43rd ANNUAL REPORT 2025-26

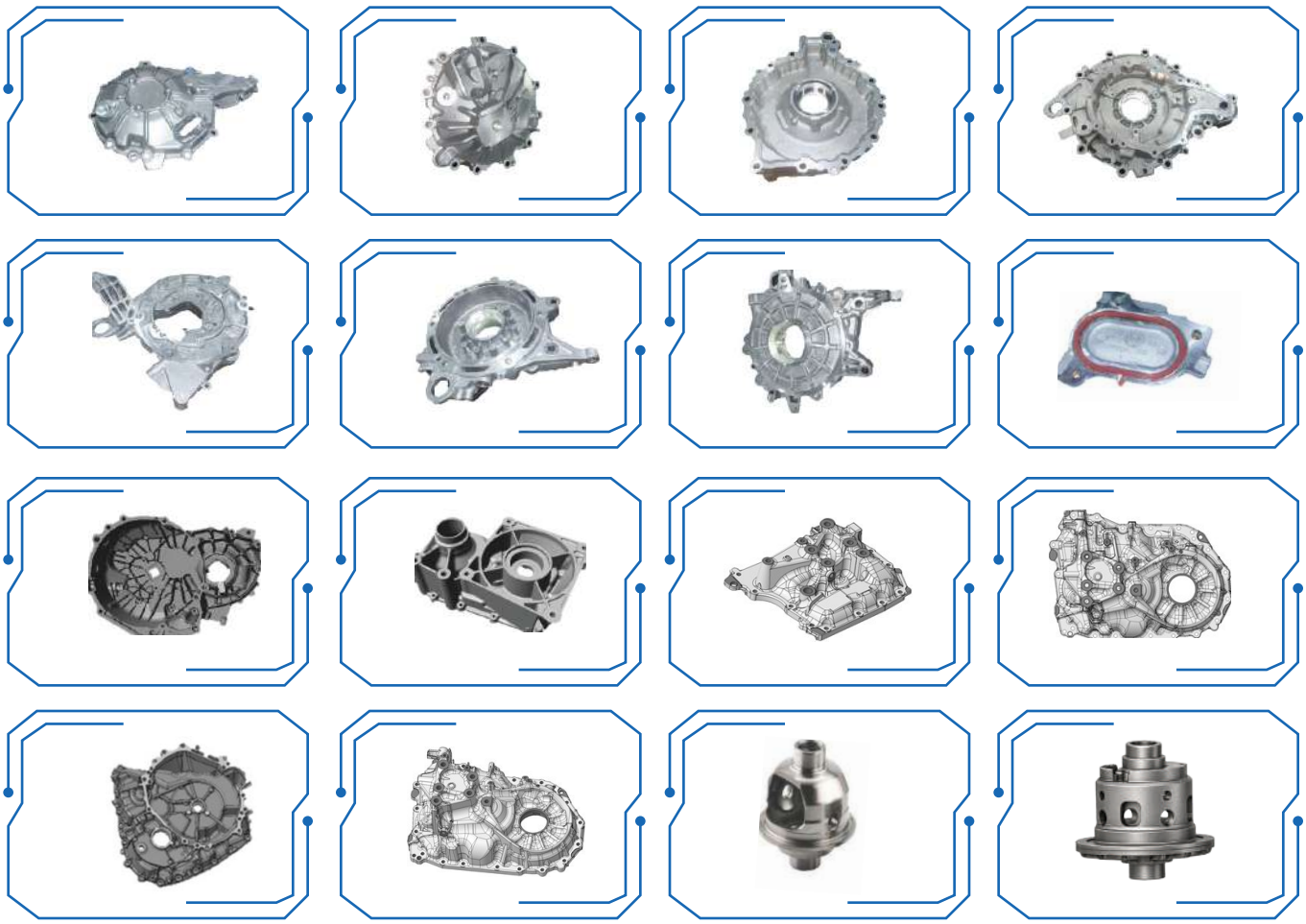
RICO

FOCUS ON ELECTRIFICATION



RICO - Made in India with Pride

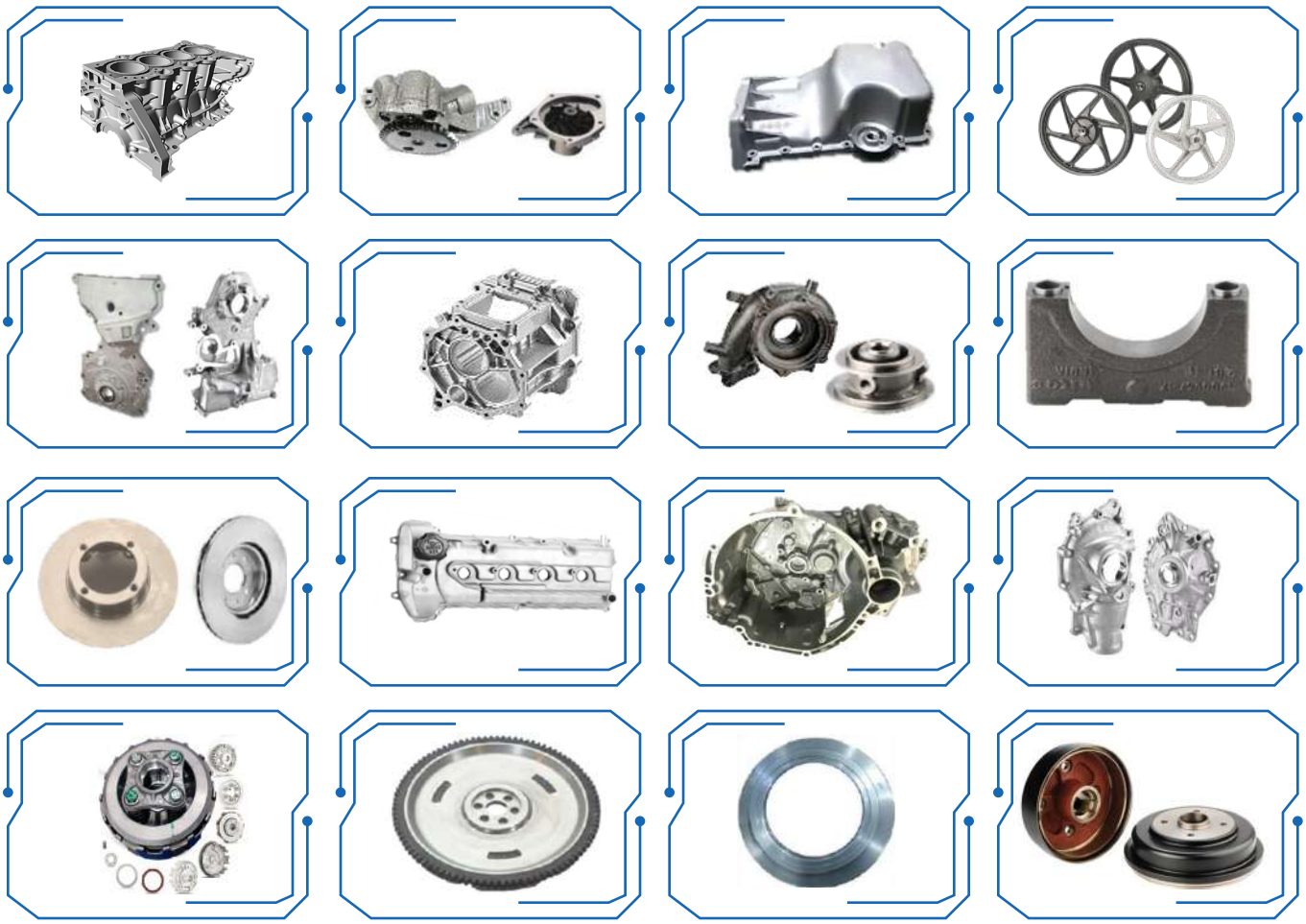
Hybrid / Electric Vehicle Components



Customers

BMW, TOYOTA, NISSAN, MARUTI SUZUKI, HONDA, ŠKODA, TATA, GKN DRIVELINE, Jatco, AISIN, MUSASHI, BOSCH, Cummins, KNORR BREMSE, Bendix

ICE Vehicle Components



RENAULT · KIA · DAIMLER · STELLANTIS · VOLVO · CAT · Hero · HONDA · BAJAJ · PIAGGIO · GREAVES SINCE 1859 · EATON · Garrett



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About Us

RICO is a trusted global partner delivering innovative and sustainable Engineering and Manufacturing solutions to create value for the stakeholders

With a legacy spanning over four decades, the Company has built a reputation as a trusted partner underscoring its commitment to quality, reliability, and customer-centricity. These enduring partnerships are founded on a shared focus on performance and the pursuit of long-term success.

Our product portfolio supports a diverse range of powertrain technologies, including Hybrid Vehicles, Electric Vehicles (EVs), and Internal Combustion Engines (ICEs), positioning us well for the evolving automotive landscape.

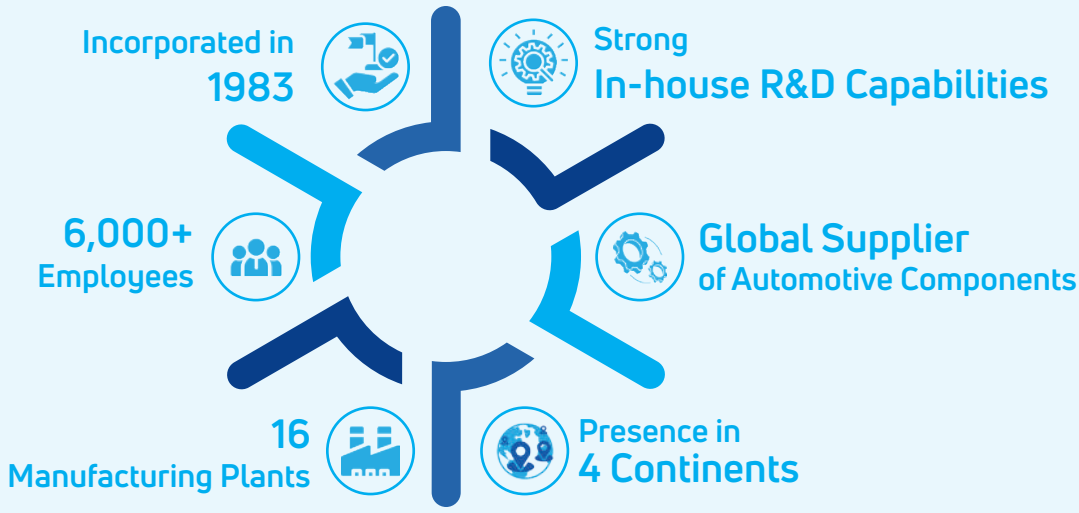
We are expanding our business by strengthening capabilities in system-level products, braking systems, and structural components.

We enjoy long-standing relationships with some of the most prestigious names in the National and International Automotive Industry.

We are in expansion mode towards new product portfolios, markets and horizons. We aim to grow the business through our strategy and vision.

Sustainability considerations are increasingly being integrated into core business functions, from product design and manufacturing, to supply chain management and customer engagement. Steps taken to reduce our carbon footprint through a range of initiatives aligned with global emission standards.

We are committed to uplifting communities through meaningful initiatives such as Rico Rural Medi-Care clinics, educational support for the economically disadvantaged and more. Through these programmes, we aim to give back to society and create a lasting impact.



Our Vision

Trusted Engineering and Manufacturing Solutions Partner Creating Value for the Stakeholders

Our Mission

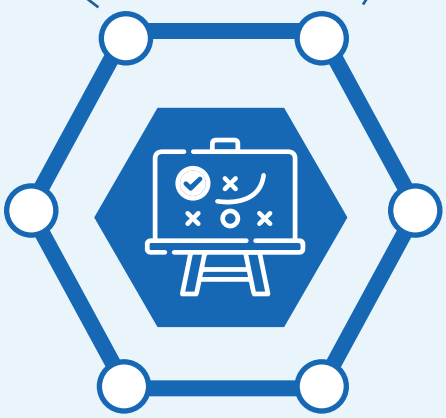


A DAPT to industry trends with agility

C OLLABORATE as One Team, One Vision

T RANSFORM culture, empower people & drive future

Our Strategies



World Class Quality
ISO TS 16949, ISO 14001, OHSAS 18001, ISO 27001: 2013

Preferred Supplier
Customer Focussed Enterprise Efficient Account, Program & Launch Management and Focus on Electrification

Globalization
Global Teams, Global Presence & Scale

Integrated Service
Concept to Delivery

Design, Development & Engineering Services, R&D, Testing & Validation, Special Purpose Machines with CNC Controls, Tooling & Prototyping, Casting (Aluminium & Ferrous), Machines & Assembly, Packaging & Logistics

People
Focus on personal responsibility and training, implementation of multidimensional changes, HR automation and digitalization, ESG and compliance automation, and rewarding employees' efforts

Stakeholder Value
Focus on return on Capital Employed and Consistent Dividend Distribution

RICO Core Value



Excellence
The power of being the best

Commitment
The power of responsibility, accountability and ownership

Integrity
The power of honesty and transparency

Teamwork
The power of working together

Entrepreneurship
The power of pursuing new challenges with speed, flexibility and ownership

Financial Highlights

Standalone

(₹ in Crores)

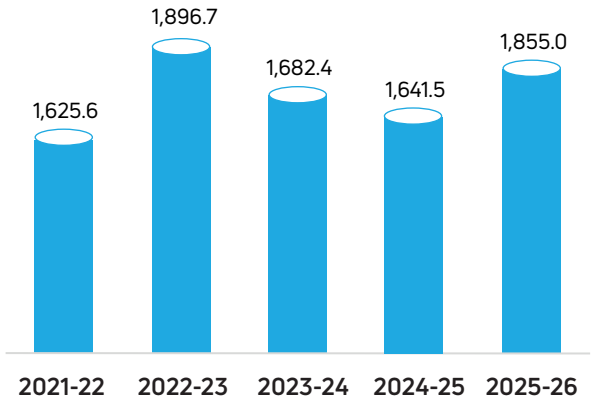
Particulars	2025-26	2024-25	2023-24	2022-23	2021-22#
Total Revenue	**1,855.0**	**1,641.5**	**1,682.4**	**1,896.7**	**1,625.6**
PBIDT	**173.7**	**164.9**	**192.4**	**201.0**	**153.1**
Depreciation	86.9	88.9	103.9	96.5	81.0
PBIT	**86.8**	**76.0**	**88.5**	**104.5**	**72.1**
Interest	43.5	40.4	45.5	43.4	36.4
PBT	**43.3**	**35.6**	**43.0**	**61.1**	**35.7**
Income Tax	3.8	–	7.1	10.2	5.2
Deferred Tax	5.0	12.5	4.7	7.6	5.3
PAT	**27.3**	**22.9**	**30.9**	**42.2**	**19.1**
Dividend (Including Tax)	6.8	8.1	10.1	5.4	2.7
Gross Fixed Assets (Incl. CWIP)	1,862.7	1,616.2	1,488.8	1,323.4	1,143.3
Net Fixed Assets (Incl. CWIP)	1,207.2	1,052.3	1,003.1	936.7	833.1
Net Current Assets*	74.03	168.9	179.8	241.2	169.8
Equity Share Capital	13.5	13.5	13.5	13.5	13.5
Reserves & Surplus	675.2	654.4	643.7	620.3	581.7
Deferred Tax Liabilities	48.6	43.5	25.3	10.2	1.7
Total Loan Funds	618.4	563.5	561.4	615.7	534.2
Key Ratios (%)					
Operating Margin (PBIDT/Net Revenue)	9.4	10.0	11.4	10.6	9.4
ROCE (PBIT/Avg. Capital Employed)	6.8	6.2	7.2	8.8	6.4
RONW (PAT/Avg. Net Worth)	4.0	3.4	4.8	6.9	3.2
Per Share Data (₹)					
EPS	2.0	1.7	2.3	3.1	1.4
Cash EPS	8.4	8.3	10.0	10.2	7.4
Book Value	50.9	49.4	48.6	46.8	44.0
Dividend (%)	55.0	50.0	60.0	75.0	40.0
Net worth	**688.7**	**667.9**	**657.2**	**633.8**	**595.3**

* Excluding short term borrowing and current maturities of long term bank borrowing.

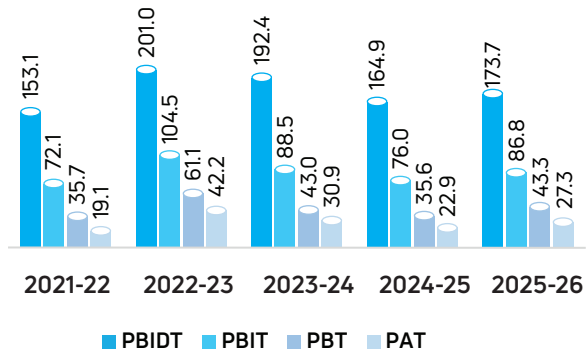
Figures are reinstated after merger of Subsidiary Companies Rasa Autocom Limited, Rico Aluminium and Ferrous Auto Components Limited and Rico Investments Limited.

Standalone

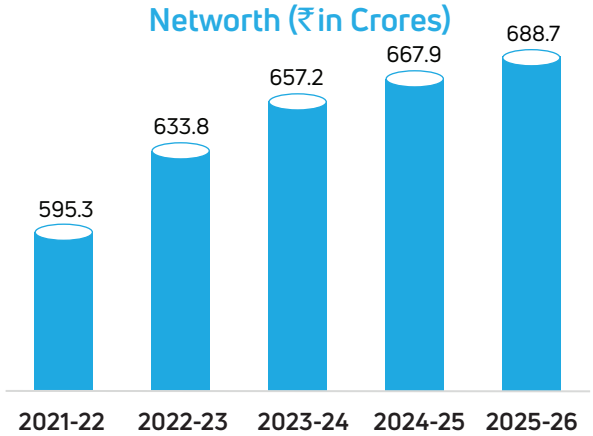
Revenue (₹ in Crores)



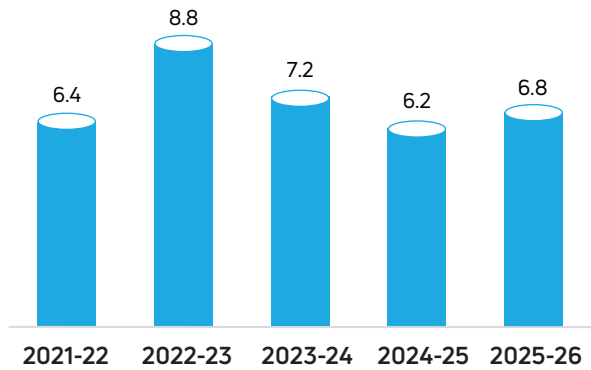
Profitability (₹ in Crores)



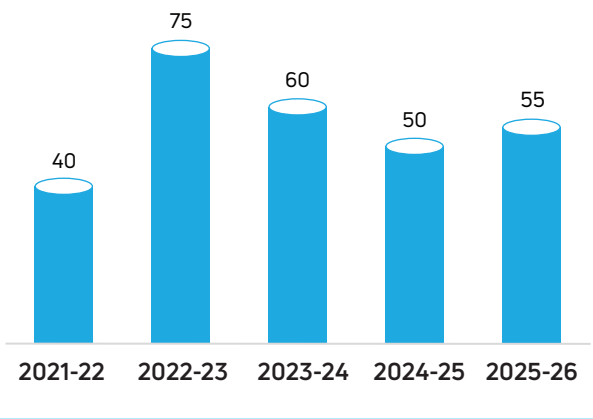
Networth (₹ in Crores)



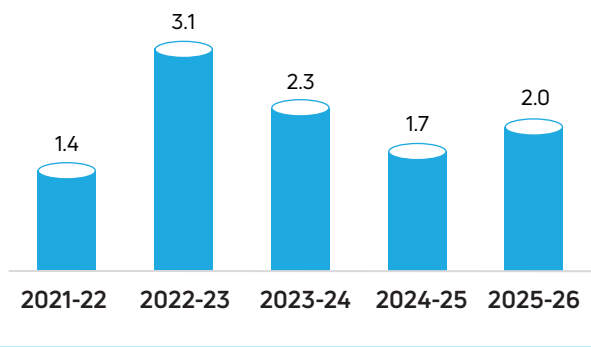
ROCE (Percent)



Dividend (Percent)



EPS (₹)



Financial Highlights

Consolidated Group

(₹ in Crores)

Particulars	2025-26	2024-25	2023-24	2022-23	2021-22 @
Total Revenue	**2,487.7**	**2,225.2**	**2174.5**	**2,321.5**	**1,881.3**
Rico Auto Industries Limited	1,855.0	1,641.5	1,682.4	1,896.7	1,625.6
Rico Auto Industries Inc. USA	165.7	122.4	155.33	238.2	168.9
Rico Auto Industries (UK) Limited UK	–	–	0.0	0.4	5.2
Rico Fluidtronics Limited **	–	259.0	223.7	138.3	68.0
Rico Jinfei Wheels Limited #	650.7	388.0	312.6	302.8	232.9
AAN Engineering Industries Limited	22.8	9.5	16.3	15.7	11.6
Rico Friction Technologies Limited $	7.2	6.9	4.2	4.0	3.0
Less : Inter Company Sales	(213.8)	(202.1)	(220.1)	(274.6)	(234.0)
Rico Group Consolidated	**2,487.7**	**2,225.2**	**2174.5**	**2,321.5**	**1,881.3**
PBIDT	224.9	200.1	234.1	240.6	177.2
PBIT	124.2	98.6	115.6	128.8	85.9
PBT	69.5	42.6	57.4	73.6	36.0
PAT	52.4	21.4	38.9	51.0	23.7
Gross Fixed Assets (Incl. CWIP)	2,124.6	1,869.4	1,717.2	1,552.2	1,355.1
Net Fixed Assets (Incl. CWIP)	1,378.9	1,219.1	1,158.4	1,084.6	978.6
Net Current Assets*	145.2	240.1	249.6	297.0	202.3
Equity Share Capital	13.5	13.5	13.5	13.5	13.5
Reserves & Surplus	765.9	716.4	706.5	675.7	628.3
Deferred Tax (Assets)/Liabilities	46.8	43.6	15.5	7.4	(3.0)
Total Loan Funds	727.6	697.3	688.5	754.3	613.2
Key Ratios (%)					
Operating Margin (PBIDT/Net Revenue)	9.0	9.0	10.9	10.4	9.4
ROCE (PBIT/Avg. Capital Employed)	11.3	7.0	8.1	9.5	6.8
RONW (PAT/Avg. Net Worth)	6.9	3.0	5.5	7.7	3.7
Per Share Data (₹)					
EPS (Rs)	3.7	1.6	2.9	3.8	1.8
Cash EPS	11.3	9.1	11.6	12.0	8.5
Net worth	**779.4**	**729.9**	**720.0**	**689.3**	**641.8**

* Excluding short term borrowings and current maturities of long term bank borrowing.

** Rico Fluidtronics Limited have been merged with Rico Jinfei Wheels Limited w.e.f. 01st April, 2023 i.e. Appointed Date.

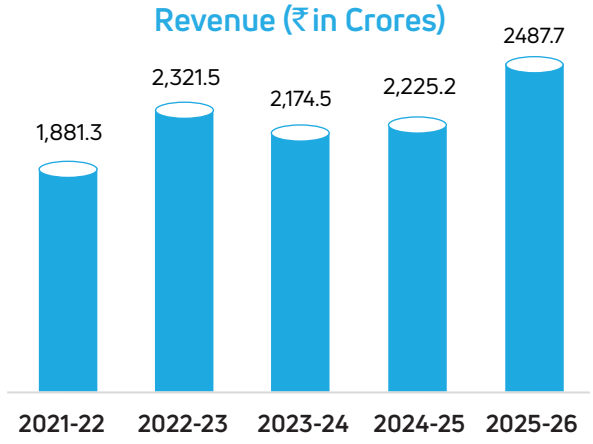
Rico Auto Industries Limited holds 96.31 percent.

$ 70% subsidiatry w.e.f. 30th December, 2020.

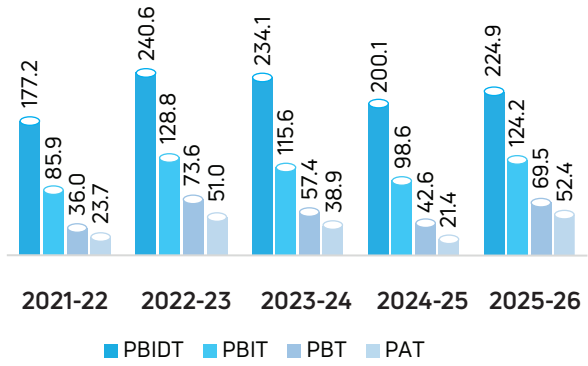
@ Rasa Autocom Limited, Rico Aluminium and Ferrous Auto Components Limited and Rico Investments Limited were merged with Rico Auto Industries Limited w.e.f. 01st April, 2021 i.e. Appointed Date.

Consolidated Group

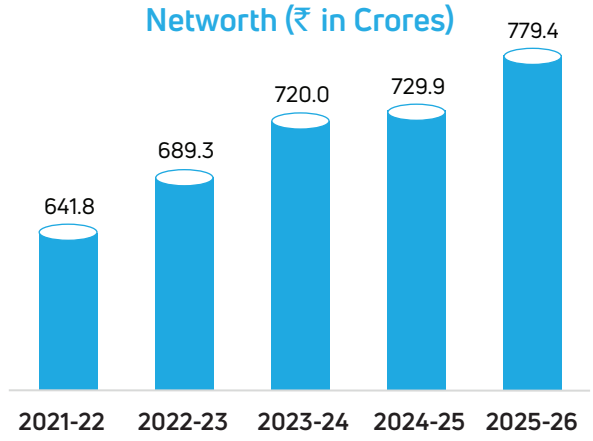
Revenue (₹ in Crores)



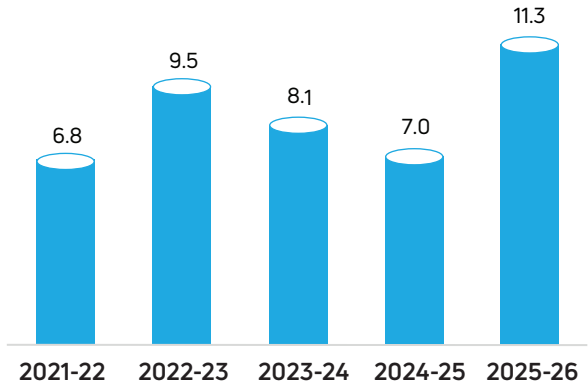
Profitability (₹ in Crores)



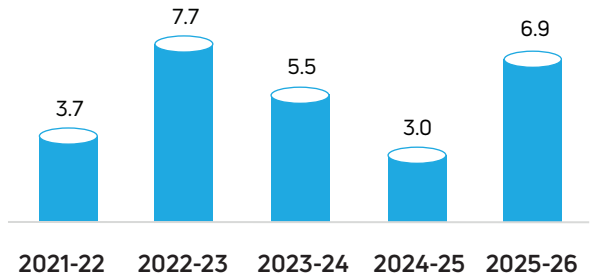
Networth (₹ in Crores)



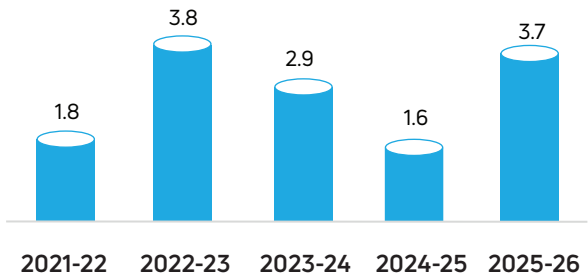
ROCE (Percent)



RONW (Percent)



EPS (₹)



Key Milestones

2026 – 2014

- New greenfield plant at Hosur
- Added new Business for Hybrid, ICE & EV Parts from Toyota, AISIN, Maruti etc.
- Implementation of S/4 HANA
- Created a new Non-Auto business vertical to focus on – Railways, Manufacturing of CNC Machines
- Acquired 70% stake in Rico Friction Technologies for development and manufacturing of Friction Materials
- Initiated After Market Business
- Acquired 50% stake from Magna in Magna Rico 50-50 JV - Now, Rico Fluidtronics Limited
- Added new Manufacturing Plants: Bawal, Pathredi, Chennai and Halol-Gujarat

2013 – 2004

- R&D Center Started
- JV with Magna Powertrain - Oil Pumps, Water Pumps
- JV with Jinfei China - Aluminium Alloy Wheels
- Added new Manufacturing Plants: Bhiwadi, Sanand, Haridwar & Manesar
- New Customers – BMW, Toyota, NISSAN, JATCO, Musashi, TATA, Perkins, Magna, Renault, GKN, VW, Kohler, Avtec

2003 – 1994

- JV (50:50) FCC RICO – Clutches
- Exports: New Customers – GM, Eaton, Cummins, FORD, Land Rover, Honda, Jaguar, Caterpillar, Honeywell, Detroit Diesel, Volvo
- Expansion - Aluminium Die Casting & Machining – Gurugram
- Full Service Engineering Design Development Capability

Manufacturing Locations



Gurugram
Corporate, R&D, Aluminium & Ferrous Casting & Machining
CNC Machine building
Die making & Robotisation



RJWL Dharuhera
Pump Division



Bawal
Aluminium Casting & Machining, EV Components



RJWL Manesar
Aluminium Wheels Casting & Machining



Pathredi
Machining



Sanand & Halol
Aluminium HPDC, Machining, EV Components



Haridwar
Aluminium Casting & Machining



Chennai
Aluminium Casting & Machining



Hosur
Upcoming Manufacturing Plant

From the Chairman's Desk



Dear Shareholders,

FY 2025–26 was a year marked by resilience amid continued global uncertainty. The world economy operated against the backdrop of geopolitical tensions, evolving trade policies, regional conflicts and ongoing supply chain realignments. Despite these challenges, global economic growth remained broadly stable at around 3%, underscoring the resilience of businesses and economies across regions.

Amid this evolving global environment, India continued to distinguish itself as one of the world's fastest-growing major economies. Strong domestic demand, sustained public investment, ongoing infrastructure development and continued policy emphasis on manufacturing and localisation reinforced the country's growth momentum. These structural strengths continue to position India favourably in an increasingly dynamic global economic landscape.

The Indian automotive industry also demonstrated remarkable resilience during the year. Domestic passenger vehicle sales crossed 4.6 million units, the highest annual sales ever recorded in this segment, while automotive exports grew by 24%, reaffirming India's emergence as an important global manufacturing and export hub. The continued expansion of Electric Mobility, with total EV sales surpassing 2.5 million units, further accelerated the transformation of the industry's technology landscape.

Against this encouraging industry backdrop, your Company continued to strengthen its market position during the year. Supported by healthy demand across domestic and export markets, successful execution of new programmes and disciplined operational execution, the Company achieved its highest-ever revenue of ₹2,477 crore, representing a growth of 12% over the previous year. EBITDA stood at ₹223 crore, while Profit After Tax improved significantly to ₹52.4 crore from ₹21.4 crore in the previous financial year.

Our progress during the year reflects the strength of long-standing customer relationships, robust manufacturing capabilities, disciplined execution and the unwavering commitment of our employees. We also secured healthy order inflows across our core product portfolio spanning transmission systems, braking systems, engine components and components for electric vehicles. These wins provide strong visibility for future growth and reinforce our strategic positioning across the evolving mobility landscape.

Alongside our core automotive business, we continue to expand our presence across adjacent sectors. Our businesses in railways and defence are gaining momentum, supported by increasing localisation, infrastructure investments and the Government's continued focus on self-reliance. RICO delivers world-class CNC solutions tailored to the evolving needs of the metalworking industry. Over time, we expect these businesses to become increasingly meaningful contributors to our growth while further strengthening the diversity and resilience of our revenue base.

Sustainable value creation extends beyond financial performance. Responsible growth has always been integral to the way we operate and remains central to our long-term strategy. It shapes our approach to governance, innovation, environmental stewardship, people development and community engagement, ensuring that business success is accompanied by responsible corporate citizenship.

Technology continues to be a key enabler of our competitiveness. We are increasingly leveraging AIoT, intelligent automation and advanced analytics to improve manufacturing efficiency, strengthen quality and enable faster, data-driven decision-making across our operations. Equally important is our continued investment in developing the capabilities of our people, ensuring that our workforce remains equipped to succeed in an increasingly technology-driven manufacturing environment.

Beyond business, we remain committed to creating meaningful social impact through sustained initiatives in healthcare, education and community development. Our programmes continue to improve access to quality healthcare, support education and skill development for underprivileged youth, and promote greater inclusion across the communities in which we operate. These initiatives reflect our belief that inclusive growth and long-term business success are closely interconnected.

Environmental stewardship remains an integral part of our growth journey. We continue to improve energy and resource efficiency, conserve water, reduce our environmental footprint and embed sustainable practices across our manufacturing operations. These initiatives not only strengthen our operational resilience but also reinforce our commitment to building a business that is responsible by design.

Looking ahead, India's strong macroeconomic fundamentals, policy continuity and sustained investments in manufacturing and infrastructure provide a favourable foundation for long-term growth. Supported by rising domestic demand, increasing technology adoption and expanding export opportunities, the automotive industry is expected to maintain its positive momentum. The growing global acceptance of Made in India vehicles and components further strengthens the country's position as a preferred manufacturing destination.

Your Company enters the new financial year with a healthy order book, a diversified customer base and a clear strategic focus on innovation, operational excellence, localisation and sustainable value creation. We will continue to strengthen our competitive capabilities, deepen customer partnerships and invest in future-ready technologies that enable us to participate meaningfully in the evolving mobility ecosystem. Guided by responsible growth and disciplined execution, we remain focused on building a resilient, future-ready organisation that creates enduring value for all our stakeholders.

I would like to take this opportunity to extend my heartfelt thanks to our partners, customers, bankers and stakeholders for their continued trust and support in the Company. I would also like to recognize the unwavering resilience of our employees who are the cornerstone of our long-term success.

With your continued support I am confident that we will grow from strength to strength.

Warm regards,
Arvind Kapur
Chairman, CEO & MD

Our People

Our Greatest Capital



People are at the heart of Rico's long-term success, and the Company remains committed to fostering a safe, inclusive and empowering workplace where every employee can thrive. Our employee value proposition is anchored by core pillars that celebrate the unique strengths, perspectives, and experiences each individual brings to the table.

We continue to strengthen our digital HR ecosystem across the employee lifecycle, delivering consistent, inclusive, and engaging employee experience while fostering meaningful and lasting connections. Rico remains committed to investing in employee development, workplace safety, diversity and inclusion, capability enhancement, and holistic well-being initiatives, reinforcing a culture of growth, collaboration, and excellence.

We continue to focus on enhancing employees experience from onboarding to benefits and wellness programmes. Our focus is to build expertise and talent pool to drive our business forward and be future-ready organisation.

Succession planning continues to be one of our most critical talent management processes. We strongly believe in developing and nurturing homegrown leadership talent while selectively bringing in external expertise to support new capabilities and business expansion opportunities. This balanced approach enables us to maintain organizational continuity while enriching our talent pool with diverse experiences and perspectives.

As we move forward, we remain confident in our transformation journey. Guided by our people-first philosophy, strengthened by technology, and driven by a culture of continuous improvement, we are well-positioned to create sustainable value for all stakeholders while building a resilient, agile, and future-ready organization.

CSR Initiatives

Rico remains steadfast in its commitment to social responsibility and community welfare. Through the Rico Medicare Centre at Pathredi, we provide free medical services, reaching over 10,000 beneficiaries annually through OPD services, mobile healthcare, and targeted medical camps for the elderly and women. Our Community development initiatives also focus on empowering women in sports at international platforms, support for free education of children from economically weaker sections, and sponsorship of technical education to enhance employability among underprivileged youth.

Our engaged workforce has actively participated in various community-driven initiatives, including tree plantation drives, preventive healthcare campaigns and safety awareness programs. Their dedication reflects our collective commitment to social responsibility and environmental sustainability.





21
doorstep medical camps conducted

8
villages covered

10,000+
individuals benefited



Customer Recognition



TOYOTA
Best Kaizen on Theme Based Activity



NISSAN MOTORS
Supplier Quality Award



KIA MOTORS
Appreciation Award

Excellence in Quality



KAIZEN FOR COST REDUCTION
CII National



QUALITY - CASE STUDY
CII New Delhi



KAIZEN CONTEST
ACMA – NR



ACMA – NR



QCFI – Chennai



QCFI – National level



QCFI – Puduchery

Environmental, Social and Governance (ESG)



Environmental, Social and Governance (ESG) principles are at the core of Rico's vision for sustainable and responsible growth. They provide the foundation for integrating sustainability into business strategy, enabling the Company to evaluate its environmental and social impacts, uphold strong governance practices, and identify emerging risks and opportunities that drive long-term value creation.

Rico has undertaken a comprehensive assessment of its Greenhouse Gas (GHG) emissions as part of its sustainability journey. Rico is driving the transition to lower-carbon operations by phasing out high-carbon fuels through the elimination of Furnace Oil (FO), replacing Light Sulphur Heavy Stock (LSHS) with biodiesel, converting PNG-based furnaces to Electric Arc Furnaces (EAF), replacing R-22 refrigerants with R-32 systems, introducing Compressed Biogas (CBG) blending in PNG, increasing biodiesel blending in High-Speed Diesel (HSD), and progressively electrifying its corporate fleet.

The Company has strengthened its renewable energy portfolio through multiple Power Purchase Agreements (PPAs) and on-site solar installations, while planning to further expand renewable electricity procurement in line with the ongoing decarbonization of India's electricity grid. The Company also assessed emissions inventory across its value chain. This has provided greater visibility into indirect emissions, identifying key emission hotspots, strengthen supplier engagement and prioritize value chain decarbonization opportunities. On these insights, Rico has developed a decarbonization roadmap.

Beyond climate action, Rico continues to advance its ESG agenda through responsible water stewardship, waste management, product innovation and meaningful community engagement.

Rico is committed to continuously strengthening its ESG performance and embedding sustainability across its operations and value chain. Through responsible governance, strategic climate action and collaborative stakeholder engagement, the Company aims to create lasting value for its stakeholders while contributing to a more sustainable, resilient and responsible future.

Environment, Health & Safety (EHS)



Safety, Health, and Environmental responsibility are not just compliance obligations but integral to Rico's sustainability, strategy and business excellence. We are committed to providing a safe and healthy workplace through effective risk management, robust management systems supported by established safety protocols, The Company strengthened its safety management framework through proactive hazard identification, risk assessments, workplace inspections, and regular safety audits. Our focus remains on preventing incidents, protecting the environment, and promoting the well-being of all employees, contractors, and stakeholders. All manufacturing facilities within the RICO Group are certified under ISO 14001 reflecting our commitment to globally recognized EHS practices.

Employee health and wellbeing remain an important focus area of the Company through periodic health check-up camps, awareness sessions on preventive healthcare, nutrition, fitness, and mental wellbeing. Employees are also encouraged to participate in sports and recreational activities through the Company's well-equipped sporting facilities, supporting physical fitness and overall wellbeing.

We recognize that a sustainable future depends on maintaining the highest standards of safety, health, and environmental stewardship. We continuously invest in safety management systems, employee awareness, and risk mitigation measures to protect our workforce, ensure operational resilience, and support sustainable business growth.

Team & Corporate Information

Board of Directors

Arvind Kapur	Chairman, CEO & MD
Sarita Kapur	Independent Director
Hemal Bharat Khandwala	Independent Director
Yogesh Kapur	Independent Director
Prabhakar Kadapa	Independent Director
Kanav Monga	Independent Director
Shikha Kapur	Non-Executive Director
Rajiv Kumar Miglani	Executive Director
Kaushalendra Verma	Executive Director
Samarth Kapur	Executive Director

Rico Executive Committee (REC)

Rajiv Kumar Miglani	Sachinder Kaul
Kaushalendra Verma	Shalinder Rathi
Samarth Kapur	B K Jain
Naveen Sorot	Sanjay Bhat
Abhishek Kulshrestha	

Advisor

O P Aggarwal

Chief Financial Officer

Naveen Sorot (w.e.f. 13.11.2025)
Rakesh Kumar Sharma (Upto 12.11.2025)

Company Secretary and Compliance Officer

Ruchika Gupta
FCS No. 6456

Bankers / Lenders

Axis Bank Limited
Axis Finance Limited
Bajaj Finance Limited
HDFC Bank Limited
ICICI Bank Limited
Karnataka Bank Limited
Kotak Mahindra Bank Limited
Shinhan Bank
State Bank of India
Yes Bank Limited

Auditors

B S R & Co. LLP
Chartered Accountants
Gurugram, India

Internal Auditors

Grant Thornton Bharat LLP
Gurugram, India

Secretarial Auditors

P&G Associates
New Delhi, India

Registered & Corporate Office

38 KM Stone, Delhi-Jaipur Highway,
Gurugram - 122001, Haryana, India
CIN : L34300HR1983PLC023187
website: www.ricoauto.in

Registrar & Transfer Agent

MCS Share Transfer Agent Limited
179-180, 3rd Floor, DSIDC Shed, Okhla Industrial Area, Phase I, New Delhi - 110020, India

RICO AUTO INDUSTRIES LIMITED

CIN: L34300HR1983PLC023187
Regd. & Corp. Office: 38 KM Stone, Delhi-Jaipur Highway, Gurugram - 122001, Haryana
Tel: +91 124 2824000, Fax: +91 124 2824200, E-mail: cs@ricoauto.in, Website: www.ricoauto.in

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 43rd ANNUAL GENERAL MEETING ('AGM') of the Members of RICO AUTO INDUSTRIES LIMITED ('the Company') will be held on Tuesday, the 8th day of September, 2026 at 12.00 Noon through Video Conferencing ('VC')/Other Audio-Visual Means ('OAVM') to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt:
   a) the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2026 together with the reports of Directors' and Auditors' thereon; and
   b) the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2026 together with the Reports of Auditors' thereon.
2. To declare a dividend @ 55 per cent i.e. ₹0.55 (Fifty five paise) per Equity Share of ₹1/- each for the financial year ended 31st March, 2026.
3. To appoint a Director in place of Shri Samarth Kapur (DIN:01525517), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

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

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

   "Resolved that pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Cost records and Audit) Rules, 2014 and the Companies (Audit and Auditors) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], the total remuneration of ₹2.25 lakhs (Rupees Two lakhs twenty five thousand only) plus applicable taxes and out of pocket expenses, if any, payable to M/s. MM & Associates, Cost Accountants (Firm Registration No. 000454), appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year 2026-27 be and is hereby ratified and approved."

   "Resolved further that the Board of Directors or the Company Secretary of the Company be and are hereby authorized to do all such acts, deeds, matters, things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By Order of the Board
for **Rico Auto Industries Limited**

Ruchika Gupta
Company Secretary
FCS No. 6456

Place : Gurugram
Date : May 29, 2026

NOTES:

1. The Ministry of Corporate Affairs ("MCA") has vide its Circular nos. 20/2020 14/2020, 17/2020, 02/2021,02/2022, 10/2022, 09/2023, 09/2024, the latest being 03/2025 dated 22nd September, 2025 and the Securities Exchange Board of India ("SEBI") vide its circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated 3rd October, 2024, other applicable circulars issued in this regard, (hereinafter collectively referred to as "the Circulars"), the companies are permitted to hold Annual General Meeting through Video Conferencing (VC) or Other Audio Visual Means (OAVM) till further orders. Accordingly, the 43rd AGM is being held through VC/OAVM on Tuesday, 08th September, 2026 at 12.00 Noon (IST). The deemed venue of the AGM shall be the Registered Office of the Company.
2. Since this AGM will be conducted through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of Proxies by the Members will not be available for this AGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.
3. Representatives of the Corporate Members may be appointed for the purpose of voting through remote e-voting, for participation in the 43rd AGM through VC/OAVM Facility and e-voting during the AGM. Corporate Members intending to attend the AGM are required to send a duly certified copy of the Board Resolution authorizing their representative(s) to attend and vote at this AGM by e-mail at **csmilanmalik@gmail.com** or **cs@ricoauto.in.**
4. Quorum will be counted as one vote for every Client Id/Folio Number irrespective of the number of joint holders.
5. Attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. The Director seeking appointment is not debarred from holding the Office of Director pursuant to any SEBI Order. The information/details as required by the Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on General Meetings in respect of Director seeking appointment at ensuing 43rd AGM are given in Annexure-A.
7. The Explanatory Statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013 and SEBI Listing Regulations, concerning the Special Business in the Notice is annexed and forms part of this Notice.
8. The Members can join the AGM in the VC/OAVM mode 30 minutes before the scheduled time of commencement of the AGM by following the procedure mentioned elsewhere in the Notice.

9. The Register of Members and the Share Transfer Books of the Company will remain closed from 02nd September, 2026 to 08th September, 2026 (both days inclusive).

10. Dividend as recommended by the Board of Directors for the financial year ended 31st March, 2026, when declared at the AGM, will be paid:

    a) to those Members whose names appear in the Register of Members of the Company on 01st September, 2026; and

    b) in respect of shares held in electronic form, to those Beneficial Owners whose names appear in the statements of beneficial ownership furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), at the end of business hours on 01st September, 2026.

    The dividend will be paid, subject to deduction of tax at source, within 30 days from the date of declaration.

11. Pursuant to the Income Tax Act, 2025, dividend income will be taxable in the hands of shareholders and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. The shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company/Registrar and Transfer Agent (in case of shares held in physical mode) and Depositories (in case of shares held in demat mode).

    Resident individual shareholders who are not liable to pay income tax can submit a yearly declaration in Form No.121 along with a self-attested copy of their Permanent Account Number (PAN) card, to avail the benefit of non-deduction of tax at source by sending to the Company at **cs@ricoauto.in** by 01st September, 2026 up to 5.00 P.M. (IST). Shareholders are requested to note that in case their PAN is not registered or having invalid PAN, the tax will be deducted at a higher rate of 20 per cent. Further, no TDS is required to be deducted, if aggregate dividend distributed or likely to be distributed during the financial year to resident individual shareholder does not exceed ₹10,000/- (Rupees Ten thousand only).

    Non-resident shareholders [including Foreign Institutional Investors (FIIs)/Foreign Portfolio Investors (FPIs)] can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 41, any other document which may be required to avail the tax treaty benefits. The aforesaid declarations and documents are required to be sent to the Company at **cs@ricoauto.in** by 01st September, 2026 upto 5.00 P.M. (IST). Further, TDS will be deducted at the rate prescribed in the lower tax withholding certificate issued under Section 393(2) of the Income Tax Act, 2025, if such valid certificate is provided.

    For details, members may refer to "Communication on TDS on Dividend Distribution" appended to this Notice of 43rd AGM.

12. In order to facilitate receipt of dividend directly in your bank account, shareholders are requested to ensure that their bank account details in their respective demat accounts / physical folios are updated and KYC compliant to enable the Company to make timely credit of dividend in their bank accounts.

    Pursuant to SEBI Master Circular dated February 6, 2026 issued to the RTA read with other related SEBI Circulars and Regulation 12 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, SEBI has mandated that dividend shall be paid only through electronic mode. Such payment to the eligible shareholders holding physical shares shall be made only after they have furnished their PAN, Choice of Nomination(optional), Contact Details (Postal Address with PIN and Mobile Number) Bank Account Details and Specimen Signature for their corresponding physical folios to the Company or the RTA. For shareholders holding shares in dematerialized form, bank details shall be updated with their depository participant.

13. a) Pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013 (the Act), the amount of dividend which remains unpaid/unclaimed for a period of 7 years is required to be transferred to the "Investor Education and Protection Fund" (IEPF). As such, Member(s) who have not yet encashed their dividend are requested in their own interest to write to the Company for claiming outstanding dividend declared by the Company from the financial year 2018-19 or any subsequent financial years. It may be noted that once the unclaimed dividend is transferred, on the expiry of seven years, to the IEPF, as stated herein, no claim shall lie against the Company in respect thereof.

    The amount of unpaid or unclaimed dividend of the financial year ended 31st March, 2018 and interim dividend of the financial year 2018-19, have already been transferred to the IEPF.

    b) Pursuant to Rule 5(8) of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, your Company has uploaded the details of amount of Dividend lying unclaimed/unencashed as on 31st March, 2025, on the website of MCA as well as on its own website: **https://www.ricoauto.in/investor-relation.html.**

    c) Attention is drawn to the provisions of Section 124(6) of the Companies Act, 2013, read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 which require a Company to transfer all shares in respect of which dividends has not been paid or claimed for 7 (seven) consecutive years or more to the Demat Account of IEPF Authority.

    Accordingly, the Company during the financial year 2025-26 had transferred 65430 shares pertaining to the financial year 2017-18 to the IEPF Authority within the stipulated time period.

    The Company has uploaded details of shares transferred to IEPF Authority on the website of the IEPF Authority viz. **www.iepf.gov.in** and on the website of the Company at **https://www.ricoauto.in/details-shares-transferred-due-transfer-IEFF.html**. Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back by following the required procedure given on the website of the IEPF Authority **http://www.iepf.gov.in/IEPF/refund.html.**

    Further, all the Members who have not claimed/encashed their dividends in the last seven consecutive years from 2019 are requested to claim the same. The concerned Members are requested to verify the details of their unclaimed amounts, if any, from the website of the Company and IEPF and write to the Company or the Company's Registrar before the same becoming due for transfer to the IEPF Authority. Please note that no claim shall lie against the Company in respect of the shares so transferred to IEPF Authority.

14. Members must quote their Folio No./DPID/Client Id No. and contact details such as e-mail Id, Mobile No./Phone No. etc. in all correspondence with the Company/RTA. Members are also requested to notify change in their contact details, if any.

15. Mandatory update of PAN, KYC and Nomination details and linking of PAN and Aadhaar by holders of shares in physical form: SEBI, vide its circular dated November 03, 2021 (subsequently amended by circulars dated December 14, 2021, March 16, 2023 and November 17, 2023) mandated that the security holders (holding securities in physical form), whose folio(s) do not have PAN or Choice of Nomination or Contact Details or Mobile Number or Bank Account Details or Specimen Signature updated, shall be eligible for any payment including dividend, interest or redemption in respect of such folios, only through electronic mode with effect from April 01, 2024 upon completion/submission of the requisite documents/ details in entirety. Copies of relevant forms are available on the website of the Company at **https://ricoauto.in/investor/Procedure%20Update%20PAN-KYC%20Form%20ISR-1-2-3-and-SH-13-14.pdf** **or** of the Company's RTA at **www.mcsregistrars.com.**

    In case of any query/assistance, Members are requested to contact the Company's RTA, M/s. MCS Share Transfer Agent Limited, 179-180, DSIDC Shed, 3rd Floor, Okhla Industrial Area, Phase-1, New Delhi - 110020. (Phone No. 011-41406149-52; Email: **helpdeskdelhi@mcsregistrars.com**).

16. Members who have still not registered/updated their email IDs, are requested to do so at the earliest, in the following manner:

    a) Members holding shares in physical mode are requested to register/update their email IDs by submitting duly filled and signed Form ISR-1 with the Company or Company's RTA.

    b) Members holding shares in dematerialized mode are requested to register/update their e-mail address with the Depository through their Depository Participant(s).

17. Dematerialisation of physical shares: SEBI, vide its circular dated 25th January, 2022 had clarified that listed companies, with immediate effect, shall issue the securities in dematerialized form only while processing investor service request pertaining to issuance of duplicate share certificate, exchange of securities, endorsement, subdivision/ consolidation of share certificates etc. As per SEBI circular no. HO/38/13/(3)2026-MIRSDPOD/I/3763/2026 dated 30th January, 2026, the requirement of issuance of a Letter of Confirmation ("LOC") by the Company/ RTA has been dispensed with for the aforesaid investor service requests with effect from 2nd April, 2026. Accordingly, securities will be credited directly to the shareholder's demat account upon submission of latest Client Master List with duly filled demat conversion request form to the Registrar & Share Transfer Agent (RTA). In view of this as also to eliminate all risk associated with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holding to dematerialized form. Members can contact the Company or Registrar & Share Transfer Agent, M/s. MCS Share Transfer Agent Limited for assistance in this regard. Members holding shares in physical form are requested to notify immediately any change in their address/mandate/bank details to the Company or to the office of the Registrar & Share Transfer Agent, M/s. MCS Share Transfer Agent Limited quoting their folio number.

    Pursuant to SEBI Circular No. SEBI/HO/38/13/11(2)2026-MIR SD-POD/I/3750/2026 dated 30th January, 2026, shareholders are hereby informed that a special window has been opened for a period of one year, from 5th February, 2026 to 4th February, 2027 to facilitate re-lodgment of transfer requests and dematerialization of physical shares.

18. SEBI vide Circular nos. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated July 31, 2023 and SEBI/HO/ OIAE/ OIAE_IAD-1/P/CIR/2023/135 dated August 4, 2023 read with master circular no. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/145 dated August 11, 2023, had issued guidelines towards an additional mechanism for investors to resolve their grievances by way of Online Dispute Resolution ('ODR') through a common SMART ODR portal. Pursuant to above mentioned circulars, post exhausting the option to resolve their grievance with the Company/its Registrar and Share Transfer Agent directly and through existing SCORES platform, the investors can initiate dispute resolution through the SMART ODR Portal (**https://smartodr.in/login**) and the same can also be accessed through our website at **https://www.ricoauto.in/investor-relation.html**. Members can access the SEBI Circulars on the website of SEBI at **https://www.sebi.gov.in.**

19. All the documents referred in the Notice and the Explanatory Statement shall be available for inspection through electronic mode. All shareholders will be able to inspect all documents referred to in the Notice electronically without any fee from the date of circulation of this Notice up to the date of AGM. Members seeking inspection of such documents can send an e-mail to **cs@ricoauto.in.**

20. The extract of the Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which Directors are interested under Section 189 of the Companies Act, 2013 will be available electronically for inspection during the AGM upon login to NSDL e-voting system at **www.evoting.nsdl.com.**

21. Pursuant to the MCA Circulars and SEBI Circular, the Notice of the 43rd AGM and the Annual Report including the Audited Financial Statements for the financial year 2025-26 are being sent through electronic mode to those Members whose e-mail ids are registered with the Company/RTA/Depositories. A letter is being sent to those Members providing the web-link, for assessing the Notice of the AGM and the Annual Report is available to those shareholder(s) who have not registered their email addresses. Members may note that the Notice and Annual Report will also be available on the website of the Company at **https://ricoauto.in/annual-reports.html,** websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at **www.bseindia.com** and **www.nseindia.com** respectively and on the website of NSDL at **www.evoting.nsdl.com.** Any Member/s requiring the hard copy of Annual Report may kindly send an email to **cs@ricoauto.in** or send a duly signed request in original at the Registered Office of the Company.

22. In compliance with the provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management

and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended to date, and the Circulars issued by the MCA and SEBI, the Company is also pleased to provide to its Members, a facility to exercise their right to vote on resolutions proposed to be considered and passed at the ensuing 43rd AGM by electronic means and the business may be transacted through remote e-voting services. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by the Member using remote e-voting system as well as voting on the date of the AGM will be provided by NSDL.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING ANNUAL GENERAL MEETING ARE AS UNDER:

A) The remote e-voting period commences on 05th September, 2026 (9.00 a.m. IST) and ends on 07th September, 2026 (5.00 p.m. IST). During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 01st September, 2026 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.

B) The Members who have already cast their votes through remote e-voting may attend the meeting but shall not be entitled to cast their votes again at the AGM.

C) The Member(s) who receives an e-mail from NSDL (for Members whose e-mail addresses are registered with the Company/RTA/Depositories) is advised to take the following steps for casting his/her vote by remote e-voting:

The process and manner for remote e-voting are as under:

How to cast vote electronically using NSDL e-voting system?

