.07
Actuarial (gains)/losses	8.65	2.25
Benefits paid	(2.44)	(3.16)
Closing defined benefit obligation	**65.95**	**51.06**
Movements in the fair value of the plan assets in the current year were as follows:		
Opening fair value of plan assets	50.94	46.43
Actuarial Gain/(Loss)	0.42	(0.60)
Contributions	3.45	4.88
Benefits paid	(2.44)	(3.16)
Admin expenses / taxes paid from plan assets	(0.47)	-
Interest income on plan asset	3.46	3.39
Expected return on plan assets (excluding amounts included in net interest expense)		
Closing fair value of plan assets	55.36	50.94

Sensitivity analysis
In view of the fact that the Company for preparing the sensitivity analysis considers the present value of the defined benefit obligation which has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet, sensitivity analysis is not applicable.

(b) Compensated absences
As per the policy of the Company, compensated absences are accumulating in nature and can be carried forward upto a maximum of 90 days, and encashment is permitted on separation. Since the accumulated leave balances are not expected to be settled wholly within twelve months from the end of the reporting period, the same has been determined on the basis of an actuarial valuation carried out by an independent actuary using the Projected Unit Credit method.

This plan typically expose the Company to actuarial risks such as: investment risk, interest rate risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the market yields on government bonds denominated in Indian Rupees. If the actual return on plan asset is below this rate, it will create a plan deficit.
Interest risk	A decrease in the bond interest rate will increase the plan liability.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan’s liability.

Financial Statements for the year ended March 31 2026

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	March 31, 2026	March 31, 2025
Attrition rate	10.00%	10.00%
Discount Rate	7.22%	6.72%
Rate of increase in compensation level	7.00%	7.00%
Rate of Return on Plan Assets	0.00%	0.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Amounts recognised in total comprehensive income in respect of these defined benefit plans are as follows:	**March 31, 2026**	**March 31, 2025**
Amount recognised under Employee Benefits Expense in the Statement of profit and Loss:		
Employee expense	(5.29)	5.29
Components of defined benefit costs recognised in profit or loss	**(5.29)**	**5.29**
Amount recognised in Other Comprehensive Income (OCI) for the Year		
Remeasurement on the net defined benefit liability comprising:		
Actuarial (gains)/losses recognised during the period	-	-
Components of defined benefit costs recognised in other comprehensive income	-	-
	(5.29)	**5.29**

The current service cost and the net interest expense for the year are included in the 'employee benefits expense' in profit or loss.

The actuarial gain/ loss on remeasurement of the net defined benefit liability is included in other comprehensive income.

The amount included in the balance sheet arising from the Company's obligation in respect of its defined benefit plans is as follows:	**March 31, 2026**	**March 31, 2025**
Present value of defined benefit obligation	18.03	23.32
Fair value of plan assets	-	-
Net liability arising from defined benefit obligation	**18.03**	**23.31**
Funded	-	-
Unfunded	18.03	23.31
	18.03	**23.31**

The above provisions are reflected under 'Provision for Compensated Absences [Refer note 21 and 27]

Movements in the present value of the defined benefit obligation in the current year were as follows:		
Opening defined benefit obligation	23.32	18.03
Empoloyer expense	(5.29)	5.29
Actuarial (gains)/losses	-	-
Benefits paid	-	-
Closing defined benefit obligation	**18.03**	**23.32**

Sensitivity analysis

In view of the fact that the Company for preparing the sensitivity analysis considers the present value of the defined benefit obligation which has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet, sensitivity analysis is not applicable.

Financial Statements for the year ended March 31 2026

54 Additional regulatory and other information as required by the Schedule III to the Companies Act 2013

(a) Ageing Schedule of Capital Work-in-Progress (CWIP) - March 31, 2026

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Projects in Progress	4.22	-	-	-	4.22
(ii) Projects temporarily suspended	-	-	-	-	-
	4.22	-	-	-	**4.22**

Note: The Company do not have any projects whose activity has been suspended.

Ageing Schedule of Capital Work-in-Progress (CWIP) - March 31, 2025

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Projects in Progress	-	-	-	-	-
(ii) Projects temporarily suspended	-	-	-	-	-
	-	-	-	-	-

Note: The Company do not have any projects whose activity has been suspended.

Ageing Schedule of Capital Work-in-Progress (CWIP) - April 1, 2024

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Projects in Progress	-	-	-	-	-
(ii) Projects temporarily suspended	-	-	-	-	-
	-	-	-	-	-

Note: The Company do not have any projects whose activity has been suspended.
There are no Capital Work-in Progress whose completion is overdue or has exceeded its cost compared to its original plan as at March 31,2026, March 31,2025 and April 1, 2024

(b) Ageing Schedule of Intangible Assets under Development - March 31, 2026

Particulars	Amount in Intangible assets uder development for a				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Projects in Progress			-	-	-
(ii) Projects temporarily suspended					-
	-	-	-	-	-

Note:The Company does not have any Intangible Assets under Development, whose completion is overdue or has exceeded its cost compared to its original plan. Further there were no such projects whose activity has been suspended.

Ageing Schedule of Intangible Assets under Development - March 31, 2025

Particulars	Amount in Intangible assets uder development for a				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Projects in Progress		-	-	-	-
(ii) Projects temporarily suspended	-	-	-	-	-
	-	-	-	-	-

Note:The Company does not have any Intangible Assets under Development, whose completion is overdue or has exceeded its cost compared to its original plan. Further there were no such projects whose activity has been suspended.

Ageing Schedule of Intangible Assets under Development - April 1, 2024

Particulars	Amount in Intangible assets uder development for a				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Projects in Progress		-	-	-	-
(ii) Projects temporarily suspended	-	-	-	-	-
	-	-	-	-	-

Note:The Company does not have any Intangible Assets under Development, whose completion is overdue or has exceeded its cost compared to its original plan. Further there were no such projects whose activity has been suspended.

Financial Statements for the year ended March 31 2026

(c) Trade receivables ageing schedule

As at March 31, 2026

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables							
Considered good	779.09	413.14	74.35	61.18	55.65	88.31	1,471.72
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	12.03	4.57	1.34	1.29	1.84	21.07
Disputed Trade Receivables							
Considered good	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
	779.09	**425.17**	**78.92**	**62.52**	**56.94**	**90.15**	**1,492.79**
Less: Allowance for Expected Credit Loss	-	12.03	4.57	1.34	1.29	1.84	21.07
	779.09	**413.14**	**74.35**	**61.18**	**55.65**	**88.31**	**1,471.72**

As at March 31, 2025

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables							
Considered good	777.24	339.45	90.97	72.80	86.05	10.61	1,377.12
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	10.60	3.45	-	1.64	2.34	18.03
Disputed Trade Receivables							
Considered good	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-			-			-
	777.24	**350.05**	**94.42**	**72.80**	**87.69**	**12.95**	**1,395.15**
Less: Allowance for Expected Credit Loss	-	10.60	3.45	-	1.64	2.34	18.03
	777.24	**339.45**	**90.97**	**72.80**	**86.05**	**10.61**	**1,377.12**

As at April 1, 2024

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables							
Considered good	-	807.15	130.08	101.89	2.04	12.74	1,053.90
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	7.95	4.02	2.08	0.04	0.27	14.36
Disputed Trade Receivables							
Considered good	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
	-	**815.10**	**134.10**	**103.97**	**2.08**	**13.01**	**1,068.26**
Less: Allowance for Expected Credit Loss	-	7.95	4.02	2.08	0.04	0.27	14.36
	-	**807.15**	**130.08**	**101.89**	**2.04**	**12.74**	**1,053.90**

Financial Statements for the year ended March 31 2026

(d) Ageing Schedule of Trade Payables

Particulars	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
	Outstanding for following periods from due date of payment					
As at March 31, 2026						
(i). MSME	37.66	40.54	0.06	0.20	-	78.46
(ii) Others	173.67	119.77	0.03	0.01	0.79	294.27
(iii). Disputed Dues - MSME	-	-	-	-	-	-
(iv). Disputed Dues - Others	-	-	-	-	-	-
(v). Unbilled Dues	-	-	-	-	-	-
	211.33	**160.31**	**0.09**	**0.21**	**0.79**	**372.73**
As at March 31, 2025						
(i). MSME	54.82	25.16	0.36	0.18	0.02	80.54
(ii) Others	173.75	104.43	39.95	8.35	3.71	330.19
(iii). Disputed Dues - MSME	-	-	-	-	-	-
(iv). Disputed Dues - Others	-	-	-	-	-	-
(v). Unbilled Dues	-	-	-	-	-	-
	228.57	**129.59**	**40.31**	**8.53**	**3.73**	**410.73**
As at April 1, 2024						
(i). MSME	32.49	32.09	0.92	0.02	0.02	65.54
(ii) Others	166.40	188.54	32.63	7.37	3.81	398.75
(iii). Disputed Dues - MSME	-	-	-	-	-	-
(iv). Disputed Dues - Others	-	-	-	-	-	-
(v). Unbilled Dues	-	-	-	-	-	-
	198.89	**220.63**	**33.55**	**7.39**	**3.83**	**464.29**

(e) Proceedings under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder

There are no proceedings initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Therefore disclosures pertaining to the same as per Division II of Schedule II to the Companies Act, 2013 are not applicable for any of the years under report.

(f) Borrowings from banks

Wherever applicable, the Quarterly returns or statements of current assets filed by the company with banks or financial institutions are in agreement with the books of accounts in respect of all the years under report.

There are no registration or satisfaction of charges yet to be registered with ROC beyond the statutory period for any of the years under report.

The Company is not declared as wilful defaulter by any bank or financial Institution or other lenders for any of the years under report.

(g) Relationship with Struck off Companies

The Company did not have any transactions with Companies struck off under Section 248 of Companies Act, 2013 or Section 560 of Companies Act, 1956 considering the information available with the Company for any of the years under report.

(h) Compliance with number of layers of companies

The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017in respect of all the years under report.

(i) *Key Financial Ratios*

Particulars	Unit of Measurement	March 31, 2026	March 31, 2025	Variation in %
Current Ratio	In multiple	4.97	4.95	0.40%
Debt-Equity Ratio	In multiple	NA	NA	NA
Debt Service Coverage Ratio	In multiple	NA	NA	NA
Return on Equity Ratio	In %	6.35%	18.57%	(12.22%)
Inventory Turnover Ratio	In Days	104.00	119.00	(12.61%)
Trade receivables Turnover Ratio	In Days	177.00	169.00	4.73%
Trade payables Turnover Ratio	In Days	90.00	101.00	(10.89%)
Net Capital Turnover Ratio	In Days	191.00	187.00	2.14%
Net Profit Ratio	In %	6.46%	18.42%	(11.96%)
Return on Capital Employed	In %	6.48%	18.91%	(12.43%)
Return on Investment (Assets)	In %	5.21%	14.53%	(9.32%)

Financial Statements for the year ended March 31 2026

Formula adopted for above Ratios:
Current Ratio = Current Assets / (Total Current Liabilities – Security Deposits payable on Demand – Current maturities of Long Term Debt)

Debt-Equity Ratio = Total Debt / Total Equity
Debt Service Coverage Ratio = (EBITDA – Current Tax) / (Principal Repayment + Gross Interest on term loans)

Return on Equity Ratio = Total Comprehensive Income / Average Total Equity
Inventory Turnover Ratio (Average Inventory days) = 365 / (Net Revenue / Average Inventories)
Trade receivables Turnover Ratio (Average Receivables days) = 365 / (Net Revenue / Average Trade receivables)

Trade Payables Turnover Ratio (Average Payable days) = 365 / (Net credit purchases / Average Trade payables)

Net Capital Turnover Ratio = (Inventory Turnover Ratio + Trade receivables turnover ratio – Trade payables turnover ratio)

Net Profit Ratio = Net Profit / Net Revenue
Return on Capital employed = (Total Comprehensive Income + Interest) / (Average of (Equity + Total Debt))
Return on Investment (Assets) = Total Comprehensive Income / Average Total Assets

Reasons for Variation if more than 25%
None to report.

(j) Scheme of arrangements
There are no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 for any of the years under report.

(k) Advance or loan or investment to intermediaries and receipt of funds from intermediaries
For any of the years under report:
(1) The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (i) 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 (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(2) The company has also 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 (i) 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 (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(l) Undisclosed Income
The Company do not have any transaction which are not recorded in the books of accounts that has been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during any of the years under report.

(m) Details of Crypto Currency or Virtual Currency
The Company did not trade or invest in Crypto Currency or virtual currency during any of the years under report. Hence, disclosures relating to it are not applicable.

55 First-time adoption of Ind AS

Transition to Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in Note 3 have been applied in preparing the financial statements for the year ended March 31, 2026, the comparative information presented in these financial statements for the year ended March 31, 2025 and in the preparation of an opening Ind AS balance sheet at April 1, 2024 (The company's date of transition).

In preparing its opening Ind AS balance sheet, the company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP).

An explanation of how the transition from previous GAAP to Ind AS has affected the company's financial position, financial performance and cash flows is set out in the following notes.

A. Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A.1 Ind AS optional exemptions

A.1.1 Deemed cost for Property, Plant and Equipment (PPE)

Ind AS 101 permits a first-time adopter to elect to fair value a class of property, plant and equipment or to continue with the carrying value for all of its PPE as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

The company has elected to continue with the carrying value for all of its PPE as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition..

A.1.2 Deemed cost for Intangible Assets

Ind AS 101 permits a first-time adopter to elect to fair value intangible assets or to continue with the carrying value for all of its intangible assets as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

The company has elected to continue with the carrying value for all of its intangible assets as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

A.1.3 Leases

Ind AS 116 requires customers and suppliers to determine whether a contract is or contains a lease at the inception of the contract. On identification of a lease, the lessee is required to recognise a right of use asset and a corresponding lease liability in the balance sheet alongside depreciation and interest cost in the statement of profit and loss.

However, the standard provides the lessee with the option to recognise a low value asset or a short term lease (12 months of lesser) as an expense in the statement of profit and loss on a straight line basis or any other systematic approach. The Company applied the practical expedient provided in Ind AS 116.

A.1.4 Fair valuation of financial instruments

Ind AS 101 allows an entity to fair value the financial instruments for the first time on the date of transition to Ind AS instead of the date of acquisition. The company has elected to apply this exemption for all its financial instruments existing on April 1, 2024 (the date of transition).