The way to cast vote electronically on NSDL e-voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-voting system https://www.evoting.nsdl.com

A) Login method for e-voting for Individual shareholders holding securities in demat mode:

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

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

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	1. Existing **IDeAS** user can visit the e-services website of NSDL viz. **https://eservices.nsdl.com** either on a Personal Computer or on a mobile. On the e-services home page click on the **"Beneficial Owner"** icon under "**Login**" which is available under 'IDeAS' section, this will prompt you to enter your existing User Id and Password. After successful authentication, you will be able to see e-voting services under value added services. Click on "Access to e-voting" under e-voting services and you will be able to see e-voting page. Click on Company name or e-voting service provider i.e. NSDL and you will be re-directed to e-voting website of NSDL for casting your vote during the remote e-voting period. 2. If you are not registered for IDeAS e-services, option to register is available at **https://eservices.nsdl.com.** Select "Register Online for IDeAS Portal" or click at **https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp** 3. Visit the e-voting website of NSDL. Open web browser by typing the URL: **https://www.evoting.nsdl.com** either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You have to enter your User Id (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on Company name or **e-voting service provider i.e. NSDL** and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting and voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App **"NSDL Speed-e"** facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi/ Easiest, they can login through their user Id and password. Option will be made available to reach e-voting page without any further authentication. The URL for users to login to Easi/Easiest are **https://web.cdslindia.com/myeasi/home/login** or **www.cdslindia.com** and click on New System **Myeasi.** 2. After successful login of Easi/Easiest the user will be also able to see the e-voting Menu. The Menu will have links of **e-voting service provider** i.e. **NSDL.** Click on **NSDL** to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at **https://web.cdslindia.com/myeasi/Registration/EasiRegistration** 4. Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN No. from a link in **www.cdslindia.com** home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP i.e. **NSDL** where the e-voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. Upon logging in, you will be able to see e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on Company name or e-voting service provider i.e. NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at **evoting@nsdl.com** or call at no.**022-48867000**
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at **helpdesk.evoting@cdslindia.com** or contact at toll free no.**1800 22 55 33**

B) Login Method for e-voting shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode:

How to Login to NSDL e-voting website?:

I. Visit the e-voting website of NSDL. Open web browser by typing the URL: **https://www.evoting.nsdl.com** either on a personal computer or on a mobile.

II. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholders/ Member' section.

III. A new screen will open. You have to enter your User Id, Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL e-services i.e. IDeAS, you can login at **https://e-services.nsdl.com** with your existing IDeAS login. Once you login to NSDL e-services after using your login credentials, click on e-voting and you can proceed to Step 2 i.e. cast your vote electronically.

IV. Your User Id details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User Id is:
a) For Members who hold shares in demat account with NSDL	8 Character DP Id followed by 8 Digit Client Id. For example if your DP Id is IN300*** and Client Id is 12****** then your user Id is IN300***12******
b) For Members who hold shares in demat account with CDSL	16 Digit Beneficiary Id. For example if your Beneficiary ID is 12********** then your user ID is 12**********
c) For Members holding shares in Physical Form	EVEN Number followed by Folio Number registered with the Company. For example if folio number is 001*** and EVEN is 140796 then user ID is 140796001.

V. Your password details are given below:

a) If you are already registered for e-voting, then you can use your existing password to login and cast your vote.

b) If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

i) If your e-mail Id is registered in your demat account or with the Company, your 'initial password' is communicated to you on your e-mail Id. Trace the e-mail sent to you from

NSDL from your mailbox. Open the e-mail and open the attachment i.e. a pdf file. The password to open the pdf file is your 8-digit Client Id for NSDL account, last 8 digits of Client Id for CDSL account or folio number for shares held in physical form. The pdf file contains your 'User Id' and your 'Initial Password'.

ii) The Member(s) whose e-mail Id is not registered with the Company/Depository Participants, and they are not having their user Id and password, may obtain a login Id and password for casting his/her vote by remote e-voting by sending a request at evoting@nsdl.co.in or by contacting NSDL at the toll free no.1800-1020-990 mentioning their Demat Account No./Folio No.

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

a) Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on **www.evoting.nsdl.com.**

b) **Physical User Reset Password?"** (If you are holding shares in physical mode) option available on **www.evoting.nsdl.com**.

c) If you are still unable to get the password by aforesaid two options, you can send a request at **evoting@nsdl.co.in** mentioning your demat account number/folio number, your PAN, your name and your registered address.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.

VII. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

VIII. Now, you have to click on "Login" button.

IX. After you click on the "Login" button, Home page of e-voting will open.

Step 2: Cast your vote electronically on NSDL e-voting system:

How to cast your vote electronically on NSDL e-voting system?

I. After successful login at Step 1, you will be able to see all the Companies "EVEN" in which you are holding shares and whose voting cycle is in active status.

II. Select "EVEN" of Rico Auto Industries Limited which is 140796. You wish to cast your vote during the remote e-voting period and casting your vote during the AGM. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".

III. Now you are ready for e-voting as the voting page opens.

IV. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

V. Upon confirmation, the message "Vote cast successfully" will be displayed.

VI. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

VII. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for Shareholders:

I. Institutional Shareholders (i.e. other than Individuals, HUF, NRI etc.) are requested to send scanned copy (PDF/JPEG Format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote and attend the AGM, to the Scrutinizer through e-mail at **csmilanmalik@gmail.com** with a copy marked to **evoting@nsdl.co.in**. Institutional Shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution/Power of Attorney/Authority Letter etc. by clicking on "Upload Board Resolution/Authority Letter" displayed under "e-voting" tab in their login.

II. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on **www.evoting.nsdl.com** to reset the password.

III. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of **www.evoting.nsdl.com** or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request at **evoting@nsdl.co.in.**

Process for those shareholders whose e-mail Ids are not registered with the Depositories/Company for procuring user Id and password and registration of e-mail Ids for e-voting for the resolutions set out in this notice:

I. In case shares are held in physical mode please provide Folio No., Name of Shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by e-mail to **cs@ricoauto.in.**

II. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary Id), Name, client master or copy of Consolidated Account Statement, PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhaar Card) to **cs@ricoauto.in**. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at Step 1 (A) i.e. Login method for e-voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

III. Alternatively, Members may send a request to **evoting@nsdl.co.in** for procuring user id and password for e-voting by providing above mentioned documents.

Instructions for e-voting on the day of the AGM are as under:

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

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

III. Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

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

Instructions for Members attending the AGM through VC/ OAVM are as under:

I. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-voting system. Members may access by following the steps mentioned above for Access to NSDL e-voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the notice to avoid last minute rush.

II. Members are encouraged to join the Meeting through Laptops for better experience. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

III. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

IV. Members who would like to express their views/ask questions during the meeting will be required to register themselves as speaker by sending their request from their registered e-mail Id, mentioning their name, DP Id and Client Id/Folio Number, Mobile Number etc. at **cs@ricoauto.in** by 01st September, 2026.

V. Only those Members who have registered themselves as speaker by 5.00 PM on 01st September, 2026 will be able to speak at the meeting depending on availability of time.

VI. Further, Members who would like to have their questions/ queries responded during the AGM are requested to send such questions/queries in advance within the aforesaid date and time, by following similar process as stated above.

D) The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital in the Company as on cut-off date i.e. 01st September, 2026.

E) A person, who acquire shares of the Company and become Member of the Company after the Company sends the Notice of 43rd AGM by e-mail and holds shares on cut-off date i.e. 01st September, 2026 may obtain login Id and password by sending a request at **evoting@nsdl.co.in**.

F) A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through e-voting.

G) The e-voting process shall be conducted and scrutinized and report thereon will be prepared in accordance with the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014.

H) Shri Milan Malik (C.P. No.16614, FCS No.9888), Partner Lexnexus Corporate Solutions LLP failing him Shri Subhash Chander Setia (C.P. No. 23681, FCS No. 3019), Partner Lexnexus Corporate Solutions LLP has been appointed by the Board of Directors of the Company as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

I) The Chairman shall, at the AGM, at the end of discussion on the resolutions allow e-voting, for all those Members who are participating in the AGM but have not cast their votes through the remote e-voting facility.

J) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-voting in presence of 2 (two) witnesses, who are not in employment of the Company and shall make, within two working days of the conclusion of the AGM, a Consolidated Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company **https://www.ricoauto.in/AGM.html** and on the website of NSDL www.evoting.nsdl.com and the same shall be communicated to the BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No.4

Ratification of Remuneration payable to the Cost Auditors

The Company is required, under the provisions of Section 148(3) of the Companies Act, 2013 ("the Act"), read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, to have the audit of its cost records conducted by a cost accountant in practice.

Pursuant to the provisions of Section 148(3) of the Companies Act, 2013 (the Act) read with the Companies (Cost Records and Audit) Rules, 2014 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force), the Board of Directors of the Company based on the recommendation of the Audit Committee, at its meeting held on 29th May, 2026, has approved the appointment of M/s. MM & Associates, Cost Accountants (Firm Registration No. 000454), as the Cost Auditors of the Company to conduct audit of cost records of the Company for the financial year 2026-27 on a total remuneration of ₹2.25 lakhs (Rupees Two lakhs twenty five thousand only) plus applicable taxes and out of pocket expenses, if any. The remuneration payable to the Cost Auditors is required to be ratified by the Members in accordance with the provisions of the Act and Rules made thereunder. Accordingly, the consent of the Members is being sought for ratification of the remuneration payable to Cost Auditors for the financial year 2026-27.

None of the Directors and Key Managerial Personnel of the Company or their relatives, is concerned or interested, financially or otherwise, in the proposed resolution.

The Board, therefore, recommends the Ordinary Resolution as set out at Item No.4 for approval of Members.

By Order of the Board
for **Rico Auto Industries Limited**

Ruchika Gupta
Company Secretary
FCS No. 6456

Place : Gurugram
Date : May 29, 2026

Annexure-A

Disclosure under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on General Meetings

Name of the Director	**Shri Samarth Kapur**
DIN	01525517
Date of Birth	30/03/1988
Date of First Appointment on the Board	26/08/2022
Qualifications	B.Com. from GGDSD College, Chandigarh and Masters in Global Business Management from The University of Manchester, U.K.
Expertise in Specific Functional Area	Operation, Engineering, Manufacturing, Management in the Automotive and Engineering Industry and is well versed in all aspects of planning and general administration.
Terms and Conditions of Appointment	Re-appointed for Two years commencing from 26th August, 2025 to 25th August, 2027.
List of Directorships in other Companies	1. Rico Jinfei Wheels Limited 2. Mirah Belle Naturals Pvt. Ltd. 3. Mirah Belle Naturals & Apothecary Pvt. Ltd.
Chairman/Member of the Committee of the Board of Directors of Public Companies	**Rico Auto Industries Limited** Member of Stakeholders Relationship Committee **Rico Jinfei Wheels Limited** Member of Finance Committee
Shareholding in the Company	194800 (0.14%) Equity Shares of ₹1/- each
Remuneration Last drawn (During the year 2025-26)	Nil from the Company. However, remuneration was received from Rico Jinfei Wheels Limited
Remuneration to be Paid (During the year 2026-27)	Nil from the Company. The remuneration is proposed to be paid by Rico Jinfei Wheels Limited
Relation with other Directors/Key Managerial Personnel of the Company	Nephew of Shri Arvind Kapur
No. of Board Meetings Held/Attended during the year 2025-26	5/5

COMMUNICATION ON TAX DEDUCTION AT SOURCE (TDS) ON DIVIDEND DISTRIBUTION

As you may be aware, dividend income has been taxable in the hands of shareholders since April 1, 2020 under the provisions of Finance Act, 2020. In terms of the provisions of the Income-tax Act, 2025 ('the Act') read with the relevant Income-tax Rules, 2026 ('the Rules'), which have come into effect from April 1, 2026, the Company is required to deduct tax at source ('TDS') for Tax Year (TY) 2026-27 on the distribution of dividend income to its shareholders at the applicable rates as per the provisions of the Act as follows:

I. FOR RESIDENT SHAREHOLDERS:

For resident shareholders, the tax will be deducted at source under Section 393(1) (Table: Sl. No. 7) read with Section 393(4) (Table: Sl. No. 10) of the Act @ 10% on the amount of dividend payable, provided a valid Permanent Account Number ('PAN') is submitted by the shareholder. Shareholders are requested to update their PAN, if not already done, with the depositories (in case of shares held in Demat mode) and with the Company's Registrar and Transfer Agent ('RTA') - MCS Share Transfer Agent Limited (in case of shares held in physical mode). In absence of a valid PAN, or if PAN is not linked with Aadhaar, taxes would be deducted @ 20% as per Section 397 of the Act.

a. Resident individual shareholders:

Where the shareholder holds a valid PAN, no tax shall be deducted on the dividend payable to resident individuals, if –

i. Total dividend distributed or paid or likely to be distributed or paid by the Company to the shareholder during TY 2026-27 previous year does not exceed ₹10,000/-. In other words, if the aggregate dividend (viz. all dividends like final, interim, special, etc., already paid or likely to be paid, put together) exceeds ₹10,000/- during TY 2026-27, tax will be deducted on the aggregate amount, including dividend already paid, if any;

ii. The shareholder, being an individual, provides a valid declaration in Form 121 - Part A, provided all the required eligibility conditions are met. Please note that all fields are mandatory, and the Company may, at its sole discretion, reject the form if it does not fulfil the requirements of law.

As per Section 397(2) of the Act, Form 121 would not be valid if it does not contain a valid PAN, or if the PAN is not linked with Aadhaar within the stipulated timelines.

Note: With the Income-tax Act, 2025 and Income-tax Rules, 2026 having come into effect from April 1, 2026, a single form, Form 121, has replaced the erstwhile Forms 15G and 15H. Shareholders are requested to submit Form 121 for TY 2026-27. Any declaration submitted in the erstwhile Forms 15G/15H will not be accepted for TY 2026-27.

iii. The new taxation regime under Section 202 of the Act is the default tax regime as per Income Tax Provisions. Accordingly, we shall consider the forms for exemption only in cases where estimated total income for individual whose age is below 60 years is <= H 4,00,000 and in case of individual exceeding age of 60 years is <= H 12,00,000 as per provisions of Section 393(6) of the Act.

In case shareholders do not have a PAN/have an invalid PAN/PAN is not linked with Aadhaar (inoperative PAN)/have not registered valid PAN details, TDS at a higher rate of 20% shall be applicable as per Section 397(2) of the Act, irrespective of the ₹10,000/- threshold.

Shareholders are advised to link Aadhaar with PAN as required under Section 262(6) of the Act read with Rule 162 of the Rules. If PAN is found not linked with Aadhaar within the stipulated timelines, such PAN shall be deemed inoperative and tax will be deducted at the higher rate under Section 397(2) of the Act. The Company reserves the right to recover any demand subsequently raised on it by the Income-tax Department for incorrect information provided by the shareholder regarding applicability of Section 397(2).

b. Resident shareholders other than individuals:

In case of certain classes of resident shareholders other than individuals covered under Section 393 of the Act, no tax shall be deducted at source ('nil rate'), provided sufficient documentary evidence, along with any applicable exemption notification, is submitted to the satisfaction of the Company. This illustratively includes:

i. Insurance Companies - Self-declaration under Section 393(4) (Table: Sl. No. 10) confirming full beneficial interest in the shares, along with self-attested PAN and IRDA

ii. Mutual Funds - Self-declaration confirming coverage under Schedule VII (Table: Sl. No. 20/21) of the Act, along with self-attested PAN and SEBI registration certificate;

iii. Alternative Investment Funds (AIF) - Self-declaration confirming exemption under Schedule V (Table: Sl. No. 1) and SEBI Category I/II registration, along with self-attested

iv. NPS Trust - Self-declaration confirming exemption under Section 393(9), along with self-attested PAN;

v. Corporations established under a Central Act - Self-declaration specifying the Central Act and exemption under the Act, along with self-attested PAN;

vi. Other resident non-individual shareholders exempted under Section 393 - attested PAN along with documentary evidence supporting the exemption.

Application of the nil rate will depend on the completeness of documents submitted and is subject to the Company's satisfaction.

Notwithstanding the above, where resident shareholders provide a certificate under Section 395(1) of the Act for lower/NIL withholding, the rate specified in the certificate shall be considered, provided the shareholder states the Company's TAN as RTKR01725D while applying, and the certificate is valid for TY 2026-27 and covers dividend income from the Company. A self-attested copy of the PAN card should also be shared along with the certificate.

II. NON-RESIDENT SHAREHOLDERS INCLUDING FPIs/FIIs AND SPECIFIED FUNDS ('NON-RESIDENT PAYEE'):

i. Tax is required to be withheld as follows:
- Section 393(2) (Table Sl. No. 17) - at rates in force;
- Section 393(2) (Table Sl. No. 15) read with Note 2(1) to Section 393(2), for FPIs/FIIs - @ 20% plus applicable surcharge and cess;
- Section 393(2) (Table Sl. No. 16), for specified funds under Schedule VI [Note 1(g)] - @ 10% plus applicable surcharge and cess.

ii. FIIs/FPIs/Specified Funds covered under Section 393(2) must provide supporting documents along with self-attested PAN and registration certificate.

iii. As per Section 159 of the Act, non-resident payees, FPIs, and FIIs have the option to be governed by the provisions of the applicable Double Taxation Avoidance Agreement ('DTAA') read with the Multilateral Instrument ('MLI'), if more beneficial. To avail this, the shareholder must provide:
- Self-attested PAN, if any;
- Self-attested Tax Residency Certificate ('TRC') valid as on date of payment, covering the period April 1, 2026 to March 31, 2027 (translated, notarized, and apostilled if not in English);
- Valid electronic Form 41, filed on the Income Tax Department's e-filing portal, covering the same residential period;
- A self-declaration covering matters such as treaty eligibility, continuing tax residency, beneficial ownership, absence of a Permanent Establishment in India, and Tax Identification Number with complete address.

  Note: In case of shareholders resident in a country whose DTAA contains a Limitation of Benefit (LOB) clause (e.g., Article 24 of the India-Singapore DTAA), please furnish evidence of non-applicability of the LOB clause.

iv. Where the shareholder is a tax resident of a notified jurisdictional area under Section 176(1) of the Act, tax will be deducted at 30% or the applicable rate in force, whichever is higher, as per Section 176(5).

v. Notwithstanding the above, where non-resident shareholders provide a certificate under Section 395(1) for lower/NIL withholding, the rate specified therein shall apply, provided the Company's TAN RTKR01725D is stated in the application, along with a self-attested PAN copy.

vi. Sovereign Wealth Funds/Pension Funds notified under Schedule V (Table: Sl. No. 7) must provide the CBDT notification, self-attested PAN, and self-declaration of eligibility (pension funds must also confirm compliance with Rule 282).

vii. Wholly Owned Subsidiaries of ADIA under Schedule V (Table: Sl. No. 7) must provide self-attested PAN and a self-declaration confirming UAE residency and Government of Abu Dhabi-owned funding.

viii. AIF Category III (IFSC-located)/FPI Category I - TDS @ 10% (plus surcharge/cess), subject to declaration under Section 393(2) (Table: Sl. No. 16) and self-attested PAN.

III. SHAREHOLDERS WITH MULTIPLE ACCOUNTS UNDER DIFFERENT STATUS/CATEGORY:

Where a shareholder holds shares under multiple accounts under different statuses/categories with a single PAN, the higher applicable tax rate will apply to the entire holding.

IV. MISMATCH IN CATEGORY OF SHAREHOLDER:

In case of a mismatch between the category recorded in the register of members and the fourth letter of the PAN, the Company will consider the fourth letter of the PAN for determining the applicable category and tax rate.

V. MANDATORY LINKING OF AADHAAR WITH PAN:

As per Section 262 of the Act read with Rule 162 of the Rules, shareholders eligible to obtain an Aadhaar number must mandatorily link it with their PAN, except as exempted under applicable notification. Failure to do so will render the PAN inoperative, resulting in TDS at the higher rate under Section 397(2). The Company shall assess 'inoperative PAN' status based on the functionality provided by the Income Tax Department.

VI. DECLARATION UNDER RULE 203(2) OF THE INCOME-TAX RULES, 2026:

Where dividend income is chargeable to tax in the hands of a person (holding shares on behalf of the registered shareholder, or acting as custodian) other than the registered shareholder, a declaration to that effect must be submitted under Section 390(6) of the Act read with Rule 203(2) of the Rules (format attached). On such submission, the Company will deduct tax in the name of such person, in due compliance with law.

Notes:

- All tax rates referred to above will be enhanced by applicable surcharge and cess.
- To enable determination of the appropriate TDS rate, the aforementioned documents are required to be emailed at **cs@ricoauto.in** on or before 01st September, 2026. Resident non-individual shareholders and non-resident non-individual shareholders may submit relevant forms through their respective custodians registered with NSDL for tax services, on or before the same date. No communication on tax determination/deduction shall be entertained thereafter.
- Shareholders must send original documents on request by the Company/RTA.
- Where tax is deducted at a higher rate due to non-receipt of the above details in time, shareholders may claim a refund at the time of filing their income tax return. No claim shall lie against the Company for such deduction.
- In the event of any income tax demand (including interest/penalty) arising from misrepresentation, inaccuracy, or omission by the shareholder, the shareholder shall indemnify the Company and cooperate in any appellate proceedings.
- This communication summarizes the applicable law and does not purport to be a complete analysis. Any changes in law after this communication but before payment of dividend shall apply without further communication from the Company. Shareholders should consult their own tax advisors.
- All queries in this respect should be addressed to **cs@ricoauto.in**.

  Pursuant to the amendment in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, effective November 19, 2025, "payable-at-par" warrants or cheques have been discontinued. All dividend payments will accordingly be remitted only through electronic mode; no physical warrants, cheques, or drafts will be issued. Shareholders are requested to register their email IDs, mobile numbers, signature specimen, and update their bank account details with their Depository Participant (for dematerialized holdings) or with the Company's RTA (for physical holdings), to receive electronic credit of dividends. Failure to update these details will result in non-remittance/withholding of dividend until the bank mandate and KYC process are fully completed.

  Further, in terms of the SEBI Master Circular dated February 6, 2026, shareholders who have not updated their PAN, Nomination, Contact Details, Bank Account Details, and Specimen Signature shall be eligible to lodge a grievance or avail any service request from the RTA only after completing such updation.

The required form and guidelines link can be downloaded from the website of the Company, or from the website of the Income Tax Department:

Form 121: Click Here

Guidelines for Form 121: Click Here

Form 41: Click Here

Self-declaration for Non-Residents: Click Here

Self-declaration for Non-Residents SH other than Individuals: Click Here

Self-declaration for DTAA applicability: Click Here

Declaration under Rule 203(2) of Income-tax Rules, 2026: Click Here

Disclaimer:*The information set out herein above is included for general information purposes only and does not constitute legal or tax advice. Since the tax consequences are dependent on facts and circumstances of each case, the investors are advised to consult their own tax consultant with respect to specific tax implications arising out of receipt of dividend.*

MANAGEMENT DISCUSSION & ANALYSIS

1. ECONOMIC OVERVIEW

1.1 Global Economic Overview

The global economy has remained resilient in CY 2025, though the pace of growth has moderated to around 3%. Ongoing geopolitical developments, wars and price volatility of essential resources have kept cost structures unpredictable, while tighter monetary conditions in developed markets have adversely affected the investment sentiment. Despite this, long-term shifts such as supply chain diversification, electrification, and digital adoption continue to shape the next phase of industrial growth. Throughout 2025, evolving tariff policies emerged as a key macroeconomic factor, driving disruptions in global commerce and operational planning.

Advanced economies continue to demonstrate resilience domestically but, the emerging and developing economies remain vulnerable to spillovers from reduced external demand, global disinflation efforts, and tighter financial conditions.

The global headline inflation moderated to 4.3% in 2025 and is expected to further ease to 3.6% in 2026 reflecting continued inflationary pressures arising from geopolitical developments, energy market volatility, and regional economic disparities. Inflation in advanced economies is expected to ease to 2.2% by 2026, while emerging and developing economies are projected to see inflation moderate to 4.6% by 2026.

Indian Economic Scenario

The Indian economy continued to demonstrate robust growth and resilience during the FY 2025-26, despite global economic uncertainties, geopolitical tensions, and evolving trade dynamics. India remained one of the fastest-growing major economies globally, supported by strong domestic fundamentals, prudent policy measures, and sustained structural reforms.

India recorded a strong growth trajectory with real GDP growth estimated at 7.7%, reflecting a broad-based expansion across key sectors of the economy. Growth was driven by robust private consumption, government capital expenditure, and improved investment activity. The economy benefited from strong domestic demand, which continued to offset global volatility.

India maintained its position as a leading contributor to global economic growth with GDP growth exceeding 7%, supported by manufacturing and services sector expansion.

Inflationary pressure moderated during FY 2025–26 and remained broadly within the RBI's target range, supported by easing food prices, stable supply conditions, and proactive monetary measures. The Reserve Bank of India (RBI) maintained a balanced monetary policy stance, ensuring adequate liquidity while supporting growth. Policy measures such as interest rate adjustments and GST rationalisation contributed to improved affordability and consumption. Overall, the inflation environment remained under control and supportive of economic growth.

Gross capital formation remained a key growth driver, reflecting enhanced investor confidence and long-term economic potential. India continued to strengthen its position in global value chains, supported by increasing manufacturing competitiveness, policy initiatives and expanding trade partnerships.

Outlook

The Indian economy is expected to maintain its position as one of the fastest growing major economies globally during FY 2026–27, albeit with a moderation in growth momentum compared to the previous fiscal year. Various authoritative estimates, including those from the Economic Survey, RBI, IMF, and World Bank, project real GDP growth in the range of 6.3% to 7.2% for FY 2026–27, reflecting underlying macroeconomic resilience amid global uncertainties. The growth outlook is underpinned by strong domestic demand, sustained government capital expenditure, improving private investment, and a robust services sector. Private consumption continues to be supported by rising disposable incomes and structural reforms such as tax rationalization and GST simplification. Meanwhile, investment activity is expected to gain traction due to infrastructure spending, Production Linked Incentive (PLI) schemes, and a stable financial system with healthy banking sector balance sheets.

However, the near-term outlook reflects some moderation due to adverse global developments, including geopolitical tensions, elevated crude oil prices, and slowing global trade. The Reserve Bank of India (RBI) has accordingly projected GDP growth for FY 2026–27 at around 6.6%–6.9%, highlighting risks arising from external demand weakness and cost pressures faced by domestic industries.

2. INDUSTRY STRUCTURE AND DEVELOPMENT

2.1 Global Automobile Industry

The Global Automobile Industry during FY 2025–26 continued its gradual recovery while entering a phase of structural transformation driven by electrification, digitalization, and evolving consumer preferences. Global vehicle sales demonstrated modest growth, during FY 2025-26, reaching approximately 90–92 million units, reflecting stabilization after pandemic-related disruptions, though growth remained uneven across regions due to macroeconomic challenges such as inflation, high interest rates, and geopolitical uncertainties.

The industry experienced mixed regional performance, with emerging markets such as China and India acting as key growth engines, while mature markets in North America and Europe witnessed slower expansion due to affordability constraints and policy shifts. Global car registrations increased by around 3–3.5% in 2025, supported primarily by strong demand in Asia, while developed markets showed only marginal growth.

Global Electric Vehicle (EV) sales exceeded 20 million units in 2025, accounting for nearly 25% of total car sales, At the same time, hybrid vehicles gained significant traction, emerging as a practical transition technology due to affordability considerations and infrastructure limitations.

Technological transformation remained central to the industry, with increasing adoption of Software-Defined Vehicles and Advanced Driver Assistance Systems (ADAS), although commercialization timelines remain gradual.

The sector's medium-term outlook remains driven by innovation, sustainability imperatives, and evolving mobility ecosystems, albeit influenced by macroeconomic and geopolitical headwinds.

2.2 Indian Automobile Industry

The Indian Industry recorded an overall growth of approximately 12% year-on-year, reflecting expansion across key segments including exports taking total production figure from 31 million units to 35 million units in FY 2025-26. Export volumes grew by 24% signaling towards India transforming into global hub for automotive manufacturing. Growing domestic sales is experiencing shift in customer preference towards hybrid and more sustainable tech embedded vehicles.

All segments of the auto industry are expected to maintain their growth momentum in FY 2026-27, supported by stable macroeconomic fundamentals, proactive policy interventions, and continued infrastructure development. Export demand is expected to remain strong, with 'Made in India' vehicles gaining increasing traction in global markets.

The Automotive Industry is witnessing a rapid increase in semiconductor content driven by the growing adoption of Electric Vehicles (EVs). Recognizing the strategic importance of semiconductors, the Government of India has undertaken several initiatives to strengthen the domestic semiconductor and electronics manufacturing ecosystem, including India Semiconductor Mission (ISM), capital support for semiconductor fabrication and ATMP/OSAT facilities, the Electronics Components Manufacturing Scheme (ECMS), liberal 100% Foreign Direct Investment (FDI) policy under the automatic route for electronics manufacturing.

With inflation within the RBI's target band, monetary policy is expected to gradually turn accommodative. The ongoing structural reforms, including improved subsidy targeting and rationalization of tax expenditures, are set to enhance the efficiency of public spending. Progress in logistics, digital infrastructure, and tax administration is expected to facilitate greater private sector investment.

India continues to hold its position as the fastest-growing major economy, though this growth remains supported by robust government capital expenditure.

Automobile Sales

The Indian automobile industry sustained its growth momentum supported by strong domestic demand, policy stability, infrastructure push, and a growing shift towards sustainable mobility.

Automobile Domestic Sales Trends (In Numbers)

Category	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Passenger Vehicles	27,11,457	30,69,523	38,90,114	42 18,750	43,01,848	46,43,439
Commercial Vehicles	5,68,559	7,16,566	9,62,468	9,68,770	9,58,679	10,79,871
Three Wheelers	2,19,446	2,61,385	4,88,768	6,94,801	7,41,420	8,36,231
Two Wheelers	1,51,20,783	1,35,70,008	1,58,62,771	1,79,74,365	1,96,07,332	2,17,05,974
Quadricycles	(12)	124	725	725	120	4
Grand Total	**1,86,20,233**	**1,76,17,606**	**2,12,04,846**	**2,38,57,411**	**2,56,09,399**	**2,82,65,519**

(Source: SIAM)

Exports showed encouraging trends across segments, particularly in Passenger Vehicles and Two-wheelers, reflecting rising global demand and India's manufacturing competitiveness.

Automobile Exports Trends (In Numbers)

Category	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Passenger Vehicles	4,04,397	5,77,875	6,62,891	6,72,105	7,70,364	9,05,200
Commercial Vehicles	50,334	92,297	78,645	65,818	80,751	94,793
Three Wheelers	3,93,001	4,99,730	3,65,549	2,99,977	3,06,914	4,60,567
Two Wheelers	32,82,786	44,43,131	36,52,122	34,58,416	41,98,403	51,80,429
Quadricycles	3,529	4,326	2,280	4,178	6,422	6,696
Grand Total	**41,34,047**	**56,17,359**	**47,61,487**	**45,00,494**	**53,62,884**	**66,47,685**

(Source: SIAM)

Sales Performance of Passenger Vehicles

The Passenger Vehicle (PV) segment of the Indian automobile industry continued its strong growth trajectory during FY 2025–26, supported by favourable macroeconomic conditions, improved consumer sentiment, and policy-driven cost benefits.

During the year, domestic passenger vehicle sales reached approximately 4.64 million units, registering a growth of about 7.9% over FY 2024–25. This represents the highest-ever annual sales achieved by the segment, reflecting sustained demand momentum across both urban and semi-urban markets.

The growth in Passenger Vehicle segment during the year was primarily driven by improved affordability due to reduction in financing costs and policy support such as GST rationalisation. Strong demand for Utility Vehicles (UVs) continued to dominate the segment, accounting for a major

share of total PV sales supported by new product launches with advanced features, technology integration and enhanced safety standards.

Export Performance

Exports of PV also witnessed healthy growth, reaching approx. 0.90 million units, reflecting a growth of approximately 17.5% over the previous year.

Growth in exports was driven by strong demand in emerging markets such as Latin America, Africa and the Middle East, increasing acceptance of India as a global manufacturing hub and expansion into developed markets by select OEMs.

Global Passenger Vehicle sales remained resilient during 2025, with worldwide registrations increasing by approximately 3.5% over the previous year to 77.6 million units supported by continued growth in major markets particularly China, United States, India, Japan, and Germany collectively accounting for about 67% of total motor vehicle sales.

India retained its position as the world's third-largest automotive market by vehicle sales, underscoring the country's growing importance in the global automotive industry.

Sales Performance of Two Wheelers

The Two-Wheeler (2W) segment, which constitutes the largest share of the Indian automobile market, demonstrated a strong recovery and sustained growth during the FY 2025–26, supported by improving rural demand, enhanced mobility requirements, and favourable macroeconomic conditions.

During the year, domestic two-wheeler sales reached approximately 21.7 million units, registering a robust growth of around 10.7% over FY 2024–25. This represents the highest-ever annual domestic sales volume for the segment, surpassing the pre-pandemic peak and reflecting broad-based recovery in consumer demand across urban and rural markets.

The growth of the two-wheeler segment during FY 2025–26 was driven by revival in rural demand, supported by improved agricultural income, enhanced affordability, aided by easing inflation, lower financing costs, increased mobility demand, particularly in semi-urban and rural areas.

Emerging Electric Vehicle (EV) Trends

The FY 2025–26 marked a defining phase in India's transition towards electric mobility, with the Electric Vehicle (EV) ecosystem witnessing accelerated growth, increasing market penetration, and broad-based adoption across segments. The EV industry continued to evolve from a niche segment to a mainstream mobility solution, driven by policy support, rising fuel costs, improving technology, and growing environmental awareness.

India's EV market recorded a strong growth trajectory during FY 2025–26, with total EV sales crossing 24 lakh units, reflecting a year-on-year growth of approximately 25%. EV penetration increased to around 8.5% of total vehicle sales, up from approximately 7.7% in FY 2024–25. The growth indicates a steady transition towards electrification, although penetration levels remain below long-term policy targets.

This trend reflects a structural shift in the mobility landscape, with EV adoption becoming a key driver of transformation in the automotive industry.

FINANCIAL PERFORMANCE

1. **Revenue**

   Total revenue of ₹1855.04 crore was recorded in FY26 as against revenue of ₹1641.49 crore registering a growth of 13% over the previous year. The total revenue for FY26 includes export revenue of ₹337.08 crore as against ₹326.86 crore in the previous year.

2. **Profits**

   The Company has earned Profit before Interest, Depreciation and Tax (PBIDT before exceptional item) of ₹173.69 crore during FY26 over the previous year's PBIDT of ₹164.94 crore. The Profit before Tax of ₹36.17 crore, and Profit after Tax of ₹27.32 crore, were recorded in FY26 registering a growth of 19% over the previous year. The Company remains focused on driving sustainable growth through disciplined cost optimization initiatives and the optimal utilization of its installed capacities, with the objective of enhancing operational efficiency and improving profitability.

3. **Earnings Per Share (EPS)**

   The Basic and Diluted EPS of ₹1/- paid-up share is ₹2.02 for FY26 as against ₹1.69 in the previous year.

4. **Dividend**

   The Company's Directors have recommended a Dividend @55 percent i.e. ₹0.55 per Equity Share of ₹1/- each for FY26 amounting to ₹7.44 crore on the equity share capital of ₹13.53 crore as against a dividend of 50 percent i.e. ₹0.50 per Equity Share of ₹1/- each amounting to ₹6.76 crore in the previous year on the same equity share capital.

5. **Reserves & Surplus**

   The reserves and surplus of the Company stood at ₹675.16 crore as against ₹654.37 crore in the previous year.

6. **Loan Funds**

   Total debt outstanding as on 31st March, 2026 stands at Term Loan & Buyers Credit of ₹473.16 crore and Working Capital Loan of ₹139.75 crore, aggregating to ₹612.91 crore as against Term Loan & Buyers Credit of ₹375.15 crore and Working Capital Loan of ₹178.30 crore, aggregating to ₹553.45 crore in the previous year.

7. Key Financial Ratios

Key Financial Ratios are as mentioned below:

Ratio	Measurement unit	As at 31st March, 2026	As at 31st March, 2025	Change	Remarks
		Ratio	Ratio		
Current ratio	Times	0.76	0.84	-9%	Not required
Debt-equity ratio	Times	0.90	0.84	7%	Not required
Debt service coverage ratio	Times	0.71	0.91	-22%	Not required
Return on equity ratio	Percentage	4.03%	3.46%	16%	Not required
Inventory turnover ratio	Times	4.71	3.97	19%	Not required
Trade receivables turnover ratio	Times	6.54	5.89	11%	Not required
Trade payables turnover ratio	Times	2.81	2.69	4%	Not required
Net capital turnover ratio	Times	-10.54	-14.58	-28%	Decrease in ratio is on account of increase in revenue from operations.
Net profit ratio	Percentage	1.49%	1.43%	4%	Not required
Return on capital employed	Percentage	5.99%	5.93%	1%	Not required
Return on investment	Percentage	20.10%	39.42%	-49%	Decrease in Return on investment ratio is on account of decrease in dividend income in current year.

INDIAN ACCOUNTING STANDARDS (Ind AS)

The Company, its Subsidiaries and Joint Venture are complying with the applicable Ind AS issued by the Ministry of Corporate Affairs (MCA) from time to time.

RICO EXECUTIVE COMMITTEE (REC)

The Company has an Executive Committee (REC) to provide strategic oversight and drive effective management of its day-to-day operations under the overall supervision of the Managing Director and the Board of Directors. The REC is responsible for translating the Company's strategic priorities into actionable plans, defining long-term business objectives, establishing key performance milestones, and ensuring disciplined execution across the organization.

The REC provides strategic direction, guidance, and the necessary resources to the RICO Leadership Team (RLT) to facilitate the effective implementation of short, medium and long-term business plans. Working in close coordination, the REC and RLT foster a culture of operational excellence, accountability, innovation and cross-functional collaboration, enabling the Company to respond proactively to evolving market dynamics and customer requirements.

The leadership team also plays a critical role in strengthening stakeholder engagement through transparent communication, sound governance practices and consistent execution of the Company's strategic priorities. By maintaining a strong focus on customer centricity, sustainability, risk management and operational discipline, the leadership remains committed to creating long-term value for shareholders while upholding the highest standards of corporate governance and ethical business conduct.

RISKS & CONCERNS

The Company operates in a dynamic and increasingly complex business environment characterised by evolving market conditions, global supply chain interdependencies, changing customer expectations, stringent regulatory requirements and operational risks across its manufacturing and distribution network. Macroeconomic developments, geopolitical events, technological advancements and industry-specific trends continue to influence the operating environment and have a bearing on the Company's business performance.

To effectively manage these uncertainties, the Company has established a robust Enterprise Risk Management (ERM) framework that is integrated with its strategic planning and business decision-making processes. The framework enables systematic identification, assessment, evaluation, prioritisation, mitigation and continuous monitoring of risks that could impact the achievement of the Company's strategic and operational objectives. Appropriate risk mitigation plans, internal controls and governance mechanisms are periodically reviewed to enhance organisational resilience and support sustainable business growth.

The Risk Management Committee, under the oversight of the Board of Directors, periodically reviews the Company's risk profile, evaluates emerging and existing material risks and monitors the effectiveness of mitigation measures. The Committee ensures that appropriate risk management strategies are implemented and remain aligned with the Company's risk appetite, business priorities and evolving external environment.

The Company also leverages Key Risk Indicators (KRIs) as an integral component of its risk monitoring framework. These indicators provide early warning signals and facilitate proactive management of risks across key areas, including market dynamics, supply chain resilience, operational excellence, quality, regulatory compliance, cybersecurity, information security, financial controls, and business continuity. Regular monitoring of KRIs enables timely management intervention, strengthens organisational preparedness, and supports informed decision-making, thereby reinforcing the Company's commitment to long-term value creation and sustainable growth.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company maintains a robust internal control framework over financial reporting, supported by well-defined processes, policies and procedures to ensure the accuracy, reliability and integrity of its financial statements. The framework is designed to ensure compliance with applicable laws and regulations, adherence to established processes, safeguarding of assets and prevention and detection of fraud.

The Audit Committee periodically reviews the reports of the Internal Auditors, evaluates the adequacy and effectiveness of the internal control framework and monitors the implementation

of recommendations and corrective actions. The Committee also interacts regularly with the Statutory and Internal Auditors to obtain their assessment of the Company's internal control systems and keeps the Board of Directors informed of significant observations, where appropriate.

HUMAN RESOURCES

At RICO, we firmly believe that our people are our greatest strength and the foundation of our long-term success. As the business landscape continues to evolve, we remain committed to creating a future-ready organization by investing in our workforce, strengthening capabilities, and fostering a culture that promotes innovation, inclusion, and excellence. During the year, we continued to enhance our learning and development ecosystem while accelerating the adoption of digital technologies and Artificial Intelligence across key people processes, security systems, and EHS functions. These initiatives are enabling greater efficiency, strengthening decision-making, and supporting employees in building the skills required for the future workplace.

Our commitment to Diversity, Equity and Inclusion remains integral to our people strategy. We strive to provide an environment where every employee feels respected, empowered, and valued. By focusing on the entire employee lifecycle, from onboarding and capability building to career progression, wellbeing, and rewards, we continue to strengthen employee engagement and organizational effectiveness.

A key milestone during the year was the advancement of our transformation agenda through strategic collaborations with EY, Mazars, Mynd and ICAM, which enhanced our capabilities in governance, talent management, digital learning, and workforce planning. The implementation of SAP S/4HANA under our flagship "Shifting Gears" initiative marks a significant step in our digital transformation journey, strengthening HR processes, compliance management, ESG integration, and data-driven decision-making across the organization.

Leadership development continues to remain a strategic priority. Through focused leadership interventions and enterprise-wide engagement platforms, including the India Townhall, we reinforced our renewed vision of becoming the "Trusted Engineering and Manufacturing Solutions Partner Creating Value for the Stakeholders" while aligning our teams with the aspirations of our 3X Mission 2030.

Succession planning continues to be one of our most critical talent management processes. We strongly believe in developing and nurturing homegrown leadership talent while selectively bringing in external expertise to support new capabilities and business expansion opportunities. This balanced approach enables us to maintain organizational continuity while enriching our talent pool with diverse experiences and perspectives.

In line with our growth strategy, we have continued to strengthen our talent pipeline by recruiting young engineering professionals from reputed institutions and expanding opportunities for diploma and technical graduates across our manufacturing operations. These initiatives are helping us build a skilled workforce equipped to deliver higher productivity, operational excellence, and superior quality standards. We are also leveraging emerging workforce models, including Fixed Term Employment, to enhance organizational agility and meet evolving business requirements.

Creating a culture of engagement, innovation, and sustainability remains central to our employee value proposition. Alongside our people initiatives, we continue to support environmental stewardship through programs such as reforestation and other sustainability-focused interventions, reflecting our commitment to responsible and sustainable growth.

Our social responsibility efforts continue to create meaningful impact in the communities we serve. Through the RICO Medicare Centre at Pathredi, we provide accessible healthcare services to thousands of beneficiaries annually through OPD consultations, mobile healthcare services, and specialized medical camps. Our community initiatives also support education, skill development, and the empowerment of women and youth, enabling broader socio-economic development.

We uphold the highest standards of ethics, integrity, and respect for human rights across all our operations. Our robust governance framework, supported by transparent policies and effective grievance redressal mechanisms, strengthens employee trust and reinforces our commitment to a safe, fair, and responsible workplace. We remain fully compliant with applicable Labour laws and continue to maintain constructive engagement with employee and worker representatives.

Our people-centric practices and operational excellence have been recognized through several prestigious industry awards and customer recognitions during the year. These accolades reflect the dedication, capability, and commitment of our employees, who continue to drive RICO's success and reputation in the marketplace.

As we move forward, we remain confident in our transformation journey. Guided by our people-first philosophy, strengthened by technology, and driven by a culture of continuous improvement, we are well-positioned to create sustainable value for all stakeholders while building a resilient, agile, and future-ready organization.

ENVIRONMENT, HEALTH AND SAFETY (EHS)

Safety, Health, and Environmental responsibility form the foundation of our business excellence journey, enabling us to protect our people, preserve the environment, enhance operational performance, and create sustainable value for all stakeholders. EHS principles embedded into every aspect of our operations, safeguard our people, minimize environmental impact, strengthen operational resilience.

RICO is committed to maintaining a safe, healthy, and environmentally responsible workplace along with conserving energy, reducing waste, minimizing emissions, and promoting sustainable practices. All manufacturing facilities within the RICO Group are certified under ISO 14001 Environmental Management System and ISO 45001 Occupational Health & Safety Management System, reflecting our commitment to globally recognized EHS practices.

Safety remains a core organizational value and an integral component of our operational excellence framework. We are committed to providing a safe and healthy workplace through effective risk management, robust safety systems, and a culture of continuous improvement. This commitment is driven through active leadership involvement supported by established safety protocols, including permit-to-work systems, Lockout/Tagout (LOTO) procedures, fire and emergency preparedness programs, visitor safety management, regular safety inspections, audits, training initiatives, and mock emergency response drills.

Employees and workforce are encouraged to proactively identify, report, and address unsafe conditions, near-miss incidents, and potential hazards. This preventive and participative approach enables us to strengthen risk management practices and promote a safe working environment for all stakeholders. Environmental Health and Safety Committees are constituted at each manufacturing location with equal representation from management and the workforce. These committees play a vital role in reviewing safety performance, identifying emerging risks, driving corrective actions, and fostering employee participation in the continuous improvement of workplace health and safety standards.

Employee well-being encompasses both physical and mental health. Regular health check-ups, ergonomics awareness, stress management initiatives, and work-life balance programs contribute to a healthier and more engaged workplace with clear mission & vision. Our focus remains on preventing incidents, protecting the environment, and promoting the well-being of all employees, contractors, and stakeholders. Employees are also encouraged to participate in sports and recreational activities through the Company's well-equipped sporting facilities, supporting physical fitness and overall wellbeing.

Safety is at the core of our operations and decision-making processes. Through sustained leadership commitment, active employee participation, and the continuous strengthening of our EHS systems and processes, the Company continued to conduct focused awareness and engagement campaigns on critical topics such as fire safety, road safety, emergency preparedness, workplace ergonomics, and safe behavioral practices. We continuously invest in safety management systems, employee awareness, and risk mitigation measures to protect our workforce, ensure operational resilience, and support sustainable business growth.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

Environmental, Social and Governance (ESG) principles are at the core of RICO's vision for sustainable and responsible growth. They provide the foundation for integrating sustainability into business strategy, enabling the Company to evaluate its environmental and social impacts, uphold strong governance practices, and identify emerging risks and opportunities that drive long-term value creation.

RICO is committed to continuously strengthening its ESG performance and embedding sustainability across its operations and value chain. Through responsible governance, strategic climate action and collaborative stakeholder engagement, the Company aims to create lasting value for its stakeholders while contributing to a more sustainable, resilient and responsible future.

Environmental

RICO is committed to embedding environmental sustainability into its business operations through a focused approach to climate action, resource efficiency and responsible environmental stewardship. As part of this commitment, the Company has undertaken a comprehensive assessment of its Scope 1, Scope 2 and Scope 3 Greenhouse Gas (GHG) emissions to identify emission hotspots, prioritize reduction opportunities and establish a structured decarbonization roadmap which provides a science-informed framework to accelerate emissions reduction across RICO's operations and value chain.

For Scope 1 emissions, RICO is driving the transition to lower-carbon operations by phasing out high-carbon fuels through the elimination of Furnace Oil (FO), replacing Light Sulphur Heavy Stock (LSHS) with biodiesel, converting PNG-based furnaces to Electric Arc Furnaces (EAF), replacing R-22 refrigerants with R-32 systems, introducing Compressed Biogas (CBG) blending in PNG, increasing biodiesel blending in High-Speed Diesel (HSD), and progressively electrifying its corporate fleet. To address Scope 2 emissions, the Company has strengthened its renewable energy portfolio through multiple Power Purchase Agreements (PPAs) and on-site solar installations, while planning to further expand renewable electricity procurement in line with the ongoing decarbonization of India's electricity grid.

Recognizing that the majority of climate impacts extend beyond its direct operations, RICO also completed its Scope 3 emissions assessment, identifying Purchased Goods and Services (Category 1) and Fuel- and Energy-related Activities (Category 3) as the most significant contributors to value chain emissions. These insights provide a clear strategic direction for enhancing sustainable sourcing practices, strengthening supplier engagement and fostering collaborative decarbonization across the value chain.

Complementing its climate initiatives, RICO continues to improve operational efficiency through energy conservation measures such as the adoption of energy-efficient lighting, minimization of compressed air losses, modernization of equipment and continuous optimization of energy consumption. The Company also remains focused on responsible water stewardship by treating and reusing wastewater through in-house Effluent Treatment Plants (ETPs) and Sewage Treatment Plants (STPs), with recycled water utilized for non-potable applications including gardening and facility cleaning. These initiatives, result in an improvement in water-use efficiency, with water intensity decreasing from 1.00 KL per INR lakh of turnover in the previous year to 0.98 KL per INR lakh of turnover during the current year.

RICO further advances its environmental performance by embedding the principles of reduce, reuse and recycle into its waste management practices, ensuring 100% disposal of hazardous waste through authorized vendors and driving process improvements to minimize waste generation at source. Supported by continuous environmental monitoring, efficient resource utilization, employee engagement and regular environmental audits, RICO reinforce commitment to responsible resource management, regulatory compliance and long-term environmental resilience.

Social

People are at the heart of RICO's long-term success, and the Company remains committed to fostering a safe, inclusive and empowering workplace where every employee can thrive. The Company actively promotes diversity, equity and inclusion across all levels of the organization, including enhanced representation at the Board level, while continuing to strengthen workforce diversity across its operations. Through comprehensive and continuous learning initiatives, RICO equips its employees with the technical expertise, leadership capabilities and future-ready skills required to succeed in an evolving business landscape.

RICO also remains committed to providing fair compensation, equal employment opportunities and a comprehensive range of employee welfare benefits that support the holistic well-being of its workforce.

Governance

Strong governance forms the foundation of RICO's sustainable growth strategy, enabling the Company to create long-term value while maintaining the highest standards of integrity, transparency and accountability. Reaffirming its commitment to responsible business conduct, RICO continues to strengthen its governance framework by enhancing corporate governance practices, reinforcing enterprise risk management and fostering a culture of ethical decision-making across the organization.

The Company places particular emphasis on proactively identifying and mitigating business risks, managing potential conflicts of interest and ensuring robust compliance with applicable laws, regulations and internal policies. RICO also remains committed to promoting Board diversity, maintaining transparent and performance-linked executive remuneration, and strengthening oversight through effective governance mechanisms.

RESEARCH AND DEVELOPMENT (R&D)

The Company's level of adaptability is actively driven by a remarkable R&D infrastructure. We focus intensely on in-house product development and localisation, ensuring innovations meet OEM's requirement. R&D team provides technical solutions with a focus on offering the quality products. Our in-house R&D capability for Die design, Die manufacturing, Special Purpose Machine (CNC) building and Automation enhanced customer confidence and makes RICO a Supplier of Choice.

Our R&D team continuously works and provides innovative/ VA/VE Solutions keeping cost in focus without compromising the product performance.

We have successfully developed various components for Hybrid and Electric Vehicles, such as housings and covers for transmission, E-axles, Electric motor and differential cases. For IC engines team has developed components such as Cylinder lock, Cover Valves, Timing cases, Oil Pans, Fly Wheels etc. For 2-wheelers, team has successfully designed and developed many clutches, got approvals from customers, and started production.

AUTOMATION AND DIGITAL TRANSFORMATION

RICO continues to advance its automation and digital transformation agenda through the progressive adoption of automation, digital technologies, Industrial Internet of Things (IIoT) and AI-enabled solutions (Artificial Intelligence) across its operations and business processes. These initiatives encompass robotics, automated process controls, connected equipment, digital monitoring systems and product traceability solutions, with the objective of enhancing operational efficiency, product quality, asset reliability, workplace safety, and informed decision-making.

RICO is also leveraging digital solutions across key business functions to improve process effectiveness, customer responsiveness and organisational agility, while continuing to reinforce its cybersecurity, information security and EHS frameworks.

Above initiatives are being implemented in a phased and disciplined manner, guided by business priorities, operational requirements, technology readiness, customer expectations and long-term strategic objectives.

DATA INTEGRITY AND SECURITY

Cyber Security Compliance Management is governed by a robust Information Security Management System ("ISMS") comprising specialized policies, including data privacy and risk management, aiming to protect against AI-enabled threats. RICO has a comprehensive Information Security Policy that emphasizes continuous improvement, maintaining data integrity, proactive threat monitoring, and establishing responsibilities across the workforce.

The information security management programme includes business continuity planning, vulnerability analysis, internal audits, and an annual external audit aligned with ISO 27001:2022 certified, TISAX certified. Measures also include structured incident reporting, escalation protocols, employee awareness training, and strong controls to protect third-party data from unauthorised access.

To ensure robust data security and protect your privacy, we have adopted advanced features like Multi-Factor Authentication (MFA), Data Loss Prevention (DLP), and Advanced Threat Protection (ATP).

RICO remains committed to evaluating emerging digital technologies that strengthen operational excellence, governance, cybersecurity, innovation and sustainable long-term value creation while delivering enhanced value to customers and other stakeholders.

CAUTIONARY NOTE

This report contains certain forward-looking statements. All such statements are subject to risks and uncertainties. Actual results could differ materially from those expressed or implied.

DIRECTORS' REPORT

To the Shareholders,

The Board of Directors present the Company's 43rd Annual Report and the Audited Financial Statements for the financial year ended 31st March, 2026.

FINANCIAL RESULTS

(₹ in Crores)

Particulars	Standalone		Consolidated	
	Current Year 2025-26	Previous Year 2024-25	**Current Year 2025-26**	Previous Year 2024-25
Revenue from operations	**1836.44**	1607.02	**2477.73**	2212.40
Other Income	**18.60**	34.47	**9.98**	12.81
Profit before Interest, Depreciation and Exceptional Items	**173.69**	164.94	**233.21**	201.28
Interest and Financial charges	**43.55**	40.41	**54.71**	55.99
Depreciation	**86.86**	88.91	**100.70**	101.56
Profit before Exceptional Items and Tax	**43.28**	35.62	**77.80**	43.73
Exceptional Items	**7.11**	1.14	**8.32**	1.14
Profit/(Loss) before Tax (PBT)	**36.17**	34.48	**69.48**	42.59
Tax Expense	**8.85**	11.57	**17.06**	21.18
Profit after Tax	**27.32**	22.91	**52.42**	21.41
Other Comprehensive Income (net of tax)	**0.23**	(4.13)	**6.00**	(3.41)
Total Comprehensive Income	**27.55**	18.78	**58.42**	18.00

RESULT OF OPERATIONS AND STATE OF COMPANY'S AFFAIRS

During FY 2025-26, the Company achieved higher revenue and profit compared to the previous year. On a standalone basis, revenue from operations increased by 14% to ₹1,836.44 crore from ₹1,607.02 crore in the previous year. Profit After Tax (PAT) grew by 19% and stood at ₹27.32 crore. On a consolidated basis, revenue from operations increased by 12% to ₹2,477.73 crore as compared to ₹2,212.40 crore in FY 2024-25. The consolidated Profit After Tax grew significantly by 144.8% to ₹52.42 crore from ₹21.41 crore in the previous year. The improvement in performance reflects the Company's continued focus on business growth, operational efficiency, and value creation for its stakeholders.

Your Company's showcased growth oriented performance, supported by healthy domestic and export demand, operational improvements and ramp-up of new programs across business. During the year, aluminum and other raw material prices remained volatile due to fluctuation in the global commodity market. However, healthy demand conditions and customer pass-through mechanism helped us to manage the impact with limited effect on margins.

We also continue to strengthen our business pipeline with new program orders and ramp up across customers, including Toyota, BMW, GKN, Maruti Suzuki, Tata, Renault, Aisin, Bosch, Cummins, Knorr-Bremse and Hero. These programs across transmission, braking systems, Engine and EV-related applications provide good visibility and are expected to support future growth over the coming years.

Apart from the automotive business, we are also seeing encouraging traction in Railway and Defense. Supplies have started improving gradually and these businesses are scaling up, utilizing our existing manufacturing infrastructure and engineering capabilities.

Rico delivers world-class CNC solutions tailored to the evolving needs of the metalworking industry. Our approach combines strategic sourcing of premium-grade castings and sheet metal and in-house manufacturing and quality controls to ensure superior quality product. Rico remains committed to setting new benchmarks in machine tool manufacturing, empowering customers with innovative, reliable, and high-performance solutions.

The Company's export turnover recorded a steady growth during FY 2025-26. On a standalone basis, export turnover stood at ₹337.08 crore, as against ₹326.86 crore in the previous year. On a consolidated basis, export turnover increased to ₹390.00 crore from ₹353.00 crore in the previous year, reflecting the Company's continued focus on expanding its international business presence. The Company has built a strong reputation as a reliable exporter of critical components, supported by robust quality systems. To effectively support and manage its international clientele, the Company has established a comprehensive network of warehousing facilities in Europe (Germany, France) and USA (Detroit, North Carolina, Ohio) and business representations across key global markets.

Further details as regards the efforts of your Company have been mentioned in the Management Discussion and Analysis section of this report.

OUTLOOK OF THE COMPANY

The Indian Auto Component Industry will continue its strong growth trajectory and remained a key contributor to the country's manufacturing ecosystem and exports. The domestic clean mobility landscape witnessing a significant shift driven by advancements in Hybrid Electric, Plug in Hybrid, Battery Electric, Flex Fuel and Fuel Cell Electric Vehicles. The Company is well-positioned to capitalize on these emerging trends by leveraging its technological expertise and robust capabilities.

Your Company anticipates good growth over the next few years driven by an increase in demand of components for Hybrid, Electric and ICE vehicles for Domestic and Export markets. The Company has also secured new orders worth approximately INR 2,500 crore over a program life of 5 years, providing strong visibility for future growth. Our new Hosur facility aligned towards next-gen mobility manufacturing will contribute to the vision of 3X growth of the Company.

We are expanding our businesses by strengthening development of system level products, braking system competencies and structural parts. In addition, exploring new domestic and international markets by delivering innovative Engineering and Manufacturing solutions to achieve our goals.

DIVIDEND

Your Directors are pleased to recommend for your approval a dividend @ 55 percent i.e. ₹0.55 per Equity Share of ₹1/- each for the FY 2025-26 amounting to ₹7.44 crore on the equity share capital of ₹13.53 crore. The dividend payout is as per Dividend Distribution Policy which is available on the website of the Company at **https://ricoauto.in/investor/Dividend%20Distribution%20Policy.pdf**.

TRANSFER TO RESERVES

During the year under review, no amount has been transferred to the Reserves.

SHARE CAPITAL

The paid-up share capital as on 31st March, 2026 was ₹13,52,85,000/- divided into 13,52,85,000 equity shares of ₹1/- each. During the year under review, your Company has neither issued shares with Differential Voting Rights nor granted Stock Options or Sweat Equity. The Authorised Share Capital of your Company is ₹270.00 crore.

CREDIT RATING

CRISIL Ratings Limited, Credit Rating Agency has assigned its 'CRISIL A/Stable/CRISIL A1' ratings to the bank facilities of Rico Auto Industries Limited based on a consolidated view of the Company and its Subsidiaries business on the back of their similar business profile, Common Treasury and Management Team and the instrument wise rating actions are given below:

Total Bank Loan Facilities Rated	₹775 Crore
Long Term Rating	CRISIL A/Stable
Short Term Rating	CRISIL A1

PLANTS AND FACILITIES

The Company has well developed modern flexible manufacturing facilities to meet customer expectations. These facilities are geographically spread and strategically located to de-risk its operations. The Company has launched various new businesses for optimum utilization of its existing capacities.

The Company has continually increased the use of renewable sources both from Solar and Wind energy in its plants. This will support our target of reducing carbon footprint and also savings in energy cost.

The readiness of the upcoming new Facility at SIPCOT Industrial Park, Shoolagiri, Hosur, Tamil Nadu is in progress and expected to start its commercial production during Q3 of the current financial year. This will cater to the requirements of Toyota, AISIN and other OEMs in southern region primarily for Hybrid and EVs.

The details of Plants and Facilities are given in the Corporate Governance Report.

CONSOLIDATED FINANCIAL STATEMENTS

Pursuant to Section 129(3) of the Companies Act, 2013 read with rules made thereunder the appended Audited Consolidated Financial Statements of the Subsidiaries and the Joint Venture Company forms part of the Annual Report.

Further, audited financial statements of the Subsidiaries and Joint Venture Company have also been placed on the website link of the Company **https://www.ricoauto.in/investor-relation.html.**

The Company will make available these documents upon request by any member of the Company interested in obtaining the same.

SUBSIDIARY AND JOINT VENTURE COMPANIES

Your Company has six (6) Subsidiaries. There was no material change in the nature of the business of any Subsidiary Company.

A statement providing details of performance and salient features of the financial statements of Subsidiary, Associate and Joint Venture Companies as per section 129(3) of the Act, is provided in Annexure to the Financial Statement in form AOC-1.

The policy for determining Material Subsidiaries is available on the Company's website and can be assessed at **https://www.ricoauto.in/key-policies.html.** Pursuant to SEBI (LODR) Regulations, 2015, Rico Jinfei Wheels Limited is material subsidiary of the Company.

A. Rico Jinfei Wheels Limited (Subsidiary and Joint Venture)

This Company is a Material Subsidiary of your Company, has two divisions. Wheels Division, which specializes in designing and producing light weight, durable, and aesthetically superior alloy wheels for scooters, motorcycles, and electric two-wheelers. Our in-house R&D team collaborates with key customers like Hero, Bajaj and Honda to develop custom designs that align with evolving market trends and rider preferences.

This Company's Pump Division's (after merger of Rico Fluidtronics Limited) core business is manufacturing of Oil and Water Pumps for PV and CV applications. The customer base includes Maruti Suzuki, Renault Nissan, Mahindra & Mahindra and many more are under discussion for future opportunities. We have been supporting our customers for both domestic as well as oversees requirements.

During the year, The Hon'ble National Company Law Tribunal, Chandigarh ("NCLT"), vide its order dated 1st July, 2025, has approved the scheme of amalgamation of M/s. Rico Fluidtronics Limited (RFL) with and into M/s. Rico Jinfei Wheels Limited, with appointed date being 1st April, 2023.

Post merger, the Company holds 10,59,25,000 Equity Shares (96.31%) of M/s. Rico Jinfei Wheels Limited.

The Company has recorded a total turnover of ₹650.53 crore during the financial year ended 31st March, 2026 as against ₹645.01 crore in the previous year. This Company has made a net profit of ₹26.45 crore as against the profit of ₹17.85 crore in the previous year.

B. AAN Engineering Industries Limited

AAN, an AS 9100D Certified Company, defines it as a "Manufacturer of Precision Machined Components & Assemblies" including systems for the Aerospace, Naval and Defense Industry.

AAN offers an extensive array of services for the manufacture of components/sub-systems and system sheet metal within the Defense, Naval & Aerospace Industry. These include Design and Development of Tooling, Casting, Machining and Assembly, supported by CAD, CAM, CAE, and R&D testing facilities. AAN works with a wide range of Raw Materials - Aluminum Alloy, Alloy Steel and High Manganese Steel and Raw Material/ Castings as required by the client.

AAN Engineering has acquired a Defense Industrial License for Containerized Shooting Ranges. The Company has state of art production facility for manufacturing of Indoor Containerized Shooting Range. Production & Delivery of Container Ranges to various military and paramilitary locations is being successfully done by the Company.

The Company also has signed Transfer of Technology (ToT)

with TBRL (DRDO) for Design & Manufacturing of Baffle Shooting Ranges for Indian and Global Armed forces. There is growing demand and requirement of Baffles Ranges across Indian Armed & Paramilitary forces and the Company is fully geared to deliver the same. AAN is executing Baffle Range Design Consultancy Contract with Indian Army and Homeland Security organizations.

AAN is empaneled and registered with the Special Products division of Electronics Corporation of India Limited (ECIL), Hyderabad, Bharat Electronics Limited (BEL), Pune, Bharat Earth Movers Limited (BEML), Bangalore, Engine Divisions of Hindustan Aeronautical Limited (HAL) (Bangalore, Nasik and Koraput), Heavy Vehicles Factory (HVF) Avadi, Army Base Workshop, Army Directorate of Indigenization and various Ordnance Factories and has a Defense Industrial License for Ammunition manufacturing due to which it is placed favorably as a supplier to all.

AAN embodies your Company's Defense Outfit and Strategic Investment. With the mission of Atma Nirbhar Bharat, more involvement with Defense sector is foreseen.

During the year under review, the Company recorded a total revenue of ₹22.80 crore as against ₹9.49 crore in the previous year. During the year, the Company earned a profit of ₹2.25 crore as against a profit of ₹1.4 crore in the previous year.

During the Financial Year and period under review your Company has not made any additional investment in this Subsidiary.

C. Rico Friction Technologies Limited

The Company is engaged in manufacturing of Friction material for Automotive application. This Company has declared and paid final dividend of ₹1.09 crore (100%) of ₹10.00 per equity share of ₹10/- each for the FY 2025-26.

During the year under review, the Company recorded a total revenue of ₹7.25 crore as against ₹6.92 crore in the previous year. During the year, the Company has earned a profit after tax of ₹1.59 crore as against a profit of ₹1.75 crore in the previous year.

During the financial year and period under review your Company has not made any additional investment in this Subsidiary.

D. Rico Auto Industries Inc., USA

This Company is engaged in the business of trading of Auto Components and providing warehousing, logistics and last mile support to our OEM and Tier-I Customers in North America, Mexico and Brazil for goods manufactured by your Company.

During the year under review, the Company recorded a total revenue of ₹165.75 crore as against ₹122.39 crore in the previous year. During the year, the Company has earned a profit of ₹1.46 crore as against a profit of ₹1.04 crore in the previous year.

This Company has paid dividend during the year amounting to ₹6.83 crore subject to applicable taxes. During the financial year, your Company has not made any additional investment in this Subsidiary.

E. Rico Auto Industries (UK) Limited, U.K.

There is a change of business model of your Company according to which it has started direct supplies to many of the European Customers after Brexit.

F. Rico Care Foundation (Section 8 Company)

The Company is registered under Section 8 of the Companies Act, 2013 for undertaking Corporate Social Responsibility (CSR) activities focusing on critical areas including education, healthcare, sports, environment protection, community development and wellbeing. This Company also undertakes CSR projects of Rico Group Companies.

Your Company's investment in the Company stands at ₹2,99,000/- (59.80% of the total paid-up capital) as on 31st March, 2026.

The financials of the aforesaid Company have not been considered for consolidation in the accounts of your Company.

ASSOCIATE COMPANIES

A. Roop Ram Industries Private Limited

This Company is associated with your Company as per the terms and conditions of the Power Purchase Agreement (PPA) for supply of Sustainable Solar Power. There is no change in investment of ₹2.43 crore (24,34,640 fully paid-up equity shares of ₹10/- each, 26% of the total paid-up capital) during the year.

B. Boond Renewable Energy Private Limited

The Company has made investment of ₹0.34 Crore (26% of equity share capital) in Boond Renewable Energy Private Limited by way of purchase of 3,39,479 Equity Shares of ₹10/- each vide Board Resolution dated 01st April, 2025 towards purchase of Renewable Energy during the year.

The financials of the aforesaid Associate Companies have not been considered for consolidation in the accounts of your Company.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT (MDA)

Pursuant to Regulation 34(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, MDA forms part of the Annual Report.

RISK MANAGEMENT

The Company has a structured Risk Management framework designed to identify, assess and mitigate risks appropriately. Risk evaluation and its management is an ongoing process within the Company. The Board has constituted a Risk Management Committee to frame, implement, monitor and review the Risk Management Policy and to ensure its effectiveness. Details of the Risk Management Committee are given in the Corporate Governance Report. The policy is available on the website link of the Company **https://ricoauto.in/files/Key%20Policies.pdf.** The Audit Committee has an additional oversight on the financial risks and controls.

HUMAN RESOURCES

Please refer to the paragraphs on Human Resources in the Management Discussion & Analysis section for detailed analysis.

During the year under report, the Industrial relations with personnel remained cordial, at all Plants.

MATERNITY BENEFITS

The Company has complied with the provisions of Maternity Benefit Act, 1961 during the year.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

At Rico, we are firmly committed to maintain a safe, inclusive, and respectful workplace for all employees.

In compliance with The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and rules made thereunder, your Company has laid down a Prevention of Sexual Harassment (POSH) Policy and has constituted Internal Complaints Committees (ICC), to consider and resolve the complaints related to sexual harassment, reinforcing our zero-tolerance approach towards any form of harassment.

All employees (permanent, contractual, temporary, trainees, etc.) and visitors are covered under the said Policy. The ICC includes external members with relevant experience. The ICC work extensively on creating awareness on relevance of sexual harassment issues. The employees are required to undergo a training on POSH to sensitize themselves and strengthen their awareness.

During the Financial Year under review:

1. Number of sexual harassment complaints received during the year - Nil
2. Number of complaints disposed of during the year - NA
3. Number of cases pending for more than 90 days - NA

Your Company has filed the POSH annual return within the prescribed timeline, ensuring full regulatory compliance and remains committed to creating a workplace where dignity, equality, and safety are non-negotiable. Through continuous education, visible support structures, and a strong reporting framework, we strive to uphold the values of respect and trust across the organization.

PARTICULARS OF EMPLOYEES AND REMUNERATION

The information required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1), Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended and forming part of this Report for the year ended 31st March, 2026 are set out in the Annexure of this Report.

The Company further confirms that, apart from the name of the employees so disclosed, there were no other employees whose disclosure is required under the said rule during the financial year under review.

However, the Annual Report, excluding the Annexure, is being sent to the Members of the Company in terms of the provisions of Section 136 of the Companies Act, 2013. A Member who is interested in obtaining these particulars may write to the Company Secretary at **cs@ricoauto.in**.

BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)

The Business Responsibility and Sustainability Report (BRSR) as prescribed by the SEBI Listing Regulations, 2015 has been prepared and forms part of this Annual Report for the FY 2025-26.

INTERNAL FINANCIAL CONTROL SYSTEM AND ITS ADEQUACY

The adequacy of Internal Financial Controls is discussed in Management Discussion and Analysis, which forms part of this Report.

CORPORATE GOVERNANCE

A separate report on Corporate Governance containing General Shareholders information, along with the Certificate from Practicing Company Secretary regarding compliance of conditions of Corporate Governance as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed as a part of this Report.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

The Board consists of Ten Directors - Four Executive Directors, one Non-Executive Non-Independent Director and Five Non-Executive Independent Directors including one Woman Independent Director. They all have considerable experience in their respective fields. The Chairman of the Board is an Executive Director.

In accordance with the provisions of the Companies Act, 2013, Shri Samarth Kapur (DIN:01525517), Executive Director of the Company will retire by rotation at the forthcoming AGM and resume of Shri Samarth Kapur is given in the Notice of the AGM.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel of the Company as on 31st March, 2026 are:

i) Shri Arvind Kapur, Chairman, CEO and Managing Director;

ii) Shri Rajiv Kumar Miglani, Whole-time Director (Designated as Executive Director);

iii) Shri Kaushalendra Verma, Whole-time Director (Designated as Executive Director);

iv) Shri Samarth Kapur, Whole-time Director (Designated as Executive Director);

v) Shri Naveen Sorot, Chief Financial Officer; and

vi) Ms. Ruchika Gupta, Company Secretary & Compliance Officer.

DECLARATION BY INDEPENDENT DIRECTORS AND STATEMENT ON COMPLIANCE OF THE CODE OF CONDUCT

All Independent Directors of the Company have given declarations under Section 149(7) of the Act, that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations. In terms of Regulation 25(8) of the SEBI Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

The Independent Directors of the Company have undertaken requisite steps towards the inclusion of their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs, in terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

In the opinion of the Board, the Independent Directors possess the requisite expertise and experience and are persons of high integrity and repute. They fulfill the conditions specified in the Act read alongwith the Rules made thereunder and are independent of the Management.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors have carried out the annual evaluation of its own performance, the Individual Directors including the Chairman as well as the evaluation of the working of its Committees. The evaluation of Board as a whole and Non-Independent Directors including Chairman was done by the Independent Directors in their meeting held on 17th March, 2026. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

BOARD MEETINGS

During the year under review, Five Board Meetings were held, and one separate meeting of Independent Directors was held, the details of which forms part of Corporate Governance Report.

AUDIT COMMITTEE

Your Company has an Audit Committee to meet the requirements of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Details of the Audit Committee are given under the Corporate Governance Report. There are no recommendations of the Audit Committee which were not accepted by the Board.

NOMINATION AND REMUNERATION COMMITTEE

Your Company has in place a duly constituted Nomination and Remuneration Committee to meet the requirements of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Details of the Nomination and Remuneration Committee are given under the Corporate Governance Report.

The Board has framed (i) Policy on Board Diversity; and (ii) Nomination & Remuneration Policy which lays down a framework in relation to the remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. This policy also lays down criteria for selection and appointment of Board Members. This Policy is placed on the website link of the Company **https://ricoauto.in/files/Key%20Policies.pdf.**

CORPORATE SOCIAL RESPONSIBILITY (CSR)

In accordance with the requirements of Section 135 of the Companies Act, 2013, the amount to be spent during the FY 2025-26, worked out to be ₹60.35 lakhs. The Company has spent an amount of ₹60.35 lakhs towards the CSR activities/projects through M/s. Rico Care Foundation, Section 8 Company as specified in CSR Policy of the Company during the FY 2025-26. The CSR activities of the Company are monitored by the CSR Committee. The focus area of CSR activities is as per Schedule VII of the Companies Act, 2013.

The details about the policy on Corporate Social Responsibility ("CSR") including initiatives taken on CSR, the annual report on CSR activities and the composition of CSR Committee are annexed and forms part of this report. The Policy is available on the website link of the Company **https://ricoauto.in/files/Key%20Policies.pdf.**

VIGIL MECHANISM

The Company has established Vigil Mechanism/Whistle Blower Policy for Directors, Employees, Clients, Vendors, Suppliers and Contractors as an avenue to report concerns including unethical behavior, actual or suspected, frauds or violation of the Company's code of conduct. The same meets the requirements of Section 177(9) of the Companies Act, 2013 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is available on the website link of the Company **https://ricoauto.in/files/Key%20Policies.pdf.** During the year under review, no matter has been received under this policy.

RELATED PARTY TRANSACTIONS AND MATERIAL SUBSIDIARIES

The Company has duly approved policies for determining the Material Subsidiaries and Material Related Party Transactions.

These Policies are available on the website link of the Company **https://ricoauto.in/files/Key%20Policies.pdf.** All contracts/ arrangements/ transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on arm's length basis and approval of the Audit Committee was sought for entering into related party transactions. No material related transactions were entered during the financial year, accordingly there are no particulars to report in Form AOC-2 which is annexed and forms part of this Report. As required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a return has been filed with BSE/NSE. Please also refer to note no. 45 to the standalone financial statements for related party disclosures.

LISTING OF EQUITY SHARES

The Equity Shares of your Company are presently listed on the BSE Limited and National Stock Exchange of India Limited. The Annual Listing Fees have been paid for the FY 2026-27.

ANNUAL RETURN

The Annual Return of the Company as on 31st March, 2026 is available on the website link of the Company **https://www.ricoauto.in/investor/annual-return/Draft%20Annual%20Return-25-26.pdf.**

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The particulars of investments made, loans and guarantees given are provided in the standalone financial statements.

FIXED DEPOSITS

The Company has not accepted deposits from the public during the year under review.

DIRECTORS' RESPONSIBILITY STATEMENT

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

i) in the preparation of the annual accounts for the financial year ended 31st March, 2026, the applicable accounting standards have been followed and there are no material departures;

ii) appropriate accounting policies have been selected and applied consistently and have made judgements 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 31st March, 2026 and of the profit for the year 1st April, 2025 to 31st March, 2026;

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

iv) the annual accounts for the financial year ended 31st March, 2026 have been prepared on a going concern basis;

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

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

STATUTORY AUDITORS

M/s. B S R & Co. LLP, Chartered Accountants (Firm Registration No.101248W/W-100022) were appointed as Statutory Auditors of your Company at the 39th Annual General Meeting (AGM) held on 30th September, 2022, to hold office for a term of five consecutive years till the conclusion of 44th AGM to be held in the year 2027.

As required under Regulation 33 of the SEBI (LODR) Regulations, 2015, the Statutory Auditors have confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The Reports given by the Statutory Auditors on the financial statements (Standalone and Consolidated) of the Company for the FY 2025-26 form part of this Annual Report. The said Reports are unmodified and there are no qualifications, reservations or adverse remarks.

INTERNAL AUDITORS

The Board on the recommendation of the Audit Committee has appointed M/s. Grant Thornton Bharat LLP (LLPIN: AAA-7677) as the Internal Auditors of the Company for the FY 2026-27.

COST AUDITORS AND MAINTENANCE OF COST RECORDS

The cost records as required under section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 are being prepared and maintained by the Company to ensure proper compliance.

The Board, on the recommendation of the Audit Committee, has re-appointed M/s. MM & Associates, Cost Accountants (Firm Registration No.000454) as Cost Auditors to carry out the cost audit of the Company for the FY 2026-27. In terms of Section 148 of the Companies Act, 2013 and the rules made thereunder, remuneration of Cost Auditors is to be ratified by members of the Company. Accordingly, a resolution is included in the Notice of ensuing Annual General Meeting for your approval.

The Cost Audit Report for the FY 2025-26 would be filed with the Ministry of Corporate Affairs, Delhi within the stipulated time.

SECRETARIAL AUDIT REPORT

The Board of Directors of the Company, on the recommendation made by the Audit Committee, had appointed M/s. PG & Associates, Practicing Company Secretaries (Peer Review Certificate No.6917/2025), as the Secretarial Auditors of the Company for the FY 2025-26 to 2029-30.

Secretarial Audit Report under Section 204 of the Act read with Rules made thereunder and Regulation 24A of the Listing Regulations from M/s. PG & Associates, is set out in Annexure to this Report and has taken note for compliance.

The Secretarial Compliance Report for the FY 2025-26, has been taken on record.

SECRETARIAL AUDITORS

Pursuant to Section 204(1) of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and pursuant to Regulation 24A of SEBI (LODR) (Third Amendment) Regulations, 2024, with effect from 1st April, 2025, the listed companies have to obtain shareholders' approval for appointment of Secretarial Auditors.

Accordingly, the Board of Directors of the Company at their Meeting held on 12th August, 2025, based on the recommendation of the Audit Committee, and the Shareholders at the 42nd AGM held on 16th September, 2025, approved appointment of M/s. PG & Associates, Practicing Company Secretaries, having Peer Review Certificate No.6917/2025 as Secretarial Auditor of the Company, in accordance with the provisions of Section 204 of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Regulation 24A of the SEBI Listing Regulations and other applicable provisions, if any, for a term of five (5) consecutive years, commencing from 1st April, 2025 till 31st March, 2030.

SECRETARIAL AUDIT OF MATERIAL UNLISTED INDIAN SUBSIDIARY

The Secretarial Audit of Rico Jinfei Wheels Limited, Material Subsidiary of the Company for the FY 2025-26 was carried out pursuant to Section 204 of the Companies Act, 2013 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Secretarial Audit Report of the Subsidiary is annexed to this report and has taken on record.

ANNUAL SECRETARIAL COMPLIANCE REPORT

The Company has undertaken an audit for the FY 2025-26 for all applicable compliances as per Securities and Exchange Board of India Regulations and Circulars/ Guidelines issued thereunder. The Annual Secretarial Compliance Report has been submitted to the Stock Exchanges timely for the FY 2025-26.

SECRETARIAL STANDARDS

The Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

TRANSFER OF UNCLAIMED AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Corporate Governance Report contains details of transfer of Unpaid/ unclaimed Dividends and Shares transferred to Investor Education and Protection Fund (IEPF).

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

The relevant information as required by the provisions of Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, is given in the Annexure forming part of this report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS/COURTS/ TRIBUNALS

There were no significant and material orders passed by any Regulator, Court or Tribunal during the year under review that would impact the going concern status of the Company or its future operations.

REPORTING OF FRAUD BY AUDITORS

During the year under review, no fraud was reported by the Statutory Auditors under Section 143(12) of the Companies Act, 2013 to the Audit Committee or the Board of Directors.

CHANGE IN NATURE OF BUSINESS

There was no change in the nature of business of the Company during the financial year under review.

MATERIAL CHANGES AND COMMITMENTS

There were no material changes and commitments affecting the financial position of the Company have occurred between 31st March 2026 and the date of this Report.

PROCEEDINGS UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

There was no application has been made or any proceeding is pending against the Company under the Insolvency and Bankruptcy Code, 2016 during the year under review.

ONE-TIME SETTLEMENT WITH BANKS OR FINANCIAL INSTITUTIONS

During the year under review, the Company has not entered into any one-time settlement with any Bank or Financial Institution.

APPRECIATION

Your Directors convey their appreciation for shareholders, customers, suppliers as well as vendors, bankers, business associates, regulatory, and government authorities for their continued support.

The Board of Directors place on record sincere gratitude to all employees for their unwavering dedication, resilience, and collaborative spirit. We are confident in our ability to drive our continued success in the years ahead.

On behalf of the Board of Directors

Arvind Kapur
Chairman, CEO &
Managing Director
(DIN: 00096308)

Place : Gurugram
Date : May 29, 2026

ANNEXURE TO DIRECTORS' REPORT

INFORMATION UNDER SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (ACCOUNTS) RULES, 2014 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2026

The details of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are as follows:

A. Conservation of Energy

i) **Steps taken or impact on the conservation of energy**

Energy Conservation is an ongoing process, taken as a challenge. The various measures taken by your Company are:

a) **Utilizing alternate sources of energy**

The Company has taken following initiatives for consumption of Green Energy to reduce the carbon footprint in the environment:

- Using Captive Solar Energy in Gurugram Plant (10 MW).
- Using Solar and Wind Power in Chennai Plant (3.5 MW).
- Using Roof Top Solar at Bawal Plant (1.40 MW).
- Using Roof Top Solar Power at Rico Jinfei Wheels Limited, Manesar Plant (450 KW).
- Using Roof top Solar Power at Rico Pathredi Plant (1000 KW).
- Using Roof top Solar Plant at Rico Haridwar Plant (500 KW).

b) **Benefits of Energy Conservation measures**

- Increased renewable energy consumption by 41.31%, raising its share in the overall energy mix to 12.26% compared to previous year's 8.47%.
- Improved energy efficiency of operations resulting in decrease in energy intensity from 4.23 to 3.69 GJ per lakh of turnover.
- Reduced Scope 1 GHG emissions to 16.92% compared to previous year's owing to electrification of furnaces, forklifts, etc.

ii) **Capital Investment on Energy Conservation Equipment**

During the year, the Company has spent on energy consumption by electrification of furnaces, forklifts. This helps in reducing the energy cost.

With the implementation of the various energy conservation projects in coming years, we will continue to save our cost in this respect.

B. Technology Absorption Efforts and its Benefits

Digitalisation and automation remained integral to the Company's operational excellence strategy in FY 2025-26. During the year, the Company scaled Industry 4.0 initiatives leveraging advanced technologies to drive improvements in manufacturing performance and quality management. The Company expanded the use of robotics, automated inspection and gauging technologies, and integrated material handling systems, resulting in enhanced manufacturing efficiency, process control, and automation-led productivity improvements. We also made steady progress in digital integration through IoT-enabled systems for real-time monitoring and improved utilisation of equipment.

The Company remains committed to advancing its technological capabilities through the adoption of innovative manufacturing solutions that enhance operational efficiency, product quality, process consistency, and overall competitiveness.

i) **Information regarding imported technology (imported during the last three years reckoned from the beginning of the financial year) -** Not Applicable

a) The details of technology imported : NA
b) The year of import : NA
c) Whether the technology been fully absorbed : NA
d) If not fully absorbed, areas where absorption has not taken place, and the reason thereof : NA

ii) **Expenditure incurred on Research and Development**

a)	Capital Expenditure during the year 2025-26	–	₹4.70 crore
b)	Operating Expenditure	–	₹10.63 crore
c)	Total Expenditure	–	₹15.33 crore
d)	Total R&D expenditure as percentage to total turnover	–	0.83%

C. Foreign Exchange Earnings and Outgo

Total foreign exchange used and earned:

(₹ in Crores)

Particulars	2025-26	2024-25
i) Expenditure in foreign currency	**52.34**	47.30
ii) Foreign Exchange earned	**331.45**	311.95

On behalf of the Board of Directors

Arvind Kapur
Chairman, CEO &
Managing Director
(DIN: 00096308)

Place : Gurugram
Date : May 29, 2026

ANNEXURE TO DIRECTORS' REPORT

THE ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES (2025-26)

1. **A brief outline of CSR Policy of the Company**

   The Company endeavors to integrate social and environment concerns in its business operations. The Company demonstrates an increased commitment at all levels in the organization to operate business in an economically, socially and environmentally sustainable manner.

2. **Composition of CSR Committee:**

S. 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.	Ms. Sarita Kapur	Chairperson/Independent Director	1	1
2.	Shri Kanav Monga	Member/Independent Director	1	1
3.	Shri Kaushalendra Verma	Member/Executive Director	1	1
4.	Shri Arvind Kapur	Member/Executive Director	1	1

3. **Web links where composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company:**

   - The composition of the CSR Committee is available on our website **https://ricoauto.in/investor/Composition%20of%20Board%20Committee.pdf**
   - The Board, based on the recommendation of the CSR Committee, approved the annual action plan/projects. The details of the CSR Policy and Annual Action Plan are available on our website **https://www.ricoauto.in/key-policies.html**

4. **Executive Summary along with web-link(s) 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. a) **Average Net Profit of the Company as per section 135(5):** ₹3017.00 lakhs
   b) **Two percent of average net profit of the Company as per section 135(5):** ₹60.35 lakhs
   c) **Surplus arising out of the CSR projects or programmes or activities of the previous financial years:** NIL
   d) **Amount required to be set off for the financial year, if any:** NIL
   e) **Total CSR obligation for the financial year (5b+5c-5d):** ₹60.35 lakhs

6. a) **Amount spent on CSR projects (both ongoing project and other than ongoing project) :** ₹60.35 lakhs

   (**Note:** The Company has undertaken CSR activities through Rico Care Foundation, a Company registered under Section 8 of Companies Act, 2013 as an implementing agency).

   b) **Amount spent on Administrative Overheads:** NIL
   c) **Amount spent on Impact Assessment, if applicable:** N.A.
   d) **Total amount spent for the Financial Year (a)+(b)+(c):** ₹60.35 lakhs
   e) **CSR amount spent or unspent for the financial year:** NIL

Total Amount Spent for the Financial Year (₹ in lakhs)	Amount Unspent (₹ in lakhs)				
60.35	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
	Nil	N.A.	N.A.	N.A.	N.A.

f) Excess amount for set off, if any:

S.No.	Particulars	Amount (₹ in lakhs)
(i)	Two percent of average net profit of the Company as per section 135(5)	60.35
	a) Less: Amount required to be set off for the financial year, if any	0.00
	b) Amount of CSR Expenditure for the year	60.35
(ii)	Total amount spent for the financial year	60.35
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.00
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.00

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

S.No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135(6) (in ₹)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (₹ in lakhs)	Amount spent in the financial year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any		Amount remaining to be spent in succeeding financial years (in ₹)	Deficiency, if any
					Name of the Fund Amount (in ₹)	Date of transfer		
1	2	3	4	5	6		7	8
Nil								

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility Amount spent in the financial year. If yes, enter the number of capital assets created/acquired: No

S. No.	Short particulars of the property or asset(s) (including complete address and location of the property)	Pin code of the property or asset(s)	Date of Creation	Amount of CSR Amount spent	Details of Entity/Authority/Beneficiary or the registered owner		
					CSR Registration Number, if applicable	Name	Registered Address
1	2	3	4	5	6	7	8
Nil							

(All the fields should be captured as appearing in the revenue record, Flat No., House No., Municipal Office/Municipal Corporation/Gram Panchayat are to be specified and also the area of the immovable property as well as boundaries).

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

10. CFO Certificate:

In terms of Rule 4(5) of the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended, I, Naveen Sorot, Chief Financial Officer of Rico Auto Industries Limited, hereby certify that the funds so disbursed to the Company for CSR activities during the FY 2025-26 has been utilised for the purpose and in the manner as approved by the Board of Directors.

For Rico Auto Industries Limited

Naveen Sorot
Chief Financial Officer

11. The CSR Committee confirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and policy of the Company.

Arvind Kapur
Chairman, CEO & Managing Director
(DIN: 00096308)

Sarita Kapur
Chairperson - CSR Committee
(DIN: 08848507)

Place : Gurugram
Date : May 29, 2026

ANNEXURE TO DIRECTORS' REPORT

Details pertaining to Remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

1. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2025-26 and the percentage of increase/(decrease) in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager during the financial year 2025-26:

S.No.	Name of Directors/KMP and Designation	Ratio to Median Remuneration	%age increase/(decrease) in Remuneration
	Non-Executive Independent Directors		
i)	Ms. Sarita Kapur	1.60	(2.76%)
ii)	Shri Hemal Bharat Khandwala	2.06	9.72%
iii)	Shri Yogesh Kapur*	2.06	N.A.
iv)	Shri Prabhakar Kadapa*	1.58	N.A.
v)	Shri Kanav Monga*	1.11	N.A.
	Non-Executive Non-Independent Director		
vi)	Ms. Shikha Kapur	N.A.	N.A.
	Executive Directors		
vii)	Shri Rajiv Kumar Miglani	20.02	17.77%
viii)	Shri Kaushalendra Verma	19.72	14.05%
ix)	Shri Samarth Kapur**	–	–
x)	Shri Arvind Kapur, Chairman, CEO & MD	154.30	3.26%
	Key Managerial Personnel		
xi)	Shri Naveen Sorot, Chief Financial Officer***	4.40	N.A.
xii)	Shri Rakesh Kumar Sharma, Chief Financial Officer @	8.27	N.A.
xiii)	Ms. Ruchika Gupta, Company Secretary#	8.42	N.A.

* Shri Yogesh Kapur was appointed as Independent Director on 26th August, 2023, Shri Prabhakar Kadapa was appointed as Independent Director on 30th September, 2024 and Shri Kanav Monga was appointed as Independent Director on 3rd October, 2024, hence the same are not comparable.

** Shri Samarth Kapur receives the remuneration from M/s. Rico Jinfei Wheels Limited, Subsidiary Company.

*** Shri Naveen Sorot was appointed as Chief Financial Officer on 13th November, 2025, hence the same is not comparable.

@ Shri Rakesh Kumar Sharma ceased to Chief Financial Officer on 12th November, 2025, hence the same is not comparable.

Ms. Ruchika Gupta was appointed as Company Secretary on 1st October, 2024, hence the same is not comparable.

2. The percentage of increase in the median remuneration of employees in the financial year 2025-26: 5%

3. The number of permanent employees on the roll of Company as on 31st March, 2026: 2073.

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

The average increase in cost of employees other than managerial personnel in 2025-26 was 5%. Percentage increase (+)/decrease (-) in the managerial remuneration for the year 2025-26 was 5%.

5. Affirmation that the remuneration is as per the Remuneration Policy of the Company:

It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

On behalf of the Board of Directors

Arvind Kapur
Chairman, CEO &
Managing Director
(DIN: 00096308)

Place : Gurugram
Date : May 29, 2026

ANNEXURE TO DIRECTORS' REPORT

FORM AOC - 2

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

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

1. **Details of Contracts or Arrangements or Transactions not at Arm's length basis:**
   There were no Contracts or Arrangements or Transactions entered into during the year ended 31st March, 2026.

2. **Details of Material Contracts or Arrangements or Transactions at Arm's length basis:**
   There were no Material Contracts or Arrangements or Transactions entered into during the year ended 31st March, 2026.

   - During the financial year 2025-26, all related party transactions entered into by the Company were in the ordinary course of business and on arm's length basis and are approved by Audit Committee and Board of the Company.
   - Definition of the term 'Material Contracts or Arrangements or Transactions' is taken as per Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

On behalf of the Board of Directors

Arvind Kapur
Chairman, CEO & Managing Director
(DIN: 00096308)

Place : Gurugram
Dated : May 29, 2026

ANNEXURE TO DIRECTORS' REPORT

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2026
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]]

To,
The Members,
Rico Auto Industries Limited
38 KM Stone, Delhi-Jaipur Highway
Gurugram - 122001, Haryana, India.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Rico Auto Industries Limited** bearing **CIN: L34300HR1983PLC023187** (hereinafter called "the Company"). The Company is a Public Listed Company limited by shares and an India Non-Government Company. Further, the Equity Shares of the Company are presently listed on the BSE Limited and National Stock Exchange of India Limited. The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2026** generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, 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) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; and
v) The Rules, Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
    a. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations);
    b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011;
    c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (PIT Regulations);
    d. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
    e. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018;
    f. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **Not applicable**
    g. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **Not applicable**
    h. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Companies Act and dealing with client;
    i. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **Not applicable** and
    j. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018: **Not Applicable.**
vi) **Other Applicable Laws:**
    i. Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013.

As informed to us there is no other sector specific law applicable to the Company during the audit period. We have relied on the representations made by the Company and its officers for systems and mechanism formed by the Company for compliances under other applicable Acts, laws and Regulations applicable to the Company.

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

i. Secretarial Standard (SS-1) issued by The Institute of Company Secretaries of India with respect to Board Meetings.
ii. Secretarial Standard (SS-2) issued by The Institute of Company Secretaries of India with respect to General Meetings.

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above for the financial year ended 31st March, 2026 except the following provisions:

a. The statement stating the compliance with the Maternity Benefit Act, 1961, as required in pursuance of the MCA circular dated 30th May, 2025 is not mentioned in the Directors' report for 2024-25.
b. The Company may further enhance compliance disclosures by incorporating details of material and other subsidiaries in the Annual Report in line with Regulation 34 read with Clause 10(n) of Part C of Schedule V of the SEBI Listing Regulations.

We further report that:

The Board of Directors of the Company is duly constituted with a proper balance of Executive Directors and Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the period under review.

During the period under audit, adequate notice is given to all directors to schedule the Board Meetings except in cases where meetings were convened at a shorter notice for which necessary approval was obtained as per applicable provisions. Agenda and detailed notes on agenda were sent in advance in adequate time before the meetings 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 maintained by the Company for the Board meetings all the decisions have been carried out unanimously. The members of the Board have not expressed any dissenting views on any of the agenda items during the period under review.

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

We further report that during the period under audit, the Company has not undertaken any specific events/actions having major bearing on the Company's affairs, in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. other than:

i. The Company has made the following investments vide Board Resolution dated 01st April, 2025 towards purchase of Renewable Energy and has complied with all the provisions of applicable laws and regulations:

   a. Additional ₹1.28 crores (0.20% of equity share capital) in Dalavaipuram Renewables Private Limited by way of purchase of 12,75,457 equity shares of ₹10/- each aggregating to ₹3.13 crores (0.71% of equity share capital) of 31,27,424 equity shares of ₹10/- each; and

   b. ₹0.34 crore (26% of equity share capital) in Boond Renewable Energy Private Limited by way of purchase of 3,39,479 equity shares of ₹10/- each.

ii. The Company has received 7,04,00,000 equity shares of ₹10/- each of amounting to ₹70.40 crores of Rico Jinfei Wheels Limited pursuant to its Amalgamation with Rico Fluidtronics Limited on 5th September, 2025 pursuant to Hon'ble NCLT order dated 1st July, 2025.

for **PG & ASSOCIATES**
Company Secretaries
Unique Code No.: S2004DE73600

CS PREETI GROVER
Proprietor
FCS: 5862, CP No.: 6065
Peer Review No.: 6917/2025
UDIN: F005862H000412477

Place : New Delhi
Date : May 20, 2026

Note : This report is to be read with our letter of even date which is annexed as "Annexure-A" and forms an integral part of this report.

'ANNEXURE A'

To,
The Members,
Rico Auto Industries Limited
38 KM Stone, Delhi – Jaipur Highway,
Gurugram – 122001,
Haryana, India.

Auditor's Responsibility

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

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

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

for **PG & ASSOCIATES**
Company Secretaries
Unique Code No.: S2004DE73600

CS PREETI GROVER
Proprietor
FCS: 5862, CP No.: 6065
Peer Review No.: 6917/2025
UDIN: F005862H000412477

Place : New Delhi
Date : May 20, 2026

ANNEXURE TO DIRECTORS' REPORT

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Rico Jinfei Wheels Limited
38. K.M. Stone, Delhi Jaipur Highway
Gurugram-122001
Haryana

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Rico Jinfei Wheels Limited** (hereinafter called "the Company") bearing **CIN: U34200HR2007PLC037021**. The Company is a Public Company limited by shares and an Indian Non-Government Company. Further, the Company is a material subsidiary of a Listed Company. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our 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 hereinafter:

We 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) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder: to the extent applicable to private company;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder: to the extent applicable to private company;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **Not applicable**

(v) The Company is not listed on any Stock Exchange in India hence the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 are not applicable to the Company:

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

   b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011;

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

   d. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

   e. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018;

   f. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

   g. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

   h. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Companies Act and dealing with Client;

   i. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; and

   j. The Securities and Exchange Board of India (Buy back of Securities) Regulations, 2018.

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

i. Secretarial Standard (SS-1) issued by The Institute of Company Secretaries of India with respect to Board Meetings.

ii. Secretarial Standard (SS-2) issued by The Institute of Company Secretaries of India with respect to General Meetings.

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above for the financial year ended 31st March, 2026 except:

i. Section 134 of the Companies Act, 2013: The Directors' Report for the financial year ended 2024-25 did not contain the following disclosure:

   a. The statement stating the compliance with the Maternity Benefit Act, 1961, as required in pursuance of the MCA circular dated 30th May, 2025.

A. Other Applicable Laws:

i. Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013.

As informed to us there is no other sector specific law applicable to the Company during the audit period. We have relied on the representations made by the Company and its officers for systems and mechanism formed by the Company for compliances under other applicable Acts, laws and Regulations applicable to the Company.

We further report that:

The Board of Directors of the Company is duly constituted. 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. During the year, two Independent Directors namely Mr. Arun Gupta and Ms. Sandeep Riat retired on 27th September, 2025 & 3rd February, 2026 respectively. Consequently, for the period from 4th February, 2026 to 31st March, 2026, the Company had only one Independent Director and the composition of the Board and the Audit Committee was affected. However, Company has since appointed Mr. Rajeev Kapoor and Mr. Amit Gupta on 5th September, 2025 and 29th April, 2026 respectively, as additional Independent Directors within the stipulated time period of three months, thereby has complied with the statutory requirements.

During the period under audit, adequate notice is given to all directors to schedule the Board Meetings except in cases where meetings were convened at a shorter notice for which necessary approval was obtained as per applicable provisions. Agenda and detailed notes on agenda were sent in advance in adequate time before the meetings 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 maintained by the Company for the Board Meetings all the decisions have been carried out unanimously. The members of the Board have not expressed any dissenting views on any of the agenda items during the period under review.

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

We further report that during the period under audit, the Company has not undertaken any specific events/actions having major bearing on the Company's affairs, in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. other than:

i. The scheme of amalgamation between M/s Rico Fluidtronics Limited with the Company was sanctioned by Hon'ble National Company Law Tribunal, (NCLT) Chandigarh, vide its Order dated 1st July, 2025.

ii. Pursuant to the above Hon'ble NCLT Order, the authorized share capital of the Company was increased to ₹1,30,00,00,000/- (Rupees One Hundred Thirty Crores Only) divided into 13,00,00,000 (Thirteen Crores) Equity Shares of ₹10/- (Rupees Ten) each.

iiii. Pursuant to the above Hon'ble NCLT Order, the Company has issued and allotted fully paid-up 7,04,00,000 Equity shares of ₹10/- each of amounting to ₹70.40 Crores, to Rico Auto Industries Limited. Further, the Distinctive nos. of 95,00,000 Equity Shares held by Rico Fluidtronics Limited in the Company were cancelled.

for **PG & ASSOCIATES**
Company Secretaries
Unique Code No.: S2004DE73600

CS PREETI GROVER
Proprietor
FCS: 5862, C.P. No.: 6065
Unique Code No.: S2004DE73600
Peer Review No.: 6917/2025
UDIN: F005862H000428812

Place : New Delhi
Date : May 21, 2026

This report is to be read with our letter of even date, which is annexed as "Annexure-A" and forms an integral part of this report.

'ANNEXURE A'

To,
The Members,
Rico Jinfei Wheels Limited
38. K.M. Stone, Delhi Jaipur Highway
Gurugram - 122001
Haryana

Auditor's Responsibility

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

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

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

for **PG & ASSOCIATES**
Company Secretaries
Unique Code No.: S2004DE73600

CS PREETI GROVER
Proprietor
FCS: 5862, C.P. No.: 6065
Peer Review No.: 6917/2025
UDIN: F005862H000428812

Place : New Delhi
Date : May 21, 2026

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY

The Company's philosophy of Corporate Governance is to meet its vision responsibly and transparently, while being accountable to Stakeholders. Your Company considers the interest of every Stakeholder with a commitment to integrity and equity between the Shareholders, Directors, Auditors and the Management. The Board oversees the overall functioning of the Company and ensures a conducive environment for the business.

Our Corporate Governance Structure and Framework

The Company's Governance structure is multi-tiered and comprises of the Board of Directors (the Board), Board Committees, Managing Director & CEO and the Management Committee. The Company is committed to maintaining the highest standards of corporate conduct in its interactions with all stakeholders, including business partners, communities, and the environment. This approach supports sustainable performance and long-term value creation.

The Company's corporate governance practices are subject to continuous review and best practices are ensured for their continued relevance and effectiveness.

This Report on Corporate Governance is prepared in compliance with the requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and contains the governance system and compliances of the Company for the period from 1st April, 2025 to 31st March, 2026 as given below:

1. BOARD OF DIRECTORS

The Company has an optimum combination of Executive and Non-executive Directors, including Independent Director and Woman Directors. The Board as on 31st March, 2026 consists of Ten Directors - Four Executive Directors, One Non-Executive Non-Independent Director and Five Independent Directors including One Woman Independent Director. They all have with them considerable experience in their respective fields. The Chairman of the Board is an Executive Director.

A. Managing Director and Whole-time Directors

The Company has one Managing Director and three Whole-time Directors designated as Executive Directors who are responsible for overall management, planning, policy, strategy, operations, marketing, production, sales subject to the superintendence, control and direction of the Board of Directors. The Directors are being paid remuneration as prescribed under the Companies Act, 2013. The remuneration is being paid as recommended by the Nomination and Remuneration Committee followed by the approval from the Board and Shareholders. No sitting fee is being paid to them.

B. Independent Directors

All Independent Directors have confirmed that they met the criteria of Independence as mentioned in Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) read with Section 149 of the Companies Act, 2013 and are independent to management. As on 31st March, 2026, the Company has five Independent Directors including one Woman Independent Director.

Particulars of Directors of the Company and their Directorship in other Companies, Membership/Chairmanship in Committees across all Companies in which they are Directors and shareholding in the Company as on 31st March, 2026 are as follows:

Name of the Director/Category	DIN	Number of Committees		Number of other Directorship held*	Shareholding as on 31/03/2026
		Membership held*	Chairmanship held*		
Independent Directors					
Ms. Sarita Kapur	08848507	–	–	1	**Nil**
Shri Hemal Bharat Khandwala	05241590	1	1	–	**133400**
Shri Yogesh Kapur	00070038	5	5	8	**Nil**
Shri Prabhakar Kadapa	00059374	1	–	1	**Nil**
Shri Kanav Monga	01058097	1	–	1	**Nil**
Executive Directors					
Shri Rajiv Kumar Miglani	06873155	–	–	3	**Nil**
Shri Kaushalendra Verma	02004259	2	–	3	**Nil**
Shri Samarth Kapur	01525517	1	–	1	**194800**
Non-Executive Non-Independent Director					
Ms. Shikha Kapur	01537250	–	–	1	**–**
Executive & Promoter Director					
Shri Arvind Kapur Chairman, CEO & MD	00096308	1	1	2	**14118043**

* Excluding Private Limited Companies, Foreign Companies and LLPs.

- Except Shri Arvind Kapur, Ms. Shikha Kapur and Shri Samarth Kapur being related to each other, no other Directors are inter-se related.

There are no pecuniary relationship or transactions of Independent Directors vis-à-vis the Company. Only two Committees viz. the Audit Committee and Stakeholders Relationship Committee are considered for the purpose of ascertaining the membership and chairmanship of the Directors. None of the Director is either a member of more than ten aforesaid Board Committees or Chairman of more than five such Committees.

The name of listed entities (including this Company), where the Directors of the Company as on 31st March, 2026, hold directorship and the category thereof are furnished below:

Name of Director	Name of listed entity in which Directorship held	Category of Directorship
Ms. Sarita Kapur	Rico Auto Industries Limited SMC Global Securities Limited	Independent Independent
Shri Hemal Bharat Khandwala	Rico Auto Industries Limited	Independent
Shri Yogesh Kapur	Rico Auto Industries Limited Greenlam Industries Limited Kirloskar Oil Engines Limited ASK Automotive Limited Relaxo Footwear Limited Polyplex Corporation Limited	Independent Independent Independent Independent Independent Independent
Shri Prabhakar Kadapa	Rico Auto Industries Limited	Independent
Shri Kanav Monga	Rico Auto Industries Limited	Independent
Ms. Shikha Kapur	Rico Auto Industries Limited	Non-Executive Non-Independent
Shri Rajiv Kumar Miglani	Rico Auto Industries Limited	Executive
Shri Kaushalendra Verma	Rico Auto Industries Limited	Executive
Shri Samarth Kapur	Rico Auto Industries Limited	Executive
Shri Arvind Kapur	Rico Auto Industries Limited Subros Limited	Executive Independent

C. List of Core Skills/Expertise/Competencies identified by the Board of Directors

Chart of core skills/expertise/competencies identified by the Board of Directors in context of the Company's Business and sector for it to function effectively and actually available with the Board:

Name of Director	List of Core Skills/Expertise/Competencies
Ms. Sarita Kapur	Legal Advisory Services, Contractual and Commercial matters, Public and Private International laws, Employment laws, Personal laws, Succession and trusts. Practicing Mediator affiliated with Samadhan, Delhi High Court, Accredited by the Ministry of Corporate Affairs and the Chartered Institute of Arbitrators, UK.
Shri Hemal Bharat Khandwala	Advisor in the areas of financial management, business strategy, decision making and brand building.
Shri Yogesh Kapur	Fellow Chartered Accountant engaged in advising companies on strategic initiatives, investment banking, reorganization, business/corporate restructuring, fund raising and regulatory requirements/compliances etc.
Shri Prabhakar Kadapa	His experiences spanning into sectors like Automobile & Auto Components, Farm Equipment, Construction & Mining Equipment, Appliance & Precision Engineering. Also specializes in Strategy, M&A, Business Restructuring, Operations management & supply chain specifics.
Shri Kanav Monga	His leadership style is marked by a deep understanding of international business dynamics, particularly between India and Japan. He has a strong leadership track record, deep-rooted connections in the global business community, particularly with Japanese corporations, and a visionary approach to strategic joint ventures and collaborations.
Ms. Shikha Kapur	She is Global business leader with 20+ years of experience in finance, strategy and operations. Consistent track record in increasing shareholder value across a breadth of companies and industries, including scaling early-stage high growth start-ups to driving transformational growth at Fortune 100 businesses. Proven leadership experience and track record of building and managing high performing teams, and partnering with the business and across functions to deliver superior strategies and execution.
Shri Rajiv Kumar Miglani	Program Management Domestic and Overseas from the Automotive and Engineering Industry, Technical Assurance, Risk Management, Business Development and has strong leadership skills for Project planning, Resource management and administration.
Shri Kaushalendra Verma	Profit Centre Management, Business Development, Technology Transfers, Greenfield Projects, Program Management, Manufacturing Engineering, Risk Management, Manufacturing and Quality Assurance and possesses strong leadership skills in planning, organizing, systematic analysis, people management, and team building.
Shri Samarth Kapur	Operation, Engineering, Manufacturing, Management in the Automotive and Engineering Industry and is well versed in all aspects of planning and general administration.
Shri Arvind Kapur	Management, Project Management, Purchase and Supply Chain Management, Strategy, Budgeting, Finance, Operations, Marketing, Production, Costing, Investment and Human Resource Management.

2. BOARD MEETINGS

The Board meets at regular intervals to discuss and deliberate on business strategies, policies and the financial performance of the Company.

The Agenda papers along with material information are sent in advance to the Directors and in exceptional cases tabled at the meeting with the permission of the Chairman. This ensures timely and informed decisions by the Board. The Board is also apprised about the important developments in the industry, business operations and regulations.

During the financial year 2025-26, five Board Meetings were held on 01/04/2025, 27/05/2025, 12/08/2025, 12/11/2025 and 10/02/2026.

The attendance of Directors at the Board Meetings held during the year and at the last Annual General Meeting is as under:

Name of the Director	Number of Board Meetings		Attended Last
	Held	Attended	AGM
Ms. Sarita Kapur	5	5	Yes
Shri Hemal Bharat Khandwala	5	5	Yes
Shri Yogesh Kapur	5	5	Yes
Shri Prabhakar Kadapa	5	5	Yes
Shri Kanav Monga	5	5	Yes
Ms. Shikha Kapur	5	4	No
Shri Rajiv Kumar Miglani	5	5	Yes
Shri Kaushalendra Verma	5	5	Yes
Shri Samarth Kapur	5	5	Yes
Shri Arvind Kapur	5	5	Yes

The Board has an effective post meeting follow-up procedure. At every Board Meeting a status of action taken on the decisions taken during the previous Board Meetings are discussed.

Board Familiarisation and Induction Programme

The Company from time to time familiarises the Independent Directors about the Company, its product, business and the ongoing events relating to the Company through presentations. The appointment of an Independent Director is formalised by issuing a letter to the Director, which inter alia explains the role, function, duties and responsibilities expected from him as a Director of the Company.

The Executive Directors of the Company also provide details of the development in the industry and business operations of the Company to the Directors at the Board Meetings on regular basis. The details of familiarization programmes imparted to Independent Directors is available on the website of the Company viz. **https://www.ricoauto.in/independentdirectors.html**

Board Evaluation

Your Company understands the requirements of an effective Board Evaluation process and accordingly Performance Evaluation of the Board, its Committees and Individual Directors including the Chairman of the Board is conducted every year.

In compliance with the requirements of the provisions of Section 178 of the Companies Act, 2013 and the Listing Regulations, your Company has carried out Performance Evaluation in respect of above for the financial year ended 31st March, 2026.