A.2 Ind AS mandatory exceptions

A.2.1 Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at April 1, 2024 are consistent with the estimates as at the same date made in conformity with previous GAAP. The company made estimates for impairment of financial assets based on expected credit loss model in accordance with Ind AS at the date of transition as these were not required under previous GAAP.

B. Notes to first-time adoption

B.1 Fair valuation of financial assets and liabilities

Under Ind AS, financial assets and liabilities are to be valued at amortised cost or fair valued through profit and loss (FVTPL) or fair valued through other comprehensive income (FVTOCI) based on the Company's business objectives and the cash flow characteristics of the underlying financial assets and liabilities.

Accordingly, the Company has remeasured the financial assets and liabilities (including investments) as on the date of transition and the comparative periods. The consequential impact has been given in the opening retained earnings and the comparative period.

B.2 Expected Credit Loss on Trade Receivables

Under Ind AS 109, Expected Credit Loss is to be recognized on transition to Ind-AS. Accordingly, the company has provided for the same on transition to Ind-AS.

B.3 Deferred tax

Under Ind AS, the deferred tax asset and liabilities are required to be accounted based on balance sheet approach and also to be recognised on all adjustments considered in the opening Ind AS balance sheet. The Company has remeasured its deferred tax assets and liabilities as aforesaid and accounted in the Ind AS financial statements in the respective periods.

B.4 Remeasurement of employment benefits

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year. Adjustments have been made for such re-classifications. Ind AS also requires to remeasure the estimates of provision for employee benefits in accordance with Ind AS 19 "Employee Benefits". The Company remeasured its provision for employee benefits and the consequential impact has been recognised in the Ind AS financial statements in the respective periods.

B.5 Provision for Warranty

Ind AS 37 mandates measurement of warranty provision and recognition in the financial statements. Accordingly, the company has provided for the same on transition to Ind-AS.

B.6 Reversal of amortization of Goodwill (arising out of business combination)

Ind AS mandates that goodwill has to be tested for impairment annually. It doesnot prescribe amortization of the same. Accordingly, the company has reversed the same.

56 Key reconciliation required as per Ind AS 101 on transition to Ind AS

(a) Reconciliation of equity

	As at March 31, 2025	As at April 1, 2024
Total equity/ shareholders' funds as per Indian GAAP	**2,904.27**	**2,454.99**
Ind AS Adjustments		
Fair Valuation of investments	11.45	15.24
Impact of lease accounting as per Ind AS 116	(0.79)	-
Allowance for expected credit loss	(18.03)	(14.36)
Provision for Warranty	(14.81)	(13.90)
Remeasurement of Employee benefits	(1.41)	4.62
Reversal of amortization of goodwill	0.25	-
Deferred Tax impact on transition to Ind AS	(23.09)	(25.99)
Total equity/ shareholders' funds as per Ind AS	**2,857.84**	**2,420.60**

(b) Reconciliation of Profits

	For the year ended March 31, 2025
Total comprehensive income as per Indian GAAP	**493.78**
Ind AS Adjustments	
Impact of lease accounting as per Ind AS 116	(9.85)
Allowance for expected credit loss	(3.67)
Provision for Warranty	(0.91)
Remeasurement of Employee benefits	(6.03)
Fair valuation of Investments	5.27
Reversal of amortization of goodwill	0.25
Deferred Tax impact on transition to Ind AS	2.90
Total comprehensive income as per Ind AS	**481.74**

(c) Reconciliation of Statement of Cash Flows

Particulars	As per Previous GAAP	As per Ind AS	Amount of Material Adjustment on Transition to Ind-AS	Nature of Material Adjustment
Net cash from operating activities for the year ended March 31, 2025	(295.03)	(303.68)	8.65	Remeasurement of employee benefits on Transition to Ind-AS
Net cash used in investing activities for the year ended March 31, 2025	359.91	379.66	(19.75)	Change in calssification of Deposits from cash and cash equivalents to other bank balances and consideration of interest accrued on such deposits on transition to Ind-AS.
Net cash from financing activities for the year ended March 31, 2025	(68.23)	(61.96)	(6.27)	Change in classification of Bank charges from finance cost to other expenses on transition to Ind-AS.
Net change in cash and cash equivalents for the year ended March 31, 2025	(3.34)	14.03	(17.36)	

57 **The Code on Social Security, 2020**
On November 21, 2025, the Government of India notified provisions of the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020 (collectively, the 'Labour Codes'), which consolidate twenty-nine existing labour laws into a unified framework governing employee benefits during employment and post-employment. The Labour Codes, amongst other things, introduce changes including a uniform definition of wages and enhanced benefits relating to leave. The Company has assessed the financial implications of these changes, including the impact on its defined benefit obligations and compensated absences, and has concluded that there is no material financial impact on the Company's employee benefit liabilities as at March 31, 2026. The Company continues to monitor developments pertaining to the Labour Codes and will evaluate any further impact, if any, on the measurement of employee benefit liabilities in the period in which such impact crystallises.

58 This being the first year of adoption on Ind AS, the figures for the previous comparative periods have been re-grouped/ reclassified to conform to the current year's classification and in accordance with the presentation and disclosure requirements of Ind AS

As per our report of even date attached

For and on behalf of the Board
SAN ENGINEERING AND LOCOMOTIVE COMPANY LIMITED

For N R RAJAGOPALAN & CO.,
Chartered Accountants
(Firm Registration No. 003400S)

K G PURUSHOTHAMAN	**MILIND S THAKKER**	**RAMANATHAN NARAYANAN**	**RAJIV KUMAR SHARMA**
Partner	**Chairman**	**Vice Chairman & Managing Director**	**Company Secretary**
Membership No : 028537	DIN : 00617882	**DIN : 06681365**	M No. A59107
Place : Chennai	Place : Bengaluru	Place : Bengaluru	Place : Bengaluru
Date : 30th June 2026	Date : 30th June 2026	Date : 30th June 2026	Date : 30th June 2026

CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

Independent Auditor's Report

To the Members of
SAN ENGINEERING AND LOCOMOTIVE COMPANY LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of SAN ENGINEERING AND LOCOMOTIVE COMPANY LIMITED ('the Holding Company') and its subsidiaries:

   (i) SAN Motors Limited
   (ii) SAN Rolling Stock Services Limited

   (the Holding Company and its subsidiaries together referred to as 'the Group'), which comprise the Consolidated Balance Sheet as at 31 March 2026, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year ended, and notes to the consolidated 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 consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India of the consolidated state of affairs of the Group, as at 31 March 2026, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

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

Information other than the Consolidated Financial Statements and Auditor's Report thereon

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

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

6. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, 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 Consolidated Financial Statements

7. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group, in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

8. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group and of its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

9. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

11. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to 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 Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern;

    - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated financial statements, of which we are the independent auditors.

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

12. 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.

13. 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.

Other Matters

14. We have audited the financial statements of the subsidiary company SAN Rolling Stock Services Limited whose financial statements reflect total assets of Rs. 50.07 millions as at 31 March 2026 and total revenues Rs. 50.13 millions for the year ended on that date, as considered in the consolidated financial statements.

15. We have also audited the financial statements of the subsidiary company SAN Motors Limited whose financial statements reflect total assets of Rs. 101.43 millions as at 31 March 2026 and total revenues Rs. 49.01 millions for the year ended on that date, as considered in the consolidated financial statements.

16. Our Opinion is not modified in respect of the above Other Matters.

Report on Other Legal and Regulatory Requirements

17. As required by section 197(16) of the Act, based on our audit of separate financial statements of the subsidiaries, we report that the Holding Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that none of the subsidiaries have paid or provided for any managerial remuneration to its directors during the year

under report. Accordingly, reporting under section 197(16) of the Act is not applicable in respect of such subsidiaries.

18. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order reports issued by us, of companies included in the consolidated financial statements, we report that there are no qualifications or adverse remarks reported in the respective Order reports of such companies.

19. As required by section 143(3) of the Act, based on our audit of separate financial statements of the subsidiaries, we report, to the extent applicable, that:

    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

    (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books;

    (c) The consolidated financial statements dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

    (d) In our opinion, the aforesaid consolidated financial statements comply with Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

    (e) On the basis of the written representations received from the directors of the Holding Company and its subsidiaries and taken on record by the Board of Directors of the Holding Company and its subsidiaries, none of the directors of the Holding Company and its subsidiaries, are disqualified as on 31 March 2026 from being appointed as a director in terms of section 164(2) of the Act.

    (f) The reporting relating to the maintenance of accounts and other matters connected therewith with respect to the consolidated financial statements are as stated in paragraph 20(b) above on reporting under section 143(3)(b) of the Act and paragraph 20(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

    (g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, and its subsidiaries, and the operating effectiveness of such controls, refer to our separate report in '**Annexure A**' wherein we have expressed an unmodified opinion; and

    (h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on our audit report on separate financial statements of the subsidiaries:

(i) The Holding Company and its subsidiaries does not have any pending litigations which would impact its financial position.

(ii) The Holding Company and its subsidiaries did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2026;

(iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the subsidiaries, during the year ended 31 March 2026;

(iv) (I) The respective managements of the Holding Company and its subsidiaries have represented to us that, to the best of their knowledge and belief, as disclosed in the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiaries to or in any person(s) or entity(ies), including foreign entities ('the 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 Holding Company, or any such subsidiaries ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

(II) The respective managements of the Holding Company and its subsidiaries have represented to us that to the best of their knowledge and belief, as disclosed in the consolidated financial statements, no funds have been received by the Holding Company or its subsidiary from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiary 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

(III) Based on such audit procedures performed by us, as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under paragraphs 19 (h) (iv) (I) and 19 (h) (iv) (II) above contain any material misstatement.

(v) The subsidiaries have not declared or paid any dividend during the year ended 31 March 2026. As stated in the consolidated financial statements, the final dividend paid by the Holding Company during the year ended 31 March 2026 in respect of such dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend. The Board of Directors of the Holding Company have proposed final dividend for the year ended 31 March 2026 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) As stated in the consolidated financial statements and based on our examination which included test checks, the Holding Company its subsidiaries, have used accounting software for maintaining their books of account which have a feature of recording audit trail (edit log) facility and the same have been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Furthermore the audit trail has been preserved by the Holding Company and its subsidiaries as per the statutory requirements for record retention.

For N R Rajagopalan and Co
Chartered Accountants
Firm's registration number: 003400S

K G Purushothaman
Partner
Membership number: 028537
UDIN: 26028537FWHJZY6683

Chennai
30th June 2026

"Annexure A" to Independent Auditor's Report on consolidated financial statements

Independent Auditor's Report on the Internal Financial Controls with Reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

Opinion

In conjunction with our audit of the consolidated financial statements of SAN ENGINEERING AND LOCOMOTIVE COMPANY LIMITED ('the Holding Company') and its subsidiaries

(i) SAN Motors Limited
(ii) SAN Rolling Stock Services Limited

(the Holding Company and its subsidiaries together referred to as 'the Group'), as at and for the year ended 31 March 2026, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies.

In our opinion to the best of our information and according to the explanations given to us, the Holding Company and its subsidiaries, have in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2026, based on the internal financial controls with reference to the financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary companies, are responsible for establishing and maintaining internal financial controls based on the Internal financial control with reference to financial statements criteria established by the Company considering the essential components of Internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting 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 the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') 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 were established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies as aforesaid.

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

For N R Rajagopalan and Co
Chartered Accountants
Firm's registration number: 003400S

K G Purushothaman

K G Purushothaman
Partner
Membership number: 028537
UDIN: 26028537FWHJZY6683

Chennai
30th June 2026

Consolidated Balance Sheet As At 31st March 2026

	Notes	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
ASSETS				
Non-current assets				
Property, plant and equipment	4	748.76	445.91	499.33
Capital work in progress	5	4.22	-	-
Intangible assets (other than Goodwill)	4	1.64	2.48	2.37
Goodwill	6	131.76	131.76	131.76
Right of use asset	4	6.70	10.97	15.91
Financial assets				
Investments		-	-	-
Other financial assets	7	41.04	39.03	28.28
Deferred Tax Asset		-	-	-
Other Non Current Assets	8	3.44	3.13	2.09
Total non-current assets		**937.56**	**633.28**	**679.74**
Current assets				
Inventories	9	738.19	936.20	789.96
Financial assets				
Investments	10	174.52	350.00	418.58
Trade receivables	11	1,476.36	1,384.31	1,059.46
Cash and cash equivalents	12	109.82	78.75	58.31
Bank balances other than above	13	111.11	78.79	93.89
Other financial assets	14	20.91	24.08	28.91
Other current assets	15	46.97	26.56	48.42
Current tax assets (Net)	16	-	-	1.36
Total current assets		**2,677.88**	**2,878.69**	**2,498.89**
Total Assets		**3,615.44**	**3,511.97**	**3,178.63**
EQUITY AND LIABILITIES				
Equity				
Equity share capital	17	44.50	44.50	44.50
Other equity	18	2,994.98	2,846.49	2,393.33
Total equity		**3,039.48**	**2,890.99**	**2,437.83**
Liabilities				
Non-current liabilities				
Financial liabilities				
Lease liabilities	19	3.51	7.41	11.33
Provisions	20	38.28	30.71	25.67
Deferred Tax Liability	21	1.18	8.59	11.08
Other Non Current				
Total non-current liabilities		**42.97**	**46.71**	**48.08**
Current liabilities				
Financial liabilities				
Trade payables	22			
(a) total outstanding dues of micro enterprises and small enterprises		78.46	80.54	65.54
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		304.99	336.45	404.34
Lease liabilities	23	3.91	3.92	3.98
Other current financial liabilities	24	69.75	69.66	70.44
Other current liabilities	25	65.68	71.54	139.52
Short Term Provisions	26	9.55	8.64	8.90
Current tax liabilities (Net)	27	0.65	3.52	-
Total current liabilities		**532.99**	**574.27**	**692.72**
Total liabilities		**575.96**	**620.98**	**740.80**
Total Equity and Liabilities		**3,615.44**	**3,511.97**	**3,178.63**

The accompanying notes form an integral part of the financial statements
As per our report of even date attached

For N R RAJAGOPALAN & CO.,
Chartered Accountants
(Firm Registration No. 003400S)

For and on behalf of the Board
SAN ENGINEERING AND LOCOMOTIVE COMPANY LIMITED
CIN: U74210KA1973PLC002424