During the year, the Board adopted the process of evaluation through circulation of evaluation forms, discussions and also made an oral assessment of its functioning in accordance with the requirements of applicable laws and Regulations. Further in the like manner, the functioning of the Committees was also evaluated. The Independent Directors also interacted amongst themselves and with the Chairman. The overall assessment of the Board was that it was functioning as a cohesive body including the Committees of the Board that were functioning well with periodic reporting by the Committees to the Board on the work done and progress made during the period. Based on the aforesaid Performance Evaluation, your Board decided to continue the terms of appointment of the Chairman, Independent Directors, Executive Directors and the Non-Executive Directors.

Meeting of Independent Directors

The Company's Independent Directors met on 17th March, 2026, without the presence of Non-Independent Directors and members of Management through virtual mode. In accordance with the provisions of Listing Regulations and the Companies, Act, 2013, following matters were, inter alia, reviewed and discussed in the meeting:

- Performance of Non-Independent Directors and the Board as a whole;
- Performance of the Chairman of the Company, taking into account the views of Executive and Non-Executive Directors;
- Assessment of the quality, quantity and timelines of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Remuneration to Directors

The Non-Executive Independent Directors are entitled to sitting fee and commission based on Net Profit of the Company, as per provisions of the Companies Act, 2013 to be divided among them as may be determined by the Nomination and Remuneration Committee, Board of Directors and the Shareholders of the Company.

Remuneration to the Managing Director and Executive Directors is governed by resolutions passed by the Nomination and Remuneration Committee, Board of Directors and Shareholders of the Company, which cover the terms of appointment and payment of remuneration as per Nomination and Remuneration Policy of the Company.

Besides the above, there are no other pecuniary relationships or transactions with the Company. Managing Director and Executive Directors have not received any remuneration or commission from any of the Company's subsidiaries, except Shri Samarth Kapur, Executive Director receiving remuneration from M/s. Rico Jinfei Wheels Limited, Subsidiary Company.

(₹in Lakhs)

Name of the Director	Sitting Fees	Salary	Perks	Commission**	Total
Non-Executive Independent Directors					
Ms. Sarita Kapur	4.25	N.A.	N.A.	6.30	10.55
Shri Hemal Bharat Khandwala	7.25	N.A.	N.A.	6.30	13.55
Shri Yogesh Kapur	7.25	N.A.	N.A.	6.30	13.55
Shri Prabhakar Kadapa	7.25	N.A.	N.A.	3.16	10.41
Shri Kanav Monga	4.25	N.A.	N.A.	3.11	7.36
Non-Executive Non-Independent Director					
Ms. Shikha Kapur	N.A.	N.A.	N.A.	N.A.	N.A.
Executive Directors					
Shri Rajiv Kumar Miglani	N.A.	131.65	–	N.A.	131.65
Shri Kaushalendra Verma	N.A.	129.68	–	N.A.	129.68
Shri Samarth Kapur*	N.A.	60.00	–	N.A.	60.00
Shri Arvind Kapur	N.A.	984.31	30.10	Nil	1014.41

* Shri Samarth Kapur receive the remuneration from M/s. Rico Jinfei Wheels Limited, Subsidiary Company.

** Commission is amount paid during the year on the basis of tenure of director for full year or part thereof.

Remuneration Policy

The Company has adopted a policy relating to the remuneration for Directors, Senior Management, Key Managerial Personnel and other Employees of the Company. The same is available on the website of the Company viz. **https://www.ricoauto.in/key-policies.html**

The remuneration policy is directed towards rewarding performance, based on review of achievements. It is aimed at attracting and retaining high caliber talent.

Stock Option

At present the Company has no stock option plans.

Directors and Officers Insurance

The Company has undertaken Directors and Officers Liability Insurance Policy for all its Directors, including Independent Directors, for a quantum and risks as determined by the Board of Directors of the Company in line with the Listing Regulations.

3. COMMITTEES OF THE BOARD

The Board of Directors have constituted Committees in compliance with the Companies Act, 2013 and Listing Regulations to deal with specific areas and activities of the Company. These Board Committees play an important role in overall management of day-to-day affairs and governance of the Company. The Board Committees meet at regular intervals, takes necessary steps to perform its duties entrusted by the Board. The recommendation of the Committees are submitted to the Board for approval.

Ms. Ruchika Gupta, Company Secretary & Compliance Officer is the Secretary to all the Committees constituted by the Board.

The minutes of the Committee Meetings are placed before the Board on regular basis.

The Board has the following Committees:

A. AUDIT COMMITTEE

The Committee consists of three Independent Directors and one Executive Director as on 31st March, 2026. The Chairman of the Committee is experienced Financial Professional and other members also has area of expertise in the field of financial reporting and internal controls. The composition, quorum, power, role and scope of the Audit Committee is in accordance with the Companies Act, 2013 and provisions of Listing Regulations.

Brief Terms of Reference inter-alia included:

i) Recommend appointment, remuneration and terms of appointment of Auditors of the Company.

ii) Review and monitor the auditor's independence & performance and effectiveness of audit process.

iii) Review with management the financial statements and the auditors' report thereon before submission to the Board for approval.

iv) Approval or any subsequent modification of transaction of the Company with related parties.

v) Scrutiny of loans and investments made by the Company's Unlisted Subsidiaries.

vi) Valuation of undertakings or assets of the Company.

vii) Evaluation of internal financial controls and risk management systems.

viii) Monitoring the end use of funds raised through public offers and related matters.

ix) Review the vigil mechanism and to report genuine concerns.

The Audit Committee met four times during the financial year 2025-26. The meetings were held on 27/05/2025, 12/08/2025, 12/11/2025 and 10/02/2026. The composition and attendance of the Audit Committee is as under:

Name of the Director	Position held	Number of Meetings	
		Held	Attended
Shri Yogesh Kapur	Chairman	4	4
Shri Hemal Bharat Khandwala	Member	4	4
Shri Prabhakar Kadapa	Member	4	4
Shri Arvind Kapur	Member	4	4

The Chief Financial Officer, Statutory Auditors and Internal Auditors regularly attend the Audit Committee Meetings and apprise the members of the Committee with various issues. The executives from Finance Department, Secretarial Department, Production and Human Resource Department attend the Audit Committee Meeting.

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

The Statutory Auditors, Internal Auditors, Cost Auditors and Secretarial Auditors of the Company have not reported any frauds to the Audit Committee or to the Board of Directors under Section 143(12) of the Companies Act, 2013, including rules made thereunder.

B. NOMINATION AND REMUNERATION COMMITTEE

i) Composition & Attendance

The Nomination and Remuneration Committee consists of three Independent Directors and one Executive Director as on 31st March, 2026. The Nomination and Remuneration Committee met two times during the financial year 2025-26. The Committee Meetings were held on 27/05/2025 and 10/11/2025 during the financial year 2025-26.

The composition and attendance is as under:

Name of the Director	Position held	Number of Meetings	
		Held	Attended
Ms. Sarita Kapur	Chairperson	2	2
Shri Hemal Bharat Khandwala	Member	2	2
Shri Yogesh Kapur	Member	2	2
Shri Arvind Kapur	Member	2	2

The Brief Terms of Reference:

- Recommend to the Board a policy relating to the remuneration for the Directors, Key Managerial Personnel and Senior Management.
- Fixation of salary, perquisites etc. of all Executive Directors of the Company at the time of their appointment/re-appointment.
- Recommending commission payable to the Non-Executive Directors and Managing Director.
- Formulate the criteria for determining qualification, positive attributes and independence of a Director.
- Identify persons who qualify to become Director and who may be appointed in Senior Management and recommend to the Board for their appointment.
- Formulate the criteria for effective evaluation of performance of Board, its Committees and Individual Directors.
- Devising a policy on diversity of the Board of Directors.

ii) Performance Evaluation Criteria for the Board, its Committees and Individual Directors

The Committee has formulated evaluation criteria for Board, its Committees and Individual Directors which is broadly based on knowledge & expertise to perform the role, competency & professional experience, board engagement & time commitment and integrity & honesty.

C. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee consists of two Independent Directors and two Executive Directors. The Stakeholders Relationship Committee met four times during the financial year 2025-26. The meetings were held on 16/04/2025, 24/04/2025, 08/12/2025 & 19/12/2025. The composition and attendance is as under:

Name of the Director	Position held	Number of Meetings	
		Held	Attended
Shri Hemal Bharat Khandwala	Chairman	4	2
Shri Kanav Monga	Member	4	2
Shri Kaushalendra Verma	Member	4	4
Shri Samarth Kapur	Member	4	4

The Committee deals in matters relating to redressing of investor complaints, transmission and transposition of shares, issue of duplicate share certificates, transfer of shares to IEPF Authority, review of dematerialized and rematerialized shares.

D. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The CSR Committee has been constituted pursuant to the provisions of Section 135 of the Companies Act, 2013 consisting of two Independent Directors and two Executive Directors.

The CSR Committee met one time on 30/07/2025 during the financial year 2025-26. The composition and attendance is as under:

Name of the Director	Position held	Number of Meetings	
		Held	Attended
Ms. Sarita Kapur	Chairperson	1	1
Shri Kanav Monga	Member	1	1
Shri Kaushalendra Verma	Member	1	1
Shri Arvind Kapur	Member	1	1

The terms of reference of the CSR Committee are as under:

- Formulate and recommend to the Board a Corporate Social Responsibility Policy and its review from time to time;
- Ensure effective implementation and monitoring of the CSR activities as per approved policy, plans and budget; and
- Ensure compliance with law, rules and regulations governing CSR and to periodically report to the Board.

The Company has CSR Policy which is available at Company website **https://www.ricoauto.in/key-policies.html.** The CSR Report for the financial year 2025-26 is annexed with the Directors' Report.

E. RISK MANAGEMENT COMMITTEE

The Risk Management Committee has been constituted pursuant to the provisions of the Companies Act, 2013 consisting of two Independent Directors and three Executive Directors.

The Risk Management Committee met two times during the financial year 2025-26. The meetings were held on 28/08/2025 and 06/03/2026. The composition and attendance is as under:

Name of the Director	Position held	Number of Meetings	
		Held	Attended
Ms. Sarita Kapur	Chairperson	2	2
Shri Prabhakar Kadapa	Member	2	2
Shri Rajiv Kumar Miglani	Member	2	2
Shri Kaushalendra Verma	Member	2	2
Shri Arvind Kapur	Member	2	1

Terms of Reference of the Committee includes amongst others:

- Formulation of Risk Management Policy and Plan;
- Appointment of the Chief Risk Officer;
- Ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- Oversee implementation monitoring of Risk Management Policy and plan, including evaluating the adequacy of risk management systems;
- Periodically review the risk management policy, considering the changing industry dynamics and evolving complexity; and
- Review of cyber security and related risks.

The Company has Risk Management Policy which is available at Company website **https://www.ricoauto.in/key-policies.html**

F. FINANCE COMMITTEE

The Finance Committee has been constituted pursuant to the provisions of the Companies Act, 2013 consisting of one Independent Director and three Executive Directors. The Finance Committee deals with borrowing in any form Bank, Financial Institutions and Overseas Funding Institutions etc. within limits assigned to it by the Board from time to time, other bank related matters, authorization to officials for certain matters including legal cases and other specific matters assigned to it.

The Finance Committee met three times during the financial year 2025-26. The meetings were held on 05/05/2025, 03/07/2025 & 19/12/2025. The composition and attendance is as under:

Name of the Director	Position held	Number of Meetings	
		Held	Attended
Shri Yogesh Kapur	Member	3	3
Shri Kaushalendra Verma	Member	3	3
Shri Rajiv Kumar Miglani	Member	3	2
Shri Arvind Kapur	Chairman	3	3

Management Committee

The Company has Executive Committee comprising of 9 members as on date of this Annual Report, headed by the MD & CEO with Functional/Business Heads as its members. Rico Executive Committee is responsible for the day to day management of the Company, the overall superintendence and control being with the Board. The composition of Executive Committee is as under:

1. Shri Rajiv Kumar Miglani – Executive Director
2. Shri Kaushalendra Verma – Executive Director
3. Shri Samarth Kapur – Executive Director
4. Shri Naveen Sorot – Chief Financial Officer
5. Shri Abhishek Kulshrestha – Executive Vice President
6. Shri Sachinder Kaul – Senior Vice President
7. Shri Shalinder Rathi – Senior Vice President
8. Shri B K Jain – Vice President
9. Shri Sanjay Bhat – Asst. Vice President

Framework for monitoring Subsidiary Companies

The Company has five subsidiaries. None of the subsidiary is listed on any Stock Exchange. The Audit Committee and the Board reviews the financial statements, the minutes of the Board Meetings and all significant transactions and arrangements of the Subsidiary Companies.

Rico Jinfei Wheels Limited (RJWL) is material subsidiary pursuant to the provisions of the Listing Regulations. This Subsidiary undergo Secretarial Audit in compliance with Regulation 24A of the Listing Regulations. The Secretarial Audit Report of this material subsidiary attached with this report.

The details of Material Subsidiary during the Financial Year 2025-26 are given below:

Name of Subsidiary	Date of Incorporation	Place of Incorporation	Name of Statutory Auditor	Date of appointment of Statutory Auditor
Rico Jinfei Wheels Limited	16th July, 2007	Gurugram	BSR & Co. LLP	30th September, 2022

TCWG Communication Framework

In compliance with the circular dated 7th January, 2026 issued by the National Financial Reporting Authority ("NFRA"), a formal structured framework is implemented to formalise a structured and transparent engagement between Those Charged with Governance ("TCWG") and the Statutory Auditors. The framework sets out a clear mechanism for communication of key matters between the TCWG and the Statutory Auditors to ensure the following:

Enhanced transparency and trust

- Improved financial reporting quality
- Stronger internal controls and risk oversight
- Early identification and mitigation of compliance issues
- Clear documentation and governance accountability

TCWG to comprise of the Audit Committee members, Executive Directors, CFO and Company Secretary of the Company.

The Chairperson of the Audit Committee and Engagement Partner of Statutory Auditors are appointed as Nodal Officers for the purpose of this framework.

The matters communicated by the Statutory Auditors at such meetings will be shared by the Nodal Person with the TCWG and will be appropriately documented through the minutes of the Audit Committee and/or the Board, as applicable. In line with this framework, the TCWG will meet with the Statutory Auditors during the year and, inter-alia, discuss the interim audit strategy and planning, audit scope and approach, status of interim audit procedures, and certain significant and non-recurring audit matters. The Company has made the TCWG Policy to be Effective from FY 2026-27 audits; first Pre-Audit Meeting shall happen between Q2 to Q3.

The Company Secretary shall be responsible for organizing and conducting meetings between TCWG and Auditors.

General Body Meetings

Financial Year	Type of Meeting	Location/Mode of Meeting	Date	Time
2022-2023	40th AGM	Registered Office at Gurugram and through Video Conferencing	29/09/2023	12.00 Noon
2023-2024	41st AGM	Registered Office at Gurugram and through Video Conferencing	27/09/2024	12.00 Noon
2024-2025	42nd AGM	Registered Office at Gurugram and through Video Conferencing	16/09/2025	12.00 Noon

The following Special Resolutions were taken up in the AGMs held during the last three financial years and were passed with the requisite majority:

40th AGM (29/09/2023)
1. Appointment of Shri Yogesh Kapur as an Independent Director.

41st AGM (27/09/2024)
1. No Special Resolution Passed in this AGM.

42nd AGM (16/09/2025)
No Special Resolution Passed in this AGM.

Postal Ballot

During the Financial Year 2025-26, five special resolutions were passed by the Shareholder(s) through Postal Ballot process on 25/07/2025, the details of voting pattern is as follows:

S. No.	Resolution	No. of Votes Polled	No. & % age of votes in favour	No. & %age of votes against
1.	Payment of Commission to Non-Executive Directors of the Company	71760767	71371106 (99.46%)	389661 (0.54%)
2.	Re-appointment of Ms. Sarita Kapur (DIN:08848507) as an Independent Director of the Company.	71761069	71418450 (99.52%)	342619 (0.48%)
3.	Re-appointment of Shri Kaushalendra Verma (DIN: 02004259) as Whole-time Director designated as “Executive Director”	71760769	71419702 (99.52%)	341067 (0.48%)
4.	Re-appointment of Shri Rajiv Kumar Miglani (DIN: 06873155) as Whole-time Director designated as “Executive Director”	71761069	71419008 (99.52%)	342061 (0.48%)
5.	Re-appointment of Shri Samarth Kapur (DIN: 01525517) as Whole-time Director designated as “Executive Director”	71760719	71417338 (99.52%)	343381 (0.48%)

Shri Milan Malik (Membership No. FCS 9888 & Certificate of Practice No. 16614), Partner of M/s. Lexnexus Corporate Solutions LLP, Company Secretaries & Legal Consultants was appointed as the Scrutinizer for conducting the Postal Ballot/E-voting process in a fair and transparent manner.

Procedure for Postal Ballot

The Postal Ballot process was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Companies Act, 2013 (as amended) read with the Rules framed thereunder and applicable circulars issued by the Ministry of Corporate Affairs and the Listing Regulations.

None of the businesses proposed to be transacted at the ensuing AGM requires passing of a resolution through postal ballot.

MEANS OF COMMUNICATION

i) Quarterly/Annual Results are published in the following Newspapers:
- Business Standard (English Newspaper) Delhi & Mumbai
- Veer Arjun (Hindi Newspaper) Delhi

ii) Quarterly/Annual Results and Shareholding Pattern are displayed on Company's website at **https://www.ricoauto.in/financial-results.html** and **https://www.ricoauto.in/shareholding-pattern.html** respectively and all important/price sensitive information are submitted to the BSE/NSE where the shares of the Company are listed and these Stock Exchanges display these announcements on their respective websites.

iii) The Company's official press releases and any presentation made to the Institutional Investors or/and Analysts are displayed on website of the Company viz. **https://www.ricoauto.in/investor-presentation.html**

iv) The Shareholder Information section forms part of the Report.

Dispute Resolution Mechanism at Stock Exchanges

To enable the Shareholders to raise any dispute against the Company or its RTA on delay or default in processing any investor services related request, SEBI has provided an option of 'Arbitration with Stock Exchanges (NSE and BSE)' as a Dispute Resolution Mechanism

Online Dispute Resolution (ODR) Mechanism

As per SEBI Circulars issued from time to time, in case of any grievances, the Shareholders are advised to first approach the Company or its RTA. If the response is not received/not satisfactory, Shareholders can raise a complaint on SCORES/with Stock Exchanges.

After exhausting all the above available options for resolution of the grievance, if the Shareholder is still not satisfied with the outcome, they can initiate dispute resolution through the ODR Portal at **https://smartodr.in/login**

As mentioned above, for effective use of the ODR process, shareholders are requested to initiate the Smart ODR process as the last resort after exhausting all available options for grievance redressal. The ODR serves as a platform for resolution of long pending disputes, which are otherwise difficult to be taken to a logical end.

Statutory Auditors fees

A total fee of ₹90.87 lakhs was paid by the Company and its Subsidiaries for all audit and services availed, on a consolidated basis, to the Statutory Auditors and all Entities in network firm/network entity of which the Statutory Auditors is a part, for the financial year ended 31st March, 2026.

Diversity on the Board of the Company

The Company aims to enhance the effectiveness of the Board by diversifying its composition and to obtain the benefit out of such diversity in better and improved decision making. In order to ensure that the Board of the Company has appropriate balance of skills, experience and diversity of perspectives that are imperative for the execution of its business strategy, the Company considers a number of factors, including but not limited to skills, industry experience, background and business acumen. Policy on Board Diversity is displayed on website of the Company viz. **https://www.ricoauto.in/key-policies.html**

Credit Ratings

Kindly refer to relevant disclosures in the Directors' Report which forms part of the Annual Report 2025-26.

Chief Executive Officer (CEO), Chief Financial Officer (CFO), Compliance Officer

Shri Arvind Kapur, Chairman & Managing Director is Chief Executive Officer. Shri Naveen Sorot is Chief Financial Officer. Ms. Ruchika Gupta is Company Secretary and Compliance Officer.

GENERAL SHAREHOLDERS' INFORMATION

1. Annual General Meeting (AGM)

Day, Date, Time, Venue and Mode : 43rd AGM will be held on Tuesday, the 8th day of September, 2026 at 12.00 Noon through Video Conferencing ('VC')/ Other Audio-Visual Mean ('OAVM').

2. Financial Calendar

Financial Year : 1st April to 31st March

For the year 2025-26, Results were announced on

First quarter ended 30th June, 2025	: 12th August, 2025
Second quarter and half year ended 30th September, 2025	: 12th November, 2025
Third quarter ended 31st December, 2025	: 10th February, 2026
Fourth quarter and year ended 31st March, 2026	: 29th May, 2026

For the year 2026-27, Results will be announced on (Tentative)

First quarter ended 30th June, 2026	: August, 2026
Second quarter and half year ending 30th September, 2026	: November, 2026
Third quarter ending 31st December, 2026	: February, 2027
Fourth quarter and year ending 31st March, 2027	: May, 2027

3. Dates of Book Closure : 2nd September, 2026 to 8th September, 2026 (both days inclusive)

4. Dividend Payment Date : Dividend @ ₹0.55 per share would be paid within 30 days of declaration by the Shareholders in the Annual General Meeting.

5. Registered Office : 38 KM Stone, Delhi-Jaipur Highway, Gurugram - 122001 (Haryana) India

6. Registrar and Transfer Agent
(Common for Physical Transfer as well as Dematerialisation of Shares) : M/s. MCS Share Transfer Agent Limited
179-180, DSIDC Shed, 3rd Floor, Okhla Industrial Area Phase I, New Delhi - 110020

7. Manufacturing Plants

Gurugram Plant : Aluminium
38 KM Stone, Delhi-Jaipur Highway
Gurugram - 122001 (Haryana) India

Gurugram Plant : Ferrous
38 KM Stone, Delhi-Jaipur Highway
Gurugram - 122001 (Haryana) India

Haridwar Plant : Aluminium
Plot No.1 & 2, Industrial Park IV, Village Begumpur,
Distt. Haridwar - 249403 (Uttarakhand) India

Chennai Plant : Aluminium (ICE)
Plot No.A9, SIPCOT Industrial Growth Centre
Oragadam, Chennai - 602105 (Tamil Nadu) India

Chennai Plant : Aluminium (EV & Hybrid)
Plot No.A9, SIPCOT Industrial Growth Centre
Oragadam, Chennai - 602105 (Tamilnadu) India

Bawal Plant: Aluminium (Low Tonnage)
Plot No.21, Sector-5, HSIIDC, Phase-II
IMT Bawal - 123501, Distt. Rewari (Haryana) India

Bawal Plant: Aluminium (High Tonnage)
Plot No.22-23, Sector-5, HSIIDC, Phase-II
IMT Bawal - 123501, Distt. Rewari (Haryana) India

Pathredi Plant : Ferrous
Plot No.SP3 800 & 801, Industrial Area Pathredi
Distt. Alwar - 301019 (Rajasthan) India

Halol Plant : Aluminium
Plot No.1602/A, GIDC
Halol - 389350, Gujarat (India)

Hosur Plant : Aluminium
Plot No.83 & 96, SIPCOT Industrial Area
Marudhandapalli Village, Shoolagiri Taluk,
Distt. Krishnagiri – 635117, Tamil Nadu (India)

Sanand Plant
Plot No.D2, Tata Motors Vendor Park, Village Sanand,
P.O. Viroch Nagar, Ahmedabad - 382170 (Gujarat) India

Subsidiary Companies:

Rico Jinfei Wheels Limited (Alloy Division)
Plot No.397, Sector–8, IMT Manesar,
Gurugram - 122050 (Haryana) India

Rico Jinfei Wheels Limited (Pump Division)
69 KM Stone, Delhi-Jaipur Highway
Dharuhera, Distt. Rewari - 123110
(Haryana) India

Plot No.11, Sector–8, IMT
Manesar, Gurugram - 122050
(Haryana) India

AAN Engineering Industries Limited (Defence)
Plot No.SP3 800 & 801, Industrial Area Pathredi
Distt. Alwar - 301019 (Rajasthan) India

Rico Friction Technologies Limited (Friction Material)
38 KM Stone, Delhi-Jaipur Highway
Gurugram - 122001 (Haryana) India

8. Share Transfer System

Process for requests related to physical shares

The Board has delegated the authority for approving requests pertaining to transmission, name deletion, exchange, issuance of duplicate shares, dematerialisation, etc. to the Stakeholders Relationship Committee. A summary of transactions so approved by the Committee is placed at the Board Meeting held quarterly. As per the notifications/circulars issued by SEBI from time to time, listed entities are required to issue securities only in demat mode while processing any investor service requests, such as transmission, name deletion, issuance of duplicate share certificates, exchange/subdivision and transposition of securities. As per SEBI guidelines, listed entities/RTAs issued a Letter of Confirmation (LOC) in lieu of physical share certificates while processing any of the aforesaid investor service requests. Pursuant to SEBI circular dated 30th January, 2026, the process has been simplified by dispensing with the requirement of LOC with effect from 2nd April, 2026. Accordingly, after completion of additional requirements as per the revised process, RTAs/listed companies shall credit the securities directly to the investor's demat account.

Request for updation of PAN, KYC details and Choice of Nomination

As per circulars issued by SEBI from time to time, it is mandatory for holders of physical securities to furnish PAN, KYC details (viz. Contact details, Mobile Number, Bank Account Details, Signature) before getting any Investor Service Request (ISR) processed. Security holders holding securities in physical form, whose folio(s) do not have PAN, KYC details updated, shall be eligible for dividend in respect of such folios, only through electronic mode with effect from 1st April, 2024. Members may refer to the SEBI FAQs (FAQ Nos. 47 & 48) issued in this regard, available on its website at **https://www.sebi.gov.in/sebi_data/faqfiles/jan-2026/1767611333081.pdf**

Demat shares

Requests for dematerialization/re-materialization of shares are processed and confirmation is given to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) directly by the Registrar and Share Transfer Agent. The Annual Custody Fees for the Financial Year 2026-27 have been paid to the Depositories.

9. Listing on Stock Exchanges

The Company's shares are listed on the following Stock Exchanges:

Name & Address of Stock Exchanges	Stock Codes/Scrip Code	ISIN Number for NSDL/CDSL (Dematerialised shares)
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001	520008	INE209B01025
National Stock Exchange of India Limited Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai - 400051	RICOAUTO	

10. Payment of Listing Fees

Annual Listing Fees for the FY 2026-27 has been paid by the Company to BSE Limited and National Stock Exchange of India Limited.

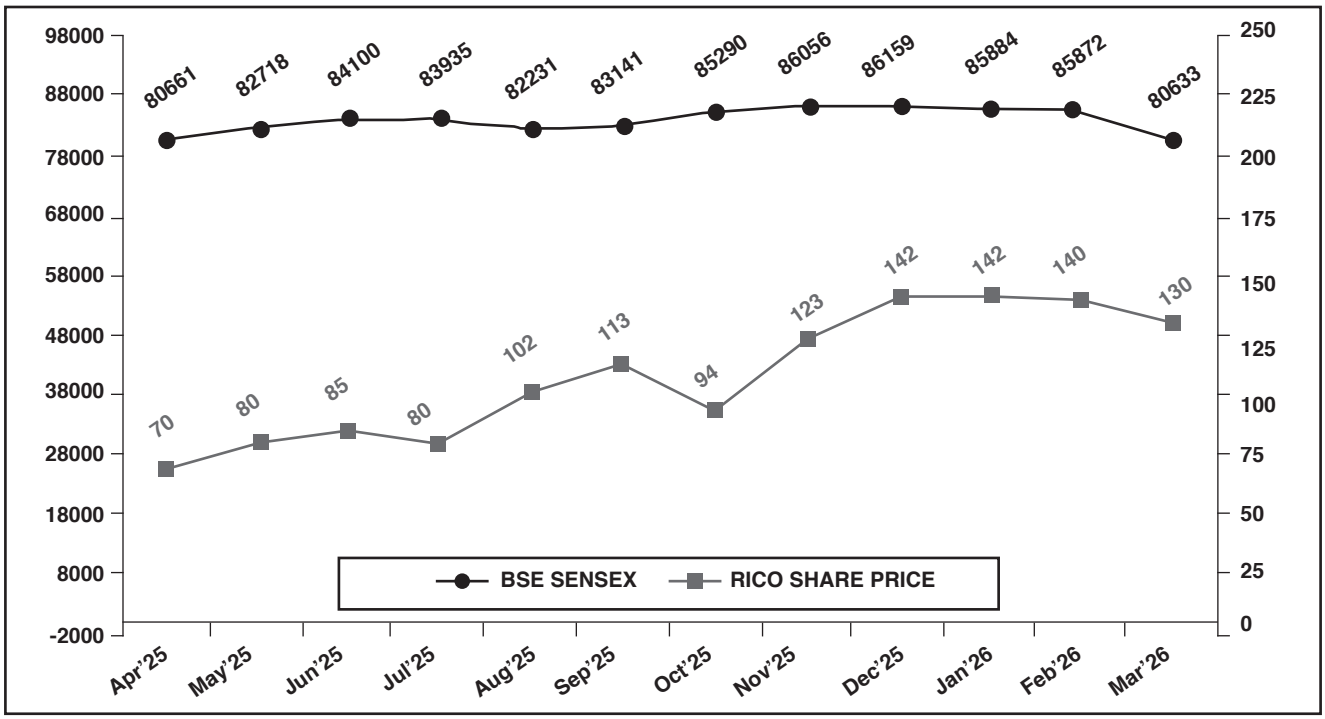
11. Stock Market Data

The closing price as on 31st March, 2026 of the Equity Shares at BSE and NSE is ₹100.40 & ₹100.49 respectively. Monthly high & low price and volume of shares of ₹1/- each traded at BSE and NSE for 2025-26 are as under:

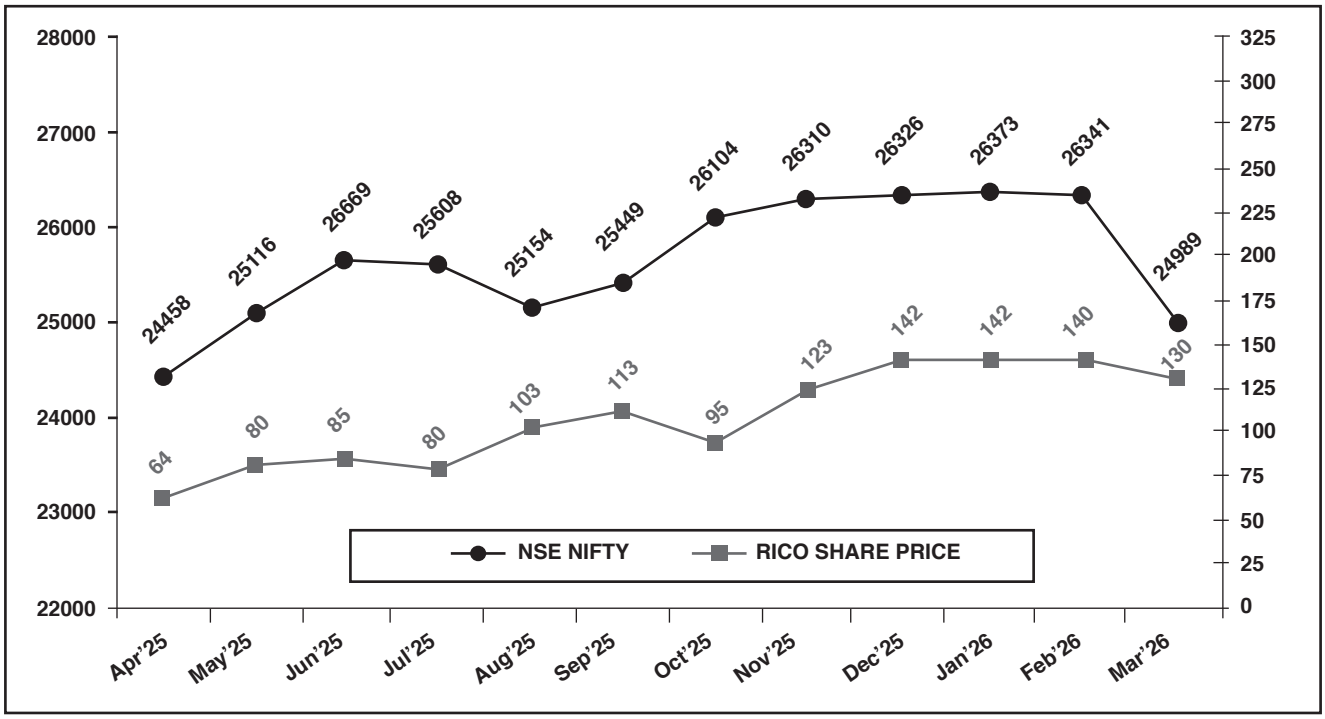
Month/Year	BSE Limited (BSE)			National Stock Exchange (NSE)		
	High (₹)	Low (₹)	Volume of Shares Traded	High (₹)	Low (₹)	Volume of Shares Traded
April, 2025	69.72	49.50	891328	63.63	54.00	8739738
May, 2025	80.00	58.51	1184834	80.39	59.30	11286221
June, 2025	85.48	72.41	1578608	85.45	72.20	13016839
July, 2025	79.77	69.69	852808	79.90	69.66	7353572
August, 2025	102.35	65.93	41165289	102.65	65.73	195465507
September, 2025	113.25	89.52	6244427	113.28	89.55	48549230
October, 2025	94.49	82.93	909329	94.88	82.91	11192676
November, 2025	123.48	78.10	16788682	123.37	78.92	166015313
December, 2025	141.65	100.10	25995523	141.50	100.05	346424684
January, 2026	142.30	112.45	5511551	142.40	112.49	84352472
February, 2026	140.00	111.10	4836163	139.98	111.10	103580424
March, 2026	130.25	99.75	1787883	130.40	99.26	41250941

12. **Stock Performance of Rico Auto Industries Limited Vs. Stock Exchange Indices**

INDEX COMPARISON – RICO SHARE PRICE VS. BSE SENSEX (HIGH)



INDEX COMPARISON - RICO SHARE PRICE VS. NSE NIFTY (HIGH)



13. Dematerialisation of Shares and Liquidity

Trading in Equity Shares of the Company is permitted only in dematerialised form w.e.f. 28th August, 2000 for all investors. The ISIN Number of both NSDL and CDSL is INE209B01025. The Equity Shares of the Company are regularly traded on BSE Limited and National Stock Exchange of India Limited.

Break-up of Shares in Physical and Demat segment as on 31st March, 2026

Segment	No. of Shareholders	Percent of Shareholders	No. of shares	Percent of Shareholding
Physical	369	0.34	159571	0.12
Demat	108881	99.66	135125429	99.88
Total	**109250**	**100.00**	**135285000**	**100.00**

14. Distribution of Shareholding as on 31st March, 2026

No. of Equity Shares held	No. of Shareholders	Percent of Shareholders	No. of Shares	Percent of Shareholding
1 – 5000	107806	98.68	29048204	21.47
5001 – 10000	779	0.71	5734158	4.24
10001 – 20000	326	0.30	4602051	3.40
20001 – 30000	118	0.11	2938839	2.17
30001 – 40000	41	0.04	1420897	1.05
40001 – 50000	58	0.05	2672440	1.98
50001 – 100000	58	0.05	4220707	3.12
100001 & Above	64	0.06	84647704	62.57
Total	**109250**	**100.00**	**135285000**	**100.00**

15. Shareholding Pattern as on 31st March, 2026

Category of Shareholders	No. of Shares (Demat Mode)	No. of Shares (Physical Mode)	Total No. of Shares	Percent of Shareholding
Promoter and Promoter Group	68096246	–	68096246	50.34
Foreign Institutional Investors	2898349	–	2898349	2.14
Alternate Investment Funds	128000	–	128000	0.09
Bodies Corporate	4576311	–	4576311	3.38
NRI	2106105		2106105	1.56
Trusts	200	–	200	0.00
IEPF Authority	1436388	–	1436388	1.06
Indian Public	55883830	159571	56043401	41.43
Total	**135125429**	**159571**	**135285000**	**100.00**

16. Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, Conversion Date and likely impact on Equity

The Company has not issued any GDRs/ADRs/Warrants or any Convertible Instruments.

17. Unpaid/Unclaimed Dividends

Pursuant to the provisions of the amount of dividend which remains unpaid/unclaimed for a period of Seven (7) years is required to be transferred to the "Investor Education and Protection Fund" (IEPF), constituted by the Central Government. Member(s) who have not yet encashed their dividend warrant(s) is/are requested in their own interest to write to the Company for claiming outstanding dividend declared by the Company. The amount of unpaid or unclaimed dividend relating to the financial year ended 31st March, 1995 to 31st March, 2018 (Interim Dividend) have already been transferred to the Investor Education and Protection Fund (IEPF). During the year, the aggregate unclaimed final dividend amount of ₹806878/- for the financial year 2017-18 and interim dividend amount of ₹523505/- relating to financial year 2018-19 was transferred to IEPF.

Date for Transferring Unclaimed Dividend to the IEPF Authority

Year	Rate of Dividend (percent)	Date of Declaration	No. of Shareholders	Amount of Dividend (₹)	Amount of Unclaimed Dividend (₹)	Unclaimed Dividend (Percent)	Due date for transfer to IEPF
2019	Final – 40	30/09/2019	63614	54114000.00	542138.40	1.00	30/10/2026
2020	Final – 30	12/11/2020	72960	40585500.00	452096.19	1.11	12/12/2027
2021	Final – 20	30/09/2021	75486	27057000.00	230780.76	0.85	30/10/2028
2022	Final – 40	30/09/2022	71142	54114000.00	296091.64	0.55	30/10/2029
2023	Final – 75	29/09/2023	77625	101463750.00	409880.76	0.40	29/10/2030
2024	Final – 60	27/09/2024	114384	81171000.00	262406.76	0.32	27/10/2031
2025	Final – 50	16/09/2025	121611	67642500.00	169319.93	0.25	16/10/2032

Members wishing to claim dividends that remain unclaimed are requested to correspond with the Company Secretary, at the Company's registered office or at cs@ricoauto.in. The Company has not transferred or hold any Equity Shares in the Demat suspense account or unclaimed suspense account.

18. Shares transferred to IEPF Authority

Section 124(6) of the Companies Act, 2013 and IEPF Rules, mandates Companies to transfer the shares of Members whose dividend remain unpaid/unclaimed for a consecutive period of seven (7) years to the Demat Account of IEPF Authority. In view of the same, during the year, the Company has transferred 54312 and 11118 equity shares of the face value of ₹1/- each in respect of 364 and 58 shareholders to the Demat Account of IEPF Authority and filed the Form IEPF-4 with MCA on 29th April, 2025 and 20th December, 2025 respectively. During the year, dividend aggregating to ₹720265/- was also remitted to IEPF Authority, in respect of shares held in the Demat Account of IEPF Authority. Details of such shareholders, whose shares are transferred to IEPF Authority and their unpaid dividends for subsequent years are available on the website of the Company at **https://www.ricoauto.in/details-shares-transferred-due-transfer-IEPF.html**

Release of dividends/shares by IEPF Authority

The Members, whose dividends/shares are transferred to IEPF authority, can claim the same from the IEPF Authority after complying with the prescribed procedures. More details regarding the procedure to claim back dividends/shares can be accessed at **https://www.iepf.gov.in/IEPF/pdf/FAQsIEPF5.pdf.**

Applications in Form IEPF-5 are made by the Shareholders of the Company for claiming back their dividends/shares from IEPF Authority by following the required procedure given on website of IEPF **http://www.iepf.gov.in/IEPF/refund.html.**

Reminder Letters sent and Notice published by the Company prior to transfer of shares to IEPF Authority.

As per the IEPF Rules, Companies are required to inform regarding the transfer of shares to those Members whose shares are due for transfer to IEPF, three months prior to such transfer, at their latest available address and also publish newspaper advertisement for the same. In addition to compliance with the above, the Company proactively informed the Members regarding the transfer of unclaimed dividends as well, requesting them to comply with the requirements to claim back the dividends and avoid transfer of shares to IEPF Authority.

In order to prevent the shares from getting transferred to IEPF Authority, Members, who have not claimed their dividends for the previous seven years, are hereby requested to approach the Company to claim the same, by complying with the necessary requirements.

Nodal Officer (IEPF Authority)

The Nodal Officer of the Company, appointed in accordance with the provisions of IEPF Rules, are given below:

Ms. Ruchika Gupta
Tel.: + 91 0124 2824117, Email ID: cs@ricoauto.in

19. Reconciliation of Share Capital Audit Report

Shri K.K. Sachdeva of M/s. K.K. Sachdeva & Associates, Company Secretaries (CP No.4721, FCS No.7153) carried out Reconciliation of Share Capital Audit on quarterly basis to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit confirms that the total issued/paid-up capital as on 31st March, 2026 is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL. The Reconciliation of Share Capital Audit Report is being submitted to the Stock Exchanges and is also placed before the Board Meetings from time to time for confirmation.

20. Web link for various Policies of the Company

The following Policies are available on the website of the Company i.e. **https://www.ricoauto.in/key-policies.html**

1. Whistle Blower/Vigil Mechanism Policy
2. Policy for Determining Material Subsidiaries
3. Related Party Transactions Policy
4. Corporate Social Responsibility Policy
5. Nomination and Remuneration Policy
6. Policy on Determination of Materiality of Events or Information
7. Policy on Preservation of Records
8. Website Content Archival Policy
9. Risk Management Policy
10. Policy on Board Diversity
11. Policy for Prohibition, Prevention and Redressal of Sexual Harassment of women at workplace
12. Anti Bribery–Anti Corruption Policy
13. Forced Labor and Modern Slavery Policy
14. Human Rights Policy
15. TCWG Policy
16. Dividend Distribution Policy: **Weblike https://ricoauto.in/investor/Dividend%20Distribution%20Policy.pdf**

21. Investors/Shareholders Correspondence

i)	Any queries relating to the Financial Statements of the Company	:	Shri Naveen Sorot Chief Financial Officer Rico Auto Industries Limited 38 KM Stone, Delhi-Jaipur Highway Gurugram - 122001 (Haryana) India Tel : (91)(0124) 2824223, 2824000 E-mail : naveensorot@ricoauto.in
ii)	Payment of dividend on Shares and any other queries relating to Annual Report	:	Ms. Ruchika Gupta Company Secretary Rico Auto Industries Limited 38 KM Stone, Delhi-Jaipur Highway Gurugram - 122001 (Haryana) India Tel : (91)(0124) 2824117, 2824000 Fax: (91)(0124) 2824200 E-mail : ruchikaguptacs@ricoauto.in cs@ricoauto.in
iii)	Transfer/Dematerialisation of Shares and any other queries relating to Shares	:	M/s. MCS Share Transfer Agent Limited Unit : **Rico Auto Industries Limited** 179-180, DSIDC Shed, 3rd Floor Okhla Industrial Area, Phase I , New Delhi - 110020, India Tel : (011)41406149 Fax : (011)41709881 E-mail : helpdeskdelhi@mcsregistrars.com admin@mcsregistrars.com

22. Other Disclosures

i) Disclosures on materially significant related party transactions that may have potential conflict with the interests of the Company at large:

Kindly refer to the notes forming part of accounts for the details of Related Party Transactions. There are no materially significant Related Party Transactions, which have potential conflict with the interests of the Company at large. All Related Party Transactions are presented to the Audit Committee and Board. Omnibus approval is obtained for the transactions which are foreseen and repetitive in nature.

There are no agreements with any party which impact the management or control of the Company or impose any restriction or create any liability upon the Company.

ii) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any Statutory Authority, on any matter related to the capital markets, during the last three years:

No penalties, strictures were imposed on the Company by Stock Exchanges or SEBI or by any Statutory Authorities, on any matter relating to capital markets, during the last three years.

iii) Whistle Blower Policy and affirmation that no personnel has been denied access to the Audit Committee:

Pursuant to section 177(9) of the Companies Act, 2013 and in compliance with the SEBI Regulation the Audit Committee of the Company has approved the policy/mechanism on dealing with Whistle Blowers. The Audit Committee reviews the same as and when required. The said policy/mechanism is also available on Company's website at **https://www.ricoauto.in/key-policies.html.** During the financial year under review, no complaint was received to be referred to the Audit Committee and no person was denied access to the Audit Committee.

iv) Risk Management:

The Company has laid down procedures to inform Board Members about the risk assessment and minimization procedures. These procedures are subject to review to ensure that management controls risks through means of a properly defined framework. The compliance statements regarding the insurance policy, coverage and settlement of claims thereof is presented to the Audit Committee on quarterly basis.

v) Disclosure of Accounting Treatment:

The Company has prepared its financial statement as per the Indian Accounting Standards (IndAS) prescribed by Institute of Chartered Accountants of India (ICAI). There is no deviation in the Accounting Treatment.

During the financial year under review, there is no audit qualification in Company's financial statements. The Company continues to adopt best practices to ensure regime of unqualified financial statements.

vi) Preferential Issue:

During the financial year 2025-26, no Preferential Issue was made.

vii) Management Discussion and Analysis (MDA):

The MDA Report forms part of the Annual Report.

viii) Compliance with Mandatory Requirements:

The Company has obtained a Certificate from the Company Secretary in Practice to the effect that the Company has complied with the conditions of the Corporate Governance. The same is annexed and sent along with the Annual Report of the Company to the Shareholders and to the Stock Exchanges.

ix) Code for Prevention of Insider Trading Practices:

Pursuant to SEBI (Prohibition of Insider Trading Regulations), 2015, the Company has a Board approved Code of Conduct to regulate, monitor and report trading by insiders ('Code of Conduct') and a Code of Practices and Procedures for Fair Disclosure of unpublished price sensitive information ('Code of Fair Disclosure').

The Company has also approved Policy and Procedures for inquiry in case of leak of unpublished price sensitive information or suspected leak of unpublished price sensitive information.

The code of conduct and code of fair disclosure framed by the Company have helped in ensuring compliance with the requirements. The Company also maintains a Structured Digital Database (SDD) for recording the sharing of UPSI (Unpublished Price Sensitive Information), with appropriate internal controls, audit trails and confidentiality measures to ensure compliance with the applicable regulatory requirements.

x) Disclosures in relation to the Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013:

Kindly refer to relevant disclosures in the Directors' Report which forms part of the Annual Report 2025-26.

xi) Related Party Transactions:

The Company has adopted policies on material subsidiaries and dealing with related party transactions which are available on the website of the Company viz. **https://www.ricoauto.in/key-policies.html**

xii) Commodity Price Risk/Foreign Exchange Risk and Hedging Activities:

The Company manages its Commodity Price Risks by Linked Indexation with its customers which are settled quarterly as per benchmark reference. Similarly on Foreign Exchange Risk, the Company has Robust Exports and enjoys a Natural Hedge over the Imports/Borrowings denominated in Foreign Currency. It has an elaborate Forex Policy which is approved by the Board. The details of the Foreign Currency Exposure as on 31st March, 2026 are disclosed in notes of the Standalone Financial Statements.

xiii) Adoption of the Non-Mandatory Requirements:

The Company has adopted the following non-mandatory requirements prescribed under Regulation 27 read with Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

a) The Board

As the Company has an Executive Chairperson, the requirement relating to maintenance of a separate office for the Chairperson is not applicable.

b) Shareholder Rights

The Company's quarterly and annual financial results are published in leading newspapers and are also hosted on the Company's website. Earnings releases, investor presentations, and other relevant information are disseminated electronically through the Company's website, ensuring timely access to shareholders and investors.

c) Audit Qualifications

The Company's financial statements for the financial year under review do not contain any audit qualifications. The Company continues to follow robust financial reporting and governance practices to maintain an unmodified audit opinion.

d) Reporting of Internal Auditor

The Internal Auditor reports functionally and directly to the Audit Committee on a quarterly basis, thereby strengthening the Company's internal control and governance framework.

23. Requirements of Corporate Governance

The Company has complied with Corporate Governance requirements as specified in Regulations 17 to 27 and Clause (b) to (i) of Regulation 46(2) of the Listing Regulations.

24. Code of Conduct

The Company has adopted a Code of Conduct for its Board Members and Senior Management. The Code of Conduct has also been posted on the website of the Company at **https://www.ricoauto.in/code-conduct.html.** The code has been circulated to all the Directors and Senior Management.

The declaration by the Chief Executive Officer (CEO) of the Company concerning compliance with the Code of Conduct for Board Members and Senior Management is given below:

I hereby confirm that:

As provided under Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has obtained from all the Board Members and Senior Management personnel, affirmation that they have complied with the Code of Conduct for Board Members and Senior Management in respect of the financial year ended 31st March, 2026.

Arvind Kapur
Chairman, CEO &
Managing Director
(DIN : 00096308)

Place : Gurugram
Date : May 29, 2026

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

This is to certify that:

a) We have reviewed the Financial Statements and the Cash Flow Statement for the year ended 31st March, 2026 and that to the best of our knowledge and belief:

   i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   ii) These financial statements and other financial information included in the report, present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.

b) To the best of our knowledge and belief, no transactions entered into by the Company during the financial year ended 31st March, 2026 are fraudulent, illegal or violative of the Company's code of conduct.

c) We are responsible for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Company's Auditors and the Audit Committee that there are no deficiencies in the design or operation of internal controls.

d) We have indicated to the Auditors and the Audit Committee:

   i) that there has not been any significant changes in internal control over financial reporting during the year under report;

   ii) that there has not been any significant changes in accounting policies; and

   iii) that we are not aware of any instances during the year under report of any fraud with involvement therein, of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Arvind Kapur
Chairman, CEO &
Managing Director
(DIN: 00096308)

Place : Gurugram
Date : May 29, 2026

Naveen Sorot
Chief Financial Officer

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To,
The Members,
Rico Auto Industries Limited
38 KM Stone, Delhi-Jaipur Highway
Gurugram - 122001
Haryana

We have examined the compliance of conditions of corporate governance by Rico Auto Industries Limited bearing CIN: L34300HR1983PLC023187 ("the Company") as stipulated under Regulations 17 to 27 and clauses (b) to (i) of sub regulation (2) of Regulation 46 and Para C, D and E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") for the financial year ended 31st March, 2026.

Management's Responsibility:

The compliance of the conditions of corporate governance is the responsibility of the Management including the preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of Corporate Governance stipulated in the SEBI Listing Regulations.

Auditors' Responsibility:

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

Opinion:

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned SEBI Listing Regulations for the year ended on 31st March, 2026.

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

Restriction on Use:

The certificate is addressed and provided to the Members of the Company solely for the purpose to enable the Company to comply with the requirements of the SEBI Listing Regulations and it should not be used by any other person or for any other purpose.

Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

for PG & Associates
(Company Secretaries)
Unique Code No.: S2004DE73600

CS Preeti Grover
Proprietor
FCS No. 5862, CP No.6065
Peer Review: 6917/2025
UDIN: F005862H000412653

Place : New Delhi
Date : May 20, 2026

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)]

To,
The Members,
Rico Auto Industries Limited
38 KM Stone, Delhi-Jaipur Highway
Gurugram -122001
Haryana, India

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Rico Auto Industries Limited bearing CIN: L34300HR1983PLC023187 and having registered office at 38 KM Stone, Delhi-Jaipur Highway, Gurugram - 122001, Haryana (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Sr. No	Name of Director	DIN/PAN	Date of Appointment
1.	Shri Arvind Kapur	00096308	10/03/1983
2.	Ms. Sarita Kapur	08848507	28/08/2020
3.	Shri Rajiv Kumar Miglani	06873155	26/08/2022
4.	Shri Samarth Kapur	01525517	26/08/2022
5.	Shri Kaushalendra Verma	02004259	26/08/2022
6.	Shri Hemal Bharat Khandwala	05241590	26/08/2022
7.	Shri Yogesh Kapur	00070038	26/08/2023
8.	Ms. Shikha Kapur	01537250	01/04/2024
9.	Shri Prabhakar Kadapa	00059374	30/09/2024
10.	Shri Kanav Monga	01058097	03/10/2024

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

for **PG & Associates**
Company Secretaries
(Unique Code No.: S2004DE73600)

CS Preeti Grover
Proprietor
FCS No. 5862, CP No.6065
Peer Review: 6917/2025
UDIN: F005862H000412587

Place : New Delhi
Date : May 20, 2026

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING

[Under Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

SECTION A: GENERAL DISCLOSURES

I. Details of the Listed Entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L34300HR1983PLC023187
2.	Name of the Listed Entity	Rico Auto Industries Limited (The "Company", "The Rico Group")
3.	Year of Incorporation	1983
4.	Registered office address	38 KM Stone, Delhi-Jaipur Highway, Gurugram - 122001, Haryana
5.	Corporate office address	38 KM Stone, Delhi-Jaipur Highway, Gurugram - 122001, Haryana
6.	E-mail id	cs@ricoauto.in
7.	Telephone	0124-2824000
8.	Website	www.ricoauto.in
9.	Financial Year for which reporting is being done	FY 2025-26
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited and The National Stock Exchange of India Limited
11.	Paid-up Capital	₹13.53 Crores
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR Report:	Ms. Ruchika Gupta, Company Secretary, Phone: 0124-2824117, Email: ruchikaguptacs@ricoauto.in
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together):	The disclosure under this report of the Company with its group entities (together with known as 'The Rico Group') have been made on Consolidated basis (includes only Indian subsidiaries, refer to disclosure number 23.a. below).
14.	Name of assessment or assurance provider	Since, the Company does not fall within the top 500 listed companies based on market capitalization; therefore, obtaining assurance for the BRSR is not required. Accordingly, this requirement is not applicable to the Company.
15.	Type of assessment or assurance obtained	Not Applicable

II. Products/Services

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

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacturing of automotive components and systems.	The Rico Group is engaged in the design, development, manufacturing, and supply of high-precision, engineering grade components for the automotive industry. The Rico Group produces a wide range of products including engine and transmission parts, braking systems, and other critical components for two-wheelers, passenger vehicles, and commercial vehicles.	100%

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

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Casting of Non-Ferrous Metals	24320	88%
2.	Casting of Iron	24319	12%

III. Operations

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

Location	Number of plants	Number of offices	Total
National	16	1	17
International	0	2*	2

*These offices pertain to international subsidiaries which are not considered within reporting boundary as per Section A-13.

19. Markets served by the entity

a. Number of locations

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

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

Exports constituted 15.98% of the Rico Group's total turnover for the reporting period.

c. A brief on types of customers

The Rico Group is a leading engineering company engaged in the design, development, manufacturing and supply of high-precision aluminium and ferrous components and assemblies for the global automotive industry. With integrated capabilities spanning product design, tooling, casting, precision machining, and assembly, the Group serves leading automotive OEMs across both aluminium and ferrous segments. Backed by advanced manufacturing facilities and strong technical expertise, the Rico Group has established long-standing relationships with renowned customers, including BMW, Hero, Maruti Suzuki, Toyota, Renault, Nissan, Tata Motors, Cummins, Honda, Mahindra, Volvo and Bajaj.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and Workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)*	718	703	97.91%	15	2.09%
2.	Other than permanent (E)	16	15	93.75%	1	6.25%
3.	**Total employees (D + E)**	**734**	**718**	**97.82%**	**16**	**2.18%**
WORKERS						
4.	Permanent (F)	1806	1749	96.84%	57	3.16%
5.	Other than Permanent (G)	4174	4006	95.98%	168	4.02%
6.	**Total workers (F + G)**	**5980**	**5755**	**96.24%**	**225**	**3.76%**

*Includes Directors and KMPs as well.

b. Differently abled Employees and Workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	0	0	–	0	–
2.	Other than Permanent (E)	0	0	–	0	–
3.	**Total differently abled employees (D + E)**	**0**	**0**	**–**	**0**	**–**
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	1	1	100%	0	–
5.	Other than permanent (G)	0	0	–	0	–
6.	**Total differently abled workers (D + E)**	**1**	**1**	**100%**	**0**	**–**

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	10	2	20.00%
Key Management Personnel*	6	1	16.67%

* Includes 1 Managing Director and 3 Executive Directors who are considered in Board of Directors as well.

22. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY 2025-2026 (Turnover rate in current FY)			FY 2024-2025 (Turnover rate in previous FY)			FY 2023-2024 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	**25.07%**	**17.65%**	**42.72%**	40.69%	43.24%	40.75%	29.91%	24.39%	29.77%
Permanent Workers	**58.60%**	**0%**	**58.60%**	17.98%	42.55%	18.69%	25.97%	14.12%	25.66%

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

23. (a) Name of holding / subsidiary / associate companies / joint ventures

S. No	Name of the holding/ subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)*
1.	AAN Engineering Industries Limited	Subsidiary	100	Yes
2.	Rico Jinfei Wheels Limited	Subsidiary and JV	97.75**	Yes
3.	Rico Friction Technologies Limited	Subsidiary	70	Yes
4.	Rico Care Foundation	Subsidiary	59.80	No
5.	Roop Ram Industries Private Limited#	Associate	26	No
6.	Boond Renewable Energy Private Limited#	Associate	26	No
7.	Rico Auto Industries Inc., USA	Subsidiary	100	No
8.	Rico Auto Industries (UK) Limited, U.K.	Subsidiary	100	No

* For the purpose of BRSR disclosure, only the Indian Subsidiaries have been taken into consideration.

** Held by the Company directly or indirectly to its subsidiary.

The Company had bought the Companies' shares as strategic investment to procure solar power at subsidized rates through a Power Purchase Agreement (PPA). Therefore, this Company is not an associate in normal parlance from ESG perspective. Therefore, it is not considered for consolidation in BRSR of the Company with other group companies.

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No): **Yes**

(ii) Turnover (in ₹): **₹1,836.44 Crores**

(iii) Net worth (in ₹) : **₹688.69 Crores**

Note: Figures taken from Standalone financial statements as required.

VII. Transparency and Disclosures Compliances

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If yes, then provide web-link for grievance redress policy)*	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	No	**0**	**0**	–	0	0	–
Investors (other than shareholders)	Not Applicable	**0**	**0**	–	0	0	–
Shareholders	Yes	**1**	**0**	–	0	0	–
Employees and workers	Yes	**0**	**0**	–	0	0	–
Customers	Yes	**160**	–	–	229	0	–
Value Chain Partners (Direct Suppliers)	No	**0**	**0**	–	0	0	–
Other (please specify)	No	–	–	–	–	–	–

*The Rico Group has a strong Grievance Redressal Mechanism in place through numerous policies and procedures that extends to all of the Rico Group's operations and stakeholders. For instance, the Rico Group has a robust Vigil Mechanism/Whistle-Blower Policy, Human Rights Policy, Forced Labor and Modern Slavery Policy, Anti-Bribery and Anti-Corruption Policy and Policy on POSH for all of its women employees, which can be accessed at **https://www.ricoauto.in/key-policies.html.** Furthermore, while each department is responsible for managing and addressing the respective grievances for their respective stakeholders, the Rico Group's Legal and Secretarial Department assists in handling and resolving certain complaints, in consultation with the management.

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

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

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1.	Climate Change	Risk and Opportunity	Climate change presents both material risks and strategic opportunities for the Rico Group. High energy consumption and associated emissions from manufacturing operations contribute to environmental degradation and expose the Group to rising energy costs and regulatory pressures. Simultaneously, the transition to sustainable practices, particularly through adoption of an integrated energy management framework offers an opportunity to reduce costs, lower the Group's carbon footprint, and strengthen long-term operational resilience.	The Company is developing systems to monitor and minimise energy consumption and emission generation across its plants while implementing energy efficiency measures, cleaner technologies, renewable energy procurement, fuel transition and process electrification to reduce emissions and enhance climate resilience.	Negative/ Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2.	Stakeholder engagement	Opportunity	Proactive and structured stakeholder engagement represents a significant opportunity for the Rico Group to build enduring trust, foster transparency, and remain responsive to the evolving expectations of its diverse stakeholder community. Maintaining consistent, multi-channel communication allows the Group to identify emerging concerns early and align its strategies with stakeholder priorities ultimately strengthening its social licence to operate and supporting long-term value creation.	–	Positive
3.	Waste management	Risk & Opportunity	Inadequate waste management exposes the Rico Group to a range of environmental, operational, and regulatory risks including soil and water contamination, non-compliance penalties, and increased disposal costs. At the same time, transitioning to circular economy principles presents a tangible opportunity to improve resource efficiency, reduce waste-related expenditure, and reinforce the Group's environmental credentials with customers, investors, and regulators.	Established waste segregation at source and ensures the responsible disposal of waste through authorized recyclers in compliance with applicable waste management regulations. Employee awareness programmes and waste minimisation initiatives further support responsible waste management practices.	Negative/ Positive
4.	Water management	Opportunity	Efficient water stewardship presents a meaningful opportunity for the Rico Group to strengthen operational resilience, reduce resource costs, and demonstrate environmental responsibility particularly in water-stressed geographies. Sound water management supports business continuity, contributes to local community welfare, and enhances the Group's standing among environmentally conscious customers, investors, and regulators.	–	Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5.	Employee Health and Safety	Risk	Unsafe or inadequately controlled working conditions can result in workplace incidents, regulatory penalties, diminished employee morale, and reputational harm. These impacts affect a broad stakeholder base, including employees, contract workers, trade unions, regulatory bodies, and OEM customers who apply rigorous responsible supply chain standards. Poor safety performance can disrupt operations, increase absenteeism, and adversely affect overall productivity and business continuity.	Maintains ISO 45001-aligned occupational health and safety management system, supported by regular safety trainings, risk assessments, mock drills, audits, and strict PPE compliance. Preventive health measures, incident reporting, and employee awareness programmes drive continuous improvement in workplace health and safety.	Positive
6.	Women Empowerment & Employee Engagement	Opportunity	Advancing gender diversity and cultivating a high-engagement organisational culture represents a strategic opportunity to build a more inclusive, motivated, and high-performing workforce. These efforts positively influence employees and management while aligning with the expectations of customers, institutional investors, and business partners committed to responsible and equitable practices. A strong culture of inclusion can improve talent retention, spur innovation, and enhance operational efficiency across the Group's value chain.	–	Positive
7.	Products and Innovation	Opportunity	Innovation in products and manufacturing processes is a key strategic lever for the Rico Group to sustain competitiveness, meet evolving OEM customer requirements, and support the automotive sector's transition towards sustainable mobility. Such innovation creates shared value for customers, R&D partners, suppliers, and end-users by delivering improved performance, enhanced energy efficiency, and reduced environmental impact across the value chain.	–	Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
8.	Emissions Management	Risk	Escalating GHG emissions expose the Rico Group to interconnected regulatory, operational, and reputational risks. Increasingly stringent emissions norms, evolving carbon pricing mechanisms, and heightened stakeholder expectations can materially increase compliance costs and constrain market access particularly with global OEM customers advancing decarbonisation commitments. This risk has direct implications for investors, customers, regulatory authorities, and the communities in which the Group operates.	Completed its Scope 1, Scope 2 and Scope 3 GHG inventory and developed a decarbonization roadmap for Scope 1 and Scope 2 emissions. Key mitigation measures include the replacement of high-carbon fuels (eliminating Furnace Oil and substituting LSHS with biodiesel), conversion of PNG-fired furnaces to electric furnaces, phased replacement of R-22 refrigerants with R-32, adoption of biodiesel and compressed biogas (CBG) blending, electrification of the corporate fleet, and increased procurement of renewable electricity.	Negative
9.	Community engagement	Opportunity	The Rico Group's Corporate Social Responsibility (CSR) framework reflects a long-term commitment to inclusive and sustainable socio-economic development. By channelling meaningful resources and expertise towards community-facing programmes, the Group supports local well-being, strengthens its social licence to operate, and contributes to the broader goal of equitable national development. CSR engagement also enhances stakeholder trust and reinforces the Group's reputation as a responsible corporate citizen.	–	Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
10.	Responsible supply chain Management	Risk and Opportunity	Insufficient oversight of ESG practices within the supply chain exposes the Rico Group to reputational damage, regulatory non-compliance, and operational disruptions with direct implications for OEM customers, suppliers, investors, and regulatory bodies. Conversely, embedding robust supply chain governance and responsible sourcing practices can significantly enhance operational resilience, strengthen stakeholder confidence, and support long-term competitive positioning.	Mitigates supply chain risks related to quality, timely delivery, GHG emissions and ESG compliance by promoting adherence to its Supplier Code of Conduct and developing an ESG-based supplier evaluation framework to strengthen responsible sourcing and supply chain governance.	Negative/Positive

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

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

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/ No)	The policies as per the SEBI Regulations are approved by the Board of Directors and rest of the policies are approved by the respective Committees as designated by the Board of Directors.								
c. Web Link of the Policies, if available	The policies stipulated under SEBI Regulations and the Companies Act, 2013 are posted on the Rico Group's website, which can be accessed using the below-mentioned link: **https://www.ricoauto.in/key-policies.html** Additionally, internal stakeholders have access to additional internal policies via Rico Group's intranet.								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes. Some of the policies of the Rico Group also extend to certain value chain partners.								
4. Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	• ISO-9001 • International Automotive Task Force (IATF)-16949 • ISO-14001 • ISO-45001 • ISO-27001								

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Rico Group will continue to strengthen its ESG performance by progressively implementing initiatives across key focus areas, including: • Enhancing climate action and decarbonization initiatives; • Increasing renewable energy adoption and improving energy efficiency; • Strengthening water conservation, recycling, and reuse practices; • Strengthening the learning and development environment for employees; • Advancing circular economy and sustainable waste management; • Promoting responsible sourcing and sustainable supply chain practices; • Maintaining diversity, equity, inclusion, and employee well-being; • Enhancing employee learning, capability development, and leadership; • Maintaining high standards of occupational health and safety; • Driving sustainable product and process innovation; • Strengthening stakeholder engagement and transparent ESG reporting; and • Creating long-term value through community development initiatives.								
6. Performance of the entity against the specific commitments, goals and targets along with reasons in case the same are not met.	The Rico Group remains committed to integrating ESG considerations across its business operations. To support this commitment, the Group has initiated the process of reorganizing and strengthening key initiatives to align them with its defined ESG priorities. As part of this process, the Rico Group has undertaken a comprehensive due diligence exercise across its operations and corporate functions to evaluate existing practices. Based on the identified gaps, a time-bound roadmap has been developed with clearly defined targets to drive meaningful progress over the next three to five years. Some of the key achievements during the reporting year include the following: • Increased renewable energy consumption by 41.31%, raising its share in the overall energy mix to 12.26% compared to previous year's 8.47% in FY 2024-25. • Improved energy efficiency of operations resulting in decrease in energy intensity from 4.23 to 3.69 GJ per Lakh of turnover. • Reduced Scope 1 GHG emissions to 16.92% compared to previous year's 23.14% in FY 2024-25 owing to electrification of furnaces, forklifts, etc. • Improved water efficiency of operations resulting in decrease in water intensity from 1.00 to 0.98 KL per Lakh of turnover. • Reduced wastewater discharge by 42.48% through recycling and reuse of wastewater. • Reduced hazardous waste generation by 10.81% through waste management practices. • Increase in female representation in the workforce. • Turnover rate reduced for permanent male employees from 40.69% to 25.07%. • Turnover rate reduced for permanent female employees from 43.24% to 17.65%. • Procurement from MSMEs and small producers increased from 31.91% to 38.45%.								

<table>
<tr><th>Disclosure Questions</th><th>P 1</th><th>P 2</th><th>P 3</th><th>P 4</th><th>P 5</th><th>P 6</th><th>P 7</th><th>P 8</th><th>P 9</th></tr>
<tr><td colspan="10">Governance, leadership, and oversight</td></tr>
<tr><td>7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)</td><td colspan="9">At Rico Group, we view sustainability as a strategic enabler of long-term value creation, operational resilience, and business continuity. As the global automotive industry advances toward a low-carbon and resource-efficient future, we continue to strengthen our Environmental, Social, and Governance (ESG) approach by embedding responsible practices into our core operations and decision-making. To guide this journey, we are developing a comprehensive ESG roadmap backed by clearly defined commitments, measurable targets, and robust governance mechanisms aligned with our overarching business strategy and key priorities, including climate action, energy transition, water stewardship, circular resource management, and responsible supply chains.

During FY 2025-26, we further accelerated our sustainability agenda through targeted initiatives in decarbonization, resource efficiency, and human capital development. We expanded the adoption of cleaner energy sources, improved operational energy efficiency, and strengthened water conservation and waste management practices across our manufacturing facilities. Parallel to our environmental stewardship, we remained deeply committed to building an inclusive, safe, and engaging workplace by investing in continuous employee development, championing diversity, and elevating safety standards.

These accomplishments reflect the shared vision and dedication of our employees, customers, suppliers, and business partners. As we move forward, Rico Group remains steadfast in its commitment to advancing our ESG performance, building operational resilience, and driving long-term value creation for our stakeholders while contributing positively to society and the environment.</td></tr>
<tr><td>8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).</td><td colspan="9">The Rico Executive Committee (REC) is responsible for implementation of the Business Responsibility Policy(ies).

Shri. Arvind Kapur (DIN 00096308), Chairman, CEO and Managing Director (CMD) is responsible for oversight of the Business Responsibility policy(ies).</td></tr>
<tr><td>9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.</td><td colspan="9">Yes, the REC is responsible for decision-making on sustainability-related matters and comprises the following members:

<table>
<tr><th>Name</th><th>Designation</th></tr>
<tr><td>Shri Rajiv Kumar Miglani</td><td>Executive Director</td></tr>
<tr><td>Shri Kaushalendra Verma</td><td>Executive Director</td></tr>
<tr><td>Shri Samarth Kapur</td><td>Executive Director</td></tr>
<tr><td>Shri Naveen Sorot</td><td>Chief Financial Officer</td></tr>
<tr><td>Shri Abhishek Kulshrestha</td><td>Executive Vice President</td></tr>
<tr><td>Shri Sachinder Kaul</td><td>Senior Vice President</td></tr>
<tr><td>Shri Shalinder Rathi</td><td>Senior Vice President</td></tr>
<tr><td>Shri B.K. Jain</td><td>Vice President</td></tr>
<tr><td>Shri Sanjay Bhat</td><td>Associate Vice President</td></tr>
</table></td></tr>
</table>

10. Details of Review of NGRBCs by the Company:																		
Subject for Review	**Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee**									**Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)**								
	P 1	**P 2**	**P 3**	**P 4**	**P 5**	**P 6**	**P 7**	**P 8**	**P 9**	**P 1**	**P 2**	**P 3**	**P 4**	**P 5**	**P 6**	**P 7**	**P 8**	**P 9**
Performance against above policies and follow up action	The Rico Group's policies undergo periodic review by the designated Committee, the Board of Directors, or whenever considered necessary in response to emerging requirements. The review involves evaluating the relevance, effectiveness, and implementation of each policy. Necessary revisions or updates are undertaken, where applicable, to maintain alignment with regulatory changes, industry best practices, and the Rico Group's evolving strategic priorities.																	
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Rico Group remains compliant with all applicable laws and regulations.																	

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	**P 1**	**P 2**	**P 3**	**P 4**	**P 5**	**P 6**	**P 7**	**P 8**	**P 9**
	The Rico Group is currently undertaking an internal assessment to evaluate the effectiveness of its policies. However, in the future, it may consider appointing an external agency to review these policies to further strengthen their efficiency and effectiveness.								

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:									
Questions	**P 1**	**P 2**	**P 3**	**P 4**	**P 5**	**P 6**	**P 7**	**P 8**	**P 9**
The entity does not consider the Principles material to its business (Yes/No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next Financial Year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

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

Essential Indicator

1. Percentage coverage by training and awareness programmes on any of the principles during the Financial Year:

Segment	Total number of training and awareness programmes held	Topics/ principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	5	• Regulatory Updates • Familiarization of changes in policies, applicable laws • Prevention of Sexual Harassment (POSH) Awareness Training • Digital tools	100%
Key Managerial Personnel	8	• Leadership Workshop • Digital Tools • Regulatory Updates	100%

Segment	Total number of training and awareness programmes held	Topics/ principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Employees other than BoDs and KMPs	903	**1. Health, Safety & Environment (HSE)** • Fire Fighting • Aspect Impact & Hazardous Waste Management • First Aid Training • Safety Awareness **2. Quality & Manufacturing** • Cost Re-engineering Workshop • VDA 6.3 Certification (Internal Audit) • Learning Management System • Advanced Product Quality Planning (APQP) • Process Failure Mode Effects Analysis (Quality Training) • IATF 16949 Basics of Applicability (Quality Training) • Statistical Process Control, Seven Quality Control (7-QC) Tools, Control Charts (Quality Training) • Measurement Statistical Analysis (MSA) Overview (Quality Training) • Production Part Approval Process (PPAP) (Quality Training) • Design Failure Mode Effect Analysis (DFMEA) and Process Failure Mode Effect Analysis (PFMEA) and Control Plan (Quality Training) • Problem Solving Techniques (Why Analysis, Eight Disciplines Methodology (8D) & Rejection Analysis and Handling Customer Complaints, Control Charts) • Machining Process Control • Die Maintenance System and Techniques • Die Assembly and Matching Technique • Basics of Casting Process Control • Measuring & Gauging Techniques **3. Technical & Digital Skills** • Hydraulics and Fittings • S/4 HANA SAP Module Training • Production Planning Module • Materials Management Module • Plant Maintenance Module • Human Capital Management Module • Financial Accounting Module • Quality Management Module • Employee Self Service (ESS) Portal **4. Leadership & Managerial Skills** • Interpersonal Skills • Performance Management • Growth Cascade down with Goal Setting exercise **5. Compliance & Sustainability** • Prevention of Sexual Harassment (POSH) • Policy Awareness Sessions (Human Rights, Anti Bribery, Modern Slavery) • ESG Awareness Sessions	100%

Segment	Total number of training and awareness programmes held	Topics/ principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Workers	1156	**1. Health, Safety & Environment (HSE) Fire Fighting** • Aspect Impact & Hazardous Waste Management • First Aid Training • Safety Awareness • Safe Forklift Driving (Basic Functioning of Fork Lifters) **2. Quality & Manufacturing** • APQP, PFD, CP (Quality Training) • Process Failure Mode Effects Analysis (Quality Training) • Statistical Process Control, 7-QC Tools, Control Charts (Quality Training) • Quality Management Basics • PPAP (Quality Training) • Problem Solving Techniques (Why, 8D Methodology), Rejection Analysis and Handling Customer Complaints, Control Charts (Quality Training) • Computer Numerical Control (CNC) Programming/Basics of CNC • Machining Process Control • Hydraulics and Fittings • Die Maintenance System and Techniques • Die Assembly and Matching Technique • Basics of Casting Process Control • Root Cause Analysis • Rejection Analysis **3. Behavioural & Professional Skills** • Time Management • Supervisory Skills • Interpersonal Skills **4. Digital & Employee Systems** • Training on Employee Self Service (ESS) Portal **5. Compliance** • POSH • Policy Awareness Sessions	100%

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

Monetary					
	NGRBC Principle	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Amount (In INR)**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
Penalty/Fine	No material fines/ penalties/ punishments/ compounding fees/ settlement amounts/ awards were imposed on or paid by the Rico Group or its Directors and KMPs during the reporting period.				
Settlement					
Compounding fee					
Non-Monetary					
	NGRBC Principle	**Name of the regulatory/enforcement agencies/ judicial institutions**		**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
Imprisonment	Not Applicable	Not Applicable		Not Applicable	Not Applicable
Punishment	Not Applicable	Not Applicable		Not Applicable	Not Applicable

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

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Not Applicable	

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

   Yes, the Rico Group has a formal Anti-Bribery and Anti-Corruption Policy. The policy reflects the Rico Group's commitment to maintaining the highest standards of ethics and integrity across its business operations. It maintains a zero-tolerance stance toward any form of bribery involving its employees or any person or company acting on its behalf. The primary objective of the policy is to establish robust measures to prevent the Group from becoming involved in activities related to bribery, corruption or facilitation payments. The policy is applicable to all employees and business partners who work for or on behalf of the Rico Group.

   The policy is available and accessible on the Rico Group's website under the Investor Relations section: **https://www.ricoauto.in/key-policies.html**

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

	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Directors	**Nil**	Nil
KMPs	**Nil**	Nil
Employees	**Nil**	Nil
Workers	**Nil**	Nil

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

	FY 2025-26 (Current Financial Year)		FY 2024-25 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	**Nil**	–	Nil	–
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	**Nil**	–	Nil	–

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

   Not applicable, as the Company did not record any instances of corruption or conflicts of interest during the year.

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

	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Number of days of accounts payables	**92.12**	92.37

9. Open-ness of business

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

Parameter	Metrics	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	–	–
	b. Number of trading houses where purchases are made from	–	–
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	–	–
Concentration of Sales	a. Sales to dealers /distributors as % of total sales	**0.91%**	1.02%
	b. Number of dealers / distributors to whom sales are made	**136**	122
	c. Sales to top 10 dealers/ distributors as % of total sales to dealers / distributors	**47.44%**	48.65%

Parameter	Metrics	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	**2.16%**	1.78%
	b. Sales (Sales to related parties / Total Sales)	**0.001%**	0.105%
	c. Loans & advances (Loans & advances given to related parties/ Total loans & advances)	**–**	–
	d. Investments (Investments in related parties / Total Investments made)	**0.84%**	1.15%*

*The previous year's values have been revised and regrouped wherever required.

Leadership Indicator

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

Total number of awareness programmes held	Topics / principles covered under the training	% age of value chain partners covered (by value of business done with such partners) under the awareness programmes
23	• Environment, Health & Safety (EHS) • Safe handling of chemical substances • Safe transportation of materials and forklift safety • Legal compliance and labour practices (including Child Labour and POSH) • Supplier Code of Conduct and Human Rights • Social security awareness (ESIC & PF) • Product quality, cleanliness and safe handling standards	10.51%

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

   Yes, the Rico Group has established robust processes to identify, prevent, and manage conflicts of interest involving its Board members. The Group has implemented a comprehensive Code of Conduct for Directors and Senior Management, which outlines clear principles and reporting procedures for the disclosure and management of potential conflicts of interest. The Code of Conduct and related policies are accessible on the Rico Group's website: **https://www.ricoauto.in/code-conduct.html.**

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

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

	Current Financial Year 2025-26	Previous Financial Year 2024-25	Details of improvements in environmental and social impacts
R&D	**26.27%**	22.28%	The Rico Group continues to invest in research and development to enhance product innovation, manufacturing capabilities, and process efficiency. During the reporting year, investments were made in advanced manufacturing technologies, tooling, testing and validation equipment, automation and product design. These initiatives support the development of high-quality, precision-engineered products while improving operational efficiency and meeting evolving customer requirements.

	Current Financial Year 2025-26	Previous Financial Year 2024-25	Details of improvements in environmental and social impacts
Capex	**0.64%**	4.11%	During the reporting period, the Rico Group made targeted capital investments to strengthen its environmental performance and workplace safety. Key initiatives included the installation of wet scrubbers to control air emissions, ETP and STP systems with RO and ultrafiltration (UF) technologies to enhance wastewater treatment and water reuse and natural gas detection systems to improve operational safety and emergency preparedness.

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

   Yes, the Rico Group has established a structured sustainable sourcing framework that integrates environmental, social, and ethical considerations into its supplier selection and evaluation processes. Suppliers undergo initial assessments, periodic risk evaluations, and regular audits to ensure alignment with the Group's sustainability expectations and responsible procurement practices.

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

   Approximately 30% of the Rico Group's input materials were procured through sustainable sources. Reinforcing its commitment to responsible sourcing, the Group integrates environmental, social and ethical considerations into its supplier selection and procurement processes. Suppliers undergo a structured evaluation process, including initial due diligence, risk assessments, periodic audits and regular performance reviews to assess their sustainability performance.

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

   As a manufacturer of automotive components, the Rico Group supplies its products directly to OEMs based on customer specifications, limiting its ability to reclaim products at the end of their life cycle. Accordingly, the Group does not undertake the reuse, recycling, or disposal of end-of-life products, including e-waste or hazardous waste. However, plastic packaging materials are recovered, where feasible, for reuse or responsible disposal.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the EPR plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

   No, EPR is not applicable to the entity's existing business operations, as the Rico Group does not fall under the category of a producer, importer or brand owner under the applicable EPR regulations.

Leadership Indicator

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

NIC Code	Name of Product/ Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
The Rico Group has not yet undertaken Life Cycle Perspective (LCP) or Life Cycle Assessment (LCA) for its products. However, recognizing the value of life cycle thinking in improving product sustainability and resource efficiency, the Group is evaluating the integration of LCP/LCA into its sustainability framework. This will support informed decision-making across product design, material selection, and environmental performance as the Company's ESG journey continues to evolve.					

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

Name of Product/Service	Description of the risk/concern	Action Taken
Not applicable, as the Rico Group has not conducted Life Cycle Perspective (LCP) or Life Cycle Assessment (LCA) for any of its products.		

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

Indicate input material	Recycled or re-used input material to total material (by weight of the input material)	
	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Aluminium and Iron	The Rico Group utilizes a high proportion of recycled and secondary raw materials in its manufacturing processes. Approximately 90 to 95% of the aluminium and iron input materials are sourced from recycled or secondary material streams through approved suppliers, supporting resource efficiency and circular economy practices.	Recycled or reused raw materials account for approximately 95% to 97% of the total input materials used in the Rico Group's production processes.

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

	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)*	–	–	**14.27**	–	–	12.75
E-waste	–	–	–	–	–	–
Battery waste	–	–	–	–	–	–
Hazardous waste	–	–	–	–	–	–
Other waste	–	–	–	–	–	–

* Only the quantity of end-of-life plastic bins disposed of has been reported, as reusable bins continue to be used within operations.

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

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Packaging material	0.03%

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

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

Category	Total (A)	% of employees covered by									
		Health insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B)/(A)	Number (C)	% (C)/(A)	Number (D)	% (D)/(A)	Number (E)	% (E)/(A)	Number (F)	% (F)/(A)
Permanent Employees											
Male	703	703	100%	703	100%	–	–	–	–	–	–
Female	15	15	100%	15	100%	15	100%	–	–	–	–
Total	**718**	**718**	**100%**	**718**	**100%**	**15**	**2.09%**	–	–	–	–
Other than Permanent Employees											
Male	15	15	100%	15	100%	–	–	–	–	–	–
Female	1	1	100%	1	100%	1	100%	–	–	–	–
Total	**16**	**16**	**100%**	**16**	**100%**	**1**	**6.25%**	–	–	–	–

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

Category	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B)/(A)	Number (C)	% (C)/(A)	Number (D)	% (D)/ (A)	Number (E)	% (E)/(A)	Number (F)	% (F)/(A)
Permanent workers											
Male	1749	1749	100%	1749	100%	–	–	–	–	–	–
Female	57	57	100%	57	100%	57	100%	–	–	–	–
Total	**1806**	**1806**	**100%**	**1806**	**100%**	**57**	**3.16%**	–	–	–	–
Other than Permanent workers											
Male	4006	4006	100%	4006	100%	–	–	–	–	–	–
Female	168	168	100%	168	100%	168	100%	–	–	–	–
Total	**4174**	**4174**	**100%**	**4174**	**100%**	**168**	**4.02%**	–	–	–	–

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

Name of Product/Service	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Cost incurred on well- being measures as a % of total revenue of the Company	**0.09%**	0.06%

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

Benefits	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF*	**100%**	**100%**	**Yes**	100%	100%	Yes
Gratuity	**100%**	**100%**	**No**	100%	100%	No
ESI	**0.54%**	**100%#**	**Yes**	8.10%	100%#	Yes
Others-please specify	**Nil**	**Nil**	**–**	Nil	Nil	–

*Applicable to all employees and workers, excluding advisors and retainers engaged on continued employment terms after retirement.

Applicable to 100% workers as per the threshold limit prescribed under the Employees State Insurance (ESI) Act, 1948.

3. Accessibility of workplaces

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

Yes, the Rico Group's offices and premises are presently accessible to differently-abled employees and workers. However, full accessibility is not available at some manufacturing locations due to safety requirements and site design constraints.

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

Yes, the Rico Group has an Equal Opportunity Policy aligned with the provisions of the Rights of Persons with Disabilities Act, 2016. The policy is available to all employees through the Rico Group's intranet.

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

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

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

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent Workers	Yes, the Rico Group is committed to providing a safe, respectful, and inclusive workplace supported by accessible grievance redressal mechanisms. Employees and workers can raise concerns through the following channels: • Grievance boxes placed at key locations across the premises. • An online grievance register for confidential and convenient submissions. • Trade union representatives and internal committees. • A dedicated grievance email ID **(ethicsline@ricoauto.in)** for direct reporting. These mechanisms are designed to ensure the fair, confidential, and timely resolution of grievances. The Rico Group periodically reviews and strengthens its grievance redressal processes to improve their effectiveness and responsiveness.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

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

	FY 2025-26 (Current Financial Year)			**FY 2024-25 (Previous Financial Year)**		
Category	**Total employees / workers in respective category (A)**	**No. of employees / workers in respective category, who are part of association(s) or Union (B)**	**% (B / A)**	**Total employees / workers in respective category I**	**No. of employees / workers in respective category, who are part of association(s) or Union (D)**	**% (D / C)**
Total Permanent Employees	**718**	**0**	**0%**	704	0	0%
Male	**703**	**0**	**0%**	685	0	0%
Female	**15**	**0**	**0%**	19	0	0%
Total Permanent Workers	**1806**	**575**	**31.84%**	1581	592	37.44%
Male	**1749**	**539**	**30.82%**	1531	554	36.19%
Female	**57**	**36**	**63.16%**	50	38	76.00%

8. Details of training given to employees and workers:

Category	**FY 2025-26 (Current Financial Year)**					**FY 2024-25 (Previous Financial Year)**				
	Total (A)	**On Health and safety measures**		**On Skill upgradation**		**Total (D)**	**On Health and safety measures**		**On Skill upgradation**	
		No. (B)	**% (B/A)**	**No. (C)**	**% (C/A)**		**No. (E)**	**% (E/D)**	**%**	**(F/D)**
Employees*										
Male	**703**	**703**	**100%**	**610**	**87%**	697	697	100%	697	100%
Female	**15**	**15**	**100%**	**15**	**100%**	19	19	100%	19	100%
Total	**718**	**718**	**100%**	**625**	**87%**	716	716	100%	716	100%
Workers*										
Male	**1749**	**1749**	**100%**	**1629**	**93%**	1531	1531	100%	1531	100%
Female	**57**	**57**	**100%**	**51**	**89%**	50	50	100%	50	100%
Total	**1806**	**1806**	**100%**	**1680**	**93%**	1581	1581	100%	1581	100%

*The scope of consideration is limited to permanent employees and permanent workers.

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

Category	FY 2025-26 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	Total (A)	No. (B)	% (B)/(A)	Total (C)	No. (D)	%(D)/(C)
Employees*						
Male	**703**	**703**	**100%**	697	697	100%
Female	**15**	**15**	**100%**	19	19	100%
Total	**718**	**718**	**100%**	716	716	100%
Workers*						
Male	**1749**	**1749**	**100%**	1531	1531	100%
Female	**57**	**57**	**100%**	50	50	100%
Total	**1806**	**1806**	**100%**	1581	1581	100%

*The scope of consideration is limited to permanent employees and permanent workers.

10. Health and safety management system:

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

Yes, the Rico Group is certified to ISO 45001:2018 across its business operations, reflecting its commitment to maintaining a safe and healthy workplace. Guided by its EHS Policy, the Group implements a structured Occupational Health and Safety (OHS) Management System that focuses on identifying workplace hazards, assessing risks, and implementing effective control measures to prevent incidents and occupational injuries. Regular health and safety training is provided to employees, contractors, associates, and suppliers to promote safe working practices and strengthen awareness. The Group also conducts periodic audits and inspections to monitor compliance and drive continual improvement. Any incidents are promptly reported, thoroughly investigated to identify root causes, and addressed through corrective and preventive actions. Lessons learned are shared across the Group to enhance safety performance and reinforce a culture of accountability, continuous learning, and operational excellence.

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

The Rico Group has established a comprehensive Occupational Health and Safety (OHS) framework to proactively identify workplace hazards, assess risks, and implement appropriate control measures in line with its ISO 45001:2018-certified OHS Management System. Both routine and non-routine activities are subject to structured hazard identification and risk assessment processes to ensure a safe working environment across all operations.

The Group's safety management approach includes:

- Hazard Identification and Risk Assessment (HIRA) and Job Safety Analysis (JSA) for identifying and mitigating workplace risks.
- A Work Permit System for managing high-risk activities.
- Regular internal and external audits to evaluate compliance and drive continual improvement.
- A Safety Observation System to encourage proactive reporting of unsafe conditions and behaviours.
- Leadership involvement through OHS objective setting, operational planning, and performance monitoring.
- Incident reporting, investigation, corrective actions, and sharing of lessons learned across locations.
- Continuous measurement and monitoring of health and safety performance.
- Comprehensive management of fire detection and fire protection systems.

Safety performance is reviewed regularly through monthly and quarterly Steering Committee meetings, ensuring effective oversight, accountability, and continuous enhancement of health and safety practices across all Group locations.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks? **(Yes/No)**

Yes, the Group has established a structured incident management and reporting system that empowers workers to report work-related hazards and withdraw from situations they believe pose a risk to their health and safety. All employees and contract workers are actively encouraged to report accidents, near-miss incidents, and potential hazards through dedicated reporting mechanisms. Furthermore, OHS Committees at each plant, which include equal representation from the workforce, provide a platform for employees to voice safety concerns and propose solutions.

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

Yes, all employees and workers have access to non-occupational medical and healthcare services through coverage under Employee State Insurance (ESI), the Group's health insurance, and a personal accident policy. The Rico Group also prioritizes employee wellness by organizing annual medical check-up camps, providing health awareness talks on nutrition and exercise, and offering free outpatient services and medicines through the RICO Rural Medi-Care Clinic initiative. Additionally, the corporate campus features a well-equipped sports complex to encourage physical activity among the workforce.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)*
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	**0**	0
	Workers	**0.09**	0.09
Total recordable work-related injuries	Employees	**0**	0
	Workers	**1**	1
No. of fatalities	Employees	**0**	0
	Workers	**0**	1
High consequence work-related injury or ill-health (excluding fatalities)	Employees	**0**	0
	Workers	**0**	0

*The previous year's values have been revised and regrouped wherever required.

12. Describe the measures taken by the entity to ensure a safe and healthy workplace:

All units and locations of the Rico Group are certified under the ISO 45001 Occupational Health and Safety (OHS) Management System, reflecting its commitment to maintaining high standards of safety. The Rico Group has also established internal safety protocols that exceed applicable legislative requirements.

To strengthen health and safety performance, the Rico Group implements a range of proactive measures, including periodic safety audits conducted by internal teams and external experts. Employees receive comprehensive training across critical areas such as behavior-based safety, fire safety and process safety.

Key measures undertaken to prevent and mitigate significant OHS risks include:

- Installation and maintenance of advanced fire detection, alarm and suppression systems
- Regular site inspections, reviews, and audits to assess safety preparedness
- Periodic emergency preparedness drills, including fire and medical emergency simulations
- Free medical camps to promote employee health awareness
- Digital monitoring of indoor and outdoor air quality, noise level assessments and periodic medical examinations
- Continuous OHS training to enhance employee awareness and reinforce a culture of safety
- Employee engagement initiatives on critical health and safety topics, including fire safety, road safety, emergency evacuation and workplace ergonomics.

These initiatives collectively contribute to maintaining a safe, healthy and compliant workplace environment across all Rico Group operations.

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

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

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health & Safety practices	100% of the plants and offices were assessed internally
Working Conditions	100% of the plants and offices were assessed internally

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

Workplace safety is a key priority for the Rico Group, supported by a strong culture of safety and accountability. Established EHS procedures include safety SOPs, work permit systems, Lockout/Tagout (LOTO) procedures, employee training, safety inspections, periodic audits, statutory inspections, compliance monitoring and periodic assessments. Identified gaps or deviations are addressed through tracked corrective actions.

The Rico Group maintains a structured incident management system for reporting, investigation, and implementation of corrective and preventive actions, with dedicated mechanisms for reporting accidents, near misses and hazards.

Emergency preparedness and business continuity are supported through annually reviewed disaster recovery plans, emergency response measures, fire protection systems, backup utilities and defined recovery timelines. In addition, preventive and predictive maintenance programs, including scheduled maintenance and routine inspection of critical machinery, support operational reliability.

OHS Committees at each plant, comprising representatives from management, employees and cross-functional teams, oversee incident investigations, risk mitigation, safety best practices and employee engagement on occupational health and safety matters.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

   Yes, compensatory benefits are extended by the Rico Group in cases involving the death of employees and workers at most of its plant locations.

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

   The Rico Group ensures that service providers comply with applicable statutory obligations related to their employees through periodic monitoring and audits. Additional control mechanisms are implemented to verify the timely and complete deposit of statutory dues, reinforcing compliance across the supply chain.

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

	Total no. of affected employees/ workers		**No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment**	
	FY 2025-26 (Current Financial Year)	**FY 2024-25 (Previous Financial Year)**	**FY 2025-26 (Current Financial Year)**	**FY 2024-25 (Previous Financial Year)**
Employees	**0**	0	**0**	0
Workers	**0**	1	**0**	0

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

   Yes, the Rico Group provides transition assistance programs to facilitate continued employability and support smooth career transitions in cases of retirement or termination. In most cases, employees are engaged on annual contracts, which may be renewed based on performance and the availability of appropriate opportunities within the Rico Group.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health & Safety practices	100% of all direct suppliers
Working conditions	100% of all direct suppliers

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

   Not applicable, as assessments of the Rico Group's value chain partners did not identify any significant risks or concerns related to health and safety practices and working conditions.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

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

   Stakeholders play a vital role in the Rico Group's sustainable growth, strategic progress, and long-term value creation. The Group recognizes that its stakeholders including employees, customers, suppliers, investors, communities, regulators, and other key partners both influence and are influenced by its business activities, decisions, and performance. Their perspectives are integral to shaping the Group's strategy, governance, and responsible business practices.

2. List of stakeholders groups identified as key for our Company and the frequency of engagement with each stakeholder group:

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees and Workers	No	Email, Phone calls, SMS, Meetings, Notice Board	Regularly	Employee engagement activities, Company policies, Organisational structure, Trainings programmes, Other important developments
Shareholders	No	Email, Meetings, Newspaper, Company website, Stock exchanges, other Statutory Authority	Quarterly and need based	Compliance, Governance practices, Financial and Operational performance related
Board of Directors	No	Board meetings, one-to-one meetings	Quarterly and need based	Compliance of law, major decisions, day-to-day functioning
Customers	No	Email, Meetings, Websites, Phone calls, social media	Need based	Business/Project related, Feedback on product
Suppliers and Service Providers	No	Email, Meetings, Phone calls, Websites, Plant audits, Inspection	Need based	Product related, Price negotiations etc.
Institutions/Industry Associations	No	Joint research, studies, working groups, conferences, events, assistance, Emails and meetings	Need based	Industrial development related
Regulatory Bodies	No	Official communication channels, Regulatory audits/ inspections Compliances	Need based	Applicable laws and regulations
Communities	Yes	Community meetings with local people, NGOs, Government Departments, etc, CSR activities	Need based	CSR Initiatives

Leadership Indicators

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

   The Rico Group maintains a structured and ongoing stakeholder engagement framework to effectively communicate its strategic priorities and business performance while understanding stakeholder expectations. Regular interactions are conducted by business leaders and functional heads to discuss key economic, environmental, and social matters. Feedback received through these engagements is shared with senior management and the Board of Directors, where it is reviewed and considered during strategic discussions. This process enables the Group to incorporate stakeholder perspectives into its decision-making, strengthen transparency, and support sustainable long-term value creation.

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

   Yes, the Rico Group has identified its key environmental and social priorities through a structured stakeholder engagement and materiality assessment process. The assessment helps identify and prioritize the sustainability topics that are most significant to the Group and its stakeholders. The insights and feedback received are incorporated into the development and enhancement of the Group's policies, business strategies, and operational practices, ensuring that stakeholder expectations are integrated into decision-making while strengthening transparency, accountability, and long-term sustainability.

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

   The Rico Group is committed to creating a positive and lasting impact on underserved communities through its CSR initiatives. Its programmes are aligned with community needs and focus on areas such as education, healthcare, livelihood enhancement, and community development to promote inclusive and sustainable growth. Further details on the Group's CSR initiatives, implementation, and impact are provided in the CSR section of the Annual Report for FY 2025-26.

PRINCIPLE 5: Businesses should respect and promote human rights

Essential Indicators

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

	FY 2025-2026 (Current Financial Year)			FY 2024-25 (Previous Financial Year)		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	**718**	**718**	**100%**	704	704	100%
Other than permanent	**16**	**16**	**100%**	12	12	100%
Total Employees	**734**	**734**	**100%**	**716**	**716**	**100%**
Workers						
Permanent	**1806**	**1806**	**100%**	1581	1581	100%
Other than permanent	**4174**	**4174**	**100%**	4014	4014	100%
Total Workers	**5980**	**5980**	**100%**	**5595**	**5595**	**100%**

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2025-26 (Current Financial Year)					FY 2024-25 (Previous Financial Year)				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	**718**	**0**	**0%**	**718**	**100%**	**704**	0	0%	704	100%
Male	**703**	**0**	**0%**	**703**	**100%**	**685**	0	0%	685	100%
Female	**15**	**0**	**0%**	**15**	**100%**	**19**	0	0%	19	100%
Other than permanent	**16**	**0**	**0%**	**16**	**100%**	**12**	0	0%	12	100%
Male	**15**	**0**	**0%**	**15**	**100%**	**12**	0	0%	12	100%
Female	**1**	**0**	**0%**	**1**	**100%**	**0**	0	0%	0	100%
Workers										
Permanent	**1806**	**0**	**0%**	**1806**	**100%**	**1581**	0	0%	1581	100%
Male	**1749**	**0**	**0%**	**1749**	**100%**	**1531**	0	0%	1531	100%
Female	**57**	**0**	**0%**	**57**	**100%**	**50**	0	0%	50	100%
Other than permanent	**4174**	**882**	**21.13%**	**3292**	**78.87%**	**4014**	910	22.67%	3104	77.33%
Male	**4006**	**850**	**21.22%**	**3156**	**78.78%**	**3923**	910	23.20%	3013	76.80%
Female	**168**	**32**	**19.05%**	**136**	**80.95%**	**91**	0	0%	91	100%

3. Details of remuneration/salary/wages

   a. Median remuneration / wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)*	8	9,56,408	2	5,25,000
Key Managerial Personnel**	5	6,29,032	1	4,22,338
Employees other than BoD and KMP	715	51,774	13	48,677
Workers	5755	49,972	225	41,226

* For the purpose of this disclosure, only Executive Directors have been considered, as Non-Executive Directors receive only sitting fees and commission and do not draw a salary.

** Includes 4 Executive Directors who are considered for the purpose of median calculation of the Board of Directors as well.

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

	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Gross wages paid to females as % of total wages	**3.23%**	3.45%

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

Yes, the Rico Group's Human Resources (HR) Department is responsible for addressing human rights issues and impacts affecting employees and workers. Additionally, Department Heads are accountable for identifying, managing, and addressing human rights concerns arising from their respective operations and business relationships, ensuring that human rights considerations are integrated across the Group's activities.

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

Respect for human rights is a fundamental principle of the Company and is embedded across its business operations and employment practices. The Company has established multiple grievance and engagement mechanisms to ensure that employees and workers have access to safe, confidential, and effective channels for raising concerns.

Key mechanisms include:

- Grievance Redressal Policy to address employee and workplace-related concerns.
- Prevention of Sexual Harassment (POSH) Policy to promote a safe, respectful and inclusive workplace.
- Vigil Mechanism/Whistleblower Policy enabling confidential and anonymous reporting of unethical practices.
- Grievance boxes and an online grievance register to provide accessible and confidential reporting channels.
- Employee representation through recognized unions to facilitate communication with management.
- Regular shop floor meetings to encourage direct dialogue and timely resolution of concerns.
- Open-door communication channels enabling employees and workers to approach their Reporting Managers, senior management or the Human Resources Department directly.

These mechanisms reinforce the Company's commitment to protecting human rights by fostering a culture of transparency, trust, and mutual respect across the organization.

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

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

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

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

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

The Rico Group is committed to protecting individuals who report genuine concerns related to discrimination, harassment, or other workplace misconduct from any form of retaliation, victimisation or adverse action. This commitment fosters a safe, respectful and transparent work environment where employees are encouraged to raise concerns without fear.
The Group's Grievance Redressal Policy, Whistle Blower Policy and Prevention of Sexual Harassment (POSH) Policy include robust provisions to safeguard the confidentiality of complainants. All complaints, related records and information disclosed during investigations are treated with the highest level of confidentiality and are accessible only to authorised personnel designated by the management, ensuring a fair, secure and impartial grievance resolution process.

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

   The Rico Group is committed to respecting and promoting fundamental human rights across its business operations and value chain. Human rights principles are incorporated into the majority of its business agreements and contractual arrangements to reinforce responsible business practices. As part of its commitment to continuous improvement, the Group is reviewing and enhancing these agreements to establish a more structured framework for periodic review and updates. This initiative aims to further strengthen the integration of human rights considerations, align with evolving legal and ethical requirements, and support the Group's commitment to sustainable and responsible business conduct.

10. Assessments for the year:

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

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

    Not applicable.

Leadership Indicators

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

   No significant human rights grievances were reported during the reporting year. The Rico Group embeds respect for human rights across its business operations through its Code of Conduct and supporting policies and procedures. To reinforce these commitments, the Group provides regular training to employees and workers and periodically reviews and updates its Code of Conduct and related policies based on emerging risks, evolving concerns, and stakeholder feedback, ensuring their continued relevance and effectiveness.

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

   The Rico Group's Human Rights Statement establishes a comprehensive framework to promote respect, dignity, and fair treatment for all employees, contract workers, suppliers, customers, and local communities. It defines clear expectations for preventing and prohibiting all forms of human rights violations across the Group's operations. These principles are embedded in the Group's policies and business practices, guiding its interactions with employees, business partners, communities, and other stakeholders across all locations where it operates.

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

   Most of the Rico Group's offices and facilities are accessible to differently abled visitors. However, accessibility may be limited at certain manufacturing facilities due to operational safety requirements and site-specific structural or design constraints. The Group remains committed to improving accessibility wherever feasible while ensuring a safe working environment.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	Assessments of the value chain partners are undertaken during supplier onboarding. Suppliers are required to comply with the Rico Group's Supplier Code of Conduct, which sets expectations on ethical business practices, labour and human rights, environmental responsibility and regulatory compliance.
Discrimination at workplace	
Child labour	
Forced/ Involuntary labour	
Wages	
Others-please specify	

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

   Not applicable, as no such assessments were conducted during the reporting period.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment.

Essential Indicators

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

Parameter	**FY 2025-26 (Current Financial Year)**	**FY 2024-25 (Previous Financial Year)****
From Renewable sources		
Total electricity consumption (A) (In GJ)	**1,12,178.22**	79,384.82
Total fuel consumption (B) (In GJ)	–	–
Energy consumption through other sources (C) (In GJ)	–	–

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)**
Total energy consumption from renewable sources (A+B+C) (In GJ)	**1,12,178.22**	79,384.82
From Non-Renewable sources		
Total electricity consumption (D) (In GJ)	**4,93,170.53**	4,32,141.09
Total fuel consumption (E) (In GJ)	**3,09,882.56**	4,25,274.38
Energy consumption through other sources (F) (In GJ)	**–**	–
Total energy consumption from non-renewable sources (D+E+F) (In GJ)	**8,03,053.09**	8,57,415.46
Total energy consumed (A+B+C+D+E+F) (In GJ)	**9,15,231.31**	9,36,800.28
Energy intensity per rupee of turnover (GJ/ ₹ Lakh) (Total energy consumed/ Revenue from operations)	**3.69**	4.23
Energy intensity per rupee of turnover adjusted for Purchasing power Parity (PPP) * (Total energy consumed/Revenue from operations adjusted for PPP)	**75.13**	87.48
Energy intensity in terms of physical output (GJ/ MT)	**17.06**	20.29
Energy intensity (optional) – the relevant metric may be selected by the entity	**–**	–

* The source for Purchasing Power Parity (PPP) is International Monetary Fund (IMF). The PPP rates considered is 20.34 as per the 2026 update.

** The previous year's values have been revised and regrouped wherever required.

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

No such assessment/evaluation/assurance was carried out by an external agency during the reporting period.

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

   Not applicable, as the Rico Group's manufacturing facilities are not designated as Designated Consumers (DCs) under the Government of India's Perform, Achieve and Trade (PAT) Scheme.

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

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)**
Water withdrawal by source (in kiloliters)		
(i) Surface water	**–**	–
(ii) Groundwater	**1,82,212.55**	1,57,371.00
(iii) Third party water	**72,551.14**	84,543.93
(iv) Seawater/Desalinated water	**–**	–
(v) Others	**–**	–
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**2,54,763.69**	2,41,914.93
Total volume of water consumption (in kilolitres)	**2,42,537.69**	2,20,658.91
Water intensity per rupee of turnover (KL/ ₹ Lakh) (Water consumed / turnover)	**0.98**	1.00
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total water consumption / Revenue from operations adjusted for PPP)*	**19.91**	20.61
Water intensity in terms of physical output (KL/ MT)	**4.52**	4.78
Water intensity (optional) – the relevant metric may be selected by the entity	**–**	–

* The source for Purchasing Power Parity (PPP) is International Monetary Fund (IMF). The PPP rates considered is 20.34 as per the 2026 update.

** The previous year's values have been revised and regrouped wherever required.

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

No such assessment/evaluation/assurance was carried out by an external agency during the reporting period.

4. Provide the following details related to water discharged:

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)*
Water discharge by destination and level of treatment (in KL)		
(i) To surface Water	**–**	–
- No treatment	**–**	–
- With treatment (please specify level of treatment)	**–**	–
(ii) To Ground Water	**–**	–
- No treatment	**–**	–
- With treatment (please specify level of treatment)	**–**	–
(iii) To Seawater	**–**	–
- No treatment	**–**	–
- With treatment (please specify level of treatment)	**–**	–
(iv) Sent to third parties	**12,226.00**	21,256.02
- No treatment	**–**	–
- With treatment (please specify level of treatment)	**12,226.00**	21,256.02
(v) Others	**–**	–
- No treatment	**–**	–
- With treatment (please specify level of treatment)	**–**	–
Total water discharge (in KL)	**12,226.00**	21,256.02

* The previous year's values have been revised and regrouped wherever required.

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

The Rico Group has established Effluent Treatment Plants (ETPs) and Sewage Treatment Plants (STPs) across most of its facilities to ensure effective wastewater treatment. The treated water is subsequently reused for gardening and other non-potable applications, thereby reducing freshwater consumption and minimizing wastewater discharge.

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

Parameter	Please specify unit	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)*
NOx	MT	**16.87**	15.63
SOx	MT	**4.16**	4.12
Particulate matter (PM)	MT	**14.90**	15.72
Persistent organic pollutants (POP)	–	**Nil**	Nil
Volatile organic compounds (VOC)	–	**Nil**	Nil
Hazardous air pollutants (HAP)	–	**Nil**	Nil
Others-please specify	–	**Nil**	Nil

* The previous year's values have been revised and regrouped wherever required.

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

No such assessment/evaluation/assurance was carried out by an external agency during the reporting period.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)**
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	**19,805.54**	26,278.98
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	**97,264.19**	87,268.49
Total Scope 1 and Scope 2 emissions intensity per rupee of Turnover ($MTCO_2e$/ ₹ Lakh) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tonnes of CO2 equivalent/Rupees	**0.47**	0.51
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)*		**9.61**	10.60
Total Scope 1 and Scope 2 emission intensity in terms of physical output ($MTCO_2e$/ MT)		**2.18**	2.46
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	–	**–**	–

* The source for Purchasing Power Parity (PPP) is International Monetary Fund (IMF). The PPP rates considered is 20.34 as per the 2026 update.

** The previous year's values have been revised and regrouped wherever required.

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

No such assessment/evaluation/assurance was carried out by an external agency during the reporting period.

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

Yes, the Rico Group has undertaken various initiatives to reduce Greenhouse Gas (GHG) emissions across its operations. Key initiatives include:

- Installation of 1,400 KWP solar power system at Bawal.
- Transitioned from PNG-operated to electric melting and holding furnaces by commissioning 8 electric melting furnaces and 8 electric holding furnaces at RJWL Alloy Division, 4 electric furnaces at Chennai plant, and operating 6 electric furnaces at Bawal plant contributing to improved energy efficiency and reduced GHG emissions.
- Deployment of an electric forklift to reduce diesel consumption at Bawal Plant.
- Implementation of energy conservation measures through automatic timers for lights, fans, and coolers during lunch hours.
- Tree plantation initiatives undertaken at Haridwar and Chennai Plants to enhance green cover.
- Fuel switching from LPG to PNG at Haridwar and RJWL Alloy Division, reducing transportation costs, lowering particulate matter (PM) emissions and supporting cleaner, more environmentally sustainable operations.
- Conversion of plant lighting systems to LED fixtures across facilities.

These initiatives contribute to improving energy efficiency and reducing the Group's overall GHG emissions.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)**
Total Waste generated (in metric tonnes)		
Plastic waste (A)	**88.62**	101.42
E-waste (B)	**0.70**	0.22
Bio-medical waste (C)	**–**	–
Construction and demolition waste (D)	**–**	–
Battery waste (E)	**4.60**	101.53
Radioactive waste (F)	**–**	–

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)**
Other Hazardous waste. Please specify, if any. (G) (Discarded Lube waste, mechanical, DG and service oils)	**213.60**	239.48
Other Non-hazardous waste generated (H). Please specify, if any.	**4,343.54**	4,715.55
Total (A+B + C + D + E + F + G + H)	**4,651.06**	5157.98
Waste intensity per rupee of turnover (MT/ ₹ Lakh) (Total waste generated / Revenue from operations)	**0.02**	0.02
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total waste generated / Revenue from operations adjusted for PPP)	**0.38**	0.48
Waste intensity in terms of physical output (MT/ MT)	**0.09**	0.11
Waste intensity (optional)-the revelant metric may be selected by the entity	**–**	–
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	**3,836.85**	4,771.04
(ii) Re-used	**283.92**	218.10
(iii) Other recovery operations	**355.30**	73.11
Total	**4,476.06**	5.062.25
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	**45.26**	43.95
(ii) Landfilling	**129.74**	51.78
(iii) Other disposal operations	**–**	–
Total	**175.00**	95.74

* The source for Purchasing Power Parity (PPP) is International Monetary Fund (IMF). The PPP rates considered is 20.34 as per the 2026 update.

** The previous year's values have been revised and regrouped wherever required.

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

No such assessment/evaluation/assurance was carried out by an external agency during the reporting period.

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

    The Rico Group has established waste management practices to ensure the responsible segregation, handling, reuse, recycling, and disposal of waste generated across its operations in compliance with applicable SPCB/CPCB regulations. The Group promotes source segregation, reuse of packaging materials, and the use of returnable plastic bins and trolleys to reduce packaging waste. Resource efficiency initiatives, including hydraulic oil and coolant filtration systems and reuse of leaked oil, help minimize hazardous waste generation and ETP sludge. The Group also ensures the safe management of hazardous substances through secondary containment systems, responsible material management, appropriate PPE, regular safety training, and engineering controls to prevent spills and ensure safe operations.