K G PURUSHOTHAMAN	**MILIND S THAKKER**	**RAMANATHAN NARAYANAN**	**RAJIV KUMAR SHARMA**
Partner	**Chairman**	**Vice Chairman & Managing Director**	**Company Secretary**
Membership No : 028537	DIN : 00617882	DIN : 06681365	M No. A59107
Place : Chennai	Place : Bengaluru	Place : Bengaluru	Place : Bengaluru
Date : 30th June 2026	Date : 30th June 2026	Date : 30th June 2026	Date : 30th June 2026

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

	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
Continuing Operations			
A Income			
Revenue from operations	28	2,955.85	2,653.44
Other income	29	32.33	36.23
Total income		**2,988.18**	**2,689.67**
B Expenses			
Cost of materials consumed	30	1,656.39	1,548.89
Changes in inventories of work-in-progress and finished goods	31	98.46	(152.35)
Employee benefits expense	32	432.69	405.34
Finance costs	33	6.47	17.46
Depreciation and amortization expense	34	64.57	66.58
Other expenses	35	462.30	421.34
Total expenses		**2,720.88**	**2,307.26**
C Profit before exceptional items and tax		**267.30**	**382.41**
Exceptional items - Profit/(loss) on sale of Property, Plant and Equipment		-	250.50
D Profit before tax from continuing operations		267.30	632.91
Income tax expense	36		
Current tax		72.81	136.84
Tax charge/ (credit) for earlier years based assessment completed		0.42	(0.33)
Deferred tax (credit)/ charge		(5.27)	(2.20)
Profit for the year		**199.34**	**498.60**
E Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of post employment benefit obligations		(8.49)	(1.24)
Income tax relating to these items		2.14	0.30
Other comprehensive income/(loss) for the year, net of tax		**(6.35)**	**(0.94)**
Total comprehensive income for the year		**192.99**	**497.66**
Earnings per share	37		
Basic earnings per share		44.80	112.04
Diluted earnings per share		44.80	112.04

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For N R RAJAGOPALAN & CO.,
Chartered Accountants
(Firm Registration No. 003400S)

For and on behalf of the Board
SAN ENGINEERING AND LOCOMOTIVE COMPANY LIMITED
CIN: U74210KA1973PLC002424

K G PURUSHOTHAMAN
Partner
Membership No : 028537
Place : Chennai
Date : 30th June 2026

MILIND S THAKKER
Chairman
DIN : 00617882
Place : Bengaluru
Date : 30th June 2026

RAMANATHAN NARAYANAN
Vice Chairman & Managing Director
DIN : 06681365
Place : Bengaluru
Date : 30th June 2026

RAJIV KUMAR SHARMA
Company Secretary
M No. A59107
Place : Bengaluru
Date : 30th June 2026

Consolidated Statement of Cash flows for the year ended March 31, 2026

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Cash Flow From Operating Activities		
Profit before tax	267.30	632.91
Adjustments for		
Depreciation and amortisation expense	64.57	66.58
Bad Debts Written off	2.27	1.25
Expected Credit Loss	3.05	3.67
(Profit)/ Loss on sale of property, plant and equipment	(0.97)	(2.55)
(Profit)/ Loss on sale of current investments	(10.98)	(18.80)
Exceptional items - Profit/(loss) on sale of Property, Plant and Equipment.	-	(250.50)
Fair Value changes of investments considered in the profit and loss	(2.35)	(8.62)
Interest received	(5.64)	(6.18)
Dividend received	-	-
Finance costs	6.47	17.46
	323.72	435.22
Change in operating assets and liabilities		
(Increase)/ decrease in Other financial assets	(2.01)	(10.75)
(Increase)/ decrease in Inventories	198.01	(146.24)
(Increase)/ decrease in Trade receivables	(97.37)	(329.77)
(Increase)/ decrease in Other assets	(18.53)	22.29
Increase/ (decrease) in Provisions and other liabilities	(12.32)	(69.19)
Increase/ (decrease) in Trade payables	(33.54)	(52.89)
Cash generated from operations	357.96	(151.33)
Less : Income taxes paid (net of refunds)	(73.47)	(131.63)
Net cash from/ (used in) operating activities (A)	**284.49**	**(282.96)**
Cash Flows From Investing Activities		
Purchase of PPE (including changes in CWIP)	(366.60)	(42.99)
(Purchase)/ disposal proceeds of Investments	188.81	96.00
Sale proceeds of PPE (including changes in CWIP)	1.04	287.71
(Investments in)/ Maturity of fixed deposits with banks (other than cash and cash equivalents)	(32.32)	15.10
Dividend income	-	-
Interest income	6.62	9.54
Net cash from/ (used in) investing activities (B)	**(202.45)**	**365.36**
Cash Flows From Financing Activities		
Finance costs	(6.47)	(17.46)
Dividend Paid	(44.50)	(44.50)
Net cash from/ (used in) financing activities (C)	**(50.97)**	**(61.96)**
Net increase (decrease) in cash and cash equivalents (A+B+C)	**31.07**	**20.44**
Cash and cash equivalents at the beginning of the financial year	78.75	58.31
Cash and cash equivalents at end of the year	**109.82**	**78.75**

Notes:

1. The above cash flow statement has been prepared under indirect method prescribed in Ind AS 7 "Cash Flow Statements".

2. Components of cash and cash equivalents (refer note 12)

Balances with banks		
- in current accounts	108.04	77.25
- in demand deposits (with original maturity of 3 months and less)	-	-
Cash on hand	1.78	1.50
	109.82	**78.75**

As per our report of even date attached

For N R RAJAGOPALAN & CO.,
Chartered Accountants
(Firm Registration No. 003400S)

For and on behalf of the Board
SAN ENGINEERING AND LOCOMOTIVE COMPANY LIMITED
CIN: U74210KA1973PLC002424

K G PURUSHOTHAMAN
Partner
Membership No : 028537
Place : Chennai
Date : 30th June 2026

MILIND S THAKKER
Chairman
DIN : 00617882
Place : Bengaluru
Date : 30th June 2026

RAMANATHAN NARAYANAN
Vice Chairman & Managing Director
DIN : 06681365
Place : Bengaluru
Date : 30th June 2026

RAJIV KUMAR SHARMA
Company Secretary
M No. A59107
Place : Bengaluru
Date : 30th June 2026

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

(A) Equity Share Capital

Balance at the beginning of April 1, 2024	**44.50**
Changes in equity share capital due to prior period errors	-
Restated balance at the beginig of the current reporting period	-
Changes in equity share capital during the year	-
Balance at the end of March 31, 2025	**44.50**
Changes in equity share capital due to prior period errors	-
Restated balance at the beginig of the current reporting period	-
Changes in equity share capital during the year	-
Balance at the end of March 31, 2026	**44.50**

(B) Other Equity

Particulars	General Reserve				Other Comprehensive Income *	Total
	General Reserve	Securities Premium	Capital Reserve	Retained Earnings		
Balance as at April 1, 2024	**2,137.38**	**76.74**	**0.01**	**181.46**	**(2.26)**	**2,393.33**
Additions/ (deductions) during the year		-	-		-	-
Changes due to prior period errors	-	-	-	-	-	-
Final Dividend paid	-	-	-	(44.50)	-	(44.50)
Total Comprehensive Income for the year	-	-	-	498.60	(0.94)	497.66
Transfer from retained earnings to capital reserve	300.00	-	-	(300.00)	-	-
Balance as at March 31,2025	**2,437.38**	**76.74**	**0.01**	**335.56**	**(3.20)**	**2,846.49**
Additions/ (deductions) during the year	-	-	-	-	-	-
Changes due to prior period errors	-	-	-	-	-	-
Final Dividend paid	-	-	-	(44.50)	-	(44.50)
Total Comprehensive Income for the year	-	-	-	199.34	(6.35)	192.99
Transfer from retained earnings to capital reserve	-	-	-	-	-	-
Balance as at March 31, 2026	**2,437.38**	**76.74**	**0.01**	**490.40**	**(9.55)**	**2,994.98**

*Note: Other Comprehensive Income represents remeasurement gain/ loss on defined benefit obligations.

As per our report of even date attached

For N R RAJAGOPALAN & CO.,
Chartered Accountants
(Firm Registration No. 003400S)

For and on behalf of the Board
SAN ENGINEERING AND LOCOMOTIVE COMPANY LIMITED
CIN: U74210KA1973PLC002424

K G PURUSHOTHAMAN
Partner
Membership No : 028537

Place : Chennai
Date : 30th June 2026

MILIND S THAKKER
Chairman
DIN : 00617882

Place : Bengaluru
Date : 30th June 2026

RAMANATHAN NARAYANAN
Vice Chairman & Managing Director
DIN : 06681365

Place : Bengaluru
Date : 30th June 2026

RAJIV KUMAR SHARMA
Company Secretary
M No. A59107

Place : Bengaluru
Date : 30th June 2026

Consolidated Financial Statements for the year ended March 31 2026

4 Property, plant and equipment

Particulars	Tangible Assets									Intangible Assets	
	Plant and Machinery	Furniture and Fittings	Computers	Patterns, Jigs and	Vehicles	Land	Buildings	Total	Right of use asset	Software	Total
Cost/ deemed cost as at April 1, 2024	**288.87**	**4.96**	**5.36**	**2.20**	**13.29**	**33.95**	**150.70**	**499.33**	**15.91**	**2.37**	**2.37**
Additions	33.82	1.01	0.34	0.61	-	-	6.04	41.82	-	1.17	1.17
Disposals	(4.67)	(0.01)	-	-	(0.48)	(29.50)	-	(34.66)	-	-	-
Cost as at March 31, 2025	**318.02**	**5.96**	**5.70**	**2.81**	**12.81**	**4.45**	**156.74**	**506.49**	**15.91**	**3.54**	**3.54**
Additions	14.10	0.16	1.64	0.06	2.94	341.21	2.25	362.38	-	-	-
Disposals	(6.67)	-	-	-	(1.54)	-		(8.21)	-	0	-
Cost as at March 31, 2026	**325.45**	**6.12**	**7.34**	**2.87**	**14.21**	**345.66**	**158.99**	**860.66**	**15.91**	**3.54**	**3.54**
Depreciation as at April 1, 2024	-	-	-	-	-	-	-	-	-	-	-
Charge for the year	47.13	1.58	2.03	0.55	3.61	-	5.68	60.58	4.94	1.06	1.06
Disposals	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2025	**47.13**	**1.58**	**2.03**	**0.55**	**3.61**	**-**	**5.68**	**60.58**	**4.94**	**1.06**	**1.06**
Charge for the year	46.64	1.18	2.06	0.49	3.22	-	5.87	59.46	4.27	0.84	0.84
Disposals	(6.67)	-	-	-	(1.47)	-	-	(8.140)	-	-	-
As at March 31, 2026	**87.10**	**2.76**	**4.09**	**1.04**	**5.36**	**-**	**11.55**	**111.90**	**9.21**	**1.90**	**1.90**
Net Block											
As at April 1, 2024	288.87	4.96	5.36	2.20	13.29	33.95	150.70	499.33	15.91	2.37	2.37
As at March 31, 2025	270.89	4.38	3.67	2.26	9.20	4.45	151.06	445.91	10.97	2.48	2.48
As at March 31, 2026	238.35	3.36	3.25	1.83	8.85	345.66	147.44	748.76	6.70	1.64	1.64

Notes:

For the year ended 31 March 2026 and each of the Comparative years presented;

(a) The title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company.

(b) The Company has not revalued its property, plant and equipment (including right-of-use asset) during the year, since the Company has adopted cost model as its accounting policy to an entire class of Property, Plant and Equipment in accordance with Ind AS 16. Further there were no other Adjustments/ Impairment Loss/ Reversal to report.

(c) The Company has not revalued its intangible asset, since the Company has adopted cost model as its accounting policy to an entire class of Intangible Asset in accordance with Ind AS 38.

(d) There were no acquisition of tangible and intangible assets through business combinations. Further there were no other adjustments (including the related amortization and impairment Loss or reversals) to report.

(e) There were no temporarily idle property, plant and equipment.

(f) There was no borrowing costs that were capitalised.

(g) Refer Note 53(b) for information relating to ageing schedule of Intangible assets under development.

Consolidated Financial Statements for the year ended March 31 2026

		As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
5	**Capital Work-in-progress**			
	Building	4.22	-	-
	Electrical Fittings	-	-	-
	Plant and Machinery	-	-	-
	Office Equipment	-	-	-
		4.22	-	-
	Refer Note 53(a) for information relating to ageing schedule of Capital work in progress			
6	**Goodwill**			
	Opening	131.76	131.76	131.76
	Add: Goodwill on Business Combination	-	-	-
	Less: Impairment of Goodwill	-	-	-
	Total	**131.76**	**131.76**	**131.76**
	Non Current Investments			
	Investments in Equity Shares - Subsiadiaries (at cost)			
	SAN Rolling Stock Services Ltd., (10,00,000 Equity Shares of Rs.10/- each Fully paid up)	-	-	-
	SAN Motors Ltd., (24,79,000 Equity Shares of Rs.83.70 each Fully paid up and 21,000 Equity Shares of Rs.31 each Fully paid up)	-	-	-
	Less : Provision for diminution in value of investments	-	-	-
		-	-	-
7	**Other non- current financial assets (at amortised cost)**			
	Unsecured - considered good			
	Security deposits	41.04	39.03	28.28
		41.04	**39.03**	**28.28**
8	**Other Non Current Assets**			
	Capital Advances	0.64	3.13	-
	Net Defined Benefit Assets (Gratuity)	-	-	2.09
	Advance Income Tax (net of provisions)	2.80	-	-
		3.44	**3.13**	**2.09**
	Note: The Company has not granted any loan or advance in the nature of loan to promoters, directors, KMPs and other related parties that are repayable on demand or without specifying any terms or period of repayment			
9	**Inventories**			
	Raw Materials and Components	270.15	373.30	344.82
	Work in Progress	398.21	496.67	341.19
	Goods in Transit	62.29	56.26	87.04
	Finished Goods	-	-	3.13
	Stores & Spares	7.54	9.97	13.78
		738.19	**936.20**	**789.96**
	Inventory comprises of			
	Raw Materials			
	Others	270.15	373.30	344.82
		270.15	**373.30**	**344.82**
	Work in Progress			
	Others	398.21	496.67	341.19
		398.21	**496.67**	**341.19**
	Finished Goods			
	Others	-	-	3.13
		-	-	**3.13**