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

S.No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any
Not applicable, as the Rico Group's plants and office locations are not located within or near ecologically sensitive zones.			

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

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant web link
Not applicable, as the Rico Group did not undertake any environmental impact assessments for projects during the current financial year.					

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

Yes, the Rico Group is compliant with all the applicable environmental laws/ regulations/ guidelines in India.

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Not applicable. The Rico Group did not record any instances of non-compliance with applicable environmental laws, regulations, or guidelines during the reporting period.				

Leadership Indicators

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

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

(i) Name of the area: **Gurugram, Bawal, Pathredi and Chennai**

(ii) Nature of operations: **Manufacturing of Auto components**

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

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)**
Water withdrawal by source (in kilolitres)		
(i) Surface water	**–**	–
(ii) Ground water	**1,75,484.55**	1,51,180.00
(iii) Third party water	**67,484.82**	84,257.93
(iv) Sea water / desalinated water	**–**	–
(v) Others	**–**	–
Total volume of water withdrawal (in kilolitres)	**2,42,969.37**	2,35,437.93
Total volume of water consumption (in kilolitres)	**2,30,743.37**	2,14,181.91
Water intensity per rupee of turnover (KL/ ₹ Lakh) (Water consumed / turnover)	**0.98**	0.97
Water intensity (optional) Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total water consumption / Revenue from operations adjusted for PPP)	**19.91**	20.00
Water discharge by destination and level of treatment (in kiloliters)		
(i) Into Surface water	**–**	–
– No treatment	**–**	–
– With treatment – please specify level of treatment	**–**	–
(ii) Into Ground water	**–**	–
– No treatment	**–**	–
– With treatment – please specify level of treatment	**–**	–
(iii) Into Sea water	**–**	–
– No treatment	**–**	–
– With treatment – please specify level of treatment	**–**	–
(iv) Sent to third-parties	**12,226.00**	21,256.02
– No treatment	**–**	–

Parameter	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)**
– With treatment – please specify level of treatment	**12,226.00**	21,256.02
(v) Others	–	–
– No treatment	–	–
– With treatment – please specify level of treatment	–	–
Total water discharged (in kilolitres)	**12,226.00**	21,256.02

* The source for Purchasing Power Parity (PPP) is International Monetary Fund (IMF). The PPP rates considered is 20.34 as per the 2026 update.

** The previous year's values have been revised and regrouped wherever required.

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

No such assessment/evaluation/assurance was carried out by an external agency during the reporting period.

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 Equivalent	The Company has assessed its Scope 3 emissions across the majority of the applicable categories and intends to commence reporting these emissions from the next financial year.	Scope 3 emissions are not currently accounted for by the Rico Group; however, a roadmap for their identification and management is being developed and will be implemented in the near future.
Total Scope 3 emissions per rupee of turnover			
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity			

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

Not Applicable

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

Not applicable, as none of the Rico Group's offices or operational facilities are located within or adjacent to ecologically sensitive areas.

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

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Establishment of ETP and STP at Hosur Plant and RJWL Pump Division	Installed Effluent Treatment Plant (ETP) and Sewage Treatment Plant (STP) to enhance wastewater treatment capacity, ensure regulatory compliance, and promote water recycling and reuse across operations.	Improved wastewater management, increased water reuse, reduced freshwater consumption, and strengthened compliance with environmental regulations.
2.	Installation of Advanced Water Treatment Systems (UF, UFRO & UV)	Installed Ultra Filtration (UF), UFRO, and UV treatment systems to enhance the quality of treated wastewater from ETP and STP, enabling its safe reuse within operations.	Improved removal of suspended solids, dissolved contaminants, and pathogens, reduced chemical consumption, enhanced water quality and reuse, and strengthened compliance with environmental standards.
3.	Renewable Energy & Energy Efficiency	Installed rooftop solar panels, replaced PNG furnaces with electric furnaces, and implemented LED lighting across manufacturing facilities.	Reduced electricity consumption from conventional sources, lowered PNG consumption, and improved overall energy efficiency.

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
4.	Strengthening Air Emission Monitoring and Pollution Control	Installed an Online Continuous Monitoring System (OCMS) for continuous monitoring of Suspended Particulate Matter (SPM), along with wet scrubbers, an SPM analyser, and increased chimney height to 30 metres to enhance air emission control.	Improved monitoring and control of air emissions, reduced particulate emissions, enhanced dispersion of stack emissions, and strengthened compliance with applicable environmental regulations.
5.	Tree Plantation	Planted approximately 5,000 trees, including Neem, Peepal, Jamun, Ashok and Amrud, within and around manufacturing facilities.	Enhanced green cover, supported biodiversity, and improved the surrounding environmental conditions.
6.	Cleaner Fuel Utilisation	Introduced Dual Fuel (Diesel + Gas) DG Sets to reduce diesel consumption and associated emissions.	Reduced dependence on diesel and lowered emissions from power generation.
7.	Resource Efficiency in Oil Management	Implemented online hydraulic oil filtration to continuously clean hydraulic oil and reuse collected oil, thereby reducing hazardous waste generation.	Extended oil life, minimized hazardous waste generation, and improved resource efficiency.
8.	Coolant Filtration System	Installed a coolant filtration system to remove oil from coolant before it reaches the ETP.	Reduced ETP sludge generation, increased coolant life, lowered oil consumption, and improved wastewater treatment efficiency.

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

   Yes, the Rico Group has established a Business Continuity Policy and an Onsite Emergency Plan to strengthen organizational resilience and preparedness for potential disruptions. These frameworks are designed to ensure the continuity of critical business operations, minimize downtime, and enable timely recovery from unforeseen events. The plans are periodically reviewed and updated to address emerging risks and align with industry best practices.

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

   During the reporting period, the Rico Group did not undertake comprehensive ESG assessments of its value chain partners. However, all suppliers are required to acknowledge and comply with the Rico Group's Supplier Code of Conduct, which outlines the Company's expectations on responsible business practices. Certain Company policies also extend to applicable value chain partners. Going forward, the Rico Group is developing a structured ESG evaluation framework comprising environmental, social and governance parameters to strengthen supplier assessments and support its responsible sourcing initiatives.

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

   The Rico Group is in the process of establishing a comprehensive ESG-based supplier evaluation framework. Until its implementation, suppliers are required to acknowledge and comply with the Supplier Code of Conduct, which sets out the Group's expectations for responsible business practices.

8. How many Green Credits have been generated or procured:

a.	By the listed entity	None
b.	By the top ten (in terms of value of purchases and sales, respectively) value chain partners	This information is currently unavailable, as the Rico Group has not generated or procured any Green Credits.

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations:
   The Company holds memberships with 5 trade and industry chambers/ associations.
   b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to;

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1.	Confederation of Indian Industries (CII)	National
2.	Automotive Components Manufacturers' Association (ACMA)	National
3.	PHD Chamber of Commerce and Industry	National
4.	Gurgaon Chamber of Commerce and Industries (GCCI)	State
5.	IACC (Indo-American Chamber of Commerce)	National

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

Name of authority	Brief of the case	Corrective action taken
Not Applicable. No instances of anti-competitive conduct or adverse orders from regulatory authorities were reported during the reporting period.		

Leadership Indicators

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

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
The Rico Group contributes to industry discussions and policy recommendations concerning both sector-wide developments and its operational interests, independently and through various trade associations and industry forums.					

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

Essential Indicators

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

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not applicable, as no projects during the year required Social Impact Assessment (SIA) under applicable regulations.					

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

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Not applicable, as the Rico Group did not undertake any projects that required R&R during the reporting period.						

3. Describe the mechanisms to receive and redress grievances of the community.
   The Company has established multiple channels to receive and address community grievances, including individual interactions and group meetings with beneficiaries, providing adequate opportunities for them to express their concerns.
   Additionally, the Company implements various CSR initiatives focused on addressing the needs of communities surrounding its plant locations. Any complaints or concerns arising in relation to these initiatives are addressed in a timely and appropriate manner.
4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)
Directly sourced from MSMEs/ small producers	**38.45%**	31.91%
Directly from within India	**100%**	100%

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

Location	FY 2025-26 (Current Financial Year)	FY 2024-25 (Previous Financial Year)*
Rural	**6.98%**	6.30%
Semi-Urban	**3.99%**	0.06%
Urban	**27.02%**	31.76%
Metropolitan	**62.01%**	61.88%

* The previous year's values have been revised and regrouped wherever required.

(Place to be categorized as per RBI classification system – rural / semi – urban / urban / metropolitan)

Leadership Indicators

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

Details of negative social impact identified	Corrective action taken
Not applicable, as no projects undertaken during the reporting period required Social Impact Assessment (SIA) under applicable laws.	

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

S. No.	State	Aspirational District	Amount spent (In INR)
The Rico Group did not undertake any CSR projects in government-designated aspirational districts during the reporting financial year.			

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

   Currently, the Rico Group does not have a formal preferential procurement policy for engaging suppliers belonging to marginalized or vulnerable groups.

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

   Not Applicable

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

   Not Applicable

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

S. No.	Intellectual property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating benefit share
The Rico Group continues to invest in research and development to enhance the performance and efficiency of automotive components, including friction materials for braking systems, clutch systems, and tooling for continuous variable transmission (CVT) systems. These initiatives aim to improve product performance and durability while promoting indigenous manufacturing, reducing import dependency, and contributing to lower carbon emissions across the value chain.				

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

Name of authority	Brief of the case	Corrective action taken
Not applicable, as no adverse orders were issued in any intellectual property-related disputes involving the use of traditional knowledge.		

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1.	Support education of Two children from economically weaker section, through Ramakant Munjal Foundation	2	100%
2.	Support education of one child from institute of Kiki Center for Technology	1	100%
3.	Encouraging rural sports like Wrestling by recognizing and supporting young upcoming sportsmen	Community	100%
4.	5000 Trees plantation and care and maintain to them.	Community	100%

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
5.	Sponsoring female players to participate in National and International Games.	7	100%
6.	Maintenance of School building at Jiwana Village.	Community	100%
7.	Supporting two individuals from an economically weaker section of society for medical treatment of severe disease.	2	100%
8.	Supporting Rotary Delhi Southwest Foundation & Indian Cancer Society	Community	100%
9.	Provide cataract & glaucoma surgery for old age citizens living in remote rural areas. & Develop Mobile medical van; Diagnostic, OPD & IPD Services for remote rural areas.	35	100%
10.	Rico Medi Care Clinic in Pathredi is providing free medical facilities to rural communities and access to preventive healthcare.	Community	100%

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

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

   The Rico Group follows a Business-to-Business (B2B) operating model, supplying its products primarily to OEMs, and therefore has limited direct interaction with end consumers for obtaining feedback or responding to their concerns. However, as OEMs represent the Rico Group's direct customers, their feedback and satisfaction remain key indicators of the Rico Group's performance. To understand customer expectations, the Rico Group actively interacts with its clients through various communication channels. A dedicated team is responsible for ensuring a smooth customer (OEMs) experience by addressing and meeting their diverse requirements. In addition, the Rico Group has established a structured process to track complaints and grievances, enabling timely and appropriate resolution in line with internally defined service standards. This approach reflects the Rico Group's focus on continuous improvement and customer-centricity.

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

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not applicable, as the Rico Group follows a B2B operating model and does not directly supply its products to end consumers.
Safe and responsible usage	
Recycling and/or safe disposal	

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

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

* The Company supplies its products on a B2B basis to OEMs, hence there are no complaints received directly from consumers.

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

	Number	Reasons for recall
Voluntary recalls	Nil	Not Applicable
Forced recalls	Nil	Not Applicable

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

   Yes, the Rico Group has established a framework and policy to address cybersecurity and data privacy risks, which is accessible through the Rico Group's intranet. The entity's ISMS is certified under ISO/IEC 27001:2013, and the transition to ISO/IEC 27001:2022 is currently underway, reflecting its continued focus on strengthening information security management practices.

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

   Not applicable. During the reporting period, no complaints were received regarding advertising, the delivery of essential services, cybersecurity or customer data privacy. There were no occurrences of product recalls and no penalties were imposed or actions initiated by regulatory authorities in relation to the safety of the Rico Group's products or services.

7. Provide the following information relating to data breaches:

   a. Number of instances of data breaches along-with impact

      No instances of data breaches were recorded during the reporting period FY 2025-26.

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

      No incidents involving data breaches of customers' personally identifiable information were reported during FY 2025–26.

   c. Impact, if any, of the data breaches

      Not applicable, as there were no reported instances of data breaches during FY 2025–26.

Leadership Indicators

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

   Details regarding the Rico Group's products and services can be accessed through the Rico Group's website, **www.ricoauto.in.**

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

   As a B2B organization primarily serving OEMs, the Rico Group has a limited role in directly providing information or awareness to end-users on the responsible and safe use of its products and/or services.

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

   Not applicable, as the Rico Group does not operate in the essential services sector.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? **(Yes/No)**

   Not applicable, as the Rico Group primarily supplies products to OEMs for use in the production of their final goods. However, customer satisfaction remains a key focus area for the Rico Group. Feedback received through direct and indirect channels is systematically collected to identify concerns and implement corrective actions. In addition, the Rico Group's management periodically reviews and monitors customer satisfaction trends to drive continuous improvement and address customer needs effectively.

Independent Auditor's Report

To the Members of

Rico Auto Industries Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Rico Auto Industries Limited (the "Company") which comprise the standalone balance sheet as at 31 March 2026, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including material accounting policies and other explanatory information.

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

Basis for Opinion

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

Key Audit Matter(s)

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter
Revenue Recognition
See Note 26 to standalone financial statements

The key audit matter	How the matter was addressed in our audit
The Company's revenue is derived primarily from sale of goods which comprises automotive components. Revenue from sale of goods is recognised at a point in time when performance obligation is satisfied and is based on the transfer of control to the customer as per terms of the contract with them which may vary for each customer. The Company and its external stakeholders focus on revenue as a key performance metric. Revenue recognition has been identified as a key audit matter as there could be incentives or external pressures to meet expectations resulting in revenue being overstated and recognized before the control has been transferred.	In view of the significance of the matter, we applied the following audit procedures in this area, to obtain sufficient appropriate audit evidence: • We assessed the Company's accounting policies for revenue recognition by comparing with applicable accounting standards. • We evaluated the design and implementation of the key internal financial controls with respect to the timing of revenue recognition and tested the operating effectiveness of such controls on a sample basis. • We performed substantive testing by selecting samples (using statistical sampling) of revenue transactions recorded during the year and after the financial year-end by testing the underlying documents which included sales invoices, shipping documents and proof of deliveries, to assess whether these are recognised in the appropriate period in which control of the goods is transferred to the customer. • We scrutinized journal entries related to revenue recognised during the year based upon specified risk-based criteria, to identify unusual or irregular items; and • Considered the adequacy of the disclosures in accordance with the relevant accounting standard.

Other Information

The Company's Management and 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 financial statements and auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

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

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

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions as per applicable laws and regulations.

Management's and Board of Directors' Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the

preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government 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.

2 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 except for the matter stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   c. The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

   d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

   e. On the basis of the written representations received from the directors as on 1 April 2026, 06 April 2026 and 13 April 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act.

   f. The modification relating to the maintenance of accounts and other matters connected therewith are

as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

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".

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, in our opinion and to the best of our information and according to the explanations given to us:

a. The Company has disclosed the impact of pending litigations as at 31 March 2026 on its financial position in its standalone financial statements - Refer Note 40 to the standalone financial statements.

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

c. There were no amounts which were 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, as disclosed in the Note 52(x) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 52(xi) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The final dividend paid by the Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 53 to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

f. Based on our examination which included test checks, except for the instances mentioned below, the Company has used accounting softwares for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares:

– The Company has migrated to a new accounting software from 03 April 2025. However, the feature of recording of audit trail (edit log) facility at application level was not enabled from 03 April 2025 to 06 April 2025.

– The feature of recording audit trail (edit log) facility was not enabled at the database level for accounting softwares to log any direct data changes.

Further, for the accounting softwares where the audit trail (edit log) facility was enabled and operated during the period, we did not come across any instance of audit trail feature being tampered with. Additionally, wherever the audit trail (edit log) facility was enabled and operated, the audit trail has been preserved by the Company as per the statutory requirements for record retention for the period it was enabled.

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

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Shashank Agarwal
Partner
Membership No.: 095109
ICAI UDIN:26095109KAZWDE8031

Place: Gurugram
Date : 29 May 2026

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of Rico Auto Industries Limited for the year ended 31 March 2026

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

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

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

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company, except for the following which are not held in the name of the Company:

Description of property	Gross carrying value (in INR crores)	Held in the name of	Whether promoter, director or their relative or employee	Period held- indicate range, where appropriate	Reason for not being held in the name of the Company. Also indicate if in dispute
Freehold Land, Bawal, Haryana.	14.41	RASA Autocom Limited	No	6 June 2011	RASA Autocom Limited has been merged with the Company during earlier years.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

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

(ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year.For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided guarantee, security or granted any loans or advance in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. The Company has made investments in companies during the year. The Company has granted interest free loans to the employees during the year in respect of which the requisite information is as below.

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided interest free loans to employees as below:

Particulars	Interest free loans (Rs. in crore)
Aggregate amount during the year a) Others (employees)	1.93
Balance outstanding as at balance sheet date of above a) Others (employees)	1.49

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the terms and conditions of the grant of interest free loans during the year are, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of investments made and interest free loans, given by the Company, wherever applicable, in our opinion the provisions of Section 185 and 186 of the Companies Act, 2013 ("the Act") have been complied with.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

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

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

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Service tax, Duty of excise and Value added tax or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (Rs. in crores)	Period to which the amount relates	Forum where dispute is pending	Amount paid under Protest (Rs. in crores)
Gujarat VAT, 2003	Disallowance of input on rejected goods	0.04	Financial year 2017-18	Gujarat Sales tax tribunal	0.009
Finance Act, 1994	Denial of credit taken on services of insurance, catering, tent house and taxi	0.40	Financial year 2004-05 2008-09	Custom Excise & Service Tax Appellate Tribunal	Nil
Finance Act, 1994	Wrong credit taken on services of insurance, catering, Tent House and taxi cab	0.29	Financial year 2011-12 to 2013-14	Custom Excise & Service Tax Appellate Tribunal	Nil
Finance Act, 1994	Deposit of inadmissible cenvat credit availed on the capital goods destroyed in fire	0.39	Financial year 2012-13	Commissioner Central Excise (Appeal)	Nil
Finance Act, 1994	Denial of credit taken on outward freight	0.07	Financial year 2011-12 to 2013-14	Commissioner Central Excise (Appeal)	Nil
Finance Act, 1994	Denial of credit taken on credit taken on Service of insurance and tour and travelling services	0.10	Financial year 2012-13	Commissioner Central Excise (Appeal)	Nil
Central Excise Act, 1944	Excise duty not reversed/paid on job work	3.08	Financial year 2015-16 to 2016-17	Commissioner of GST	0.23
Central Excise Act, 1944	Duty is payable on the amount of sales tax retained	0.56	Financial year 2011-12 to 2012-13	Custom Excise and service tax appellate tribunal	Nil

Name of the statute	Nature of the dues	Amount (Rs. in crores)	Period to which the amount relates	Forum where dispute is pending	Amount paid under Protest (Rs. in crores)
Central Excise Act, 1944	Tax credit incorrectly availed	0.01	Financial year 2001-02 to 2003-04	State Tax officer	0.01
Central Excise Act, 1944	Ineligible transitional credit availed on Capital Goods	0.28	Financial year 2017-18	Commissioner of GST	Nil
Local area development tax	Local area development tax	0.01	Financial year 2006	Joint excise and taxation commisioner	Nil
Goods and Services Tax Act	Difference in RCM paid and credit availed	0.06	Financial year 2018-19	Assistant commissioner of state tax	0.00
Goods and Services Tax Act	Difference in ITC claimed in GSTR 3B and GSTR2A	0.49	Financial year 2020-21	Assistant commissioner of state tax	Nil
Goods and Services Tax Act	Difference in ITC claimed	0.80	Financial year 2021-22	Superintendent of GST	Nil
Goods and Services Tax Act	Difference in ITC claimed	0.09	Financial year 2021-22	Superintendent of GST	Nil
Goods and Services Tax Act	Difference in ITC claimed	5.36	Financial year 2021-22	Superintendent of GST	Nil
Goods and Services Tax Act	Difference in ITC claimed	2.36	Financial year 2022-23	Superintendent of GST	Nil

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us and on an overall examination of the standalone balance sheet of the Company, we report that the Company has used funds to the extent of Rs. 65 crores raised on short-term basis for long-term purposes.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Act.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries (as defined under the Act).

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

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

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

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

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

(d) The Company is not part of any group (as defined in the regulations made by the Reserve Bank of India). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

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

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

Also refer to the Other Information paragraph of our main audit report which explains that the other information comprising the information included in Company's annual report is expected to be made available to us after the date of this auditor's report.

(xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Shashank Agarwal
Partner
Membership No.: 095109
ICAI UDIN:6095109KAZWDE8031

Place: Gurugram
Date : 29 May 2026

Annexure B

Annexure B to the Independent Auditor's Report on the standalone financial statements of Rico Auto Industries Limited for the year ended 31 March 2026

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

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

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 financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to 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 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 included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

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 **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Shashank Agarwal
Partner
Membership No.: 095109
ICAI UDIN:26095109KAZWDE8031

Place: Gurugram
Date : 29 May 2026

Standalone balance sheet as at 31 March 2026

(All amounts in ₹ crores, except per share data, unless otherwise stated)

Particulars	Notes	As at 31 March 2026	As at 31 March 2025
I. ASSETS			
1. NON–CURRENT ASSETS			
Property, plant and equipment	5A	**1,021.19**	934.34
Capital work-in-progress	5B	**161.31**	100.03
Intangible assets	5C	**15.55**	4.39
Intangible assets under development	5D	**9.11**	13.58
Financial assets			
(i) Investments	6	**48.77**	47.15
(ii) Other financial assets	7	**17.42**	17.29
Other non-current assets	8	**20.53**	3.36
Total non–current assets		**1,293.88**	1,120.14
2. CURRENT ASSETS			
Inventories	9	**217.05**	239.25
Financial assets			
(i) Trade receivables	10	**284.41**	277.54
(ii) Cash and cash equivalents	11	**3.29**	0.58
(iii) Bank balances other than (ii) above	12	**2.59**	5.82
(iv) Loans	13	**1.49**	3.17
(v) Other financial assets	14	**5.31**	2.78
Current tax assets (net)		**8.22**	13.30
Other current assets	15	**31.12**	24.47
Total current assets		**553.48**	566.91
Non-current asset held for sale	5E	**10.19**	–
Total assets		**1,857.55**	1,687.05
II. EQUITY AND LIABILITIES			
1. EQUITY			
Equity share capital	16	**13.53**	13.53
Other equity	17	**675.16**	654.37
Total equity		**688.69**	667.90
2. NON–CURRENT LIABILITIES			
Financial liabilities			
(i) Borrowings	18	**364.58**	274.39
(ii) Lease liabilities	43	**3.55**	4.54
Provisions	20	**24.38**	19.65
Deferred tax liabilities (net)	34	**48.56**	43.47
Total non–current liabilities		**441.07**	342.05
3. CURRENT LIABILITIES			
Financial Liabilities			
(i) Borrowings	21	**248.33**	279.07
(ii) Lease liabilities	43	**1.97**	5.51
(iii) Trade payables			
a) Total outstanding dues of micro enterprises and small enterprises, and	22	**36.44**	22.14
b) Total outstanding dues of creditors other than micro and small enterprises	22	**377.69**	323.90
(iv) Other financial liabilities	23	**30.36**	18.84
Other current liabilities	24	**33.00**	27.64
Provisions	25	**–**	–
Total current liabilities		**727.79**	677.10
Total of liabilities		**1,168.86**	1,019.15
Total equity and liabilities		**1,857.55**	1,687.05

Material accounting policies 2

The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
ICAI Firm registration No. 101248W/W-100022

Shashank Agarwal
Partner
Membership No. 095109

Place : Gurugram
Date : 29 May, 2026

For and on behalf of the Board of Directors of
Rico Auto Industries Limited

Arvind Kapur
Chairman, CEO &
Managing Director
DIN: 00096308

Kaushalendra Verma
Whole-time Director
DIN : 02004259

Rajiv Kumar Miglani
Whole-time Director
DIN : 06873155

Naveen Sorot
Chief Financial Officer

Ruchika Gupta
Company Secretary
M. No. F-6456

Place : Gurugram
Date : 29 May, 2026

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

(All amounts in ₹ crores, except per share data, unless otherwise stated)

Particulars	Notes	For the Year ended 31 March 2026	For the Year ended 31 March 2025
INCOME			
Revenue from operations	26	**1,836.44**	1,607.02
Other income	27	**18.60**	34.47
Total income (I)		**1,855.04**	1,641.49
EXPENSES			
Cost of raw materials consumed	28	**1,061.60**	931.25
Changes in inventories of finished goods and work-in-progress	29	**13.20**	(1.38)
Employee benefits expense	30	**182.31**	170.52
Finance costs	31	**43.55**	40.41
Depreciation and amortization expense	5	**86.86**	88.91
Other expenses	32	**424.24**	376.16
Total expenses (II)		**1,811.76**	1,605.87
Profit before exceptional item and tax (III = I - II)		**43.28**	35.62
Exceptional item	33	**7.11**	1.14
Profit before tax (IV)		**36.17**	34.48
Tax expense	34		
Current tax expense		**3.83**	–
Deferred tax expense		**5.02**	12.47
Tax adjustment for earlier years		**–**	(0.90)
Total tax expense (V)		**8.85**	11.57
Profit for the year (VI = IV - V)		**27.32**	22.91
Other comprehensive income (VII)			
(a) Items that will not be reclassified to statement of Profit and loss			
Remeasurements (loss)/gain of defined benefit plan obligations		**5.69**	(3.58)
Income tax relating to above items		**(1.43)**	0.90
(b) Items that will be reclassified to statement of Profit and loss			
Effective portion of gain/(loss) on designated portion of hedging instruments in a cash flow hedge		**(5.39)**	(1.94)
Income tax relating to above items		**1.36**	0.49
Other comprehensive income/ (loss) for the year (VII)		**0.23**	(4.13)
Total comprehensive income for the year (VIII = VI + VII)		**27.55**	18.78
Earnings per share:			
Basic and diluted (nominal value per share ₹ 1/-)	35	**2.02**	1.69
Material accounting policies	2		

The notes referred above form an integral part of these standalone financial statements.

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 101248W/W-100022

Shashank Agarwal
Partner
Membership No. 095109

Place : Gurugram
Date : May 29, 2026

For and on behalf of the Board of Directors of
Rico Auto Industries Limited

Arvind Kapur
Chairman, CEO &
Managing Director
DIN: 00096308

Kaushalendra Verma
Whole-time Director
DIN : 02004259

Rajiv Kumar Miglani
Whole-time Director
DIN : 06873155

Naveen Sorot
Chief Financial Officer

Ruchika Gupta
Company Secretary
M. No. F-6456

Place : Gurugram
Date : May 29, 2026

Standalone Statement of changes in equity for the year ended March 31 2026

(All amounts in ₹ crores, except per share data, unless otherwise stated)

A Equity share capital

Particulars	Note	Equity Shares	
		No. of shares	Amount
Balance as at 01 April 2024		13,52,85,000	13.53
Changes in equity share capital during the year		–	–
Balance as at 31 March 2025		13,52,85,000	13.53
Changes in equity share capital during the year		–	–
Balance as at 31 March 2026	**16**	**13,52,85,000**	**13.53**

B Other equity

	Attributable to Owners of Equity				
	Reserve and Surplus				
Particluars	**Capital Redemption Reserve**	**Security Premium**	**Retained earnings**	**General Reserve**	**Total other equity**
Balance as at 1 April 2024	2.00	145.04	417.13	79.54	643.71
Profit for the year	–	–	22.91	–	22.91
Other comprehensive income for the year (net of tax)	–	–	(4.13)	–	(4.13)
Dividend on equity shares (final) (refer note 53)	–	–	(8.12)	–	(8.12)
Balance as at 31 March 2025	2.00	145.04	427.79	79.54	654.37
Balance as at 1 April 2025	2.00	145.04	427.79	79.54	654.37
Profit for the year	–	–	27.32	–	27.32
Other comprehensive income for the year (net of tax)	–	–	0.23	–	0.23
Dividend on equity shares (final) (refer note 53)	–	–	(6.76)	–	(6.76)
Balance as at 31 March 2026	**2.00**	**145.04**	**448.58**	**79.54**	**675.16**

Notes:
Refer Note no. 17 for nature and purpose of other equity.

Material accounting policies
The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date attached
For B S R & Co. LLP
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Standalone Statement of cash flow for the year ended March 31 2026

(All amounts in ₹ crores, except per share data, unless otherwise stated)

Particulars		For the Year ended 31 March 2026	For the Year ended 31 March 2025
A. Cash flow from operating activities			
Net profit before tax		**36.17**	34.48
Adjustments for:			
Depreciation and amortisation expense		**86.86**	88.91
Loss/(profit) on sale of property, plant and equipment		**2.05**	(2.55)
Dividend income		**(8.72)**	(19.96)
Unrealised foreign exchange (gain)/loss		**2.91**	(3.54)
Loss allowance on trade receivables		**–**	0.07
Finance costs		**43.55**	40.41
Expenses on Leave and Gratuity		**–**	
Amortisation of contract costs		**3.49**	5.60
Interest income on financial assets measured at amortized cost		**(1.71)**	(2.86)
Operating profit before working capital changes		**164.60**	140.56
Changes in working capital:			
Increase in inventories		**22.20**	(14.75)
Increase in trade receivables		**(6.87)**	(7.22)
(Increase)/ Decrease in other assets		**(13.15)**	17.58
Increase in trade payables		**68.09**	2.03
Increase in other liabilities and provisions		**31.50**	15.39
		266.37	153.59
Direct taxes paid (net of refunds)		**1.25**	(8.24)
Net cash generated from operating activities	**A**	**267.62**	145.35
B. Cash flows from investing activities			
Purchase of property, plant and equipment, capital work in progress and intangible assets (including capital advances)		**(276.82)**	(145.06)
Purchase of investments		**(1.62)**	–
Proceeds from sale of property, Plant and equipment's		**3.47**	9.50
Proceeds from bank deposit more than 3 months		**3.09**	6.08
Loan received back		**1.77**	7.17
Dividend received		**8.72**	19.96
Interest received		**1.69**	2.86
Net cash used in investing activities	**B**	**(259.70)**	(99.49)
C. Cash flows from financing activities			
Proceeds from non-current borrowings		**234.50**	149.82
Payment for lease liabilities - principal		**(4.53)**	(7.86)
Payment for lease liabilities - interest		**(0.64)**	(1.20)
Repayment of non-current borrowings		**(139.42)**	(117.45)
Repayment from current borrowings (net)		**(38.54)**	(24.02)
Dividend paid		**(6.75)**	(8.12)
Interest paid		**(49.83)**	(39.21)
Net cash used in financing activities	**C**	**(5.21)**	(48.04)
Net Increase/ (decrease) in cash and cash equivalents	**A+B+C**	**2.71**	(2.18)
Cash and cash equivalents at the beginning of the year		**0.58**	2.76
Cash and cash equivalents at the end of the year (refer note 11)		**3.29**	0.58
Balances with banks:			
- In current accounts		**0.24**	0.06
- Cash on hand		**3.05**	0.52
Cash and cash equivalents at the end of the year		**3.29**	0.58

Standalone Statement of cash flow for the year ended March 31 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

Particulars	For the Year ended 31 March 2026	For the Year ended 31 March 2025
Changes in liabilities arising from financing activities		
Interest accrued on borrowings at the beginning of year	**0.86**	1.51
Interest on borrowings during the year	**48.98**	38.56
Interest paid during the year	**(49.83)**	(39.21)
Interest accrued on borrowings at the end of year	**0.01**	0.86
Borrowings at the beginning of year	**553.45**	543.54
Proceeds from long term borrowings	**234.50**	149.82
Repayment of long term borrowings	**(139.42)**	(117.45)
Proceeds/ repayment (net) from short term borrowings	**(38.54)**	(24.02)
Non-Cash changes due to Exchange differences	**2.91**	1.57
Borrowings at the end of year	**612.90**	553.45
Lease liabilities at the beginning of the year	**10.05**	17.91
Addition during the year	**–**	–
Deletion during the year	**–**	–
Finance cost accrued during the year	**0.64**	1.20
Payment of Lease liabilities	**(5.17)**	(9.06)
Lease liabilities at the end of the year	**5.52**	10.05

Notes:
Refer note 2 for material accounting policies

The above Statement of cash flows has been prepared under the Indirect Method as set out in Ind AS 7 on Statement of cash flows, as notified under companies act, 2013 with relevant notes thereunder.

The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
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Partner
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Place : Gurugram
Date : 29 May, 2026

For and on behalf of the Board of Directors of
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Notes to the standalone financial statements for the year ended 31 March 2026

(₹ in crores, except share data, per share data and unless otherwise stated)

1 Corporate Information

Rico Auto Industries Limited ("the Company") registered office is situated at 38 KM Stone, Delhi – Jaipur Highway, Gurugram – 122001 (Haryana), was incorporated in India on March 7, 1983. The Company supplies a broad range of high–precision fully machined aluminum and ferrous components and assemblies to Original Equipment Manufacturers across the globe. Its integrated services include design, development, tooling, casting, machining, assembly and research and development across aluminum and ferrous products. The Company is in the business of manufacturing and sale of auto components for two wheelers and four wheelers.

2 Material accounting policies

2.1 Basis Of Preparation

(i) Statement of compliance

These Standalone Financial Statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS`) prescribed under Section 133 of the Companies Act, 2013 (the 'Act'), read with Companies (Indian Accounting Standards) Rules, 2015, presentation requirements of Division II of Schedule III to the Companies Act, 2013" financials and other relevant provisions of the Act.

The Standalone Financial Statements of the Company for the year ended 31 March 2026 are approved by the Company's Audit Committee and the Board of Directors on 29 May 2026.

The standalone financial statements have been prepared on the historical cost convention on accrual basis except for certain financial instruments, which are measured at fair value at the end of each reporting period, as explained in the accounting policies mentioned below. Historical cost is generally based on the fair value of the consideration given in exchange of goods or services. All assets and liabilities have been classified as current or noncurrent according to the Company's operating cycle and other criteria set out in the Act. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current/ non-current classification of assets and liabilities. The principal accounting policies are set out below.

(ii) Functional and presentation currency

These Standalone Financial Statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded off to the nearest Crores, unless otherwise indicated.

(iii) Going concern and basis of measurement

The Standalone Financial Statements have been prepared on going concern basis under the historical cost convention on accrual basis, except for the following items:

a. certain financial assets and liabilities measured at fair value where INS AS required different accounting treatment (refer accounting policy regarding financial instruments).

b. defined benefit asset/ (liability) measured at fair value of plan assets (if any) less the present value of defined benefit obligation and

(iv) Use of estimates and judgements

In preparation of these Standalone Financial Statements, management has made judgements, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses and the accompanying disclosures, and the disclosure of contingent liabilities, at the end of the reporting period. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized prospectively. In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the Standalone Financial Statements is included in the following notes.

A. Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the Standalone Financial Statements:

- Lease classification and term- Note 43

Estimation

Recognition and estimation of tax expense including deferred tax- Note 34 and 2.2(m)

- Estimated impairment of financial assets and non-financial assets – Note 2.2 (h)
- Assessment of useful life of property, plant and equipment and intangible assets– Note 2.2 (a)
- Estimation of obligations relating to employee benefits: key actuarial assumptions- Note 42 and Note 2.2(q)
- Valuation of inventories – Note 2.2 (j)
- Recognition and measurement of provision and contingencies: Key assumption about the likelihood and magnitude of an outflow of resources- Note 40
- Fair value measurement – Note 2.1 (v)

Notes to the standalone financial statements for the year ended 31 March 2026 (Contd.)

(₹ in crores, except share data, per share data and unless otherwise stated)

(v) Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and financial and non-financial liabilities.

The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the audit committee.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in Note 36 – Financial instrument

(vi) Current - non-current classification

Asset

The Company classifies an asset as current asset when:

- it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the asset primarily for the purpose of trading;
- it expects to realise the asset within twelve months after the reporting period; or
- the asset is cash or a cash equivalent unless the asset is 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.

Liabilities

A liability is classified as current when:

- it is expected to be settled in its normal operating cycle;
- it is held primarily for the purpose of trading;
- it is due to be settled within twelve months after the reporting period; or
- the Company does not have a right to defer 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 or cash equivalents. The Company's normal operating cycle is twelve months.

2.2 Summary of material accounting policies

a. Property, plant and equipment (PPE)

(i) Recognition and Measurement

Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment includes its purchase price, import duties and non-refundable purchase taxes, duties or levies, after deducting trade discounts and rebates, any other directly attributable cost of bringing the asset to its working condition for its intended use and estimated cost of dismantling and removing the items and restoring the site on which it is located. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Refer to note 2.1(iv) regarding significant accounting judgements, estimates and assumptions.

Notes to the standalone financial statements for the year ended 31 March 2026 (Contd.)

(₹ in crores, except share data, per share data and unless otherwise stated)

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Standalone Statement of Profit and Loss when the asset is derecognised.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Property, plant and equipment is eliminated from the Standalone Financial Statements on disposal or when no further benefit is expected from its use and disposal. Assets retired from active use and held for disposal are generally stated at the lower of their net book value and net realizable value. Any gain or losses arising disposal of property, plant and equipment is recognized in the Standalone Statement of Profit and Loss.

Once classified as held-for-sale, property, plant and equipment are no longer depreciated.

Gains or losses arising from de-recognition 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 Standalone Statement of Profit and Loss when the asset is derecognised.

Capital work in progress includes cost of property plant & equipment's under development as at balance sheet date and are not depreciated as these assets are not yet available for use.

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.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably.

(iii) Depreciation

Depreciation on building and plant & machinery is provided on the straight-line method, computed on the basis of useful life on a pro-rata basis from the date the asset is ready to put to use. However, for certain assets of plant and machinery depreciation is provided using straight line method over a period of 20 years based on the technical estimate and history of usage.

Depreciation on other property, plant and equipment is provided on written down value method, computed on the basis of useful life prescribed in schedule II to the Companies Act, 2013 on a pro-rata basis from the date the asset is ready to put to use. Free hold land is not depreciated.

Depreciation on the dies and moulds is provided based on useful life of the items ascertained on a technical estimate by the management.

Intangible assets are being amortised on written down value method over the useful life of 5-10 years, as estimated by the management to be the economic life of the assets over which economic benefits are expected to flow.

Asset	Estimated Useful Life (in years)	Life as per schedule II of the Companies Act (in years)
Plant and machinery*	15–20	10–15
Building**	30–60	30–60
Furniture and fixtures	10	10
Office equipment	5	5
Computers	3–8	3
Vehicles	8	8
Product development	5	5
Dies	5–15	10

* Includes right of use asset having life of 5 years.

** Includes right of use asset having life of 9 years.

Notes to the standalone financial statements for the year ended 31 March 2026 (Contd.)

(₹ in crores, except share data, per share data and unless otherwise stated)

The Company, based on technical assessment made by technical expert and management estimate, depreciates these items of property, plant and equipment over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted, if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed of).

b. Intangible assets

(i) Recognition and Measurement

Intangible assets acquired separately are measured on initial recognition at cost. The cost of an item of intangible asset comprises its purchase price, including import duties and other non-refundable taxes or levies and any attributable costs of bringing the asset to its working condition for its intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

An intangible asset shall be recognised if, and only if:

(a) it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and

(b) the cost of the asset can be measured reliably

Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in the Standalone Statement of Profit and Loss in the period in which the expenditure is incurred.

An intangible asset is derecognized on disposal or when no future economic benefits are expected from its use and disposal. Losses arising from retirement and gains or losses arising from disposal of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Standalone Statement of Profit and Loss.

Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in the Standalone Statement of Profit and Loss as incurred.

(ii) Amortization

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets is recognized in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset. Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made prospective basis.

– **Software**
Software purchased by the Company are amortized on a straight-line basis i.e. non-standard (customized) software in four years and standard (non-customized) software in five years.

c. Investment properties

The Company had elected to continue with the carrying value for all of its investment properties as recognised in its Indian GAAP financial statements as deemed cost at the transition date.

Investment property comprises freehold land that are held for capital appreciation and recognised at cost, less impairment loss, if any.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

Though the Company measures investment property using cost-based measurement, the fair value of investment property is disclosed in notes. Fair value are determined based on an annual evaluation performed by an accredited external independent valuer.

Notes to the standalone financial statements for the year ended 31 March 2026 (Contd.)

(₹ in crores, except share data, per share data and unless otherwise stated)

d. Capital work-in-progress or Intangible assets under development

Capital work in progress/Intangible assets under development are stated at cost, net of impairment loss, if any. Assets in the course of construction are capitalised in capital work in progress account. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs (net of income) associated with the commissioning of the asset, including the expenditure incurred on trial runs (net of trial run receipts, if any), are capitalised up to the date asset is ready for its intended use.

Expenses incurred relating to project during the project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under 'Capital work in progress' or 'Intangible assets under development', as the case may be.

Amounts paid towards technical know-how fees and other expenses for specifically identified projects/ products being development expenditure is carried forward based on assessment of benefits arising from such expenditure. Such expenditure is amortized over the period of expected future sales from the related product, i.e. the estimated period of 6 years on straight line basis based on past trends, commencing from the month of commencement of commercial production.

e Capital advances

Advances paid towards the acquisition of property, plant and equipment and intangible assets, outstanding at each balance sheet date is classified as capital advances under "other non-current assets".

f. Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company as a lessee applies a single recognition and measurement approach for all leases, except for short-term leases. The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense over the lease term in the standalone statement of profit and loss.

The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated amortization and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date, an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located less any lease incentives received. Right-of-use assets are amortized on a straight-line basis from the commencement date over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment. Refer note 2.2 (h) for Impairment of non- financial assets.

(ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. Lease liabilities and Right-of-use assets have been presented as a separate line in the balance sheet. Lease payments have been classified as cash used in financing activities.

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Notes to the standalone financial statements for the year ended 31 March 2026 (Contd.)

(₹ in crores, except share data, per share data and unless otherwise stated)

(iii) Lease payments

Payments made under operating leases are generally recognized in the Standalone Statement of Profit and Loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increase. Lease incentive received are recognized as an integral part of the total lease expense over the term of the lease.

(iv) Sale and leaseback

A sale and leaseback transaction is where the Company sells an asset and immediately reacquires the use of the asset by entering into a lease with the buyer. A sale occurs when control of the underlying asset passes to the buyer. A lease liability is recognised, the associated property, plant and equipment asset is derecognised, and a right of use asset is recognised at the proportion of the carrying value relating to the right retained. Any gain or loss arising relates to the rights transferred to the buyer.

Company as lessor

Leases in which the company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

g. Borrowing costs

Borrowing costs includes interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs), amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they are incurred.

h. Impairment of non-financial assets

Intangible assets, property, plant and equipment and right-of-use 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.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest Group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

An asset's recoverable amount is the higher of an individual assets 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 group 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.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

The Company bases its impairment calculation on detailed budgets and forecasts calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

The Company's corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognized if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses, if any, are recognized in the Standalone Statement of Profit and Loss. Impairment losses of continuing operations, including impairment on inventories, are recognized in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognized in OCI up to the amount of any previous revaluation surplus.

Notes to the standalone financial statements for the year ended 31 March 2026 (Contd.)

(₹ in crores, except share data, per share data and unless otherwise stated)

In regard to assets for which impairment loss has been recognized in prior period, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

An assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the Standalone Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

i. Government grant

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as other operating revenue on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e., by equal annual instalments.

The Company is entitled for export incentives which are recognised as income when the right to receive credit as per the terms of the scheme is established in respect of the exports made, and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds. These are presented as other operating revenue in the standalone statement of profit and loss.

j. Inventories

Inventories which include raw materials, components, stores, work in progress, finished goods and spares are valued at the lower of cost and net realizable value. However, raw materials, components and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost or in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials and components: Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of raw material, components, stores and spares is determined on first in, first out basis.
- Finished goods and work in progress: Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity. Cost is determined on first in, first out basis.

Net realizable 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. The net realizable value of work-in-progress is determined with reference to the selling prices of related finished products.

The comparison of cost and net realizable value is made on an item-by-item basis.

k. Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Company at the exchange rates prevailing on the dates of the transactions, or at an average rate if the average rate approximates the actual rate on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate prevailing at the reporting date. Non monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency using the exchange rate at the date when the fair value was determined. Non monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Exchange differences are recognised in profit or loss in the period in which they arise.

l. Revenue

Revenue is measured based on the consideration specified in a contract with a customer. The Company recognises revenue when it transfers control over a good or service to a customer.

Sale of products

Revenue from sale of products is recognised when control of the products being sold is transferred to customers and there are no longer any unfulfilled obligations. The performance obligations in contract with customers are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on agreed delivery terms within the contracts. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of discount) allocated to that performance obligation. Revenue excludes taxes or duties collected on behalf of the government.

Notes to the standalone financial statements for the year ended 31 March 2026 (Contd.)

(₹ in crores, except share data, per share data and unless otherwise stated)

The Company recognized cash discount as and when the same has been provided to the customers.

For contracts that permit the customer to return an item, revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Therefore, the amount of revenue recognised is adjusted for expected returns, which are estimated based on the historical data. In these circumstances, a refund liability and a right to recover returned goods asset are recognised

The Company recognized revenue when (or as) a performance obligation was satisfied, i.e. when 'control' of the goods underlying the particular performance obligation was transferred to the customer.

Further, revenue from sale of goods is recognized based on a 5-Step Methodology which is as follows:

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligation in contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned or deferred revenue is recognised when there are billings in excess of revenues.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Use of significant judgements in revenue recognition:

a) The Company's contracts with customers could include promises to transfer products to a customer. The Company assesses the products promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

b) Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

c) The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract.

d) The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

Rendering of services

Revenue from services rendered is recognized in profit or loss in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to surveys of work performed.

Job work and development charges are recognized upon full completion of the job work and development services and when all the significant risks and rewards of ownership of the goods have been passed to the buyer, on delivery of the goods and no significant uncertainty exists regarding the collection of the consideration

Interest income

For all financial assets measured either at amortized cost or at fair value through other comprehensive 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

Notes to the standalone financial statements for the year ended 31 March 2026 (Contd.)

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asset or to the amortized 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. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit- impaired, then the calculation of interest income reverts to the gross basis. Interest income is included in the statement of profit and loss.

Dividends

Revenue is recognized when the Company's right to receive the payment is established by the reporting date.

m. Income tax

Income tax expense comprises current tax and deferred tax. It is recognized in the Standalone Statement of Profit and Loss except to the extent that it relates to a business combination or to an item recognized directly in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes.

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

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

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is provided using the Balance sheet 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 recognized for all taxable temporary differences.

In the situations where the Company is entitled to a tax holiday under the Income Tax Act, 1961 enacted in India or tax laws prevailing in the respective tax jurisdictions where it operates, no deferred tax asset is recognized in respect of timing differences which are reversed during the tax holiday period, to the extent the Company's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate. However, the Company restricts recognition of deferred tax assets to the extent that it has become reasonably certain that sufficient future taxable income will be available against which such deferred tax assets can be realized. For recognition of deferred taxes, the timing differences which originate first are considered to reverse first.

Deferred tax assets are recognized on carry forward of unused tax credits and any unused tax losses.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets – unrecognized or recognized, are reviewed at each reporting date and are recognized/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized.

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

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized 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 they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

n. Segment reporting

Basis for segmentation

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which

Notes to the standalone financial statements for the year ended 31 March 2026 (Contd.)

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discrete financial information is available. The Company is primarily engaged in the manufacturing and assembling of automotive components for the automotive industry. All operating segments' operating results are reviewed regularly by the Company's Chief Operating Decision Maker ("CODM") to make decisions about resources to be allocated to the segments and assess their performance. CODM believes that these are governed by same set of risk and returns hence CODM reviews as one balance sheet component.

o. Earnings per share (EPS)

Basic earnings per share are calculated by dividing the Profit or Loss for the year attributable to the shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, if any, that have changed the number of equity shares outstanding, without a corresponding change in resources.

Diluted earnings per share (DEPS)

For the purpose of calculating diluted earnings per share, the profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares except where the results will be anti-dilutive.

p. Provisions(Other than employee benefits)

General provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, 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. When the Company expects some or all of a provision to be reimbursed the expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost. Expected future operating losses are not provided for.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

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 arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. The Company does not recognize a contingent liability but discloses its existence in the standalone financial statements.

Contingent asset

Contingent asset is not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognized.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

q. Employee benefits

(i) Short-term employee benefits

All employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid, if the Company has a present legal or constructive obligation to pay the amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

(ii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company makes specified monthly contributions to the Regional Provident Fund Commissioner towards provident fund and employee state insurance scheme ('ESI'). Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in the Standalone Statement of Profit and Loss in the periods during which the related services are rendered by employees. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

(iii) Defined benefit plans

The Company operates a defined benefit gratuity plan, which requires contributions to be made to India First Life Insurance Company Limited and LIC of India.

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The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. Vesting occurs upon completion of five years of service.

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method, which recognizes each year of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up the final obligation. The obligation is measured at the present value of estimated future cash flows. The discount rates used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date, having maturity periods approximating to the terms of related obligations.

Re-measurements, 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 recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognized in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognizes related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

(iv) Other long term employee benefits

Compensated absences

The employees can carry-forward a portion of the unutilized accrued compensated absences and utilize it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

As per the compensated absence encashment policy, the Company does not have an unconditional right to defer the compensated absence of employees, accordingly the entire compensated absence obligation as determined by an independent actuary has been classified as current liability as at the period/ year end.

r. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Recognition and initial measurement

Trade receivables and debt securities are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss ('FVTPL'), transaction costs that are directly attributable to its acquisition or issue.

(ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at:

- Amortized cost;
- Fair Value through Other Comprehensive Income ('FVOCI') – debt instrument;
- FVOCI – equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

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(₹ in crores, except share data, per share data and unless otherwise stated)

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

– the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

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

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized 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 recognized in the profit or loss. This category generally applies to trade and other receivables. Company has recognized financial assets viz. security deposit, trade receivables, employee advances, investment in equity shares of companies, other financial assets and liabilities at amortized cost.

A debt instrument is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

– the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

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

Financial assets included within the FVTOCI category are measured initially as well 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 & reversals and foreign exchange gain or loss in the Standalone Statement of Profit and Loss. On de-recognition of the asset, cumulative gain or loss previously recognized in OCI is re-classified from the equity to Standalone Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the Standalone Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVPL category are measured at fair value with all changes recognised in the Standalone Statement of Profit and Loss.

Investments in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognized in the Standalone Statement of Profit and Loss.

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

– the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;

– how the performance of the portfolio is evaluated and reported to the Company's management;

– the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

Notes to the standalone financial statements for the year ended 31 March 2026 (Contd.)

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– the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purpose of this assessment 'Principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Company considers:

– contingents events that would change the amounts or timings of cash flows;
– terms that may adjust the contractual coupon rate, including variable interest rate features;
– prepayment and extension features; and
– terms that limit the Company's claim to cash flows from specified assets (e.g. non - recourse features)

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual amount, as feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. Interest income, foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.
Debt investment at FVOCI	These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investment at FVOCI	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are not reclassified to profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on derecognition is also recognized in profit or loss.

(iii) Derecognition

Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

Notes to the standalone financial statements for the year ended 31 March 2026 (Contd.)

(₹ in crores, except share data, per share data and unless otherwise stated)

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(v) Derivative financial instruments

Derivative accounting

Initial recognition and subsequent measurement

The company uses derivative financial instruments, such as forward currency contracts. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

Hedge Accounting

Initial recognition and subsequent measurement

The company designates (Cash Flow Hedge):

- Intrinsic Value of Call Spread option to hedge foreign currency risk for repayment of Principal Amount in relation to FCNR Loan availed in Euro.
- Interest Rate Swap (Floating to Fixed) to hedge interest rate risk in respect of Floating rate of interest in relation to FCNR Loan.

The company documents at the inception of the hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows of hedged items. The company documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship.

Cash flow hedges that qualify for hedge accounting

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

When option contracts are used to hedge foreign currency risk, the company designates only the intrinsic value of the option contract as the hedging instrument.

Gains or losses relating to the effective portion of the change in intrinsic value of the option contracts are recognised in the cash flow hedging reserve within equity. The changes in the time value of the option contracts that relate to the hedged item ('aligned time value') are recognised within other comprehensive income in the costs of hedging reserve within equity.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss. The time value of an option used to hedge represents part of the cost of the transaction.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss within other income or expense.

Impairment of financial assets

The Company recognizes loss allowances for expected credit losses on:

– Financial assets measured at amortized cost; and

– Financial assets measured at FVOCI – financial assets.

At each reporting date, the Company assesses whether financial assets carried at amortized cost and financial assets at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit – impaired includes the following observable data:

Notes to the standalone financial statements for the year ended 31 March 2026 (Contd.)

(₹ in crores, except share data, per share data and unless otherwise stated)

For recognition of impairment loss on 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 month 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 recognizing impairment loss allowance based on 12 month ECL.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowance for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is charged to the Standalone Statement of the Profit and Loss and is recognized in OCI.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write- off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with Company's procedures for the recovery of amount due.

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

a. Financial assets that are financial assets, and are measured at amortized cost e.g., deposits and advances

b. Trade receivables that result from transactions that are within the scope of Ind AS 115

c. Financial guarantee contracts which are not measured as at FVTPL.

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month 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-month 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, an entity is required to consider:

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Standalone Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Standalone Statement of Profit and Loss. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortized cost and contractual revenue receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.

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.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Notes to the standalone financial statements for the year ended 31 March 2026 (Contd.)

(₹ in crores, except share data, per share data and unless otherwise stated)

s. Recognition of interest expense

IInterest expense is recognized using effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments through the expected life of the financial instrument to:

– the amortized cost of the financial liability

In calculating interest expense, the effective interest rate is applied to the amortized cost of the liability.

t. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks, cash on hand and cheques on hand, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash at bank, cash on hand and cheques on hand as they are considered an integral part of the Company's cash management.

u. Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

v. Dividend distribution

Dividends paid are recognised in the period in which the interim dividends are approved by the Board of Directors of the Company, or in respect of the final dividend when approved by shareholders of the Company.

w. Expenditure

Expenses are accounted for on the accrual basis and charged to standalone statement of profit and loss.

x. Exceptional items

Exceptional items refer to items of income or expense within the Standalone Statement of Profit and Loss from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Company.

y. Equity share capital

Incremental costs directly attributable to the issue of equity shares are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with Ind AS 12.

z. Asset held for sale

Non-current assets are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets are generally measured at the lower of their carrying amount and fair value less costs to sell.

Once classified as held for sale, property, plant and equipment are no longer amortised or depreciated.

Non-current assets classified as held-for-sale are presented separately from the other assets in the balance sheet.

aa. Research and development

Expenditure on research and development activities is recognized in the Standalone Statement of Profit and Loss as incurred.

Development expenditure is capitalized as part of cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognized in profit or loss as incurred. Subsequent to initial recognition, the asset is measured at cost less accumulated amortisation and any accumulated impairment losses, if any.

3 Recent pronouncements

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

In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. 1 April 2025. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any impact in its financial statements.

In August 2025, MCA notified the following amendments to:

1. Ind AS 1, Presentation of Financial Statements, applicable w.e.f. 1 April 2025 – The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Company has no impact of these amendments in its classification criteria of current and non-current liabilities.

Notes to the standalone financial statements for the year ended 31 March 2026 (Contd.)

(₹ in crores, except share data, per share data and unless otherwise stated)

2. Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments: Disclosures, applicable w.e.f. 1 April 2025 – The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any impact on its financial statements.
3. Ind AS 12, International Tax Reform – Pillar Two Model Rules applicable immediately - The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any impact on its financial statements.

Amendments issue but not yet effective

The Ministry of Corporate Affairs (MCA) amended the Companies (Indian Accounting Standards) Rules, 2015, through a notification dated 13 August 2025, introduced changes to Ind AS 1 – Presentation of Financial Statements, effective from 01 April 2026. These amendments provide guidance when an entity breaches any covenant of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand, it classifies the liability as current, even if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach. An entity classifies the liability as current because, at the end of the reporting period, it does not have the right to defer its settlement for at least 12 months after that date. However, an entity classifies the liability as non-current if the lender agreed by the end of the reporting period to provide a period of grace ending at least 12 months after the reporting period, within which the entity can rectify the breach and during which the lender cannot demand immediate repayment. This amendment is to be applied retrospectively for annual reporting periods beginning on or after 1 April 2026, in accordance with Ind AS 8, Accounting Policies, accounting Estimates and Errors.

The Company has considered these amendments and expects that there will be no impact on the financial statements.

4 Rounding off amounts

All amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest crores (up to two decimal places) as per the requirements of Schedule III of the Act unless otherwise stated.

(All amounts in ₹ crores, except per share data, unless otherwise stated)

5 Property, Plant and Equipment, Capital Work–in–progress, Intangible assets and Intangible assets under Development

5A Property, plant and equipment

Particulars	Gross carrying values					Accumulated depreciation				Net carrying values
	As at 01 April 2025	Additions	Disposals	Reclassification to non current assets held for sale (refer note 5E)	As at 31 March 2026	As at 01 April 2025	Charge for the year	Adjustment upon disposals	As at 31 March 2026	As at 31 March 2026
Property plant and equipment										
Land*	70.67	–	–	10.19	60.48	1.93	0.43	–	2.36	58.12
Buildings**	181.48	8.02	–	–	189.50	46.10	6.49	–	52.59	136.91
Furniture and fixtures	3.64	0.04	–	–	3.68	2.84	0.14	–	2.98	0.70
Plant and equipment***	1,035.39	144.64	10.48	–	1,169.55	406.38	50.47	5.08	451.77	717.78
Dies and moulds	169.89	31.69	0.01	–	201.57	84.38	24.00	0.01	108.37	93.20
Vehicles	15.68	1.92	–	–	17.60	8.89	2.28	0.33	10.84	6.76
Office equipment	16.32	0.42	0.46	–	16.28	8.25	0.31	–	8.56	7.72
Total	1,493.09	186.73	10.95	10.19	1,658.68	558.76	84.12	5.42	637.47	1,021.19

Particulars	Gross carrying values					Accumulated depreciation				Net carrying values
	As at 01 April 2024	Additions	Disposals	Reclassification to non current assets held for sale (refer note 5E)	As at 31 March 2025	As at 01 April 2024	Charge for the year	Adjustment upon disposals	As at 31 March 2025	As at 31 March 2025
Property plant and equipment										
Land*	48.24	22.43	–	–	70.67	1.60	0.34	–	1.93	68.74
Buildings**	180.62	0.87	0.01	–	181.48	39.77	6.34	0.01	46.10	135.39
Furniture and fixtures	3.63	0.02	–	–	3.64	2.63	0.21	–	2.84	0.81
Plant and equipment***	990.92	56.03	11.56	–	1,035.39	356.46	56.68	6.76	406.38	629.02
Dies and moulds	138.59	34.33	3.03	–	169.89	65.26	20.55	1.43	84.38	85.52
Vehicles	16.24	2.51	3.07	–	15.68	8.91	2.49	2.50	8.89	6.79
Office equipment	15.78	0.59	0.04	–	16.32	7.86	0.42	0.04	8.25	8.07
Total	1,394.02	116.78	17.71	–	1,493.09	482.49	87.01	10.74	558.76	934.34

Includes gross block of right of use asset amounting to ₹ 43.21 crores (31 March 2025 : ₹ 43.21 crores) with net block of ₹ 39.76 crores (31 March 2025 : ₹ 40.19) as at the reporting date, refer note 43.

Includes gross block of right of use asset amounting to ₹ 1.55 crores (31 March 2025 : ₹ 1.55 crores) with net block of ₹ 0.30 crores (31 March 2025 ₹ 0.58 crores) as at the reporting date, refer note 43.

Includes gross block of right of use asset amounting to ₹ 10.38 crores (31 March 2025 : ₹ 37.21 crores) with net block of ₹ 7.50 crores (31 March 2025 : ₹ 29.69 crores) as at the reporting date, refer note 43.

Notes to the Standalone Financial Statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

5.1 Title deeds of Immovable Property not held in the name of the company

Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter / director	Property held since which date	Reason for not being held in the name of the company
As at 31 March 2026						
Property, plant and equipment	**Freehold land, Bawal, Haryana**	**14.41**	**RASA Autocom Limited**	**No**	**6-Jun-11**	**RASA Autocom Limited was merged with the Company. The Company is in the process of transferring the title deed in its own name.**
As at 31 March 2025						
Property, plant and equipment	Freehold land, Bawal, Haryana	14.41	RASA Autocom Limited	No	6-Jun-11	RASA Autocom Limited was merged with the Company. The Company is in the process of transferring the title deed in its own name.

5.2 For commitments with respect to property, plant and equipment, refer note 41

5B Capital work–in–progress

Particulars	As at 31 March 2026	As at 31 March 2025
As at the beginning of the year	**100.03**	79.02
Additions	**151.71**	51.87
Transfers to property, plant and equipment	**(90.43)**	(30.86)
As at the end of the year	**161.31**	100.03

Asset under construction

Capital work in progress as at 31 March 2026 and 31 March 2025 comprises expenditure incurred mainly for building in the course of construction and plant and machinery and dies. The Company accounts for capitalization of property, plant and equipment to the extent applicable through capital work in progress and therefore the movement in capital work-in-progress is the difference between closing and opening balance of capital work-in-progress as adjusted in additions to property, plant and equipment.

Notes to the Standalone Financial Statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

i The capital work-in-progress ageing schedule as at 31 March 2025 and 31 March 2024 is as follows :

As at 31 March 2026					
CWIP	**Less than 1 Year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress	**156.17**	**5.14**	**–**	**–**	**161.31**

As at 31 March 2025					
CWIP	**Less than 1 Year**	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
Projects in progress	55.62	33.18	11.23	–	100.03

There are no projects as at each reporting year where activity had been suspended. Also there are no projects as at the end of reporting period which has exceeded cost as compared to its original plan or where completion is overdue.

Borrowing costs capitalized/transferred to capital work in progress during the year amounts to ₹ 5.67 crores (previous year ₹ 3.54 crores) and the capitalisation rate used to determine the amount of borrowing costs to be capitalised is the weighted average interest rate applicable to the Company borrowings during the year, in this case 8.50% (previous year 9.00%)

(i) For details regarding charge on property, plant and equipment - refer note 19A, 19B and 44.
(ii) For details regarding contractual commitments for the acquisition of property, plant and equipment - refer note 41.
(iii) The Company has not revalued its property, plant and equipment during the year.
(iv) The Company does not have any benami property and no proceedings have been initiated or pending against the Company for holding any benami property, under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the rules made thereunder.
(v) All title deeds of immovable properties are held in the name of Company, except those as disclosed in note 5.1 above.

5C Intangible assets

	Gross carrying values				**Accumulated depreciation**				**Net carrying values**
Particulars	As at 01 April 2025	**Additions**	**Disposals**	**As at 31 March 2026**	As at 01 April 2025	**Charge for the year**	**Adjustment upon deletion**	**As at 31 March 2026**	**As at 31 March 2026**
Software	–	5.22	–	**5.22**	–	1.06	–	**1.06**	**4.16**
Product development	9.50	8.68	–	**18.18**	5.11	1.68	–	**6.79**	**11.39**
Total Intangible assets	9.50	13.90	–	**23.40**	5.11	2.74	–	**7.85**	**15.55**

	Gross carrying values				Accumulated depreciation				**Net carrying values**
Particulars	As at 01 April 2024	**Additions**	**Disposals**	**As at 31 March 2025**	As at 01 April 2024	**Charge for the year**	**Adjustment upon disposals**	**As at 31 March 2025**	**As at 31 March 2025**
Product development	9.50	–	–	9.50	3.21	1.90	–	5.11	4.39
Total Intangible assets	9.50	–	–	9.50	3.21	1.90	–	5.11	4.39

Notes to the Standalone Financial Statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

5D Intangible assets under development

Particulars	As at 31 March 2026	As at 31 March 2025
As at the beginning of the year	**13.58**	6.22
Additions	**5.94**	7.36
Transfers to intangible assets	**(10.41)**	–
As at the end of the year	**9.11**	13.58

The intangible assets under development ageing schedule as at 31 March 2026 and 31 March 2025 is as follows :

As at 31 March 2026

Intangible assets under development	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	**6.57**	**1.59**	**0.46**	**0.49**	**9.11**

As at 31 March 2025

Intangible assets under development	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	7.36	1.96	1.58	2.68	13.58

There are no projects as at each reporting period where activity had been suspended. Also there are no projects as at the reporting period which has exceeded cost as compared to its original plan or where completion is overdue.

5E Non-current asset held for sale

Particulars	As at 31 March 2026	As at 31 March 2025
Land (reclassification from Property, Plant and Equipments)	**10.19**	–

During the year ended 31 March 2026,the Company entered into an agreement for the sale of its entire land parcel situated at Industrial Park, Village Bawli Kalanjari, Pargana and Tehsil Roorkee, District Haridwar, Uttarakhand. Accordingly, land is presented as a non-current asset held for sale. The Company is expecting to consummate the transaction within next 12 months.

These assets are being measured at the lower of its carrying amount and fair value less costs to sell. No impairment has been recognised during year ended March 31, 2026.

Notes to the standalone financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

	Particulars	As at 31 March 2026	As at March 31 2025
	NON-CURRENT ASSETS		
6	**Investments**		
	Investments at cost		
	Investments in subsidiaries		
	Investment in equity shares (Unquoted)		
	Rico Auto Industries Inc. (USA) 2500 equity shares of US $ 10/- each (31 March 2025: 2500 equity shares of US $ 10/- each)	**0.12**	0.12
	Rico Auto Industries (UK) Limited (U.K.) 20,000 equity shares of GBP 1/- each (31 March 2025: 20,000 equity shares of GBP 1/- each)	**0.17**	0.17
	AAN Engineering Industries Limited 60,50,000 equity shares of ₹10/- each (31 March 2025: 60,50,000 equity shares of ₹10/- each)	**6.05**	6.05
	Rico Jinfei Wheels Limited* 10,59,25,000 equity shares of ₹10/- each (31 March 2025: 3,55,25,000 equity shares of ₹10/- each)	**35.74**	35.74
	Rico Friction Technology Limited 7,56,000 equity shares of ₹10/- each (31 March 2025: 7,56,000 equity shares of ₹10/- each)	**0.76**	0.76
	Aggregate amount of investments in subsidiaries (A)	**42.84**	42.84
	Investments - others		
	Investment in equity instruments at amortised cost - unquoted		
	Roop Ram Industries Private Limited 24,34,640 equity shares of ₹10/- each (31 March 2025: 24,34,640 equity shares of ₹10/- each)	**2.43**	2.43
	Dalavaipuram Renewables Private Limited 31,27,424 equity shares of ₹10/- each (31 March 2025: 18,51,967 equity shares of ₹10/- each)	**3.13**	1.85
	Boond Renewable Energy Private Ltd 3,39,479 equity Shares @ ₹10/- each (31 March 2025: Nil)	**0.34**	–
	Aggregated amount of investments in unquoted equity instruments at amortised cost (B)	**5.90**	4.28
	Investment in equity instruments at FVTPL - unquoted	**42.84**	42.84
	Rico Care Foundation (Sec 8 Company) 29,900 equity shares of ₹10/- each (31 March 2025: 29,900 equity shares of ₹10/- each)	**0.03**	0.03
	Aggregated book value and fair value of investment in unquoted equity instruments at FVTPL (C)	**0.03**	0.03
	31,27,424 equity shares of ₹10/- each (31 March 2025: 18,51,967 equity shares of ₹10/- each)	**3.13**	1.85
	Non-current Investments	**48.77**	**47.15**
	Less: Impairment allowance on equity investment	–	–
	Total Non-current Investments	**48.77**	47.15
	Aggregate value of unquoted investments	**48.77**	47.15
	Aggregate amount of impairment in value of investments	**–**	–

* Pursuant to the NCLT approval on 1 July 2025 Rico Fluidtronics Limited merged with Rico Jinfei Wheels Limited w.e.f. 1 April 2024.

** The Company holds more than 20% in the companies calssified as investment in equity instruments at amortised cost - unquoted. However, the Company does not exercise significant influence or control on decisions of the investees. Hence, they are not being construed as associate companies.

Notes to the standalone financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

	Particulars	As at 31 March 2026	As at March 31 2025
7	**Other financial assets**		
	(unsecured, considered good)		
	Other financial assets carried at amortised cost		
	Bank deposits with more than 12 months maturity (refer note 19A, 19B and 44)	**0.07**	–
	Security deposits	**17.35**	17.29
		17.42	17.29
8	**Other non-current assets (unsecured, considered good)**		
	Capital advances	**18.80**	1.98
	Contract costs (refer note 50)	**1.16**	1.11
	Prepaid expenses	**0.57**	0.27
		20.53	3.36
	CURRENT ASSESTS		
9	**Inventories**		
	(Valued at lower of cost or net realisable value)		
	Raw materials (includes goods in transit of ₹ 0.25 (31 March 2025: ₹ 0.99)	**47.16**	41.90
	Work-in-progress	**48.92**	33.43
	Finished goods (includes goods in transit of ₹ 12.04 (31 March 2025: ₹ 18.67)	**76.73**	105.42
	Stores and spares	**44.24**	58.50
	Total	**217.05**	239.25
	i) The Company has provided for provision for inventories on raw materials and store and spares of INR 0.45 crores (31 March 2025: INR 0.45 crores) for the year ended 31 March 2026.		
	ii) The write-down of inventories to net realisable value during the year amounted to INR 0.17 crores (31 March 2025: INR 0.34 crores). The write-down is included in changes in inventories of finished goods.		
	iii) Refer note 44 for information on assets charged as security by the Company.		
10	**Trade Receivables**		
	Trade receivables	**241.50**	248.89
	Receivables from related parties (refer note 45)	**42.91**	28.65
	Total	**284.41**	277.54
	Unsecured, considered good	**284.41**	277.54
	Trade receivables which have significant increase in credit risk	**–**	–
	Trade receivables - credit impaired	**1.33**	1.33
		285.74	278.87
	Less: Allowances for credit loss	**(1.33)**	(1.33)
	Total	**284.41**	277.54

For terms and conditions of trade receivables owing from related parties, see Note 45.

No trade receivables are due from directors or officers of the Company either seperately or jointly with any other person.

The trade receivables are non-interest bearing and generally on terms of 30-90 days.

*For explanations on company's market and credit risk management processes, refer note 38.

Notes to the standalone financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

Particulars	Outstanding for the following periods from due date of payments						
	Not due	Less than 6 months	6 months – 1 year	1–2 years	2–3 years	More than 3 years	Total
Trade Receivables ageing schedule as on 31 March 2026:							
i) Undisputed Trade receivables- considered good	**205.39**	**70.06**	**1.83**	**4.83**	**2.30**	**–**	**284.41**
ii) Undisputed Trade receivables- which have significant increase in credit risk	**–**	**–**	**–**	**–**	**–**	**–**	**–**
iii) Undisputed Trade Receivables- credit Impaired	**–**	**–**	**–**	**–**	**1.19**	**0.14**	**1.33**
iv) Disputed Trade Receivables- considered good	**–**	**–**	**–**	**–**	**–**	**–**	**–**
v) Disputed Trade receivables- which have significant increase in credit risk	**–**	**–**	**–**	**–**	**–**	**–**	**–**
vi) Disputed Trade Receivables- credit Impaired	**–**	**–**	**–**	**–**	**–**	**–**	**–**
vii) Less: Allowance for credit loss	**–**	**–**	**–**	**–**	**(1.19)**	**(0.14)**	**(1.33)**
	205.39	**70.06**	**1.83**	**4.83**	**2.30**	**–**	**284.41**
Trade Receivables ageing schedule as on 31 March 2025:							
i) Undisputed Trade receivables- considered good	227.75	44.20	3.29	2.23	0.07	–	277.54
ii) Undisputed Trade receivables- which have significant increase in credit risk		–	–	–	–	–	–
iii) Undisputed Trade Receivables- credit Impaired	–	–	–	1.19	0.02	0.12	1.33
iv) Disputed Trade Receivables- considered good		–	–	–	–	–	–
v) Disputed Trade receivables- which have significant increase in credit risk	–	–	–	–	–	–	–
vi) Disputed Trade Receivables- credit Impaired	–	–	–	–	–	–	–
vii) Less: Allowance for credit loss	–	–	–	(1.19)	(0.02)	(0.12)	(1.33)
	227.75	**44.20**	**3.29**	**2.23**	**0.07**	–	**277.54**

Transfer of Trade Receivables

The Company sold with recourse trade receivables to a bank for cash proceeds. These trade receivables have not been derecognised from the balance sheet, because the Company retains substantially all of the risks and rewards – primarily credit risk. The amount received on transfer has been recognised as a unsecured bank loan (see Note 19B). The arrangement with the bank is such that the customers remit cash directly to the Company and the Company transfers the collected amounts to the bank.

The receivables are held within a held-to-collect business model consistent with the Company's continuing recognition of the receivables.

The following information shows the carrying amount of trade receivables at the reporting date that have been transferred but have not been derecognised and the associated liabilities.

	Particulars	As at 31 March 2026	As at March 31 2025
	Carrying amount of trade receivables transferred to the bank	**–**	39.54
	Carrying amount of associated liabilities	**–**	37.53
11	**Cash and Cash Equivalents**		
	Cash on hand	**0.24**	0.06
	Balances with banks:		
	– On current accounts	**3.05**	0.52
	Total	**3.29**	0.58
12	**Bank balances other than cash and cash equivalents**		
	Unpaid dividend accounts*	**0.29**	0.36
	Bank deposits with original maturity of more than 3 months and remaining maturity of less than 12 months (refer note 19A, 19B and 44)	**2.30**	5.46
	Total	**2.59**	5.82

* These balances are not available for use by the company and has been kept in escrow accounts for unclaimed dividends.

Notes to the standalone financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

	Particulars	As at 31 March 2026	As at March 31 2025
	CURRENT ASSESTS		
13	**Loans (unsecured, considered good)**		
	Loans to employees	**1.49**	1.40
	Loans to related parties (refer note 45)	**–**	1.77
		1.49	3.17
	(i) The Company has no loans and advances which are either repayable on demand or are without specifying any terms or period of repayment.		
	(ii) No loans or advances are due by directors or other officers of the Company or any of them either severally or jointly with any other person. Further, no loans or advances are due by firms or private companies in which any director is a partner, a director or a member.		
14	**Other financial assets**		
	(unsecured, considered good)		
	Other financial assets carried at amortised cost		
	Interest receivable	**0.67**	0.65
	Export incentive receivable	**1.74**	0.06
	Derivative asset measured at fair value (refer note 36)	**0.04**	–
	Others	**2.86**	2.07
	Total	**5.31**	2.78
15	**Other current assets (unsecured, considered good)**		
	Advances to suppliers	**8.80**	7.53
	Prepaid expenses	**3.32**	6.19
	Balance with government authorities	**15.81**	4.01
	Contract costs (refer note 50)	**–**	3.55
	Others	**3.19**	3.19
		31.12	24.47
	EQUITY AND LIABILITIES		
16	**Equity share capital**		
	a) Authorised		
	490,000,000 equity shares of 1/- each, 216,000,000 equity shares of 10/- each (31 March 2025: 490,000,000 equity shares of 1/- each, 216,000,000 equity shares of 10/- each)	**265.00**	265.00
	5,000,000 redeemable preference shares of ₹ 10/- each (March 31, 2025: 5,000,000 redeemable preference shares of ₹ 10/- each)	**5.00**	5.00
		270.00	270.00
	b) Issued, subscribed and paid up		
	135,285,000 equity shares of ₹ 1/- each fully paid up (31 March 2025: 135,285,000 equity shares of ₹ 1/- each)	**13.53**	13.53
		13.53	13.53

c) Reconciliation of number of equity shares outstanding

Particulars	Year ended 31 March 2026 Amount	Year ended 31 March 2026 No. of shares	Year ended 31 March 2025 Amount	Year ended 31 March 2025 No. of shares
At the beginning of the year	**13.53**	**135,285,000**	13.53	135,285,000
Movement during the year	**–**	**–**	–	–
Outstanding at the end of the year	**13.53**	**135,285,000**	13.53	135,285,000

Rights, preferences and restrictions attached to equity shares.

The Company has one class of issued, subscribed and paid up equity shares having par value of INR 1 per share (31 March 2025: INR 1 per share). Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. All the existing equity shares rank pari passu in all respects including but not limited to dividends and shares in the company's residual assets on winding up.

The Company has paid final dividend of INR 0.50 and INR 0.60 per equity share of face value INR 1 each in current year and previous year respectively.

Notes to the standalone financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

The Board of Directors at its Meeting held on 29 May 2026, has recommended a final dividend @ 55% i.e. INR 0.55 per equity share. The dates of the book closure for the entitlement of such final dividend and Annual General Meeting shall be decided and informed in due course of time.

In the event of liquidation of the Company, the share holders of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the share holders.

d) Details of shareholders holding more than 5% equity shares in the Holding Company

Name of shareholder	As at 31 March 2026		As at 31 March 2025	
	% of holding	No of shares	% of holding	No of shares
ASN Manufacturing and Services Private Limited	**15.40**	**2,08,38,321**	15.40	2,08,38,321
Mr. Arvind Kapur	**10.44**	**1,41,18,043**	10.44	1,41,18,043
Mr. Arun Kapur	**6.48**	**87,70,849**	6.48	87,70,849
Meraki Manufacturing and Finvest Advisors Private Limited	**8.72**	**1,17,90,841**	8.72	1,17,90,841
Higain Investments Private Limited	**5.60**	**75,80,628**	5.60	75,80,628

The above information is furnished as per the shareholders register as at 31 March 2026 and 31 March 2025.

e) Details of shareholding of promoters

Promoter name	As at 31 March 2026			As at 31 March 2025		
	No of shares	% holding	% of change during the year	No of shares	% holding	% of change during the year
Mr. Arvind Kapur	**1,41,18,043**	**10.44%**	**–**	1,41,18,043	10.44%	–
Mr. Arun Kapur	**87,70,849**	**6.48%**	**–**	87,70,849	6.48%	–
Mrs. Upasna Kapur	**34,53,384**	**2.55%**	**–**	34,53,384	2.55%	–
Mrs. Ritu Kapur	**7,33,140**	**0.54%**	**–**	7,33,140	0.54%	–
Ms. Nyla Kapur	**3,83,440**	**0.28%**	**–**	3,83,440	0.28%	–
Mr. Samarth Kapur	**1,94,800**	**0.14%**	**–**	1,94,800	0.14%	–
Mrs. Shivani Kapur	**1,49,800**	**0.11%**	**–**	1,49,800	0.11%	–
Mrs. Romilla Bahl	**79,000**	**0.06%**	**–**	79,000	0.06%	–
Mrs. Promila Sikka	**4,000**	**0.00%**	**–**	4,000	0.00%	–
ASN Manufacturing and Services Private Limited	**2,08,38,321**	**15.40%**	**–**	2,08,38,321	15.40%	–
Meraki Manufacturing and Finvest Advisors Private Limited	**1,17,90,841**	**8.72%**	**–**	1,17,90,841	8.72%	–
Higain Investments Private Limited	**75,80,628**	**5.60%**	**–**	75,80,628	5.60%	–
Total	**6,80,96,246**	**50.34%**	**–**	6,80,96,246	50.34%	–

f) The Company has not issued bonus shares, equity shares issued for considerations other than cash and also no shares has been bought back during the period of five years immediately preceeding 31 March 2026.

Notes to the standalone financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

	Particulars	As at March 31 2026	As at March 31 2025
17	**OTHER EQUITY**		
	Capital redemption reserve		
	Opening balance as at 1st April 2025	**2.00**	2.00
	Changes during the year	**–**	–
	Closing balance as at 31st March 2026	**2.00**	2.00
	Securities premium		
	Opening balance as at 1st April 2025	**145.04**	145.04
	Changes during the year	**–**	–
	Closing balance as at 31st March 2026	**145.04**	145.04
	General reserve		
	Opening balance as at 1st April 2025	**79.54**	79.54
	Changes during the year	**–**	–
	Closing balance as at 31st March 2026	**79.54**	79.54
	Retained earnings		
	Opening balance	**427.79**	417.13
	Add: Profit for the year	**27.32**	22.91
	Other Comprehensive Income for the year	**0.23**	(4.13)
	Less : Dividend on equity shares (final)(refer note 16(c))	**(6.76)**	(8.12)
	Closing balance	**448.58**	427.79
	Total	**675.16**	654.37

Description of reserves

a) Capital Redemption Reserve
The same has been created on redemption of share capital and shall be utilised in accordance with provision of the Act.

b) Securities premium
Securities premium reserve is used to record the premium on issue of shares. The reserve will be utilised in accordance with provisions of the Act.

c) General reserve
General Reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes.

d) Retained earnings
Retained earnings are the accumulated profits earned by the company till date, as adjusted for distribution to owners.

e) Items of Other Comprehensive Income
This comprises the effective portion of the cumulative net change in the fair value of the cash flow hedging instrument and forward contracts related to hedge transactions.

Notes to the standalone financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

	Particulars	As at March 31 2026	As at March 31 2025
18	**BORROWINGS***		
	Secured, at amortized cost		
	Term loan		
	From banks		
	Foreign currency loans	**4.51**	50.84
	Rupee loans	**287.99**	165.72
	From Financial institutions		
	Rupee loans	**155.83**	125.00
	Vehicle loans		
	From financial institutions	**0.05**	0.30
	From banks	**2.90**	2.66
		451.28	344.52
	Unsecured, at amortised cost		
	Term loan		
	Rupee loan	**21.88**	30.63
		473.16	375.15
	Less: Amount clubbed under "Current borrowings" (Current maturities of long term borrowings)	**108.58**	100.76
	Aggregate secured borrowings	**364.58**	274.39
	***Also, refer Note 19 (A) and 19 (B)**		
19A	**Security Details - non-current secured loans**		
1	Buyer's credit facility from Yes Bank Limited is secured by first pari passu charge (unless specifically charged) of all movable fixed assets of the Company (both present and future) and mortgage by way of deposit of title deeds of certain immovable properties of the Company situated at Dharuhera and Gurugram. Loan carries interest @ Jpybor + 0.75% to 0.95% per annum (previous year Jpybor + 0.95% per annum) and is repayable in 9 equal quarterly installments.	**4.51**	5.32
2	Buyer's credit facility from Indusind Bank Limited carries interest @Euribor + 0.50% per annum (previous year Euribor + 0.50% per annum) and is repayable against disbursement of term loan which is repayable in 12-15 quarterly installments. The facility is secured by first pari passu charge on machinery etc purchased against the facility and mortgage by way of deposit of title deeds of certain immovable properties of the Company situated at Chennai and Pathredi.	**–**	45.52
3	Rupee term loan from Yes Bank Limited carries interest @ 8.17% to 9.25% per annum (previous year @ 9.20% per annum) and is repayable in 20 equal quarterly installments. The term loan is secured by first pari passu charge (unless specifically charged) of all movable fixed assets of the Company (both present and future) and mortgage by way of deposit of title deeds of certain immovable properties of the Company situated at Dharuhera and Gurugram.	**10.05**	12.73
4	The company has converted rupee term loan in euro, a cross currency swap from Kotak Mahindra Bank Limited, carries interest @ 3.05% per annum on euro notional (previous year 3.05 % per annum) and is repayable in 16 equal quarterly installments after moratorium of 12 quarters starting December 2021. The term loan is secured by first pari passu charge (unless specifically charged) of all movable fixed assets of the Company (both present and future) and mortgage by way of deposit of title deeds of certain immovable properties of the Company situated at Dharuhera and Gurugram.	**–**	4.05
5	Rupee term loan from HDFC Bank Limited carries interest @ 7.75% to 8.75% per annum (previous year 9.50% to 10.50% per annum) and is repayable in 20 equal quarterly installments after moratorium of 4 quarters starting Jauary 2022. The term loan is secured by first pari passu charge (unless specifically charged) of all movable fixed assets of the Company (both present and future) and mortgage by way of deposit of title deeds of certain immovable properties of the Company situated at Dharuhera and Gurugram.	**3.75**	8.75
6	Rupee term loan from Axis Bank Limited carries interest @ 9.80% to 10.20% per annum (previous year 8.85% to 10.00% per annum) and is repayable in 12 quarterly installments after moratorium of 8 quarters starting Sep 2024. The term loan is secured by first pari passu charge (unless specifically charged) of all movable fixed assets of the Company (both present and future) and mortgage by way of deposit of title deeds of certain immovable properties of the Company situated at Dharuhera and Gurugram.	**7.01**	14.06

Notes to the standalone financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

	Particulars	As at March 31 2026	As at March 31 2025
7	Rupee term loan from Karnataka Bank carries interest @ 8.19% to 9.30% per annum (previous year 9.00% to 9.90% per annum) and is repayable in 24 quarterly installments after moratorium of 5 quarters starting from Sep 2023. The term loan is secured by the first pari passu charge on machinery etc purchased against the facility and mortgage by way of deposit of title deeds of certain immovable properties of the Company situated at Chennai and Pathredi.	**51.00**	57.95
8	Rupee Working Capital term loan from ICICI Bank carries interest rate @ 8.45% to 9.00% per annum (previous year 9.00% per annum) and is repayable in 12 equal quarterly installments starting from May, 2024. The term loan is secured by first pari passu charge (unless specifically charged) of all movable fixed assets of the Company (both present and future) and mortgage by way of deposit of title deeds of certain immovable properties of the Company situated at Dharuhera and Gurugram.	**5.00**	10.00
9	Rupee term loan from ICICI Bank carries interest rate @ 8.45% to 9.00% per annum (previous year 9.00% per annum) and is repayable in 18 equal quarterly installments after moratorium of 3 quarters starting December,2024. The term loan is secured by first pari passu charge (unless specifically charged) by way of hypothecation on all the movable fixed assets of the company (both present and future) and mortgage by way of deposit of title deeds of certain immovable properties of the Company situated at Dharuhera and Gurugram.	**13.33**	17.78
10	Rupee working capital term loan (ECLGS) from HDFC Bank Limited carries interest @ 9.00% per annum (previous year 9.00% per annum) and is repayable in 48 equal monthly installments after moratorium of 24 months starting April,2025. The term loan is secured by second pari passu charge (unless specifically charged) of all movable fixed assets of the Company (both present and future), second pari passu charge on mortgage by way of deposit of title deeds of certain immovable properties of the Company situated at Dharuhera and Gurugram and second pari passu charge on all the current assets of the Company including all types of stocks and book debts / receivables (both present and future).	**9.00**	12.00
11	Rupee working capital term loan (ECLGS) from Yes Bank Limited carries interest @ 9.25% per annum (previous year 9.25% per annum) and is repayable in 48 equal monthly installments after moratorium of 12 months starting April 2022. The term loan is secured by second pari passu charge (unless specifically charged) of all movable fixed assets of the Company (both present and future), second pari passu charge on mortgage by way of deposit of title deeds of certain immovable properties of the Company situated at Dharuhera and Gurugram and second pari passu charge on all the current assets of the Company including all types of stocks and book debts / receivables (both present and future).	**–**	4.25
12	Rupee working capital term loan (ECLGS) from Kotak Mahindra Bank Limited carries interest @ 8.65% to 9.25% per annum (previous year 8.80% to 9.20% per annum) and is repayable in 48 monthly installments after moratorium of 12 months starting February 2022. The term loan is secured by second pari passu charge (unless specifically charged) of all movable fixed assets of the Company (both present and future), second pari passu charge on mortgage by way of deposit of title deeds of certain immovable properties of the Company situated at Dharuhera and Gurugram and second pari passu charge on all the current assets of the Company including all types of stocks and book debts / receivables (both present and future).	**–**	7.44
13	Rupee working capital term loan (ECLGS) from Axis Bank Limited carries interest @ 9.25% per annum (previous year 8.90% to 9.30% per annum) and is repayable in 48 equal monthly installments after moratorium of 24 months starting February,2024. The term loan is secured by second pari passu charge (unless specifically charged) of all movable fixed assets of the Company (both present and future), second pari passu charge on mortgage by way of deposit of title deeds of certain immovable properties of the Company situated at Dharuhera and Gurugram and second pari passu charge on all the current assets of the Company including all types of stocks and book debts / receivables (both present and future).	**3.58**	5.82
14	Rupee working capital term loan (ECLGS) from State Bank of India carries interest @ 9.00% to 9.25% per annum (previous year 9.25% per annum) and is repayable in 48 equal monthly installments after moratorium of 24 months starting January,2024. The term loan is secured by second pari passu charge on all the current assets of the Company including all types of stocks and book debts / receivables (both present and future).	**3.90**	6.03

Notes to the standalone financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

	Particulars	As at March 31 2026	As at March 31 2025
15	Rupee term loan from Bajaj Finance Limited carries interest @ 9.50% to 9.85% per annum (previous year 9.50% to 9.85% per annum) and is repayable in 20 quarterly installments after moratorium of 5 quarters starting May 2021. The term loan is secured by first pari passu charge (unless specifically charged) of all movable fixed assets of the Company (both present and future) and mortgage by way of deposit of title deeds of certain immovable properties of the Company situated at Dharuhera and Gurugram.	–	4.85
16	Rupee term loan from HDFC Bank Limited carries interest @ 8.25% to 9.00% per annum and is repayable in 20 quarterly installments after moratorium of 12 months starting from July 2026. The term loan is secured by first pari passu charge (unless specifically charged) of all movable fixed assets of the Company (both present and future) and mortgage by way of deposit of title deeds of certain immovable properties of the Company situated at Dharuhera and Gurugram.	**28.00**	–
17	Rupee term loan from ICICI Bank Limited carries interest @ 9.38% per annum and is repayable in 18 quarterly installments starting from August 2025. The term loan is secured by the first pari passu charge on machinery etc purchased against the facility and mortgage by way of deposit of title deeds of certain immovable properties of the Company situated at Chennai and Pathredi.	**46.20**	–
18	Rupee term loan from HDFC Bank Limited carries interest @ 8.11% to 8.36% per annum and is repayable in 24 quarterly installments after moratorium period of 12 months starting November 2026. The term loan is secured by exclusive charge on machinery etc purchased against the facility and mortgage by way of deposit of title deeds of certain immovable properties of the Company situated at Hosur.	**82.17**	–
19	Rupee term loan from Shinhan Bank Limited carries interest @ 7.60% per annum and is repayable in 20 quartelry installments from May 2026. The term loan is secured by first pari passu charge (unless specifically charged) of all movable fixed assets of the Company.	**25.00**	–
20	Rupee term loan from Bajaj Finance Limited carries interest @ 8.60% to 9.00% per annum (previous year @ 9.50 to 9.85% per annum) and is repayable in 60 Monthly installments after moratorium of 12 months starting February 2026. The term loan is secured by first pari passu charge (unless specifically charged) of all movable fixed assets of the Company (both present and future) and mortgage by way of deposit of title deeds of certain immovable properties of the Company situated at Dharuhera and Gurugram.	**72.50**	75.00
21	Rupee working capital term loan from Axis Finance Limited carries interest @ 9.75% to 10.10% per annum (previous year 9.90% to 10.50% per annum) and is repayable in 18 quartelry installments after moratorium of 12 months starting from December 2023. The term loan is secured by first pari passu charge (unless specifically charged) of all movable fixed assets of the Company.	**33.34**	50.00
22	Rupee term loan from Bajaj Finance Limited carries interest @ 8.65% to 9.00% per annum and is repayable in 60 Monthly installments after moratorium of 12 months starting July 2026. The term loan is secured by first pari passu charge (unless specifically charged) of all movable fixed assets of the Company (both present and future) and mortgage by way of deposit of title deeds of certain immovable properties of the Company situated at Dharuhera and Gurugram.	**50.00**	–
23	Vehicle loans are secured by hypothecation of vehicles financed and are repayable in monthly instalments ranging from 47-60 carrying interest @ 7.20% to 8.80% per annum (Previous year 7.20% to 9.50% per annum).	**2.94**	2.96
	Security Details - non-current Unsecured loans		
	Rupee working capital term loan from Shinhan Bank carries interest @ 7.20% to 8.20% per annum (previous year 8.45% per annum) and is repayable in 16 quarterly installments starting November 2024.	**21.88**	30.64
		473.16	375.15

Notes to the standalone financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

	Particulars	As at March 31 2026	As at March 31 2025
19B	**Security Details - Current Secured Loans**		
	Current secured loans		
1	Working capital loans/facilities are secured against first pari passu charge on all the current assets of the Company including all types of stocks and book debts / receivables (both present and future) carrying interest rate ranging from 6.42% to 10.60% per annum (previous year 5.60% to 10.25% per annum).	**139.75**	140.78
	Current Unsecured loans		
2	Working capital facility for sale bill discounting from various banks carries interest @ 8.28% to 8.50% per annum (previous year 5.75% to 8.25% per annum)	**–**	37.53
		139.75	178.31
	Total Borrowings	**612.91**	553.46
	Additonal disclosures :		
1	The Company has utilised the borrowings for the purpose it was taken.		
2	The quarterly returns/ statements of current assets filed with the banks/ financial institutions are in agreement with the books of accounts.		
3	The Company has not made any default in repayment of the borrowings.		
20	**Provisions**		
	Provision for gratuity (refer note 42)	**23.27**	18.46
	Provision for compensated absences	**1.11**	1.19
	Total	**24.38**	19.65
	CURRENT LIABILITIES		
21	**Bowrrowings**		
	Working capital loans		
	Secured, at amortised cost**		
	From banks		
	Working Capital Demand Loan from banks in INR	**25.50**	13.00
	Working capital rupee loans	**114.25**	127.78
	Total (A)	**139.75**	140.78
	Unsecured, at amortised cost**		
	Sales Bill Discounting (refer note 10)	**–**	37.53
	Total (B)	**–**	37.53
	Current maturities of long-term borrowings (C) *	**108.58**	100.76
	Total (A+B+C)	**248.33**	279.07
	* Refer note 19 (A) for security details and terms of repayment for non-current borrowings (including current maturities)		
	** Refer note 19 (B) for security details and terms of repayment for current borrowings		
22	**Trade payables**		
	Payable to micro enterprises and small enterprises.	**36.44**	22.14
	Payable to other than micro enterprises and small enterprises	**377.69**	323.90
	Total	**414.13**	346.04
	Terms and conditions of the above financial liabilities:		
	These amounts are non-interest bearing. Trade payables are normally setteled on 0-90 days term. For explanations on the Company's liquidity risk management processes, refer to Note 39. For dues payables to related parties refer to Note 45.		
	*Acceptances are arrangements where operational suppliers of goods and services are initially paid by banks/ financial institutions while the Company continues to recognise the liability till settlement with the banks/financial institutions,which are normally effected within payable days.		

Notes to the standalone financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

Trade payables ageing schedule as on 31 March 2026

S.No	Particulars	Outstanding for following periods from due date of payment							
		Unbilled	Not due	Less than 6 months	6 months – 1 year	1 – 2 years	2 – 3 years	More than 3 years	Total
(i)	MSME	**–**	**23.92**	**12.48**	**0.01**	**0.03**	**–**	**–**	**36.44**
(ii)	Others	**4.56**	**280.75**	**91.08**	**0.89**	**0.03**	**0.14**	**0.24**	**377.69**
(iii)	Disputed dues — MSME	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
(iv)	Disputed dues — Others	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
	Total	**4.56**	**304.67**	**103.56**	**0.90**	**0.06**	**0.14**	**0.24**	**414.13**
Trade Payables ageing schedule as on 31 March 2025									
(i)	MSME	–	15.58	6.56	–	–	–	–	22.14
(ii)	Others	1.31	205.09	116.92	0.06	0.25	0.27	–	323.90
(iii)	Disputed dues — MSME	–	–	–	–	–	–	–	–
(iv)	Disputed dues — Others	–	–	–	–	–	–	–	–
	Total	1.31	220.67	123.48	0.06	0.25	0.27	–	346.04

Supplier Finance arrangements

The Company participates in a supplier finance arrangement under which its suppliers may elect to receive early payment of their invoices from a financial institutions. Under the arrangement, the financial institution agrees to pay amounts due to participating suppliers in respect of invoices owed by the Company and the Company repays the bank at a later date. The principal purpose of this arrangement is to facilitate efficient payment processing and provide the willing suppliers early payment terms, compared with the related invoice payment due date.

From the Company's perspective, the arrangement does not significantly extend payment terms beyond the normal terms agreed with other suppliers that are not participating; however, the arrangement does provide participating suppliers with the benefit of early payment. Additionally, the Company does not incur any additional interest towards the bank on the amounts due to the suppliers. The Company therefore includes the amounts subject to the arrangement within trade payables because the nature and function of these payables remains the same as those of other trade payables.

All payables under the arrangement are classified as current as at 31 March 2026 and 31 March 2025.

Additional information about the Company's trade payables is provided in the table below.

Carrying amount of financial liabilities subject to supplier finance arrangement	As at March 31 2026	As at March 31 2025
Presented with in trade payable	**186.94**	159.14
- of which suppliers have received the payment from the financial institutions	**154.39**	–*
Range of payment due dates		–*
Trade payable subject to supplier finance arrangement (days after invoice date)	**0- 90 days**	–*
Comparable trade payables (days after invoice date)		–*

*The Company applied transitional relief available under Supplier Finance Arrangements (Amendments to Ind AS 7 and Ind AS 107) and has not provided comparative information in the first year of adoption.

Non cash changes

There were no significant non-cash changes in the carrying amount of financial liabilities subject to supplier finance arrangements

The payments to the financial institutions are included within operating cash flows because they continue to be part of the normal operating cycle of the Company and their principal nature remains operating i.e., payments for the purchase of goods and services. The payments to a supplier by the financial institution of INR 154.39 crores are considered non-cash transactions.

For additional information about how these arrangements affect the Company's exposure to liquidity risk, see Note 39(C).

Notes to the standalone financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

	Particulars	As at 31 March 2026	As at 31 March 2025
23	**Other Financial Liabilities**		
I.	**Derivatives at fair value through profit and loss**		
	Derivative liability measured at fair value (refer note 36)	–	0.63
	Total (I)	–	0.63
II.	**Other financial liabilities at amortised cost**		
	Interest accrued but not due on borrowings	**0.01**	0.86
	Unclaimed dividends*	**0.29**	0.35
	Security deposits	**4.97**	4.70
	Capital creditors	**5.93**	8.54
	Employee benefits payable	**19.16**	3.76
	Total (II)	**30.36**	18.21
	Total (I+II)	**30.36**	18.84
	*No amounts is required to be transferred to Investor Education Protection Fund (IEPF) from unclaimed dividends		
24	**Other current liabilities**		
	Statutory liabilities	**11.32**	18.06
	Contract liabilities- advance from customers*(refer note 50)	**19.29**	9.05
	Other Advances#	**1.34**	–
	Other liabilities	**1.05**	0.53
	Total	**33.00**	27.64
	*Represents non-interest bearing advances from customers, expected to be recognised within the period of 1 year.		
	#Includes advance against non current asset held for sale amounting to INR 1.34 crores (previous year:Nil)		
25	**Provisions**		
	Provision for gratuity (refer note 42)	–	–
	Provision for compensated absences	–	–
	Total	–	–

	Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
26	**Revenue from operations**		
	Operating revenue		
	Sale of products	**1,796.21**	1,573.29
	Sale of services	**2.47**	0.30
		1,798.68	1,573.59
	Other operating revenue		
	Sales of scrap	**11.54**	11.16
	Duty draw back and other incentives	**7.40**	7.75
	Others	**18.82**	14.52
		37.76	33.43
	Total	**1,836.44**	1,607.02
	Reconciliation of Revenue Recognised with contracted price is as follows :-		
	Contract price	**1,824.34**	1,602.13
	Adjustments to the contract price - cash discount and credit notes*	**(25.66)**	(28.54)
	Revenue Recognised	**1,798.68**	1,573.59
	*The Adjustment made to the contract price comprises of cash discount, returns, and credits under the head "Operating Revenue".		
	a) The amount of INR 9.05 crores included in contract liabilities at 31 March 2025 has been recognised as revenue during the year ended 31 March 2026. (31 March 2025: INR 6.05 crores).		
	b) Refer note 50 for disclosure requirements as per Ind AS 115 - "Revenue from contracts with customers"		

Notes to the standalone financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

	Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
27	**Other income**		
	Interest income under the effective interest method	**1.71**	2.86
	Dividend Income	**8.72**	19.96
	Exchange rate fluctuation (net)	**2.36**	1.77
	Rental income	**3.95**	3.98
	Profit on sale of property, plant and equipment	**–**	2.55
	Miscellaneous Income	**1.86**	3.34
	Total	**18.60**	34.47
28	**Cost of materials consumed**		
	Raw material and components		
	Opening stock	**41.90**	36.11
	Add: Purchases during the year	**1,066.86**	937.04
	Less: Closing stock	**47.16**	41.90
	Raw material and components consumed	**1,061.60**	931.25
29	**Changes in inventories of finished goods and work-in-progress**		
	(a) Work-in-progress		
	Opening stock	**33.43**	28.42
	Closing stock	**48.92**	33.43
		(15.49)	(5.01)
	(b) Finished goods		
	Opening stock	**105.42**	109.05
	Closing stock	**76.73**	105.42
		28.69	3.63
	Total	**13.20**	(1.38)
30	**Employee benefits expense**		
	Salaries, wages and bonus	**154.24**	146.59
	Contribution to provident and other funds (refer note 42)	**15.90**	12.71
	Staff welfare expenses	**12.17**	11.22
	Total	**182.31**	170.52
31	**Finance costs**		
	Interest on debts, borrowings and lease liabilities measured at amortised cost	**43.12**	39.80
	Other borrowing costs	**0.43**	0.61
	Total	**43.55**	40.41
32	**Other expenses**		
	Consumption of stores and spares	**59.07**	53.87
	Power and fuel	**146.72**	129.52
	Casual wages	**94.98**	80.87
	Job work charges	**11.72**	11.25
	Rent (Refer Note 43)	**1.62**	2.01
	Freight and forwarding charges	**55.16**	49.98
	Legal and professional*	**14.39**	13.26
	Repairs and Maintenance		
	Repairs to machinery	**8.14**	6.67
	Repairs to buildings	**1.56**	1.02
	Others	**7.05**	3.35
	Rates & taxes	**0.65**	0.63
	Traveling and conveyance	**5.94**	4.47
	Insurance	**3.69**	4.44
	Amortsation of contract assets	**3.49**	5.60
	Directors' sitting fees	**0.74**	0.93
	Allowances for bad and doubtful receivables and advances	**–**	0.07
	CSR Expenses**	**0.68**	0.72
	Vehicle running and maintenance expenses	**1.41**	3.01
	Profit on Sale of Property, Plant and Equipments	**2.05**	–
	Marketing and sales promotion	**1.21**	2.39
	Asset written off	**0.92**	–
	Miscellaneous expenses	**3.05**	2.12
	Total	**424.24**	376.16

Notes to the standalone financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
***Includes payment to auditors(excluding goods and service tax) on account of:**		
As auditors:		
Audit fees for Statutory audit	**0.53**	0.48
Audit fees for Limited Reviews	**0.11**	0.12
Certification services	**0.01**	0.05
In other capacity		
Reimbursement of expenses	**0.01**	0.05
	0.66	0.70
**** Disclosure relating to CSR expenditure:**		
As per Section 135 of the Companies Act, 2013, a CSR committee has been formed by the Company. The funds were primarily allocated and utilized for the activities that are specified in Schedule VII of the Companies Act, 2013.		
a) Gross amount required to be spent by the Company during the year is ₹ 0.60 crores (31March 2025: ₹ 0.69 crores).		
(a) Gross Amount required to be spent by the Company as per Section 135 of the Companies Act 2013	**0.60**	0.69
(b) Amount approved by the Board to be spent during the year	**0.68**	0.69
(c) Amount spent during the year on		
(i) Construction/acquisition of any asset	**–**	–
(ii) On purposes other than (i) above	**0.68**	0.69
(d) Total of previous year shortfall	**–**	–
(e) Reason for shortfall	**Not applicable**	Not applicable
(f) Nature of CSR activities	**Education and Skill Development, Health Care, Environment protection, Promoting gender equality and empowerment of women, Community Development and Others**	Education and Skill Development, Health Care, Environment protection, Promoting gender equality and empowerment of women, Community Development and Others
33 Exceptional Items		
Expenditure incurred on account of Labour Law*	**6.17**	–
Expenditure incurred on account of voluntary retirement scheme	**0.94**	1.14
Total	**7.11**	1.14

* Effective 21 November 2025, The Government of India has consolidated multiple existing labour legislations into a unified framework comprising four Labour Codes collectively referred to as the 'New Labour Codes'. Under Ind AS 19, changes to employee benefit plans arising from legislative amendments, requiring recognition of past service cost immediately in the Statement of Profit and Loss. The New Labour Codes has resulted in estimated one time increase in provision for employee benefits of the Company of INR 6.17 crores (includes INR 5.05 crores pertains to gratuity and INR1.12 crores pertains to leave encashment).The Company has presented such incremental impact under "Exceptional items" in the Statement of Profit and Loss account.

Notes to the standalone financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

	Particulars	As at 31 March 2026	As at 31 March 2025
34	**Income Tax**		
A	**The reconciliation of estimated income tax expense at statutory income tax rate is as follows:**		
	Profit before income tax expense	**36.17**	34.48
	Income tax using the Company's domestic tax rate @25.168% for both the years	**9.11**	8.68
	Tax impact of deductible/non-deductible expenses		
	– Tax adjustments for earlier years	**–**	(0.90)
	– Impact of change in tax rate	**–**	(14.37)
	– MAT written off	**–**	19.17
	– Others	**(0.26)**	(1.01)
	Income tax expense after adjustment of tax impact on non-deductible items	**(8.84)**	11.56
B	**Income tax expenses recognised in the standalone statement of profit and loss**		
	Tax expense		
	Current tax	**–**	
	Deferred tax expense/(credit)	**3.83**	12.47
	Tax Adjustments	**5.02**	(0.90)
	Total Tax Expense	**8.84**	11.57

Deferred tax liabilities/(assets) in relation to:	**Opening balance**	**Recognised /(reversed) through profit and loss**	**Recognised /(reversed) through OCI**	**Closing Balance**
Deferred tax liabilities (net)				
For the year ended 31 March 2026:				
Deferred tax liabilities				
Depreciation and amortisation	**44.07**	**8.05**	**–**	**52.12**
Financial assets and liabilities at amortised cost (including leases)	**6.26**	**(0.75)**	**–**	**5.51**
Others	**0.49**	**(0.70)**	**–**	**(0.21)**
	50.82	**6.60**	**–**	**57.42**
Deferred tax assets				
Employee benefits	**(7.35)**	**(1.58)**	**1.43**	**(7.50)**
Carry forward losses	**–**	**–**	**–**	**–**
Effective portion of loss on hedging instruments	**–**	**–**	**(1.36)**	**(1.36)**
Others	**–**	**–**	**–**	**–**
	(7.35)	**(1.58)**	**0.07**	**(8.86)**
Net deferred tax liabilities	**43.47**	**5.02**	**0.07**	**48.56**
For the year ended 31 March 2025:				
Deferred tax liabilities				
Depreciation and amortisation	47.89	(3.82)	–	44.07
Financial assets and liabilities at amortised cost (including leases)	5.96	0.30	–	6.26
Others	6.16	(5.18)	(0.49)	0.49
	60.01	(8.70)	(0.49)	50.82
Deferred tax assets				
Employee benefits	(8.45)	2.00	(0.90)	(7.35)
Carry forward losses	(26.23)	26.23	–	–
Reversal of tax liability		(7.06)	–	–
Net deferred tax liabilities	(34.68)	21.17	(0.90)	(7.35)
	25.33	12.47	(1.39)	43.47

Notes to the standalone financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

B Components of Other Comprehensive Income

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

Particulars	Retained earnings	Total
During the year ended 31 March 2026:		
Re-measurement loss on defined benefit plans	**5.69**	**5.69**
Tax impact on re-measurement gain on defined benefit plans	**(1.43)**	**(1.43)**
Effective portion of gain on designated portion of hedging instruments in a cash flow hedge	**(5.39)**	**(5.39)**
Income tax relating to gain on designated portion of hedging instruments in a cash flow hedge	**1.36**	**1.36**
	0.23	**0.23**
During the year ended 31 March 2025:		
Re-measurement loss on defined benefit plans	(3.58)	(3.58)
Tax impact on re-measurement gain on defined benefit plans	0.90	0.90
Effective portion of gain on designated portion of hedging instruments in a cash flow hedge	(1.94)	(1.94)
Income tax relating to gain on designated portion of hedging instruments in a cash flow hedge	0.49	0.49
	(4.13)	(4.13)

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
35 Earnings Per Share		
Profit after tax (A)(₹)	**27.32**	22.91
Weighted average number of equity shares (basic/diluted) (B)	**13,52,85,000**	13,52,85,000
Nominal value of equity share (₹)	**1.00**	1.00
Earnings per share - basic/diluted (A/B) (₹)	**2.02**	1.69

Reconciliation of weighted average number of equity shares for calculation of Basic and Diluted earnings per share:

Particulars	Number of equity shares	Weighted average number of shares
Equity shares of face value of ₹1/- per share:		
Balance as at 1 April 2024	13,52,85,000	13,52,85,000
Issued during the year 2024-25	–	–
Balance as at 31 March 2025	13,52,85,000	13,52,85,000
Issued during the year 2025-26	–	–
Balance as at 31 March 2026	**13,52,85,000**	**13,52,85,000**
As at 31 March 2026 and 31 March 2025, the Company does not have any dilutive potential equity shares.		

36 Financial instruments

A Financial Instruments by category

The carrying amounts and fair values of financial instruments by category are as follows:

	As at 31 March 2026			As at 31 March 2025		
	Derivative (FV) used for Hedging	FVTPL	Amortised Cost*	Derivatives (FV) used for Hedging	FVTPL	Amortised Cost*
Financial assets						
Non-current						
Investments#	–	**0.03**	**5.90**	–	0.03	4.28
Other financial assets	–	–	**17.42**	–	–	17.29
Current						
Trade Receivables	–	–	**284.41**	–	–	277.54
Cash and cash equivalents	–	–	**3.29**	–	–	0.58
Bank balances other than cash and cash equivalents	–	–	**2.59**	–	–	5.82
Loans	–	–	**1.49**	–	–	3.17
Other financial assets	**0.04**	–	**5.27**	–	–	2.78
	0.04	**0.03**	**320.37**	–	0.03	311.46

Notes to the standalone financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

	As at 31 March 2026			As at 31 March 2025		
	Derivative (FV) used for Hedging	**FVTPL**	**Amortised Cost***	Derivatives (FV) used for Hedging	FVTPL	Amortised Cost*
Financial liabilities						
Non-current						
Borrowings (excluding current maturities of long term borrowings)	**–**	**–**	**364.58**	–	–	274.39
Lease liabilities	**–**	**–**	**3.55**	–	–	4.54
Current						
Borrowings	**–**	**–**	**248.33**	–	–	279.07
Lease liabilities	**–**	**–**	**1.97**	–	–	5.51
Trade payables	**–**	**–**	**414.13**	–	–	346.04
Other financial liabilities	**–**	**–**	**30.36**	0.63	–	18.21
	–	**–**	**1,062.92**	0.63	–	927.74

* The management assessed that the fair values of current financial assets and liabilities significantly approximate their carrying amounts largely due to the current maturities of these instruments. Accordingly, management has not disclosed fair values for financial instruments such as trade receivables, trade payables, cash and cash equivalents, other current financial assets, other current financials liabilities etc.