Consolidated Financial Statements for the year ended March 31 2026

		As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
	Stores & Spares			
	Others	7.54	9.97	13.78
		7.54	9.97	13.78
	Note:			
	i. Goods in Transit included in Inventories	62.29	56.26	87.04
	ii. Amount of Inventories written-off and recognized as expenses during the year	-	-	-
	iii.Amount of reversal of write-down during the year	-	-	-
	iv.Circumstances of write-down	NA	NA	NA
	v. Carrying amount of inventories pledged as security for liabilities	733.17	931.48	783.06
	The Company has physically verified the inventories at reasonable intervals and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed during such verification.			
10	**Current Investments**			
	Investments carried at fair value through profit or loss			
	Investments in Mutual Funds - Non Trade, Quoted			
	SBI Liquid Fund Reg Growth Plan (CY: Nil, PY:7707.299 Units)	-	30.95	35.28
	SBI Arbitrage Opportunities Fund - Regular Growth Plan (CY: 4936017.137 Units, PY: 9590939.82 Units	174.43	318.96	383.22
	SBI Low Duration Fund Regular Growth Plan (CY & PY - 25.667 Units)	0.09	0.09	0.08
	Less: Impairment in Value of Investments	-	-	-
		174.52	350.00	418.58
	Total current investments			
	Aggregate cost of quoted investments	169.56	332.81	400.69
	Aggregate market value of quoted investments	174.52	350.00	418.58
	Aggregate amount of impairment in value of investments	-	-	-
11	**Trade receivables**			
	Outstanding for a period exceeding six months from the date they are due for payment			
	Trade Receivables - Unsecured, considered good	280.32	260.49	246.75
	Trade Receivables - Unsecured, credit impaired	9.16	7.55	7.34
		289.48	268.04	254.09
	Less: Allowance for expected credit loss	9.16	7.55	7.34
	(A)	280.32	260.49	246.75
	Outstanding for a period less than six months			
	Trade Receivables - Unsecured, considered good	1,196.04	1,123.82	812.71
	Trade Receivables - Unsecured, credit impaired	12.03	10.60	7.95
		1,208.07	1,134.42	820.66
	Less: Allowance for expected credit loss	12.03	10.60	7.95
	(B)	1,196.04	1,123.82	812.71
	(A+B)	1,476.36	1,384.31	1,059.46
	Note:			
	Trade receivables are neither due from directors or other officers of the Company either severally or jointly with any other person.			
	Refer Note 51 c) for Trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.			
	Refer Note 49 for information about risk profile of Trade Receivables under Financial Risk Management			
	Refer Note 53(c) for trade receivables ageing schedule			
12	**Cash and cash equivalents**			
	Cash on hand	0.33	0.31	0.46
	Cash on hand- Foreign Currency	1.45	1.19	-
	Balances with Banks*			
	In current accounts	106.95	76.66	57.20
	In current accounts (Dividend)	1.09	0.59	0.65
		109.82	78.75	58.31

*Includes margin money held as lien, margin money or security, against Borrowings, Letters of Credit, guarantees and other commitments for INR Nil/- (Previous year INR Nil/-, Preceding previous year INR Nil/-)

*Includes Earmarked balances with banks for INR 1.09 millions (Previous year INR 0.59 millions)

Note:

There are no repatriation restrictions in respect of any Cash and Cash equivalents

Consolidated Financial Statements for the year ended March 31 2026

13	**Other Bank Balances**			
	In term deposits with banks (maturing within 12 months from the reporting date)*	111.11	78.79	93.89
		111.11	**78.79**	**93.89**

*Includes margin money held as lien, margin money or security, against Borrowings, Letters of Credit, guarantees and other commitments for INR 111.11 millions (Previous year INR 78.79 millions, Preceding previous year INR 93.89 millions)

*Includes Earmarked balances with banks for INR Nil millions (Previous year INR Nil millions)
Note:
There are no repatriation restrictions in respect of any Cash and Cash equivalents

		As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
14	**Other Current Financial assets**			
	Unsecured, considered good			
	Advances to employees	2.98	5.17	6.64
	Interest accrued on deposits	17.92	18.90	22.26
	Security Deposits	0.01	0.01	0.01
		20.91	**24.08**	**28.91**

Note: The Company has not granted any loan or advance in the nature of loan to promoters, directors, KMPs and other related parties that are repayable on demand or without specifying any terms or period of repayment

15	**Other current assets**			
	Unsecured, considered good			
	Balances with government authorities	14.22	6.95	5.89
	Advance to suppliers	19.07	7.52	24.02
	Prepaid expenses	13.68	12.09	18.47
	Others	-	-	0.04
		46.97	**26.56**	**48.42**
16	**Current tax assets (Net)**			
	Advance Income tax and Tax deducted at source (net of provisions)		-	1.36
		-	-	**1.36**
17	**Capital**			
	Authorised Share Capital			
	Equity Shares - 47,50,000 shares of INR 10 each	47.50	47.50	47.50
	Redeemable Preference Shares - 25,000 shares of INR 100 each	2.50	2.50	2.50
		50.00	**50.00**	**50.00**
	Issued Share Capital			
	Equity Shares - 44,50,000 shares of INR 10 each fully paid up	44.50	44.50	44.50
		44.50	**44.50**	**44.50**
	Subscribed and fully paid up share capital			
	Equity Shares - 44,50,000 shares of INR 10 each fully paid up	44.50	44.50	44.50
		44.50	**44.50**	**44.50**

Notes:

1)	**Reconciliation of number of equity shares subscribed**			
	Balance at the beginning and end of the year	4,450,000	4,450,000	4,450,000

2) **Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date**

Particulars	March 31, 2026	March 31, 2025	March 31, 2024	March 31, 2023	March 31, 2022
No. of equity shares allotted as fully paid bonus shares by capitalisation of securities premium	-	-	-	-	-

3) **Shareholders holding more than 5% of the total share capital**

Name of the share holder	March 31, 2026		March 31, 2025		April 1, 2024	
	No of shares	% of Holding	No of shares	% of Holding	No of shares	% of Holding
Milind S Thakker	2,003,177	45.02%	2,003,177	45.02%	2,003,177	45.02%
Anjana M Thakker	298,764	6.71%	298,764	6.71%	298,764	6.71%
Sonmil Engineering Pvt Ltd	1,532,252	34.43%	1,532,252	34.43%	1,532,252	34.43%
Importex International Pvt Ltd	415,343	9.33%	415,343	9.33%	415,343	9.33%
Total	**4,249,536**	**95.49%**	**4,249,536**	**95.49%**	**4,249,536**	**95.49%**

Consolidated Financial Statements for the year ended March 31 2026

4) **Details of Promoter's Shareholding in Equity Shares**

Name of the share holder	March 31, 2026		March 31, 2025		% Change during the year
	No of shares	% of Holding	No of shares	% of Holding	
Milind S Thakker	2,003,177	45.02%	2,003,177	45.02%	0%
Anjana M Thakker	298,764	6.71%	298,764	6.71%	0%
Sonmil Engineering Pvt Ltd	1,532,252	34.43%	1,532,252	34.43%	0%
Importex International Pvt Ltd	415,343	9.33%	415,343	9.33%	0%

5) **Rights, preferences and restrictions in respect of equity shares issued by the Company**
For the years ended 31st March 2026 and the comparative years presented:
The company has one class of equity shares having a par value of INR 10 per share. Each shareholder is eligible for one vote per share held. These shares rank pari-passu in all respects including voting rights and entitlement to dividend.

6) **For the years ended 31st March 2026 and the comparative years presented**
ii) There are no shares reserved for issue under options and contracts/ commitments for the sale of shares or divestment.
iii) There are no securities issued convertible into equity shares.
iv) There are no calls unpaid and further there are no forfeited shares to report.

		As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
18	**Other Equity**			
	Capital Reserve	0.01	0.01	0.01
	Securities Premium	76.74	76.74	76.74
	General Reserve	2,437.38	2,437.38	2,137.38
	Other Comprehensive Income	(9.55)	(3.20)	(2.26)
	Retained earnings	490.40	335.56	181.46
		2,994.98	**2,846.49**	**2,393.33**
	a) Capital reserve			
	Balance at the begening and end of the year	**0.01**	**0.01**	**0.01**
	Capital Reserve represents the reserve created out of re-issue of forfeitted equity shares. This reserve is not a free reserve, it may generally be utilised only for purposes permitted under the Companies Act, 2013			
	b) Securities Premium			
	Balance at the beginning and end of the year	**76.74**	**76.74**	**76.74**
	Securities Premium Reserve is used to record the premium on issue of shares. The Reserve can be utilised only for limited purposes such as issuance of Bonus shares, buy back of its own shares in accordance with the provisions of the Companies Act, 2013.			
	c) General reserve			
	Balance at the beginning and end of the year	2,437.38	2,137.38	2,137.38
	Additions during the year	-	300.00	-
		2,437.38	**2,437.38**	**2,137.38**
	General Reserve represents the reserve created in accordance with Companies Act, 2013 by transferring a portion of profit of the year. This is a free reserve and the Company can use it for declaration of dividends, subject to the conditions prescribed by the Companies Act, 2013.			
	d) Other Comprehensive Income			
	Balance at the beginning of the year	(3.20)	(2.26)	-
	Additions during the year	-	1.19	-
	Deductions/Adjustments during the year	(6.35)	(2.13)	(2.26)
	Balance at the end of the year	**(9.55)**	**(3.20)**	**(2.26)**
	Other comprehensive income represents the changes in the fair value of remeasurement of defined benefit obligations in OCI.			
	e) Retained earnings - balance in profit and loss account			
	Balance at the beginning of the year	335.56	181.46	202.13
	Comprehensive income for the year	199.34	498.60	-
	Final Dividend paid	(44.50)	(44.50)	-
	Ind AS adjustments	-	-	(20.67)
	Transfer from/ (to) General Reserve		(300.00)	
	Transfer from/ (to) other comprehensive income	-	-	-
	Balance at the end of the year	**490.40**	**335.56**	**181.46**
	Balance in the Retained Earnings- Profit and Loss account represent the undistributed profits of the Company remaining after transfer to other Reserves. This is a free reserve and the Company can use it for declaration of dividends, subject to the conditions prescribed by the Companies Act, 2013.			

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		As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
19	**Lease liabilities (Non-current)**			
	Lease liabilities	3.51	7.41	11.33
		3.51	**7.41**	**11.33**
20	**Long Term Provisions**			
	Provision for Gratuity	11.92	1.13	0.95
	Provision for Compensated Absences	17.17	19.70	15.45
	Provision for Warranty	9.19	9.88	9.27
		38.28	**30.71**	**25.67**

Table for Movement in Long Term Provisions as at March 31, 2026

Particulars	Opening Balance	Additional Provision	Utilisation/Reversal	Closing Balance
Provision for Gratuity	1.13	10.79	-	11.92
Provision for Compensated Absences	19.70	-	2.53	17.17
Provision for Warranty	9.88	-	0.69	9.19
Total	**30.71**	10.79	3.22	**38.28**

Table for Movement in Long Term Provisions as at March 31, 2025

Particulars	Opening Balance	Additional Provision	Utilisation/Reversal	Closing Balance
Provision for Gratuity	0.95	0.18	-	1.13
Provision for Compensated Absences	15.45	4.25	-	19.70
Provision for Warranty	9.27	0.61	-	9.88
Total	**25.67**	5.04	-	**30.71**

		As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
21	**Deferred Tax Liability (Net)**			
	Deferred Tax			
	Deferred Tax Liability			
	On Property, Plant and Equipment	21.03	23.31	25.42
	On fair valuation of financial instruments	1.27	4.37	4.53
	On Other temporary differences	0.36	0.44	0.03
		22.66	**28.12**	**29.98**
	Deferred Tax Asset			
	On Provision for employee benefits	13.64	10.71	9.57
	On Lease liabilities	0.18	0.09	(0.15)
	On carried forward losses	1.69	3.85	5.50
		15.51	**14.65**	**14.92**
	Net Deferred tax liability/ (asset)	7.15	13.47	15.06
	MAT Credit Entitlement	5.97	4.88	3.98
		1.18	**8.59**	**11.08**
22	**Trade payables**			
	Dues to Micro enterprises and Small enterprises *	78.46	80.54	65.54
	Dues to Creditors other than Micro and Small	304.99	336.45	404.34
		383.45	**416.99**	**469.88**

** Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management represents the principal amount payable to these enterprises. There are no interest due on overdue amount.

Refer Note 53(d) for trade payables ageing schedule

Refer Note 43 for Disclosures required by the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

		As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
23	**Lease liabilities (Current)**			
	Lease liabilities	3.91	3.92	3.98
		3.91	**3.92**	**3.98**
24	**Other current financial liabilities**			
	Employees Dues Payable	25.89	32.82	31.89
	Salaries payable	21.20	18.56	18.61
	Expenses Payable	22.02	16.51	17.44
	Others	0.64	1.77	2.50
		69.75	69.66	70.44
25	**Other current liabilities**			
	Statutory dues	38.34	37.10	30.49
	Unpaid Dividend	0.88	0.58	0.64
	Advance from customers	25.33	32.81	107.60
	Others	1.13	1.05	0.79
		65.68	**71.54**	**139.52**

Consolidated Financial Statements for the year ended March 31 2026

26	**Short Term Provisions**			
	Provision for employee benefits:			
	Provision for Gratuity	0.15	0.07	1.51
	Provision for Compensated absences	3.86	3.64	2.76
	Provision for Warranty	5.54	4.93	4.63
		9.55	**8.64**	**8.90**

Table for Movement in Short Term Provisions as at March 31, 2026

Particulars	Opening Balance	Additional Provision	Utilisation/Reversal	Closing Balance
Provision for Gratuity	0.07	0.08		0.15
Provision for Compensated Absences	3.64	0.22	-	3.86
Provision for Warranty	4.93	-	(0.61)	5.54
Total	**8.64**	**0.30**	**(0.61)**	**9.55**

Table for Movement in Short Term Provisions as at March 31, 2025

Particulars	Opening Balance	Additional Provision	Utilisation/Reversal	Closing Balance
Provision for Gratuity	1.51	(1.44)	-	0.07
Provision for Compensated Absences	2.76	0.88	-	3.64
Provision for Warranty	4.63	0.30	-	4.93
Total	**8.90**	(0.26)	-	**8.64**

27	**Current tax liabilities (Net)**			
	Provision for Income tax (net of advance tax and tax deducted at source)	0.65	3.52	-
		0.65	**3.52**	-

Consolidated Financial Statements for the year ended March 31 2026

		For the year ended March 31, 2026	For the year ended March 31, 2025
28	**Revenue from operations**		
	Sale of Products		
	Locomotives	594.73	442.23
	Powerpack	356.53	408.41
	Spare Parts	552.55	516.10
	Special Vehicles	992.19	879.69
	Engineering Products	326.24	258.48
	FRP Components	0.43	0.80
		2,822.67	**2,505.71**
	Sale of Services		
	Locomotive Services	132.02	146.62
	Other Operating Revenue		
	Scrap Sales	1.16	1.11
		2,955.85	**2,653.44**

i) The Group believes that this disaggregation best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are affected.