The investment in equity shares of subsidiaries are measured at cost and hence not included.

The fair value of non-current financial assets and financial liabilities are determined by discounting future cash flows using current rates of instruments with similar terms and credit risk. The current rates used do not reflect significant changes from the discount rates used initially. Therefore, the carrying value of these instruments measured at amortised cost approximate their fair value.

The fair value of non-current borrowings are determined basis prevaling interest rate and other terms and conditions. The carrying value approximate their fair value.

B Fair value hierarchy

The categories used are as follows:

Level 1: Quoted price in active market.

Level 2: Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Discounted cash flow method is used to capture the present value of the expected future economic benefits that will flow to the company.

B1. Financial assets and liabilities measured at fair value - recurring fair value measurements

	As at	Level 1	Level 2	Level 3	Total
Derivative asset	**31 March 2026**	**–**	**0.04**	**–**	**0.04**
Derivative liability	**31 March 2026**	**–**	**–**	**–**	**–**
Derivative asset	31 March 2025	–	–	–	–
Derivative liability	31 March 2025	–	0.63	–	0.63
Investment in equity instruments at FVTPL - unquoted	**31 March 2026**	**–**	**0.03**	**–**	**0.03**
Investment in equity instruments at FVTPL - unquoted	31 March 2025	–	0.03	–	0.03

There have been no transfers between Level 1 and Level 2 during the year ended 31 March 2026 and 31 March 2025.

Valuation techniques

The following tables show the valuation techniques used in measuring fair values in the financial statements as at 31 March 2026 as well as the significant unobservable inputs used. Related valuation processes are described:

Financial instruments measured at fair value

Type	**Valuation technique**	**Significant unobservable inputs**	**Inter-relationship between significant unobservable inputs and fair value measurement**
Forward exchnage contracts	The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies.	Not applicable	Not applicable

Notes to the standalone financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

C Derivative financial instruments and hedge accounting

The Company's exposure arises mainly on import (of raw material and capital items), export (of finished goods) and foreign currency borrowings. The Company follows a policy of matching of import and export exposures (natural hedge) to reduce the net exposure in any foreign currency. Whenever the natural hedge is not available or is not fully covering the foreign currency exposure of the Company, management uses certain derivative instruments to manage its exposure to the foreign currency risk. Foreign currency transactions are managed within approved policy parameters. The Company uses forward contracts, cross currency swap and interest rate swaps to hedge its exposure to foreign currency and interest rate risk. Effective April 1, 2019, these derivatives are designated as hedging instruments in respect of foreign currency risk and interest rate risk in cash flow hedges.

The Company enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Foreign exchange forward contracts are valued using valuation techniques, which employ the use of market observable inputs. The most frequently applied valuation techniques include forward pricing using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies and forward rate curves of the underlying. All derivative contracts are fully cash collateralised, thereby eliminating both the counterparty and the Company's own non-performance risk. As at 31 March 2026 the marked-to-market value of derivative asset positions is net of a credit valuation adjustment attributable to derivative counterparty default risk. The changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationships and other financial instruments recognised at fair value.

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The economic relationship and hedge effectiveness are based on the qualitative factors and the use of a hypothetical derivative where appropriate.

The Company has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk and notional amount of the hedging instruments are identical to the hedged items.

Impact of hedging activities

(i) Effects of hedge accounting on balance sheet as at 31 March 2026 :

Type of hedge and risks	Notional amount	Carrying amount of hedging instruments		Maturity dates	Weighted average strike price/ rate	Change in fair value of hedging instruments	Change in value of hedged item used as the basis for recognising hedge effectiveness
		Assets	Liabilities				
Cash flow hedge							
Foreign exchange risk							
Derivative instruments							
(i) Cross currency swaps	EUR NIL	–	–	–	–	–	–
(ii) Forward contracts	USD 500,000	–	0.05	Mar 2026 - Jul 2026	94.72	(0.12)	(0.12)
(iii) Forward contracts	EUR 1,000,000	0.09	–	Jan 2026 - Jul 2026	111.16	0.10	0.10
Total		0.09	0.05				

Effects of hedge accounting on balance sheet as at 31 March 2025 :

Type of hedge and risks	Notional amount	Carrying amount of hedging instruments		Maturity dates	Weighted average strike price/ rate	Change in fair value of hedging instruments	Change in value of hedged item used as the basis for recognising hedge effectiveness
		Assets	Liabilities				
Cash flow hedge							
Foreign exchange risk							
Derivative instruments							
(i) Cross currency swaps	EUR 521,002.73	–	0.70	Apr 2020 - Sep 2025	77.81	1.07	1.07
(ii) Forward contracts	USD 2,195,605	0.07	–	Apr 2025 - Nov 2025	86.63	0.09	0.09
(iii) Forward contracts	EUR 5,450,000	0.00	–	Apr 2025 - Feb 2026	93.64	0.88	0.88
Interest rate risk							
(i) Interest rate swap	–	–	–	Apr 2020 - Sep 2024	–	–	–
Total		0.07	0.70				

Notes to the standalone financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

(ii) Effects of hedge accounting for the year ended 31 March 2026 :

Type of hedges	Change in value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised	Amount reclassified from cash flow hedge reserve
Cash flow hedge			
Foreign exchange risk	**0.67**	**–**	**6.06**

Effects of hedge accounting for the year ended 31 March 2025 :

Cash flow hedge			
Foreign exchange risk	0.10	–	2.04

(iii) Movement in cash flow hedge reserve:

Particulars	Foreign currency and interest rate risk (As at March 31, 2026)	Foreign currency and interest rate risk (As at March 31, 2025)
Opening balance	**5.43**	7.37
Add: Changes in fair value of hedging instruments	**0.67**	0.10
Less: Amounts reclassified to profit or loss	**(6.06)**	(2.04)
Less: Deferred tax relating to above (net)	**–**	–
Closing balance	**0.04**	5.43

37 Capital Management

The Company's capital management objectives are:

The capital structure of the Company consists of debt, cash and cash equivalents and equity attributable to equity shareholders of the Company which comprises issued share capital (including premium) and accumulated reserves disclosed in the Statement of Changes in Equity. The Company's capital management objective is to achieve an optimal weighted average cost of capital while continuing to safeguard the Company's ability to meet its liquidity requirements (including its commitments in respect of capital expenditure) and repay loans as they fall due. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is debt divided by total equity. The Company's policy is to keep an optimum gearing ratio. The Company includes within debt, interest bearing loans and borrowings.

Total debt divided by total equity **(Rs. in Crores)**

Particulars	31 March 2026	31 March 2025
Total debts*	**618.43**	563.50
Total equity #	**688.69**	667.90
Debt equity ratio	**0.90**	0.84

* includes short term and long term borrowings & lease liabilities

includes equity share capital and other equity

38 Financial risk management objectives and policies

The Company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's principal financial assets other than derivatives comprise investments, loans given, trade and other receivables and cash and cash equivalents that derive directly from its operations. The Company also enters into foreign exchange derivative transactions.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the mitigation of these risks. The Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in foreign exchange derivatives for speculative purposes will be undertaken. The policies for managing each of these risks, which are summarized below:

39A Market risk:

Market risk is the risk that future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risks namely currency risk,price risk and interest rate risk. The objective of the market risk management is to manage and control market risk exposure within acceptable parameters while optimising the return.

Notes to the standalone financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

a. Foreign currency risk:

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency), investments & borrowing in foreign currency, etc.

The Company's exposure arises mainly on import (of raw material and capital items), export (of finished goods) and foreign currency borrowings. The Company follows a policy of matching of import and export exposures (natural hedge) to reduce the net exposure in any foreign currency. Whenever the natural hedge is not available or is not fully covering the foreign currency exposure of the Company, management uses certain derivative instruments to manage its exposure to the foreign currency risk. Foreign currency transactions are managed within approved policy parameters.

(i) Particulars of unhedged foreign currency exposure as at the reporting date

The Company exposure (without considering the derivative contracts) to foreign currency risk at the end of the reporting period expressed in INR are as follows:

Particulars	AED	THB	USD	JPY	EURO	GBP	Total
As at 31 March 2026							
Trade payables	–	–	**11.38**	**0.41**	**2.82**	**3.60**	**18.21**
Borrowings:							
Term loan#	–	–	–	**4.51**	–	–	**4.51**
Less: Cash & Bank	–	–	**0.00**	–	**0.00**	–	**0.00**
Less: Trade receivables	–	–	**17.68**	–	**39.41**	–	**57.09**
Net payable / (receivable)	–	–	**(6.30)**	**4.92**	**(36.59)**	**3.60**	**(34.37)**
Impact on profit and loss account on account of change in currency							
Sensitivity to increase of 1%	–	–	**0.06**	**(0.05)**	**0.37**	**(0.04)**	**0.34**
Sensitivity to decrease of 1%	–	–	**(0.06)**	**0.05**	**(0.37)**	**0.04**	**(0.34)**
Impact on equity, net of tax on account of change in currency							
Sensitivity to increase of 1%	–	–	**0.05**	**(0.04)**	**0.27**	**(0.03)**	**0.26**
Sensitivity to decrease of 1%	–	–	**(0.05)**	**0.04**	**(0.27)**	**0.03**	**(0.26)**

Includes INR to EURO Swap amounting to EURO Nil outstanding as at 31 March 2026.

Particulars	AED	THB	USD	JPY	EURO	GBP	Total
As at 31 March 2025							
Trade payables	–	–	8.91	0.31	4.97	3.18	17.37
Borrowings:			–				
Term loan#	–	–	–	5.32	50.42	–	55.74
Less: Cash & Bank	–	–	0.07	–	0.00	–	0.07
Less: Trade receivables	–	–	15.37	–	31.49	–	46.86
Net payable / (receivable)	–	–	(6.53)	5.63	23.90	3.18	26.18
Impact on profit and loss account on account of change in currency							
Sensitivity to increase of 1%	–	–	0.07	(0.06)	(0.24)	(0.03)	(0.26)
Sensitivity to decrease of 1%	–	–	(0.07)	0.06	0.24	0.03	0.26
Impact on equity, net of tax on account of change in currency							
Sensitivity to increase of 1%	–	–	0.04	(0.04)	(0.16)	(0.02)	(0.17)
Sensitivity to decrease of 1%	–	–	(0.04)	0.04	0.16	0.02	0.17

Includes INR to EURO Swap amounting to EURO 5,21,003 outstanding as at 31 March 2025.

	Currency sold	As at 31 March 2026	As at 31 March 2025
Derivatives outstanding at the reporting date:			
Forward contract (sell) against exports	USD	**4.74**	19.05
Forward contract (sell) against exports	EURO	**11.12**	51.03

Notes to the standalone financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

b. Price Risk:

The Company is affected by the price volatility of certain commodities. Its operating activities require ongoing purchase of Aluminium. Due to the significant volatility of the price of Aluminium, the Company has agreed with its customers for pass-through of increase/decrease in prices of Aluminium. There may be lag effect in case of such pass-through arrangements.

c. Interest rate risk:

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt interest obligations, except in case of borrowings from a financial institution. Further, the Company engages in financing activities at both fixed and market-linked rates. Any changes in the market-linked interest rates environment may impact future rates of market-linked borrowing. The management continuously monitors the prevailing interest rates in the market and the amount of variable rate borrowings outstanding to decide how to mitigate interest rate risk. The Company's deposits and earmarked balances with banks are primarily fixed-rate interest-bearing. Hence, the Company is not significantly exposed to interest rate risk on these deposits and earmarked balances.

The Company is exposed to interest rate risk as the Company borrows funds at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

Particulars	**As at 31 March 2026**	As at 31 March 2025
Variable rate borrowings	**609.96**	512.97

A reasonable change of 0.50% in interest rates at reporting date would have affected the profit and loss shown below:

Variable rate borrowings	**Year ended 31 March 2026**	Year ended 31 March 2025
Impact on profit and loss account on account of change in interest rate		
Interest rate increase by 0.5%	**3.05**	2.56
Interest rate decrease by 0.5%	**(3.05)**	(2.56)
Impact on equity, net of tax on account of change in interest rate		
Interest rate increase by 0.5%	**1.99**	1.67
Interest rate decrease by 0.5%	**(1.99)**	(1.67)

39B Credit risk:

Credit risk refers to the risk of default on its obligation by the customer/counter party resulting in a financial loss. The Company's exposure to credit risk is limited to the carrying amount of financial assets recognised at the date of the balance sheet, as summarised below:

Particulars	**As at 31 March 2026**	As at 31 March 2025
Cash and cash equivalents	**3.29**	0.58
Other bank balances	**2.59**	5.82
Trade receivables	**284.41**	277.54
Loans	**1.49**	3.17
Other financial assets	**22.73**	20.07

Cash and cash equivalents and bank balances

Credit risk relating to cash and cash equivalents and restricted cash is considered negligible as counterparties are banks. The management considers the credit quality of deposits with such banks to be good and reviews the banking relationships on an on–going basis.

Trade Receivables

Trade receivables are unsecured in nature and are derived from revenue earned from customers. Trade receivable are non-interest bearing and are settled upto 30 to 90 days terms. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to whom the Company grants credit terms in the normal course of business. In accordance with Ind AS 109, the Company uses expected credit loss model to assess the impairment loss. The Company uses a provision matrix to compute the expected credit loss allowance of trade receivables. The provision matrix takes into account available external and internal credit risk factors such as default risk of industry , historical experience for customers, etc. However, the allowance for lifetime expected credit loss on customer balances for the year ended 31 March 2026 and 31 March 2025 are insignificant.

Notes to the standalone financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

Particulars	As at 31 March 2026	As at 31 March 2025
Ageing		
Within the credit period	**0.00%**	0%
0-90 days past due	**0.05%**	0%
91-180 days past due	**0.05%**	0%
181-365 days	**0.27%**	0%
More than 366 days past due	**6.15%**	36%
Movement in the loss allowance in respect of trade receivables:		
Balance at the beginning of the year	**1.33**	1.26
Amount written off	**–**	–
Provided during the year	**–**	0.07
Balance at the end of the year	**1.33**	1.33

Loans and other financial assets measured at amortised cost:

Loans and other financial assets measured at amortised cost includes loans and advances to related parties and employees, security deposits and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

Given below is the ageing of loans:

Loans		
Less than 1 year	**1.49**	3.17
1-3 years	**–**	–
More than 3 years	**–**	–
	1.49	3.17

39C Liquidity risk:

The Company manages liquidity risk by maintaining adequate reserves and banking facilities, by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities for the Company. The Company has established an appropriate liquidity risk management framework for it's short term, medium term and long term funding requirements.

As described in Note 22, the Company also participates in a supplier finance arrangement with the principal purpose of facilitating efficient payment processing of supplier invoices and providing willing suppliers early payment terms compared with the related invoice payment due date. The arrangement allows the company to centralise payments of trade payables to the bank rather than paying each supplier individually. From the Company's perspective, the arrangement does not extend payment terms beyond the normal terms agreed with other suppliers that are not participating (see Note 22).

The below tables summarise the maturity profile of the Company's financial liabilities:

Particulars	Carrying Amount	Total	Contractual cashflows		
			Less than 1 year	1 - 3 years	More than 3 years
As at 31 March 2026					
Borrowings	**612.91**	**612.91**	**248.33**	**232.81**	**131.77**
Lease liabilities	**5.51**	**5.51**	**2.28**	**1.88**	**1.35**
Trade payable	**414.13**	**414.13**	**414.13**	**–**	**–**
Other financial liabilities	**30.36**	**30.36**	**30.36**	**–**	**–**
As at March 31 2025					
Borrowings	553.45	553.45	279.07	182.93	91.45
Lease liabilities	10.05	10.05	5.51	4.54	–
Trade payable	346.04	346.04	346.04	–	–
Other financial liabilities	18.84	18.84	18.84	–	–

Undrawn amount against the term loan facility of the company is ₹44.83 Crs. The company also has access to financing facilities (excluding term loans), including non fund based facilities, as described below. The company expects to meet its other obligations from operating cash flows and proceeds of monetising financial assets.

Secured cash credit facility	As at 31 March 2026	As at 31 March 2025
– amount used	**155.76**	147.60
– amount unused	**94.74**	102.88

Notes to the standalone financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

40 Contingent liabilities

A Contingent liabilities: The Company has contingent liabilities in respect of :

Particulars	As at 31 March 2026	As at 31 March 2025
i) Demand against the Company not acknowledged as liability		
Sales tax and Value added tax	**9.49**	1.30
Excise and service tax	**4.89**	4.21
Others	**0.01**	5.60
	14.39	11.11

ii) The Company has given comfort letters to banks for funds raised by its subsidiary companies, namely Rico Jinfei Wheels Limited for ₹10.00 crores (31 March 2025 : ₹ 10.00 crores). As on 31 March 2026, the subsidiary company has utilised limits against said letter of comfort for ₹ 4.25 crores (31 March 2025 : ₹ 6.77 crores).

iii) The Company has given corporate guarantee for the funds raised by its subsidiary company, namely AAN Engineering Industries Limited for ₹5.00 crores (31 March 2025 : ₹5.00 crores). As on 31 March 2026, the subsidiary company has utilised limits against said corporate guarantee for ₹0.02 crores (31 March 2025 : ₹0.00 crores).

41 Commitments

i)	Estimated amount of contracts remaining to be executed on account of capital commitments pertaining to Property, plant and equipments ₹ 25.26 crores [(net of advances ₹ 18.80 crores) (31 March 2025 : ₹42.79 Crores net of advances ₹ 1.98 crores)]	**25.62**	42.79
ii)	For commitments related to lease agreements, refer note 43		

42 Employee benefits

Particulars		year ended 31 March 2026	year ended 31 March 2025
A	**Defined contribution plans**		
	Employer's contribution to provident fund	**9.25**	9.33
	Employer's contribution to ESI	**0.28**	0.29

B Defined benefit plan

GRATUITY

In accordance with The Payment of Gratuity Act, 1972 and The Code on Social Security, 2020, the company provides for gratuity, as defined benefit plan. The gratuity plan provides for a lump sum payment to the employees at the time of separation from the service on completion of vested year of employment i.e. five years and one year in case of fixed term employees, wherever applicable. The liability of gratuity plan is provided based on actuarial valuation as at the end of each financial year based on which the Company contributes the ascertained liability to Life Insurance Corporation of India and India first Life Insurance Company Limited with whom the plan assets are maintained.

The following table sets out the funded status and the amount recognised in the Company's standalone financial statements.

Particulars		year ended 31 March 2026	year ended 31 March 2025
B1	**Change in defined benefit obligation**	**33.25**	28.30
	Present value of obligation as at beginning of the year	**33.25**	28.30
	Current service cost*	**2.65**	2.04
	Past service cost	**8.30**	–
	Interest cost*	**2.43**	2.04
	Benefits paid	**(2.20)**	(2.76)
	Actuarial (gain)/loss	**(5.69)**	3.63
	Additional impact of new labour code	**0.32**	–
	Present value of obligation as at end of the year	**39.06**	33.25

*Included in employee benefit expenses.

Notes to the standalone financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

Particulars		As at 31 March 2026	As at 31 March 2025
B2	**Change in fair value of plan assets**	**14.79**	13.74
	Fair value of assets at the beginning of the year	**14.79**	13.74
	Expected return on plan assets	**0.99**	0.99
	Employer's contributions	**–**	–
	Benefits paid	**–**	–
	Return on plan asset greater than discount rate - (Other comprehensive income)	**0.01**	0.06
	Fair value of plan assets as at end of the year	**15.79**	14.79
	The major categories of plan assets of the fair value of the total plan assets are as follows:		
	Particulars - Defined Gratuity Plan		
	Investment in funds managed by the LIC / India First	**15.79**	14.79
B3	**Reconciliation of Fair Value of Plan Assets and Defined Benefit Obligation**		
	Present value of obligation as at the end of the year	**39.06**	33.25
	Fair value of plan assets as at the end of the year	**15.79**	14.78
	Amount recognised in provisions (refer note 20)	**23.27**	18.47

B4	**Expense recognised during the year**	**Year ended 31 March 2026**	Year ended 31 March, 2025
	In standalone statement of profit and loss account		
	Current service cost	**2.65**	2.04
	Past service cost	**3.25**	–
	Interest cost (net of income)	**1.44**	1.05
	Additional impact of new labour code	**0.32**	–
	Net cost	**7.66**	3.09
	In other comprehensive income		
	- Change in financial assumptions	**(5.38)**	2.76
	- Return on plan asset greater than discount rate	**(0.01)**	–
	- experience variance (i.e. actual experience vs assumptions)	**(0.30)**	0.87
	Net cost	**(5.69)**	3.63

B5	**The principal assumptions used in determining gratuity obligation for the Company's plans are shown below:**		
	Discount rate	**7.35%**	6.75%
	Rate of increase in compensation levels	**5.00%**	6.00%
	Mortality rate (% of IALM 12-14)	**100.00%**	100.00%
	Retirement age (years)	**58**	58
	Attrition / Withdrawal rates, based on age (per annum)		
	Upto 30 years	**7.40%**	7.40%
	31 to 40 years	**2.80%**	2.80%
	41 to 50 years	**0.52%**	0.52%
	Above 50 years	**0.22%**	0.22%

B6 Sensitivity analysis for gratuity liability

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period, while holding all other assumptions constant. The result of sensitivity analysis is given below:

Particulars	As at 31 March 2026		As at 31 March 2025	
	Increase	**Decrease**	Increase	Decrease
Impact of change in discount rate (+/- 0.5%)	**(1.51)**	**1.61**	(1.48)	1.59
Impact of change in salary (+/- 0.5%)	**1.64**	**(1.55)**	1.59	(1.50)
Impact of change in attrition rate (+/- 0.5%)	**0.15**	**(0.16)**	0.02	(0.02)

Notes to the standalone financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

B7 Experience adjustment related to gratuity is summarised as below:

Particulars	Year ended					
	31-Mar-21	31-Mar-22	31-Mar-23	31-Mar-24	31-Mar-25	**31-Mar-26**
On plan liabilities - gain/(loss)	(1.39)	(0.41)	(1.02)	(0.83)	1.04	**(0.30)**
On plan assets - gain/(loss)	–	0.18	(0.20)	–	–	–

Particulars	**For the year ended 31 March 2026**	For the year ended 31 March 2025
B8 Expected contribution during the next annual reporting period		
The Company's best estimate of contribution during the next year	**25.77**	20.83
B9 Maturity profile of Defined Benefit Obligation		
Weighted average duration (based on discounted cashflows)	**8 years**	9 years

Expected cash flows over the next (valued on undiscounted basis):

Particulars	**As at 31 March 2026**	As at 31 March 2025
1 year	**3.20**	2.04
2 to 5 years	**14.10**	9.73
6 to 10 years	**19.43**	16.05
More than 10 years	**41.82**	41.17

Asset Liability Matching Strategies

The Company has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset).

43 Leases

(A) Company as Lessee:

(i) Nature of Leasing activities

The Company has entered into lease arrangements for land, plant and equipment, and office and factory buildings that are renewable on a periodic basis with approval of both lessor and lessee. The Company does not have any lease commitments towards variable rent as per the contract.

(ii) Following are the changes in the carrying value of right of use assets:

	Category of ROU assets			
Particulars	**Land**	**Buildings**	**Plant and equipment**	**Total**
Balance as at 01 April 2024	18.04	0.92	34.04	53.00
Addition during the year	22.43	–	–	22.43
Deletions during the year	–	–	2.60	2.60
Amortisation for the year	0.28	0.34	1.74	2.36
Balance as at 31 March 2025	40.19	0.58	29.70	70.47
Addition during the year	–	–	–	–
Deletions during the year	–	–	–	–
Transfer to PPE	–	–	19.64	19.64
Amortisation for the year	0.43	0.28	2.56	3.27
Balance as at 31 March 2026	**39.76**	**0.30**	**7.50**	**47.56**

(iii) The weighted average incremental borrowing rate applied to lease liability is 7.40% (previous year @ 7.40%).

(iv) Lease liabilities are presented in the Standalone Balance Sheet as follows:

Particulars	**As at 31 March 2026**	As at 31 March 2025
Non-current	**3.55**	4.54
Current	**1.97**	5.51
Total lease liabilities	**5.52**	10.05

Notes to the standalone financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

(v) Amount recognised in Statement of Profit and Loss :

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Interest on lease liabilities	**0.64**	1.20
Rental expense relating to short-term leases	**1.62**	2.01
	2.26	3.21

(vi) Amount recognised in Statement of Cash Flows:

Total cash outflow for leases	**5.17**	9.06
	5.17	9.06

(vii) The following is the movement in lease liabilities:

Opening balance	**10.05**	**17.91**
Addition during the year	**–**	–
Deletion during the year	**–**	–
Modification during the year	**–**	–
Finance cost accrued during the year	**0.64**	1.20
Payment of lease liabilities	**(5.17)**	(9.06)
Closing balance	**5.52**	10.05

(viii) Lease payments not recognized as liability:

The expense relating to payments not included in the measurement of the lease liability is as follows:

Short term leases	**1.62**	2.01
Total	**1.62**	2.01

(ix) Lease term ranges from 4-9 years (previous year 4- 9 years)

Contractual maturities of lease liabilities on as undiscounted basis are as given below:

Particulars	As at 31 March 2026	As at 31 March 2025
Not later than one year	**2.28**	1.88
Later than one year and not later than five years	**4.56**	4.56
Later than five years	**–**	6.19
	6.84	12.63

(B) Company as Lessor:

The Company has entered into agreement in the nature of lease with its subsidiary for the purpose of lease of machinery for a period of 10 years. The same is in the nature of operating lease.

The following table sets out a maturity analysis of lease receivables, showing the undiscounted lease payments to be received after the reporting date.

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Within one year	**3.06**	1.45
After one year but not more than five years	**11.49**	8.57
More than five years	**14.97**	2.77
Total	**29.53**	12.79

Notes to the standalone financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

44 Assets charged as Security

The carrying amount of assets charged as security for current and non-current borrowings are as under:

Particulars	Note	As at 31 March 2026	As at 31 March 2025
Current assets			
Inventories	9	**217.05**	239.25
Trade receivables	10	**284.41**	277.54
Cash and cash equivalents	11	**3.29**	0.58
Other bank balances	12	**2.30**	5.82
Financial assets - Loans	13	**1.49**	3.17
Other financial assets	14	**5.27**	2.78
Other current assets	15	**31.12**	24.47
Total (I)		**544.93**	553.61
Non-current assets			
Property, plant and equipment	5A	**975.66**	850.80
Capital work-in-progress	5B	**157.11**	97.33
Total (II)		**1,132.78**	948.13
Grand Total (I+II)		**1,677.70**	1,501.74

44A The Company has investment in following subsidiaries:

S No	Name of the Subsidiary Company	Nature of relation	Ownership in % either directly or through subsidiaries		Country of Incorporation and Principal place of Business
			2025-26	2024-25	
1	Rico Auto Industries Inc . , USA	Subsidiary Company	**100**	100	USA
2	Rico Auto Industries (UK) Limited	Subsidiary Company	**100**	100	UK
3	AAN Engineering Industries Limited	Subsidiary Company	**100**	100	India
4	Rico Friction Technologies Limited	Subsidiary Company	**70**	70	India
5	Rico Jinfei Wheels Limited*	Subsidiary Company	**96.31**	96.31	India

* Pursuant to the NCLT approval on 1 July 2025 Rico Fluidtronics Limited merged with Rico Jinfei Wheels Limited w.e.f. 1 April 2024

44B Disclosure in relation to Micro and Small enterprises 'Suppliers' as defined in the Micro, Small and Medium Enterprises Development Act, 2006.

The dues to Micro, Small and Medium Enterprises as required under the Micro, Small and Medium Enterprises Development Act, 2006 to the extent information available with the company is given below:

S.No	Particulars	As at 31 March 2026	As at 31 March 2025
(a)	The principal amount remaining unpaid to any supplier as at the end of the year	**36.44**	22.14
(b)	The interest due on principal amount remaining unpaid to any supplier as at the end of the year	**–**	–
(c)	The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payments made to the supplier beyond the appointed day during each accounting year	**–**	–
(d)	Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	**–**	–
(e)	Amount of Interest accrued and remaining unpaid at the end of the year	**–**	–
(f)	Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the MSMED Act.	**–**	–

Notes to the standalone financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

45 Related Party Disclosures

I Related parties:

(a) Related party and nature of related party relationship where control exists:

A. Subsidiaries (Including step-down subsidiary)

I) Indian subsidiaries

i. AAN Engineering Industries Limited
ii. Rico Jinfei Wheels Limited
iii. Rico Fluidtronics Limited(Merged with Rico Jinfei Wheels Limited w.e.f 1st July 2025)
iv. Rico Friction Technologies Private Limited

II) Foreign subsidiaries

i. Rico Auto Industries Inc., (USA)
ii. Rico Auto Industries (UK) Limited, UK

(b) Other related parties (Entity in which KMP exercise significant influence) with whom there are transactions during the year or balances as at year end:

i. ASN Manufacturing and Services Private Limited
ii. ASN Properties Private Limited
iii. Helical Spring (Unit of T.K. Precision Private Limited)
iv. Rico Care Foundation
v. Mirah Belle Naturals and Apothecary Private Limited
vi. Kapbros Engineering Industries Limited (Amalgamated with ASN Manufacturing and Services Private Limited vide NCLT order dated 27th July 2023)
vii. Ishvara Manufacturing and Finvest Advisors Private Limited
viii. Magpie Manufacturing and Tech Private Limited (Amalgamated with ASN Manufacturing and Services Private Limited vide NCLT order dated 27th July 2023)

(c) Key management personnel

i. Shri Arvind Kapur - Chairman, CEO & Managing Director
ii. Ms. Shikha Kapur - Executive Director
iii. Shri Kaushalendra Verma - Executive Director
iv. Shri Rajiv Kumar Miglani - Executive Director
v. Shri Samarth Kapur - Executive Director
vi. Shri Prabhakar Kadapa - Independent Director
vii. Shri Kanav Monga - Independent Director
viii. Ms. Sarita Kapur - Independent Director
ix. Shri Hemal Bharat Khandwala - Independent Director
x. Shri Yogesh Kapur - Independent Director
xi. Shri Rakesh Kumar Sharma - Chief Financial Officer* (upto 12th November 2025)
xii. Shri Naveen Sorot - Chief Financial Officer* (w.e.f.13th November 2025)
xiii. Shri B.M. Jhamb - Company Secretary* (upto 30th September 2024)
xiv. Mrs. Ruchika Gupta - Company Secretary* (w.e.f 1st October 2024)

*as per the Companies Act 2013

Notes to the standalone financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

(d) Transactions with related parties:

	Nature of transactions	Year ended 31 March 2026	Year ended 31 March 2025
1	**Rico Jinfei Wheels Limited (inclusive of Rico Castings Limited and Rico Fluidtroncis Limited)**		
	Purchase of raw material	**2.79**	3.16
	Sale of finished goods	**57.28**	51.36
	Recovery of expenses	**0.49**	0.17
	Interest income	**–**	0.56
	Purchase of property, plant and equipment's*	**–**	0.00
	Sale of property, plant and equipment	**–**	0.71
	Rent paid	**0.82**	0.82
	Sale of assets	**0.14**	0.03
	Sale of Services	**12.57**	5.28
	Job work expenses	**0.49**	1.06
	Rental income	**2.38**	1.66
	Dividend received		19.43
2	**Rico Auto Industries Inc, USA**		
	Sale of finished goods	**107.63**	107.16
	Reimbursement of expenses	**0.00**	0.25
	Recovery of expenses	**0.00**	0.00
	Dividend received	**8.03**	0.00
3	**Rico Auto Industries (UK) Limited, UK**		
	Sale of goods	**–**	0.00
4	**AAN Engineering Industries Limited**		
	Rent income	**0.41**	0.41
	Recovery of expenses	**0.93**	1.03
	Sale of goods	**6.95**	0.01
	Purchase of goods including job work	**9.51**	0.03
	Job work expenses	**–**	2.64
	Job work Income	**–**	0.04
	Sale of machine (asset)	**0.00**	0.24
5	**Rico Friction Technologies Private Limited (Formerly known as Metalart Friction Private Limited)**		
	Purchase of goods	**7.22**	6.86
	Rent Income	**0.22**	0.22
	Sale of goods	**–**	–
	Recovery of expenses	**0.21**	0.17
	Dividend received	**0.69**	0.53
B	**Enterprises in which KMP/Director have control or exercise significant influence**		
1	**ASN Manufacturing and Services Private Limited (Formerly Kapsons Manufacturing and Services Private Limited)**		
	Rent expense	**0.60**	0.60
	Rent income	**1.65**	0.63
	Sales of goods	**–**	0.14
	Purchase of goods	**–**	2.13
	Purchase of property, plant and equipment	**–**	0.28
	Recovery of expenses	**4.77**	3.25
	Security deposit	**–**	0.00
	Interest received	**–**	0.00
	Sale of Machine	**–**	1.26
	Sale of services	**–**	0.16
	Job work expense	**38.29**	23.78

Notes to the standalone financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

	Nature of transactions	Year ended 31 March 2026	Year ended 31 March 2025
2	**Helical Spring (Unit of T.K. Precision Private Limited)**		
	Purchase of raw material	**5.97**	5.63
	Recovery of expenses	**–**	0.00
	Job Work Income	**–**	–
	Sale of services	**0.03**	0.04
3	**Ishwara Manufacturing and Finvest Advisors Private Limited**		
	Rent expense	**0.08**	0.08
4	**Mirah Belle Naturals & Apothecary Pvt. Ltd.**		
	Purchase of goods	**0.19**	0.18
5	**Rico Care Foundation**		
	Rent Income	**0.03**	0.03
	CSR Expenses	**0.68**	0.69
6	**ASN Properties Private Limited**		
	Rent income*	**0.00***	0.00*
7	**Key management personnel compensation****		
	Shri Arvind Kapur#	**10.14**	9.82
	Shri Kaushalendra Verma	**1.30**	1.14
	Shri Rajiv Kumar Miglani	**1.32**	1.11
	Shri Rakesh Kumar Sharma#	**0.54**	0.90
	Shri Naveen Sorot#	**0.29**	0.00
	Shri B. M. Jhamb #	**–**	0.21
	Mrs. Ruchika Gupta#	**0.55**	0.21
	Sitting fees and commission	**0.74**	0.93
	Short-term employee benefits	**14.89**	14.32
	Post employment benefits	**0.41**	0.30
	Total managerial remuneration paid to key management personnel	**15.30**	14.62

* Amounts have been rounded off to zero.

\# As per section 203 of the Act, definition of Key Managerial Personnel includes Chief Executive Officer, Chief Financial Officer and Company Secretary.

Note: The above transactions are in the ordinary course of business.

III Balances outstanding with related parties:

	Particulars	Year ended 31 March 2026	Year ended 31 March 2025
A	**Step down Subsidiaries/Subsidiaries**		
1	**Rico Jinfei Wheels Limited (inclusive of Rico Castings Limited and Rico Fluidtroncis Limited)**		
	Trade payables	**2.45**	5.97
	Trade receivables	**31.48**	13.66
2	**Rico Auto Industries Inc, USA**		
	Trade receivables	**10.28**	8.71
3	**Rico Auto Industries (UK) Limited, UK**		
	Trade payables	**3.83**	3.81
4	**AAN Engineering Industries Limited**		
	Trade receivables	**4.68**	0.31
	Trade payables	**5.38**	–
5	**Rico Friction Technologies Private Limited**		
	Trade payables	**4.36**	3.71
	Trade receivables	**0.05**	–

Notes to the standalone financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

	Particulars	Year ended 31 March 2026	Year ended 31 March 2025
B	**Enterprises in which KMP/Director have control or exercise significant influence**		
1	**Kapbros Engineering Industries Limited**		
	Security deposits	**0.15**	1.76
	Trade Payables	**10.20**	–
2	**Mirah Belle Naturals & Apothecary Pvt Ltd**		
	Trade payables	**0.03**	0.01
3	**Helical Spring (Unit of T.K. Precision Private Limited)**		
	Trade payables	**0.36**	0.51
4	**ASN Properties Private Limited**		
	Trade receivables	**0.00***	0.00*
5	**Ishwara Manufacturing and Finvest Advisors Private Limited**		
	Trade payables	**0.01**	0.02

* Amounts have been rounded off to zero

** Refer note 5A for sale and leaseback transaction.

All transactions with related parties are made on the terms equivalent to those that prevail at arm's length transactions and within the ordinary course of business. Outstanding balances at respective year ends are unsecured and to be settled to be in cash.

The Company has given comfort letters to banks for funds raised by its subsidiary companies, namely Rico Jinfei Wheels Limited for ₹10.00 crores (31 March 2025 : ₹ 10.00 crores). As on 31 March 2026, the subsidiary company has utilised limits against said letter of comfort for ₹ 4.25 crores (31 March 2025 : ₹ 6.77 crores).

The Company has given corporate guarantee for the funds raised by its subsidiary company, namely AAN Engineering Industries Limited for ₹5.00 crores (31 March 2025 : ₹5.00 crores). As on 31 March 2026, the subsidiary company has utilised limits against said corporate guarantee for ₹0.02 crores (31 March 2025 : ₹0.00 crores).

46 Transfer pricing

The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under sections 92-92F of the Income-tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation of the international transactions entered into with the associated enterprises from 1 April 2025 and expects such records to be in existence before the due date of filing of income tax return. The management is of the opinion that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the Standalone Financial Statements, particularly on the amount of tax expense and that of provision for taxation.

47 (a) Segment Reporting

The Company is engaged in the business of manufacturing and assembling of automotive components. The Company's Chief Operating Decision Maker (CODM) is the Managing Director. The CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by industry classes. All operating segments' operating results are reviewed regularly by CODM to make decisions about resources to be allocated to the segments and assess their performance. CODM believes that these are governed by same set of risk and returns hence CODM reviews as one balance sheet component. Further, the economic environment in which the company operates is significantly similar and not subject to materially different risk and rewards.

The operating segment of the Company is identified to be "Automotive components" as the CODM reviews business performance at an overall Company level as one segment.

Accordingly, as the company operates in a single business and geographical segment, the reporting requirements for primary and secondary disclosures under Indian Accounting Standard - 108 Operating Segment have not been provided in the standalone financial statements. Further, the Company does not have any non current assets outside India.

Major Customer

There are two customers amounting to INR 709.85 and INR 652.70 for the year ended 31 March 2026 and 31 March 2025 respectively, who contribute to 10 per cent or more of the Company's revenue from operations.

Notes to the standalone financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

48 Financial ratios

Ratio	Measurement unit	Numerator	Denominator	As at 31 Mar 2026 (a)	As at 31 Mar 2025 (b)	Change (a vs b)	Remarks
				Ratio	Ratio		
Current ratio	Times	Total current assets	Total current liabilities	**0.76**	0.84	-9%	Not required
Debt-equity ratio	Times	Total Debt	Shareholder's equity	**0.90**	0.84	7%	Not required
Debt service coverage ratio	Times	Net profit after tax (excluding Other Comprehensive Income)+ Depreciation & amortizations +Interest on loans+Loss on sale of PPE	Total amount of interest, lease payments & principal repayments of loan during the year	**0.71**	0.91	-22%	Not required
Return on equity ratio	Percentage	Net profit after tax	Average Shareholder's equity	**4.03%**	3.46%	16%	Not required
Inventory turnover ratio	Times	Cost of goods sold	(Opening inventory+closing inventory)/2	**4.71**	3.97	19%	Not required
Trade receivables turnover ratio	Times	Revenue from operations	Average Account Receivables (Opening+Closing)/2	**6.54**	5.89	11%	Not required
Trade payables turnover ratio	Times	Total Purchases	Average Account Payables (Opening+Closing)/2	**2.81**	2.69	4%	Not required
Net capital turnover ratio	Times	Revenue from operations	Working capital (Current Assets-Current liabilities)	**-10.54**	-14.58	-28%	Decrease in ratio is on account of increase in revenue from operations
Net profit ratio	Percentage	Net Profit after tax	Revenue from operations	**1.49%**	1.43%	4%	Not required
Return on capital employed	Percentage	Earning Before interest and Tax	Capital Employed (Tangible Net worth+ Total Debt+ Deferred tax liability)	**5.99%**	5.93%	1%	Not required
Return on investment	Percentage	Interest Income and Dividend Income	Average of Investment and Loan recoverable from Related Party	**20.10%**	39.42%	-49%	Decrease in Return on investment ratio is on account of decreased in dividend income in current year.

49 Information pursuant to regulation 34, read with Schedule V (Part A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended:

The assets and liabilities recognised as a result of the acquisition are as follows:

Loans and advances in the nature of loans to subsidiaries	As at		Maximum balance outstanding during the year ended	
Name of entity	**31-Mar-26**	31-Mar-25	**31-Mar-26**	31-Mar-25
Rico Jinfei Wheels Limited (inclusive of Rico Castings Limited and Rico Fluidtronics Limited)	**–**	1.77	**1.77**	8.85

Notes to the standalone financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

Disclosure pursuant to Section 186(4) of the Companies Act, 2013

Nature of the transaction (loans given/ investment made/guarantee given)	Repayment terms for loans given	As at 31 March 2026	As at 31 March 2025
(a) Long-term loans given to provide financial assistance to related parties for general business purpose *			
Rico Jinfei Wheels Limited (inclusive of Rico Castings Limited and Rico Fluidtronics Limited) @ 10.00% per annum	20 equal quarterly instalments.1st instalment commence from the end of the April-June quarter, 2018. and there after payment by the end of each quarter.		
Opening balance		**0.65**	3.25
Loans given during the year		**–**	–
Loans repaid during the year		**(0.65)**	(2.60)
Closing balance		**–**	0.65
Rico Jinfei Wheels Limited (inclusive of Rico Castings Limited and Rico Fluidtroncis Limited) @10% per annum	20 equal quarterly instalments.1st instalment commence from the end of the April-June quarter, 2018. and there after payment by the end of each quarter.		
Opening balance		**1.12**	5.60
Loans given during the year		**–**	–
Loans repaid during the year		**(1.12)**	(4.48)
Closing balance		**–**	1.12
*All loans are unsecured			
(b) Investments			
Investment in equity shares			
Rico Auto Industries Inc. (USA)		**0.12**	0.12
Rico Auto Industries (UK) Limited (U.K.)		**0.17**	0.17
AAN Engineering Industries Limited		**6.05**	6.05
Rico Friction Technology Private Limited		**0.76**	0.76
Rico Care Foundation		**0.03**	0.03
Roop Ram Industries Private Limited		**2.43**	2.43
Rico Jinfei Wheels Limited (merged with Rico Fluidtronics limited)		**35.74**	35.74
Boond Renewable Energy Private Ltd		**0.34**	–
Dalavaipuram Renewables Private Limited		**3.13**	1.85
(c) Corporate guarantee/ Letter of comfort:			
Rico Jinfei Wheels Limited		**10.00**	10.00
AAN Engineering Industries Limited		**5.00**	5.00

50 The Company generates revenue primarily from the sale of automotive products.

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Revenue from contracts from customers (A)		
Sale of products	**1,796.21**	1,573.29
Sale of services	**2.47**	0.30
Other operating revenues (B)	**37.76**	33.43
Total revenue from operations (A+B)	**1,836.44**	1,607.02

Notes to the standalone financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

Following are the disclosures with respect to revenue from operations in accordance with Ind AS 115
The Company's revenue disaggregated by geographical markets is as follows:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
India	**1,499.36**	1280.16
Other than India	**337.08**	326.86
Total	**1,836.44**	1,607.02

The following table provides information about trade receivables, contract costs and contract liabilities from contracts with customers:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Trade receivables	**284.41**	277.54
Contract assets	**1.16**	4.66
Contract liabilities		
- Advances from customers	**19.29**	9.05

Significant changes in Contract costs and contract liabilities during the year are as follows:

Particulars	As at 31 March 2026			As at 31 March 2025		
	Contract cost	Unbilled revenue	Advances from customers	Contract cost	Unbilled revenue	Advances from customers
Opening balances	**4.66**	**–**	**9.05**	10.25	–	6.05
Addition during the year	**0.05**	**4.04**	**19.29**	–	0.60	9.05
Revenue recognized/ amount	**(3.55)**	**(4.04)**	**(9.05)**	(5.59)	(0.60)	(6.05)
Closing balance	**1.16**	**–**	**19.29**	4.66	–	9.05
Non-current	**1.16**	**–**	**–**	1.11	–	–
Current	**–**	**–**	**19.29**	3.55	–	9.05

The Company's contracts with customers includes promises to transfer products and rendering of services to the customer. The Company assesses the products/services promised in identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables. The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits of significant risks and who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risk and rewards to the customer, acceptance of delivery by the customer etc. Based on the above assessment performance obligation is satisfied at point in time. Company have payment terms of 30 days to 65 days in case of domestic customers and 90 days in case of export customers.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is an unconditional right to receive cash, and only passage of time is required, as per contractual terms.

The contract liabilities primarily relate to the advance consideration received from customers for procurement of goods, for which revenue is recognised point in time. This will be recognised as revenue when the control of the goods will be transferred, which is expected to occur during the next year.

51 Events after Balance sheet date

There are no reportable subsequent events after the balance sheet date.

Notes to the standalone financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

52 Additional regulatory information not disclosed elsewhere in the financial information:

(i) No proceeding has been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) The Company has not been declared as willful defaulter by any bank or financial Institution or other lender.

(iii) The Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

(iv) The Company (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have more than one CIC (the same is not required to be registered with RBI as not being Systemically Important CIC).

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

(vi) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(vii) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(viii) The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(ix) The Company does not have any charge which is yet to be registered with ROC beyond the statutory period.

(x) The Company has not advanced or provided loan to or invested funds in any entities including foreign entities (Intermediaries) or to any other persons, with the understanding 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.

(xi) The Company has not received any fund from any persons or entities, 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.

(xii) The Company has not undertaken any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

53 The following dividend were declared and paid by the company during the year:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
INR 0.50 per equity Share (31 March 2025: INR 0.60)	**6.76**	8.12

After the reporting date the following dividends were proposed by the directors subject to the approval at the annual general meeting; the dividends have not been recognised as liabilities.

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
INR 0.55 per equity Share (31 March 2025: INR 0.50)	**7.44**	6.76

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
ICAI Firm registration No. 101248W/W-100022

Shashank Agarwal
Partner
Membership No. 095109

Place : Gurugram
Date : 29 May, 2026

For and on behalf of the Board of Directors of
Rico Auto Industries Limited

Arvind Kapur
Chairman, CEO & Managing Director
DIN: 00096308

Kaushalendra Verma
Whole-time Director
DIN : 02004259

Rajiv Kumar Miglani
Whole-time Director
DIN : 06873155

Naveen Sorot
Chief Financial Officer

Ruchika Gupta
Company Secretary
M. No. F-6456

Place : Gurugram
Date : 29 May, 2026

ANNEXURE TO DIRECTORS' REPORT

FINANCIAL STATEMENT OF SUBSIDIARIES/JOINT VENTURE

FORM AOC – 1

[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/Associate Companies/Joint Ventures

Part "A": Subsidiaries

(₹ in Crores)

Name of the Subsidiary	AAN Engineering Industries Limited	Rico Auto Industries Inc. USA	Rico Auto Industries (U.K.) Limited	Rico Jinfei Wheels Limited	Rico Friction Technologies Limited
Sl. No.	**1**	**2**	**3**	**4**	**5**
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01.04.2025 to 31.03.2026	01.04.2025 to 31.03.2026	01.04.2025 to 31.03.2026	01.04.2025 to 31.03.2026	01.04.2025 to 31.03.2026
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR	USD (Exchange Rate 94.58)	GBP (Exchange Rate 125.27)	INR	INR
Share Capital	6.05	0.12	0.17	109.98	1.09
Reserves & Surplus	0.13	40.44	5.98	(22.83)	3.94
Total Assets	9.61	55.23	6.22	304.51	6.45
Total Liabilities	9.61	55.23	6.22	304.51	6.45
Investments	–	–	–	0.02	–
Turnover (Net of Excise)	22.80	165.75	–	650.53	7.25
Profit before taxation	2.47	1.84	(0.66)	35.94	2.13
Provision for taxation	0.23	0.38	–	9.49	0.54
Profit after taxation	2.25	1.46	(0.66)	26.45	1.59
Dividend Paid	–	6.83	–	–	0.76
% of shareholding	100.00	100.00	100.00	96.31	70.00

Notes: 1. Name of Subsidiaries which are yet to commence operations: N.A.

2. Name of Subsidiaries which have been liquidated or sold during the year: Rico Fluidtronics Limited merged with Rico Jinfei Wheels Limited on 01.07.2025.
3. After merger, the Company holds 10,59,25,000 Equity Shares (96.31%) of M/s. Rico Jinfei Wheels Limited.

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates	Roop Ram Industries Private Limited	Boond Renewable Energy Private Limited
1. Latest Audited Balance Sheet Date	31.03.2026	31.03.2026
2. Shares of Associates held by the Company on the year end: i) No. of Shares ii) Amount of Investment in Associates	 2434640 ₹2,43,46,400/-	 339479 ₹33,94,790/-
3. Description of how there is significant influence	Holding 26% shareholding	Holding 26% shareholding
4. Reason why the associates is not consolidated	Based on the terms of the Shareholders Agreement with Roop Ram Industries Private Limited (Roop Ram), the Company does not have any right to the Profit and Loss of Roop Ram and at the end of the term of the Power Purchase Agreement ("PPA"), the Company will receive back the investment made by it. Accordingly, the Company has not recognised investee's Profit and Loss in the Company's consolidated Profit and Loss.	Based on the terms of the Shareholders Agreement with Boond Renewable Energy Private Limited (Boond Renewable), the Company does not have any right to the Profit and Loss of Boond Renewable and at the end of the term of the Power Purchase Agreement ("PPA"), the Company will receive back the investment made by it. Accordingly, the Company has not recognised investee's Profit and Loss in the Company's consolidated Profit and Loss.
5. Net worth attributable to shareholding as per latest audited Balance Sheet	NIL	NIL
6. Profit/Loss for the year: i) Considered in Consolidation ii) Not Considered in Consolidation	 No Yes	 No Yes

Notes: There are no Associates or Joint Ventures, which are yet to commence business or liquidated or sold during the year.

For and on behalf of the Board of Directors of
Rico Auto Industries Limited

Arvind Kapur
Chairman, CEO &
Managing Director
DIN: 00096308

Kaushalendra Verma
Whole-time Director
DIN : 02004259

Rajiv Kumar Miglani
Whole-time Director
DIN : 06873155

Naveen Sorot
Chief Financial Officer

Ruchika Gupta
Company Secretary
M. No. F-6456

Place : Gurugram
Date : 29 May, 2026

CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR 2025–26

INDEPENDENT AUDITOR'S REPORT

To the Members of

Rico Auto Industries Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Rico Auto Industries Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2026, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of such subsidiaries as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2026, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit 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 Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of reports of the other auditors referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter
Revenue Recognition
See Note 26 to consolidated financial statements

The key audit matter	How the matter was addressed in our audit
The Group's revenue is derived primarily from sale of goods which comprises automotive components. Revenue from sale of goods is recognised at a point in time when performance obligation is satisfied and is based on the transfer of control to the customer as per terms of the contract with them which may vary for each customer. The Group and its external stakeholders focus on revenue as a key performance metric. Revenue recognition has been identified as a key audit matter as there could be incentives or external pressures to meet expectations resulting in revenue being overstated and recognized before the control has been transferred.	In view of the significance of the matter, we applied the following audit procedures in this area, to obtain sufficient appropriate audit evidence: • We assessed the Group's accounting policies for revenue recognition by comparing with applicable accounting standards. • We evaluated the design and implementation of the key internal financial controls with respect to the timing of revenue recognition and tested the operating effectiveness of such controls on a sample basis. • We performed substantive testing by selecting samples (using statistical sampling) of revenue transactions recorded during the year and after the financial year-end by testing the underlying documents which included sales invoices, shipping documents and proof of deliveries, to assess whether these are recognised in the appropriate period in which control of the goods is transferred to the customer. • We scrutinized journal entries related to revenue recognised during the year based upon specified risk-based criteria, to identify unusual or irregular items; and • Considered the adequacy of the disclosures in accordance with the relevant accounting standard.

Other Information

The Holding Company's Management and 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 financial statements and auditor's reports thereon. The annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available 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.

When we read the Holding Company's annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions as per applicable laws and regulations.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors

are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and 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 the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the 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 the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated 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 appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements of such entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matter

a. We did not audit the financial statements of four subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of Rs. 77.52 crores as at 31 March 2026, total revenues (before consolidation adjustments) of Rs. 195.76 crores and net cash inflows (before consolidation adjustments) amounting to Rs. 2.09 crores for the year ended on that date, as considered in the consolidated financial

statements. These financial statements have been audited by other auditors whose report have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the report of the other auditors.

One of these subsidiaries is located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in its country and which has been audited by other auditor under generally accepted auditing standards applicable in its country. The Holding Company's management has converted the financial statements of such subsidiary located outside India from accounting principles generally accepted in its country to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiary located outside India is based on the report of other auditor and the conversion adjustments prepared by the management of the Holding Company and audited by us.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of 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.

2 A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries, as were audited by other auditors, as noted in the "Other Matters" paragraph, 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 purposes of our audit of the aforesaid consolidated financial statements.

   b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors except for the matter stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

   e. e. On the basis of the written representations received from the directors of the Holding Company as on 1 April 2026, 06 April 2026 and 13 April 2026 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act.

   f. The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"

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, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, as noted in the "Other Matters" paragraph:

   a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2026 on the consolidated financial position of the Group. Refer Note 40 to the consolidated financial statements.

   b. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2026.

   c. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies incorporated in India during the year ended 31 March 2026.

   d. (i) The respective management of the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary companies that, to the best of its knowledge and belief, as disclosed in the Note 55(x) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary companies to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary companies ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (ii) The respective management of the Holding Company and its subsidiary companies incorporated in India whose financial statements have been audited under the Act have represented

to us and the other auditors of such subsidiary companies that, to the best of its knowledge and belief, as disclosed in the Note 55(xi) to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary companies from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Holding Company or any of such subsidiary companies shall directly or indirectly, lend or invest in other persons or entities 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.

(iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiary companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The dividend declared and paid by the subsidiary company incorporated in India during the year and until the date of this audit report is in compliance accordance with Section 123 of the Act.

The final dividend paid by the Holding Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 52 to the consolidated financial statements, the Board of Directors of the Holding company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

f. Based on our examination which included test checks and the work performed by the respective auditors of the subsidiary companies incorporated in India whose financial statements have been audited under the Act, except for the instances mentioned below, the Holding Company and its three subsidiary companies incorporated in India have used accounting softwares for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares:

- The Holding Company and its three subsidiary companies incorporated in India has migrated to a new accounting software from 03 April 2025. However, the feature of recording of audit trail (edit log) facility at application level was not enabled from 03 April 2025 to 