Particulars	For the year ended	
Disaggregated revenue by timing of revenue	**31.03.2026**	**31.03.2025**
Revenue recognised at a point in time	2,955.85	2,653.44
Revenue recognised over time	-	-

ii) Revenue recognised from performance obligations satisfied in previous periods

Particulars	March 31, 2026	March 31, 2025
Revenue recognised from performance obligations satisfied in previous periods	-	-
Total	-	-

		March 31, 2026	March 31, 2025
	(iii) Sale of products comprises		
	Export sales	19.25	-
	Domestic sales	2,803.42	2,505.71
		2,822.67	2,505.71
29	**Other income**		
	Interest Income	5.64	6.18
	Lease Rental receipts	-	-
	Gain on foreign exchange fluctuation (Net)	0.18	-
	Net gain on sale of current investments	10.98	18.80
	Gain on fair valuation of investments	2.35	8.62
	Profit on sale of property, plant and equipment	0.97	2.55
	Government Grant - EPCG Scheme	2.99	-
	Others	9.22	0.08
		32.33	**36.23**
30	**Cost of materials consumed**		
	Opening inventory of raw materials	429.05	430.13
	Add: Purchases	1,558.79	1,547.81
	Less: Closing Stock	(331.45)	(429.05)
	Cost of materials consumed (Refer Non No: 41 and 42)	**1,656.39**	**1,548.89**
31	**Changes in inventories of work-in-progress and finished goods**		
	Opening Balance		
	Finished goods	-	3.13
	Work-in-progress	496.67	341.19
		496.67	**344.32**
	Closing Balance		
	Finished goods	-	-
	Work-in-progress	398.21	496.67
		398.21	**496.67**
	Total changes inventories of work-in-progress and finished goods	**98.46**	**(152.35)**
32	**Employee benefits expense**		
	Salaries, wages and bonus	379.11	352.09
	Contribution to provident and other funds	24.25	22.01
	Staff/ workmen welfare expenses	29.33	31.24
		432.69	**405.34**
33	**Finance Cost**		
	Interest		
	Working Capital facilities from Banks	0.34	0.81
	Finance Lease	0.91	1.28
	Others	0.07	13.26
	Other charges	5.15	2.11
		6.47	**17.46**
34	**Depreciation and amortization expense**		
	Depreciation on property, plant and equipment	59.46	60.58
	Amortisation of Intangible assets	0.84	1.06
	Depreciation on ROU Asset	4.27	4.94
		64.57	**66.58**

Consolidated Financial Statements for the year ended March 31 2026

		For the year ended March 31, 2026	For the year ended March 31, 2025
35	**Other expenses**		
	Power and fuel	31.79	29.02
	Consumption of stores and spare parts	67.13	70.26
	Repairs to machinery	7.65	6.14
	Repairs to Building	2.81	3.69
	Other repairs and maintenance	5.14	4.93
	Job Charges	102.74	79.27
	Service Charges	5.90	1.10
	Rent	1.82	1.35
	Rates and taxes	6.82	5.69
	R&D Expenditure	14.59	23.63
	Repairs & Maintenance to Vehicles	9.62	10.08
	Insurance	4.02	2.78
	Security Services	13.24	11.34
	Postage, Telephone & Communication Expenses	1.77	1.75
	Travelling & Conveyance	35.24	39.91
	Printing & Stationery	1.70	2.35
	Freight, Transportation, Clearing and Forwarding Expenses	49.39	33.44
	Legal and professional charges	30.26	15.41
	General Expenses	11.41	25.49
	Commission & Selling Expenses	18.29	30.52
	Advertisement and Sales Promotion	2.04	2.04
	Directors sitting fees	0.59	0.61
	Payment to the auditors [refer note 35 (a)]	1.79	1.91
	CSR expenses [refer note 35 (b)]	6.70	4.91
	Donations & Contributions	-	0.20
	Bad Debts Written off	2.27	1.25
	Liquidated Damages	4.71	0.13
	Expected Credit Loss	3.05	3.67
	Provision for Warranty	-	0.91
	Bank charges	19.82	7.56
		462.30	**421.34**
35(a)	**Payments to the auditors comprises:**		
	For Statutory audit	1.54	1.46
	For Tax audit	0.15	0.25
	Certification Fees	0.05	0.15
	Reimbursement of expenses	0.05	0.05
		1.79	1.91
35(b)	**Expenditure on Corporate Social Responsibility**		
(i)	Gross amount required to be spent on CSR expenditure in accordance with Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014	6.70	4.91
(ii)	Amount unspent/ (excess spent) carried forward from earlier years	-	-
(iii)	Amount actually spent during the year on		
	a) Promotion of Education	3.35	2.53
	b) Promotion of Healthcare	2.35	1.64
	c) Others	1.00	0.74
		6.70	4.91

Consolidated Financial Statements for the year ended March 31 2026

(iv)	Amount unspent/ (excess spent)	Nil	Nil

		For the year ended March 31, 2026	For the year ended March 31, 2025
36	**Income tax expense**		
	(a) Income tax expense		
	Current tax		
	Current tax on profits for the year	72.81	136.84
	Adjustments for current tax of prior periods	0.42	(0.33)
	Total current tax expense	**73.23**	**136.51**
	Deferred tax		
	Deferred tax adjustments	(5.27)	(2.20)
	Total deferred tax expense/(benefit)	**(5.27)**	**(2.20)**
	Income tax expense	**67.96**	**134.31**
	b) The income tax expense for the year can be reconciled to the accounting profit as		
	Profit before tax from continuing operations	267.30	632.91
	Income tax expense calculated at 25.17% (Previous year 25.17%)	67.28	159.30
	Effect of Differential tax rate	0.01	0.07
	Tax effect of expenses that are not deductible in determining taxable profit:		
	CSR expenditure	1.69	1.24
	Others	(1.02)	(26.30)
	Income tax expense	**67.96**	**134.31**
	c) Income tax recognised in other comprehensive income		
	Deferred tax		
	Remeasurement of defined benefit obligation	2.14	0.30
	Total income tax recognised in other comprehensive income	**2.14**	**0.30**

d) Movement of deferred tax expense during the year ended March 31, 2026

Deferred tax (liabilities)/assets in relation to:	Opening balance	Recognised in profit or loss	Recognised in OCI	Closing balance
Property, plant, and equipment and Intangible Assets	(23.31)	2.28	-	(21.03)
Carried forward Losses	3.85	(2.16)		1.69
Remeasurement of financial instruments under Ind AS	(4.38)	3.10	-	(1.28)
MAT credit entitlement	4.88	1.09		5.97
Other temporary differences	10.37	5.24	(2.14)	13.47
Total	**(8.59)**	**9.55**	**(2.14)**	**(1.18)**

Consolidated Financial Statements for the year ended March 31 2026

		For the year ended March 31, 2026	For the year ended March 31, 2025
37	**Earnings per share**		
	Profit for the year attributable to owners of the Company	199.34	498.60
	Weighted average number of ordinary shares outstanding	4,450,000	4,450,000
	Basic earnings per share (in INR)	44.80	112.04
	Diluted earnings per share (in INR)	44.80	112.04
38	**Earnings in foreign currency**		
	FOB value of exports	19.25	
		19.25	-
39	**Expenditure in foreign currency**		
	Travelling	0.08	0.50
	Membership Fee	0.61	0.64
	Sales Promotion Expenses		2.00
		0.69	**3.14**
40	**Value of Imports (on C.I.F basis)**		
	Raw Materials	37.23	143.12
	Spares	0.77	
	Capital goods		
	Services		
		38.00	**143.12**

41 Details of Raw materials consumed

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Bearings, Compressors & Electrical items	160.56	82.24
Castings & Forgings	272.91	257.70
DG Set, Tool Supervisory Van, Traction Motor	156.88	165.15
Engines	232.06	330.53
Transmissions	55.88	87.86
Others	778.10	625.41
	1,656.39	**1,548.89**

42 Value of imported and indigenous Raw materials, Spares and Components consumed during the financial year and the percentage of each to the total consumption

Particulars	Year ended March 31, 2026		Year ended March 31, 2025	
	In INR Millions	Percentage (%)	In INR Millions	Percentage (%)
Raw Materials				
Imported	37.23	2.25	143.12	9.24
Indigenous	1,619.16	97.75	1,405.77	90.76
	1,656.39	**100.00**	**1,548.89**	**100.00**
Spares and Components				
Imported	0.77	1.15	-	-
Indigenous	66.36	98.85	70.26	100.00
	67.13	**100.00**	**70.26**	**100.00**

43 Disclosures required by the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 are as under *

Consolidated Financial Statements for the year ended March 31 2026

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
(a) The principal amount remaining unpaid at the end of the year	78.46	80.54	65.54
(b) The delayed payments of principal amount paid beyond the appointed date during the year	-	-	-
(c) Interest actually paid under Section 16 of MSMED Act	-	-	-
(d) Normal Interest due and payable during the year, as per the agreed terms	-	-	-
(e) Total interest accrued during the year and remaining unpaid	-	-	-

*This information has been determined to the extent such parties have been identified on the basis of information available with the Group.

44 Commitments, contingent assets and contingent liability

Particulars	As at March 31, 2026	As at March 31, 2025	As at April 1, 2024
Contingent Liabilities*			
Claims against the Group not acknowledged as debts			
In respect of Bank guarantees and Acceptances	812.10	453.95	492.68
In respect of Export Obligation to be fulfilled	33.54	32.03	33.09
Commitments			
Estimated amount of contracts remaining to be executed on capital accounts and not provided for	-	-	-

* The management believes, based on internal assessment, that the probability of an ultimate adverse decision and outflow of resources of the Group is not probable and accordingly, no provision for the same is considered necessary.

45 Operating Segments

The Group is engaged in the business of manufacturing of Locomotives, Power packs and gear boxes and rendering allied services in connetion with manufactured products and therefore has only one reportable segment in accordance with Ind AS 108 'Operating Segments'.

Informartion relating to geographical areas

a) Revenue from External Customers

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
India	2,936.60	2,653.44
Rest of the World	19.25	
Total	2,955.85	2,653.44

b) Non Current Assets

The manufacturing facilities of the Group are situated in India and no non-current assets are held outside India.

Informartion about major customers

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Number of External Customers each contributing more than 10% of total revenue	2.00	2.00
Total revenue from the above customers	1,193.26	987.62

46 Leases

The Group has applied Ind AS 116 with the date of initial application of April 1, 2024. The Group has applied Ind AS 116 using the modified retrospective approach, under which the cumulative effect of initial application is recognized in retained earnings at April 1, 2024.

As Lessee

The Group has entered into operating lease arrangements for certain facilities. Some leases are non cancellable at the option of either party to lease and others are cancellable at the option of the lease. The Lease may be renewed based on mutual agreement of the parties.

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Expense relating to short term leases / leases of low-value assets accounted for applying para 6 of Ind AS 116	1.82	1.35
Right of use asset as on the opening date	10.97	15.91
Additions during the year	-	-
Interest expense for the year	0.91	1.28
Depreciation charge for the year	4.27	4.94
Right of use asset as at the end of the reporting date	6.70	10.97
Total Cash outflow for finance lease arrangements	Nil	Nil

47 <u>Working Capital Sanctions</u>

The Group has been sanctioned with working capital facilities to INR 950 million as on March 31, 2026 (Previous year - INR 950 million), which consists of Cash Credit Facilities, Working Capital Demand Loans, Bank Guarantee, Letter of Credit.

Working Capital facilities from Banks are primarily secured by hypothecation of Inventories and Book Debts of the Group and further secured by hypothecation of Plant & Machineries and Equitable Mortgage of Immovable properties of Bengaluru Unit.

48 The Board of Directors at its meeting held on June 30, 2026 has recommended a final dividend of INR 10 per equity share of face value INR 10 each for the year ended 31 March 2026 (previous year: INR 10 per share), subject to shareholders' approval at the ensuing Annual General Meeting.In accordance with Ind AS 10 – Events after the Reporting Period, a dividend proposed after the reporting date is a non-adjusting event and is therefore not recognised as a liability as at 31 March 2026. It will be recognised as a liability, appropriated from retained earnings, in the period in which it is approved by the shareholders.

49 Financial Instruments

Capital management
The Group manages its capital to ensure that entities in the Group will be able to continue as going concern, while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The Group determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity, long-term borrowings and other short-term borrowings.

For the purposes of the Group's capital management, capital includes issued capital and all other equity reserves attributable to the equity holders.

Gearing Ratio:	**March 31, 2026**	**March 31, 2025**	**April 1, 2024**
Debt	-	-	-
Less: Cash and bank balances	109.82	78.75	58.31
Net debt	(109.82)	(78.75)	(58.31)
Total equity	3,039.48	2,890.99	2,437.83
Net debt to equity ratio (%)	**NA**	**NA**	**NA**

Categories of Financial Instruments	**March 31, 2026**	**March 31, 2025**	**April 1, 2024**
Financial assets			
a. Measured at amortised cost			
Other non-current financial assets	41.04	39.03	28.28
Trade receivables	1,476.36	1,384.31	1,059.46
Cash and cash equivalents	109.82	78.75	58.31
Bank balances other than above	111.11	78.79	93.89
Other financial assets	20.91	24.08	28.91
b. Mandatorily measured at fair value through profit or loss (FVTPL)			
Investments (current)	174.52	350.00	418.58
Financial liabilities			
a. Measured at amortised cost			
Lease Liabilities (Non current and current)	7.42	11.33	15.31
Trade payables	383.45	416.99	469.88
Other current financial liabilities	69.75	69.66	70.44
b. Mandatorily measured at fair value through profit or loss (FVTPL)	Nil	Nil	Nil

Financial risk management objectives
The treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Group seeks to minimise the effects of these risks by using multiple risk mitigation strategies.

Market risk
Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Group actively manages its currency and interest rate exposures through its finance division and uses derivative instruments such as forward contracts and currency swaps, wherever required, to mitigate the risks from such exposures. The use of derivative instruments is subject to limits and regular monitoring by appropriate levels of management.

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Foreign currency risk management
The Group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Group actively manages its currency rate exposures through a centralised treasury division and uses natural hedging principles to mitigate the risks from such exposures. The use of derivative instruments, if any, is subject to limits and regular monitoring by appropriate levels of management.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

As on March 31, 2026 (all amounts are in equivalent INR Millions)

Particulars	Liabilities			Assets			Net overall exposure on the currency - net assets / (net liabilities)
	Gross exposure	Exposure hedged using derivatives	Net liability exposure on the currency	Gross exposure	Exposure hedged using derivatives	Net asset exposure on the currency	
Trade Receivables	-	-	-		-	-	-
Trade Payables		-	-	-	-	-	-

As on March 31, 2025 (all amounts are in equivalent INR Millions)

Particulars	Liabilities			Assets			Net overall exposure on the currency - net assets / (net liabilities)
	Gross exposure	Exposure hedged using derivatives	Net liability exposure on the currency	Gross exposure	Exposure hedged using derivatives	Net asset exposure on the currency	
Trade Receivables	-	-	-		-	-	-
Trade Payables		-	-	-	-	-	-

As on April 1, 2024 (all amounts are in equivalent in INR Millions)

Currency	Liabilities			Assets			Net overall exposure on the currency - net assets / (net liabilities)
	Gross exposure	Exposure hedged using derivatives	Net liability exposure on the currency	Gross exposure	Exposure hedged using derivatives	Net asset exposure on the currency	
Trade Receivables	-	-	-	-	-	-	-
Trade Payables		-	-		-	-	-

Foreign currency sensitivity analysis
In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year. Hence the same is not furnished.

Interest rate sensitivity analysis
The sensitivity analyses below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 25 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

The 25 basis point interest rate changes will impact the profitability by INR 0.02 Lakhs for the year (Previous year INR 0.04Lakhs)

Credit risk management
Credit risk arises when a customer or counterparty does not meet its obligations under a customer contract or financial instrument, leading to a financial loss. The Group is exposed to credit risk from its operating activities primarily trade receivables and from its financing/ investing activities, including deposits with banks and foreign exchange transactions. The Group has no significant concentration of credit risk with any counterparty.

Exposure to credit risk
The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure is the total of the carrying amount of balances with banks, short term deposits with banks, trade receivables, margin money and other financial assets excluding equity

(a) Trade Receivables
Trade receivables are consisting of a large number of customers. The Group has credit evaluation policy for each customer and, based on the evaluation, credit limit of each customer is defined.

The Group does not have higher concentration of credit risks to a single customer. As per simplified approach, the Group makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default in payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk.

(b) Investments, Cash and Cash Equivalents and Bank deposits
Credit Risk on cash and cash equivalents, deposits with the banks/financial institutions is generally low as the said deposits have been made with the banks/financial institutions, who have been assigned high credit rating by international and domestic rating agencies.

Credit Risk on Derivative Instruments is generally low as the Group enters into the Derivative Contracts with the reputed Banks.

Investments of surplus funds are made only with approved Financial Institutions/Counterparty. Investments primarily include investment in units of quoted Mutual Funds. These Mutual Funds and Counterparties have low credit risk. The Group has standard operating procedures and investment policy for deployment of surplus liquidity, which allows investment in debt securities and mutual fund schemes of debt and arbitrage categories.

Offsetting related disclosures
Offsetting of cash and cash equivalents to borrowings as per the consortium agreement is available only to the bank in the event of a default. Group does not have the right to offset in case of the counter party's bankruptcy, therefore, these disclosures are not required.

Liquidity risk management
Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Group invests its surplus funds in bank fixed deposit/ mutual funds, which carry minimal mark to market risks. The Group also constantly monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility.

Liquidity tables
The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

March 31, 2026	Due in 1st year	Due in 2nd to 5th year	Due after 5th year	Carrying amount
Borrowings	-	-	-	-
Trade payables	383.45	-	-	383.45
	383.45	**-**	**-**	**383.45**

March 31, 2025	Due in 1st year	Due in 2nd to 5th year	Due after 5th year	Carrying amount
Borrowings	-	-	-	-
Trade payables	416.99	-	-	416.99
	416.99	**-**	**-**	**416.99**

April 1, 2024	Due in 1st year	Due in 2nd to 5th year	Due after 5th year	Carrying amount
Borrowings	-	-	-	-
Trade payables	469.88	-	-	469.88
	469.88	**-**	**-**	**469.88**

	March 31, 2026	March 31, 2025	April 1, 2024
Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required):	Nil	Nil	Nil

50 Disclosues pursuant to Ind AS-113

Fair Valuation techniques :

Ind AS 113 specifies following valuation techniques to measure fair values:

i) Market Approach

– The market approach uses prices and other relevant information generated by market transactions involving identical or comparable (i.e. similar) assets, liabilities or a group of assets and liabilities, such as a business.

– For example, valuation techniques consistent with the market approach often use market multiples derived from a set of comparables. Multiples might be in ranges with a different multiple for each comparable. The selection of the appropriate multiple within the range requires judgement, considering qualitative and quantitative factors specific to the measurement.

ii) Income Approach

– The income approach converts future amounts (e.g. cash flows or income and expenses) to a single current (i.e. discounted) amount. When the income approach is used, the fair value measurement reflects current market expectations about those future amounts.

– It is a present value of all future earnings from an entity whose fair values are being evaluated or in other words all future cash flows to be discounted at current date to get fair value of the asset / liability.

– Assumption to the future cash flows and an appropriate discount rate would be based on the other market participant's views. Related risks and uncertainty would require to be considered and would be taken into either in cash flow or discount rate.

iii) Cost Approach

– This method describes how much cost is required to replace existing asset/ liability in order to make it in a working condition. All related costs will be its fair value. It actually considers replacement cost of the asset/ liability for which we need to find fair value.

Key Inputs to Fair Valuation

– The inputs refer broadly to the assumptions that market participants would use when pricing the asset or liability, including assumptions about risk.

– In order to establish comparability and consistency in fair value measurement, Ind AS 113 has made some hierarchy to define the level of inputs for fair value.

– The hierarchy is purely based on the level of inputs available for the specific Asset/ liability for which the fair value is to be measured.

Level 1 Inputs

– Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

– A quoted price in an active market provides the most reliable evidence of fair value and shall be used without adjustment to measure fair value whenever available

Level 2 Inputs

– Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

– If the asset or liability has a specified (contractual) term, a Level 2 input must be observable for substantially the full term of the asset or liability.

– Level 2 inputs include the following:

i. quoted prices for similar assets or liabilities in active markets.

ii. quoted prices for identical or similar assets or liabilities in markets that are not active.

iii. inputs other than quoted prices that are observable for the asset or liability.

Level 3 inputs

– Level 3 inputs are unobservable inputs for the asset or liability.

– Unobservable inputs shall be used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date.

– Unobservable inputs shall reflect the assumptions that market participants would use when pricing the asset or liability, including assumptions about risk.

Fair Valuation principle :

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as explained herebelow.

Consolidated Financial Statements for the year ended March 31 2026

a. Financial Assets measured at Fair Value through Profit & Loss

Particulars	Note Ref	Fair Value hierarchy	March 31, 2026	March 31, 2025	April 1, 2024
Financial Assets measured at FVTPL					
Current Investments	10	Level 1	174.52	350.00	418.58

Note: There were no Financial Liabilities measured at Fair Value through Profit & Loss

b. Financial Assets measured at Fair Value through Other Comprehensive Income

Particulars	Note Ref	Fair Value hierarchy	March 31, 2026	March 31, 2025	April 1, 2024
Financial Assets measured at Fair Value through OCI	Nil	NA	**Nil**	**Nil**	**Nil**

Note: There were no Financial Liabilities measured at Fair Value through Other Comprehensive Income

c. Financial assets and financial liabilities measured at amortised cost

Particulars	Note Ref	Fair Value hierarchy	March 31, 2026	March 31, 2025	April 1, 2024
Financial assets					
Non-current assets					
Other financial assets	7	Level 2	41.04	39.03	28.28
Current assets					
Trade receivables	11	Level 2	1,476.36	1,384.31	1,059.46
Cash and cash equivalents	12	Level 1	109.82	78.75	58.31
Bank balances other than above	13	Level 1	111.11	78.79	93.89
Other financial assets	14	Level 2	20.91	24.08	28.91
			1,759.24	**1,604.96**	**1,268.85**
Financial liabilities					
Non-current liabilities					
Lease liabilities	19	Level 2	3.51	7.41	11.33
Current liabilities					
Trade payables	22	Level 2	383.45	416.99	469.88
Lease liabilities	23	Level 2	3.91	3.92	3.98
Other current financial liabilities	24	Level 2	69.75	69.66	70.44
			460.62	**497.98**	**555.63**

Consolidated Financial Statements for the year ended March 31 2026

51 Related party disclosure

a) List of parties having significant influence
Investing Parties (by virtue of Equity Share Holdings)

A) Reporting company

i) SAN ENGINEERING AND LOCOMOTIVE COMPANY LIMITED

B) Subsidiary

i) SAN Motors Ltd.,

ii) SAN Rolling Stock Services Ltd.,

C) Directors of the Company

i) Mr. Milind S Thakker - Chairman & Director

ii) Mr. Ramanathan Narayanan, Executive - Vice Chairman & Managing Director

iii) Mr. Shiv Dayal, Non-Executive - Independent Director

iv) Mr. Yash Gupta, Non-Executive - Independent Director

v) Mr. Jasjiv Sahney, Non-Executive, Director

D) Key Management Personnel (KMP)

i) Mr. Ramanathan Narayanan - Vice Chairman & Managing Director

E) Enterprises which exert significant influence over the reporting entity

i) Sonmil Engineering Pvt Ltd

b) Transactions with related parties are as follows

Sl.No	Transactions	Enterprises in which Key Management Personnel and their Relatives have significant influence		Key Management Personnel and their Relatives	
		March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
1	**Remuneration to Key Managerial Personnel**				
	Mr. Ramanathan Narayanan	- - -	- - -	20.01	21.81
2	**Commission to Key Managerial Personnel**				
	Mr. Ramanathan Narayanan			5.61	7.87
3	**Sitting fees to Directors**				
	Mr. Milind S			0.14	0.12
	Mr. Apparao Mallavarapu			0.02	0.08
	Mr. Jasjiv Sahney			0.06	0.03
	Mr. Yash Gupta	-	-	0.11	0.08
	Mr. Shiv Dayal	-	-	0.09	0.08
	Mr. Udayant Malhoutra	-	-	0.02	0.08
4	**Sale of Goods**				
	SAN Rolling Stock Services Ltd.,	32.18	17.05	-	-
	SAN Motors Ltd.,	57.38	52.27	-	-
5	**Rent Received**				
	SAN Rolling Stock Services Ltd.,	2.95	0.17	-	-
6	**Services availed by the Company**				
	SAN Rolling Stock Services Ltd.,	4.11	10.44	-	-
7	**Rent**				
	Sonmil Engineering Pvt. Ltd.,	4.73	4.54	-	-
	SAN Motors Ltd.,	8.07	2.29		
8	**Manpower Supply**				
	Importex International Pvt. Ltd.,	2.34	1.81	-	-

Note: The provisions relating to Post employment benefit relating to gratuity and long term employee benefit relating to compensated absence are determined based on Actuarial valuation for the Company as a whole. Accordingly, it is not possible to disclose the benefits provided for individual key mangement personnel.

Consolidated Financial Statements for the year ended March 31 2026

c) Balances with related parties are as follows

S.no	Balances	Enterprises in which Key Management Personnel and their Relatives have significant influence		Key Management Personnel and their Relatives	
		March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
	Trade Receivables				
1	SAN Rolling Stock Services Ltd.,	-	-	-	-
2	SAN Motors Ltd.,	-	-	-	-
	Trade Payables				
1	SAN Rolling Stock Services Ltd.,	-	-	-	-
2	SAN Motors Ltd.,	-	-	-	-

Notes:
1. All related party transactions were made on terms equivalent to those that prevail in an arm's length transaction.
2. Outstanding balances at the year-end are unsecured and settlement takes place in cash.
3. For the year ended 31 March 2026 and 31 March 2025, the company has not recorded any impairment provision in respect of receivables relating to amounts owed by related parties.

4. For the year ended 31 March 2026 and 31 March 2025, the company has not written-off any receivable amounts owed by related parties. Further as at 31 March 2026 and 31 March 2025, there were no outstanding provision for doubtful debts in respect of amount owed by related parties.
5. There have been no guarantees provided or received by the company in respect of any related party receivables or payables. Further there were no outstanding commitments in respect of any related parties.

6. For the year ended 31 March 2026 and 31 March 2025, there are no amounts incurred for provision of key management personnel services that are provided by a separate entity.

Consolidated Financial Statements for the year ended March 31 2026

52 **Employee benefit plans**

Defined contribution plans

In accordance with Indian law, eligible employees of the Group are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Group make monthly contributions at a specified percentage of the covered employees' salary. The contributions, as specified under the law, are made to the Provident fund .

The total expense recognised in profit or loss of INR 23.69 Lakhs (for the year ended March 31, 2025: INR 12.22 Lakhs) represents contribution payable to these plans by the Group at rates specified in the rules of the plan.

Defined benefit plans
(a) Gratuity
Gratuity is payable as per The Code on Social Security 2020 (for the years ended March 31,2025 and April 1, 2024 :Payment of Gratuity Act, 1972). In terms of the same, gratuity is computed by multiplying last drawn salary (basic salary including dearness Allowance if any) by completed years of continuous service with part thereof in excess of six months and again by 15/26. The Act provides for a vesting period of 5 years for withdrawal and retirement and a monetary ceiling on gratuity payable to an employee on separation, as may be prescribed under the Payment of Gratuity Act, 1972, from time to time. However, in cases where an enterprise has more favourable terms in this regard the same has been adopted.

This plan typically expose the Group to actuarial risks such as: investment risk, interest rate risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the market yields on government bonds denominated in Indian Rupees. If the actual return on plan asset is below this rate, it will create a plan deficit.
Interest risk	A decrease in the bond interest rate will increase the plan liability. However, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	March 31, 2026	March 31, 2025
Attrition rate	10.00%	10.00%
Discount Rate	7.33%	6.86%
Rate of increase in compensation level	5.00%	5.00%
Rate of Return on Plan Assets	0.00%	0.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Amounts recognised in total comprehensive income in respect of these defined benefit plans are as follows:	**March 31, 2026**	**March 31, 2025**
Amount recognised under Employee Benefits Expense in the Statement of profit and Loss:		
Current service cost	5.40	4.61
Net interest expense	(0.04)	(0.15)
Administrative expenses /taxes	0.47	-
Components of defined benefit costs recognised in profit or loss	**5.83**	**4.46**
Amount recognised in Other Comprehensive Income (OCI) for the Year	**March 31, 2026**	**March 31, 2025**
Remeasurement on the net defined benefit liability comprising:		
Actuarial (gains)/losses recognised during the period	8.49	1.24
Components of defined benefit costs recognised in other comprehensive income	**8.49**	**1.24**
	14.32	**5.70**

The current service cost and the net interest expense for the year are included in the 'employee benefits expense' in profit or loss.

The actuarial gain/ loss on remeasurement of the net defined benefit liability is included in other comprehensive income.

The amount included in the balance sheet arising from the Group's obligation in respect of its defined benefit plans is as follows:	**March 31, 2026**	**March 31, 2025**
Present value of defined benefit obligation	67.44	52.15
Fair value of plan assets	(55.36)	(50.94)
Net liability arising from defined benefit obligation	**12.07**	**1.20**
Funded	10.58	0.11
Unfunded	1.49	1.09
	12.07	**1.20**

The above provisions are reflected under 'Provision for gratuity [Refer note 20 and 26]

Movements in the present value of the defined benefit obligation in the current year were as follows:		
Opening defined benefit obligation	52.15	46.81
Current service cost	5.40	4.61
Past service cost - (vested benefit)	-	-
Interest cost	3.42	3.25
Actuarial (gains)/losses	8.91	0.64
Benefits paid	(2.44)	(3.16)
Closing defined benefit obligation	**67.44**	**52.15**

Movements in the fair value of the plan assets in the current year were as follows:		
Opening fair value of plan assets	50.94	46.43
Actuarial Gain/(Loss)	0.42	(0.60)
Contributions	3.45	4.88
Benefits paid	(2.44)	(3.16)
Admin expenses / taxes paid from plan assets	(0.47)	-
Interest income on plan asset	3.46	3.39
Expected return on plan assets (excluding amounts included in net interest expense)		
Closing fair value of plan assets	**55.36**	**50.94**

Sensitivity analysis
In view of the fact that the Group for preparing the sensitivity analysis considers the present value of the defined benefit obligation which has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet, sensitivity analysis is not applicable.

(b) Compensated absences
As per the policy of the Group, compensated absences are accumulating in nature and can be carried forward upto a maximum of 90 days, and encashment is permitted on separation. Since the accumulated leave balances are not expected to be settled wholly within twelve months from the end of the reporting period, the same has been determined on the basis of an actuarial valuation carried out by an independent actuary using the Projected Unit Credit method.

This plan typically expose the Group to actuarial risks such as: investment risk, interest rate risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the market yields on government bonds denominated in Indian Rupees. If the actual return on plan asset is below this rate, it will create a plan deficit.
Interest risk	A decrease in the bond interest rate will increase the plan liability.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Consolidated Financial Statements for the year ended March 31 2026

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	March 31, 2026	March 31, 2025
Attrition rate	10.00%	10.00%
Discount Rate	7.22%	6.72%
Rate of increase in compensation level	7.00%	7.00%
Rate of Return on Plan Assets	0.00%	0.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Amounts recognised in total comprehensive income in respect of these defined benefit plans are as follows:	**March 31, 2026**	**March 31, 2025**
Amount recognised under Employee Benefits Expense in the Statement of profit and Loss:		
Employee expense	(5.27)	5.33
Components of defined benefit costs recognised in profit or loss	(5.27)	5.33
Amount recognised in Other Comprehensive Income (OCI) for the Year		
Remeasurement on the net defined benefit liability comprising:		
Actuarial (gains)/losses recognised during the period	-	-
Components of defined benefit costs recognised in other comprehensive income	-	-
	(5.27)	5.33

The current service cost and the net interest expense for the year are included in the 'employee benefits expense' in profit or loss.

The actuarial gain/ loss on remeasurement of the net defined benefit liability is included in other comprehensive income.

The amount included in the balance sheet arising from the Group's obligation in respect of its defined benefit plans is as follows:	**March 31, 2026**	**March 31, 2025**
Present value of defined benefit obligation	18.09	23.36
Fair value of plan assets	-	-
Net liability arising from defined benefit obligation	18.09	23.35
Funded	-	-
Unfunded	18.09	23.35
	18.09	23.35

The above provisions are reflected under 'Provision for Compensated Absences [Refer note 20 and 26]

Movements in the present value of the defined benefit obligation in the current year were as follows:		
Opening defined benefit obligation	23.36	18.03
Empoloyer expense	(5.27)	5.33
Actuarial (gains)/losses	-	-
Benefits paid	-	-
Closing defined benefit obligation	18.09	23.36

Sensitivity analysis
In view of the fact that the Group for preparing the sensitivity analysis considers the present value of the defined benefit obligation which has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet, sensitivity analysis is not applicable.

Consolidated Financial Statements for the year ended March 31 2026

53 Additional regulatory and other information as required by the Schedule III to the Companies Act 2013

(a) Ageing Schedule of Capital Work-in-Progress (CWIP) - March 31, 2026

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Projects in Progress	4.22	-	-	-	4.22
(ii) Projects temporarily suspended	-	-	-	-	-
	4.22	-	-	-	**4.22**

Note: The Group do not have any projects whose activity has been suspended.

Ageing Schedule of Capital Work-in-Progress (CWIP) - March 31, 2025

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Projects in Progress	-	-	-	-	-
(ii) Projects temporarily suspended	-	-	-	-	-
	-	-	-	-	-

Note: The Group do not have any projects whose activity has been suspended.

Ageing Schedule of Capital Work-in-Progress (CWIP) - April 1, 2024

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Projects in Progress	-	-	-	-	-
(ii) Projects temporarily suspended	-	-	-	-	-
	-	-	-	-	-

Note: The Group do not have any projects whose activity has been suspended.

There are no Capital Work-in Progress whose completion is overdue or has exceeded its cost compared to its original plan as at March 31,2026, March 31,2025 and April 1, 2024

(b) Ageing Schedule of Intangible Assets under Development - March 31, 2026

Particulars	Amount in Intangible assets uder development for				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Projects in Progress			-	-	-
(ii) Projects temporarily suspended					-
	-	-	-	-	-

Note:The Group does not have any Intangible Assets under Development, whose completion is overdue or has exceeded its cost compared to its original plan. Further there were no such projects whose activity has been suspended.

Ageing Schedule of Intangible Assets under Development - March 31, 2025

Particulars	Amount in Intangible assets uder development for				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Projects in Progress		-	-	-	-
(ii) Projects temporarily suspended	-	-	-	-	-
	-	-	-	-	-

Note:The Group does not have any Intangible Assets under Development, whose completion is overdue or has exceeded its cost compared to its original plan. Further there were no such projects whose activity has been suspended.

Ageing Schedule of Intangible Assets under Development - April 1, 2024

Particulars	Amount in Intangible assets uder development for				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Projects in Progress		-	-	-	-
(ii) Projects temporarily suspended	-	-	-	-	-
	-	-	-	-	-

Note:The Group does not have any Intangible Assets under Development, whose completion is overdue or has exceeded its cost compared to its original plan. Further there were no such projects whose activity has been suspended.

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(c) Trade receivables ageing schedule

As at March 31, 2026

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables							
Considered good	779.09	416.96	75.18	61.18	55.65	88.31	1,476.37
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	12.03	4.69	1.34	1.29	1.84	21.19
Disputed Trade Receivables							
Considered good	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
	779.09	**428.99**	**79.87**	**62.52**	**56.94**	**90.15**	**1,497.56**
Less: Allowance for Expected Credit Loss	-	12.03	4.69	1.34	1.29	1.84	21.19
	779.09	**416.96**	**75.18**	**61.18**	**55.65**	**88.31**	**1,476.37**

As at March 31, 2025

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables							
Considered good	777.24	346.58	91.03	72.80	86.05	10.61	1,384.31
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	10.60	3.57	-	1.64	2.34	18.15
Disputed Trade Receivables							
Considered good	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-			-			-
	777.24	**357.18**	**94.60**	**72.80**	**87.69**	**12.95**	**1,402.46**
Less: Allowance for Expected Credit Loss	-	10.60	3.57	-	1.64	2.34	18.15
	777.24	**346.58**	**91.03**	**72.80**	**86.05**	**10.61**	**1,384.31**

As at April 1, 2024

Particulars	Outstanding for following periods from due date of payment						Total
	Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables							
Considered good	-	812.71	130.08	101.89	2.04	12.74	1,059.46
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	7.95	4.07	2.11	0.08	1.08	15.29
Disputed Trade Receivables							
Considered good	-	-	-	-	-	-	-
Which have significant increase in credit risk	-	-	-	-	-	-	-
Credit impaired	-	-	-	-	-	-	-
	-	**820.66**	**134.15**	**104.00**	**2.12**	**13.82**	**1,074.75**
Less: Allowance for Expected Credit Loss	-	7.95	4.07	2.11	0.08	1.08	15.29
	-	**812.71**	**130.08**	**101.89**	**2.04**	**12.74**	**1,059.46**

Consolidated Financial Statements for the year ended March 31 2026

(d) Ageing Schedule of Trade Payables

Particulars	Outstanding for following periods from due date of payment					Total
	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2026						
(i). MSME	37.66	40.54	0.06	0.20	-	78.46
(ii) Others	178.67	125.49	0.03	0.01	0.79	304.99
(iii). Disputed Dues - MSME	-	-	-	-	-	-
(iv). Disputed Dues - Others	-	-	-	-	-	-
(v). Unbilled Dues	-	-	-	-	-	-
	216.33	**166.03**	**0.09**	**0.21**	**0.79**	**383.45**
As at March 31, 2025						
(i). MSME	54.82	25.16	0.36	0.18	0.02	80.54
(ii) Others	177.60	106.84	39.95	8.35	3.71	336.45
(iii). Disputed Dues - MSME	-	-	-	-	-	-
(iv). Disputed Dues - Others	-	-	-	-	-	-
(v). Unbilled Dues	-	-	-	-	-	-
	232.42	**132.00**	**40.31**	**8.53**	**3.73**	**416.99**
As at April 1, 2024						
(i). MSME	32.49	32.09	0.92	0.02	0.02	65.54
(ii) Others	168.47	192.05	32.64	7.37	3.81	404.34
(iii). Disputed Dues - MSME	-	-	-	-	-	-
(iv). Disputed Dues - Others	-	-	-	-	-	-
(v). Unbilled Dues	-	-	-	-	-	-
	200.96	**224.14**	**33.56**	**7.39**	**3.83**	**469.88**

(e) Proceedings under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder

There are no proceedings initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Therefore disclosures pertaining to the same as per Division II of Schedule II to the Companies Act, 2013 are not applicable for any of the years under report.

(f) Borrowings from banks

Wherever applicable, the Quarterly returns or statements of current assets filed by the company with banks or financial institutions are in agreement with the books of accounts in respect of all the years under report.

There are no registration or satisfaction of charges yet to be registered with ROC beyond the statutory period for any of the years under report.

The Company is not declared as wilful defaulter by any bank or financial Institution or other lenders for any of the years under report.

(g) Relationship with Struck off Companies

The Company did not have any transactions with Companies struck off under Section 248 of Companies Act, 2013 or Section 560 of Companies Act, 1956 considering the information available with the Company for any of the years under report.

(h) Compliance with number of layers of companies

The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 in respect of all the years under report.

(i) ***Key Financial Ratios***

Particulars	Unit of Measurement	March 31, 2026	March 31, 2025	Variation in %
Current Ratio	In multiple	5.02	5.01	0.20%
Debt-Equity Ratio	In multiple	NA	NA	NA
Debt Service Coverage Ratio	In multiple	NA	NA	NA
Return on Equity Ratio	In %	6.61%	19.00%	(12.39%)
Inventory Turnover Ratio	In Days	103.00	119.00	(13.45%)
Trade receivables Turnover Ratio	In Days	176.00	168.00	4.76%
Trade payables Turnover Ratio	In Days	94.00	105.00	(10.48%)
Net Capital Turnover Ratio	In Days	185.00	182.00	1.65%
Net Profit Ratio	In %	6.74%	18.79%	(12.05%)
Return on Capital Employed	In %	6.73%	19.33%	(12.60%)
Return on Investment (Assets)	In %	5.42%	14.88%	(9.46%)

Formula adopted for above Ratios:

Current Ratio = Current Assets / (Total Current Liabilities – Security Deposits payable on Demand – Current maturities of Long Term Debt)

Debt-Equity Ratio = Total Debt / Total Equity

Debt Service Coverage Ratio = (EBITDA – Current Tax) / (Principal Repayment + Gross Interest on term loans)

Return on Equity Ratio = Total Comprehensive Income / Average Total Equity

Inventory Turnover Ratio (Average Inventory days) = 365 / (Net Revenue / Average Inventories)

Consolidated Financial Statements for the year ended March 31 2026

Trade receivables Turnover Ratio (Average Receivables days) = 365 / (Net Revenue / Average Trade receivables)

Trade Payables Turnover Ratio (Average Payable days) = 365 / (Net credit purchases / Average Trade payables)

Net Capital Turnover Ratio = (Inventory Turnover Ratio + Trade receivables turnover ratio – Trade payables turnover ratio)
Net Profit Ratio = Net Profit / Net Revenue
Return on Capital employed = (Total Comprehensive Income + Interest) / (Average of (Equity + Total Debt))
Return on Investment (Assets) = Total Comprehensive Income / Average Total Assets

Reasons for Variation if more than 25%
None to report.

(j) Scheme of arrangements
There are no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 for any of the years under report.

(k) Advance or loan or investment to intermediaries and receipt of funds from intermediaries
For any of the years under report:
(1) The company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall (i) 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 (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(2) The company has also 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 (i) 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 (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(l) Undisclosed Income
The Company do not have any transaction which are not recorded in the books of accounts that has been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during any of the years under report.

(m) Details of Crypto Currency or Virtual Currency
The Company did not trade or invest in Crypto Currency or virtual currency during any of the years under report. Hence, disclosures relating to it are not applicable.

54 First-time adoption of Ind AS

Transition to Ind AS
These are the Group's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in Note 3 have been applied in preparing the financial statements for the year ended March 31, 2026, the comparative information presented in these financial statements for the year ended March 31, 2025 and in the preparation of an opening Ind AS balance sheet at April 1, 2024 (The company's date of transition).

In preparing its opening Ind AS balance sheet, the company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP).

An explanation of how the transition from previous GAAP to Ind AS has affected the group's financial position, financial performance and cash flows is set out in the following notes.

A. Exemptions and exceptions availed
Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A.1 Ind AS optional exemptions

A.1.1 Deemed cost for Property, Plant and Equipment (PPE)
Ind AS 101 permits a first-time adopter to elect to fair value a class of property, plant and equipment or to continue with the carrying value for all of its PPE as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

The group has elected to continue with the carrying value for all of its PPE as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition..

A.1.2 Deemed cost for Intangible Assets
Ind AS 101 permits a first-time adopter to elect to fair value intangible assets or to continue with the carrying value for all of its intangible assets as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

The group has elected to continue with the carrying value for all of its intangible assets as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

A.1.3 Leases
Ind AS 116 requires customers and suppliers to determine whether a contract is or contains a lease at the inception of the contract. On identification of a lease, the lessee is required to recognise a right of use asset and a corresponding lease liability in the balance sheet alongside depreciation and interest cost in the statement of profit and loss.

However, the standard provides the lessee with the option to recognise a low value asset or a short term lease (12 months of lesser) as an expense in the statement of profit and loss on a straight line basis or any other systematic approach. The group applied the practical expedient provided in Ind AS 116.

A.1.4 Fair valuation of financial instruments
Ind AS 101 allows an entity to fair value the financial instruments for the first time on the date of transition to Ind AS instead of the date of acquisition. The group has elected to apply this exemption for all its financial instruments existing on April 1, 2024 (the date of transition).

A.2 Ind AS mandatory exceptions

A.2.1 Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at April 1, 2024 are consistent with the estimates as at the same date made in conformity with previous GAAP. The group made estimates for impairment of financial assets based on expected credit loss model in accordance with Ind AS at the date of transition as these were not required under previous GAAP.

Consolidated Financial Statements for the year ended March 31 2026

B. Notes to first-time adoption

B.1 Fair valuation of financial assets and liabilities

Under Ind AS, financial assets and liabilities are to be valued at amortised cost or fair valued through profit and loss (FVTPL) or fair valued through other comprehensive income (FVTOCI) based on the Company's business objectives and the cash flow characteristics of the underlying financial assets and liabilities.

Accordingly, the group has remeasured the financial assets and liabilities (including investments) as on the date of transition and the comparative periods. The consequential impact has been given in the opening retained earnings and the comparative period.

B.2 Expected Credit Loss on Trade Receivables

Under Ind AS 109, Expected Credit Loss is to be recognized on transition to Ind-AS. Accordingly, the group has provided for the same on transition to Ind-AS.

B.3 Deferred tax

Under Ind AS, the deferred tax asset and liabilities are required to be accounted based on balance sheet approach and also to be recognised on all adjustments considered in the opening Ind AS balance sheet. The group has remeasured its deferred tax assets and liabilities as aforesaid and accounted in the Ind AS financial statements in the respective periods.

B.4 Remeasurement of employment benefits

Under Ind AS, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, these remeasurements were forming part of the profit or loss for the year. Adjustments have been made for such re-classifications. Ind AS also requires to remeasure the estimates of provision for employee benefits in accordance with Ind AS 19 "Employee Benefits". The group remeasured its provision for employee benefits and the consequential impact has been recognised in the Ind AS financial statements in the respective periods.

B.5 Provision for Warranty

Ind AS 37 mandates measurement of warranty provision and recognition in the financial statements. Accordingly, the group has provided for the same on transition to Ind-AS.

B.6 Reversal of amortization of Goodwill (arising out of business combination)

Ind AS mandates that goodwill has to be tested for impairment annually. It doesnot prescribe amortization of the same. Accordingly, the group has reversed the same.

55 **Key reconciliation required as per Ind AS 101 on transition to Ind AS**

(a) Reconciliation of equity	As at March 31, 2025	As at April 1, 2024
Total equity/ shareholders' funds as per Indian GAAP	**2,924.20**	**2,460.76**
Ind AS Adjustments		
Fair Valuation of investments	17.18	17.88
Impact of lease accounting as per Ind AS 116	(0.79)	-
Allowance for expected credit loss	(18.15)	(15.29)
Impairment of Debt Investment	(0.01)	(0.01)
Provision for Warranty	(14.81)	(13.90)
Remeasurement of Employee benefits	(0.87)	4.77
Reversal of amortization of goodwill	0.25	-
Deferred Tax impact on transition to Ind AS	(16.01)	(16.38)
Total equity/ shareholders' funds as per Ind AS	**2,890.99**	**2,437.83**

(b) Reconciliation of Profits	For the year ended March 31, 2025
Total comprehensive income as per Indian GAAP	**507.94**
Ind AS Adjustments	
Impact of lease accounting as per Ind AS 116	(9.85)
Allowance for expected credit loss	(2.86)
Provision for Warranty	(0.91)
Remeasurement of Employee benefits	(5.64)
Fair valuation of Investments	8.36
Reversal of amortization of goodwill	0.25
Deferred Tax impact on transition to Ind AS	0.37
Total comprehensive income as per Ind AS	**497.66**

Consolidated Financial Statements for the year ended March 31 2026

(c) **Reconciliation of Consolidated Statement of Cash Flows**

Particulars	As per Previous GAAP	As per Ind AS	Amount of Material Adjustment on Transition to Ind-AS	Nature of Material Adjustment
Net cash from operating activities for the year ended March 31, 2025	(295.03)	(282.96)	(12.07)	Remeasurement of employee benefits on Transition to Ind-AS
Net cash used in investing activities for the year ended March 31, 2025	359.91	365.36	(5.45)	Change in calssification of Deposits from cash and cash equivalents to other bank balances and consideration of interest accrued on such deposits on transition to Ind-AS.
Net cash from financing activities for the year ended March 31, 2025	(68.23)	(61.96)	(6.27)	Change in classification of Bank charges from finance cost to other expenses on transition to Ind-AS.
Net change in cash and cash equivalents for the year ended March 31, 2025	(3.34)	20.45		

56 **The Code on Social Security, 2020**

On November 21, 2025, the Government of India notified provisions of the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020 (collectively, the 'Labour Codes'), which consolidate twenty-nine existing labour laws into a unified framework governing employee benefits during employment and post-employment. The Labour Codes, amongst other things, introduce changes including a uniform definition of wages and enhanced benefits relating to leave. The Company has assessed the financial implications of these changes, including the impact on its defined benefit obligations and compensated absences, and has concluded that there is no material financial impact on the Company's employee benefit liabilities as at March 31, 2026. The Company continues to monitor developments pertaining to the Labour Codes and will evaluate any further impact, if any, on the measurement of employee benefit liabilities in the period in which such impact crystallises.

57 This being the first year of adoption on Ind AS, the figures for the previous comparative periods have been re-grouped/ reclassified to conform to the current year's classification and in accordance with the presentation and disclosure requirements of Ind AS

As per our report of even date attached

For N R RAJAGOPALAN & CO.,
Chartered Accountants
(Firm Registration No. 003400S)

K G Purushothaman
K G PURUSHOTHAMAN
Partner
Membership No : 028537

Place : Chennai
Date : 30th June 2026

For and on behalf of the Board

M S Thakker
MILIND S THAKKER
Chairman
DIN : 00617882
Place : Bengaluru
Date : 30th June 2026

RAMANATHAN NARAYANAN
Vice Chairman & Managing Director
DIN : 06681365
Place : Bengaluru
Date : 30th June 2026

RAJIV KUMAR SHARMA
Company Secretary
M No. A59107
Place : Bengaluru
Date : 30th June 2026

SAN ENGINEERING AND LOCOMOTIVE COMPANY LIMITED
Registered Office : P.O. Box No.4802, Whitefield Road, Bengaluru – 560 048
Tel : 080-23069200, E-mail :comsec@san-engineering.com
Web :www.san-engineering.com CIN : U74210KA1973PLC002424

Name of the member(s):
Registered address :
E-mail Id :

Folio No./Client Id :
DP Id :

PROXY FORM

I/We, being the member(s) of .... Shares of the above named company, hereby appoint:

1) Name : ....Address:..
Email Id: ....Signature: ....or failing him;

2) Name : ....Address:..
Email Id: .... Signature: ....or failing him;

3) Name : ....Address:..
Email Id: .... Signature: ....

as my /our Proxy to attend and vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held at the Registered Office of the Company on Tuesday, the 08th September 2026 at 11.30 A.M and at any adjournment thereof in respect of such resolution as stated below.

Agenda No.	Subject / Resolution	Vote (Please mention no. of shares)		
		For	Against	Abstain
	Ordinary Resolution			
1.	Consideration and adoption of Audited Financial Statements for the year ended March 31, 2026			
2.	Declaration of Dividend			
3.	Re-appointment of Mr. Jasjiv Singh Devinder Singh Sahney as Director who retires by rotation.			
	Special Business			
4.	Ratification of remuneration of the Cost Auditors			
5.	Ratification of Re-appointment of Mr. Ramanathan Narayanan as Managing Director of the Company			

Signature of Shareholder/Proxy

Signed this .... day of September, 2026.

Folio Number ....No. of Shares held ....

Affix
Revenue
Stamp

Note:
This Form in order to be duly effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before commencement of meeting

SAN ENGINEERING AND LOCOMOTIVE COMPANY LIMITED
Registered Office : P.O. Box No.4802, Whitefield Road, Bengaluru – 560 048
Tel: 080-23069200, E-mail: comsec@san-engineering.com
Web: www.san-engineering.com CIN : U74210KA1973PLC002424

ATTENDANCE SLIP

(To be handed over at the Entrance of the Meeting Hall)

Name of the Shareholder ....

Name of the Proxy ....

Folio Number .... No. of Shares held ....

DPID/ Client ID No. ....

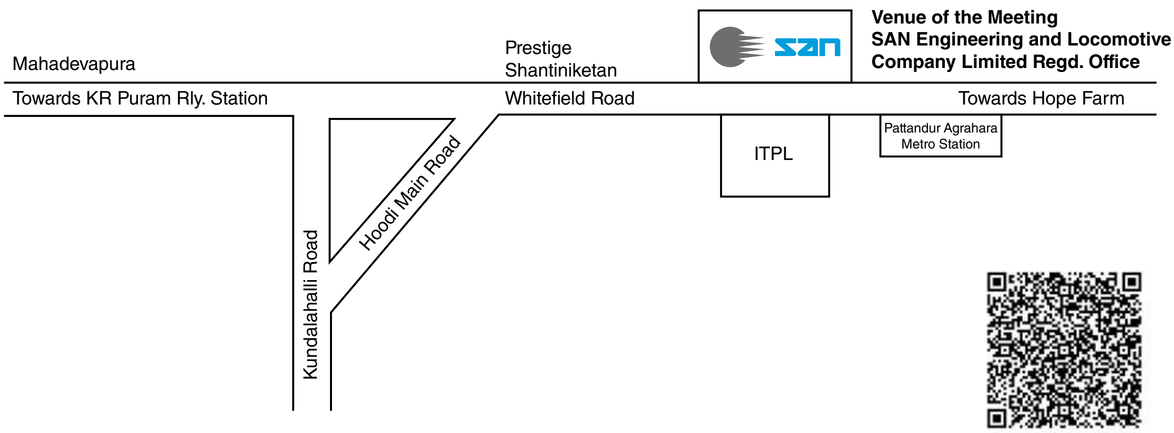
I/We certify that I am a Member of the Company/Proxy/Authorised Representative for the member.

Signature(s) of the Shareholder(s) or Proxy or Authorized Representative ....

Please Note : Members are requested to bring their copy of the Annual reports to the Meeting

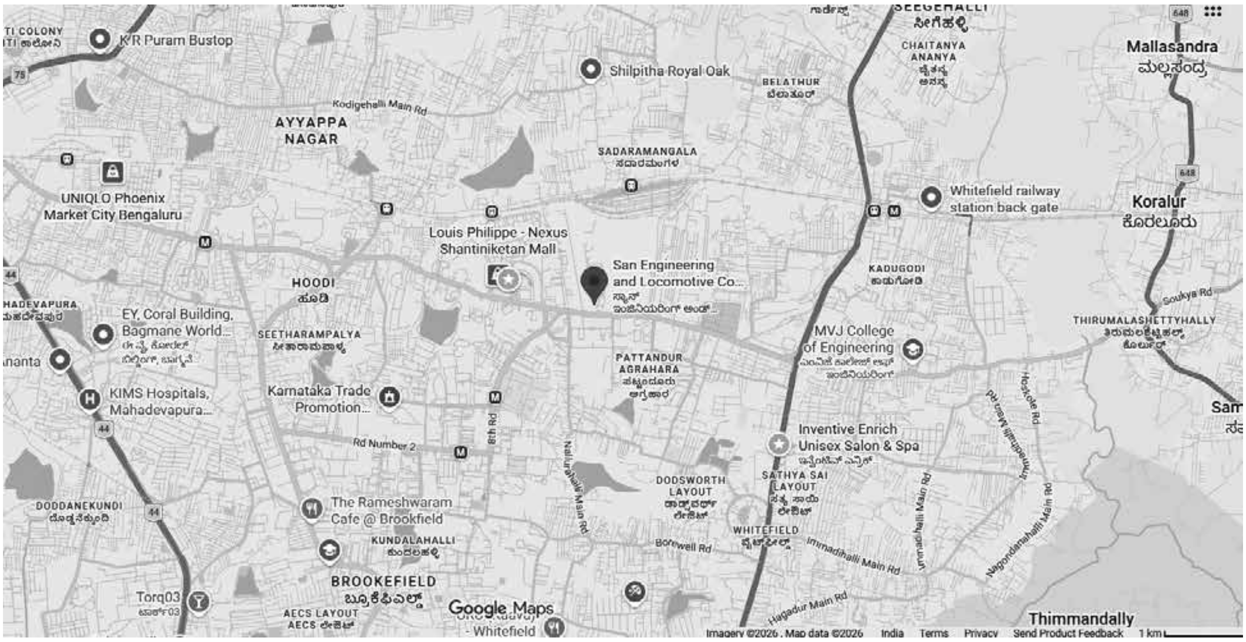
ROUTE MAP

For the venue of 56th AGM of SAN Engineering and Locomotive Company Limited at the Registered Office of the Company at Whitefield Road, Bengaluru - 560 048



Scan for the Location

Google Location



Notes: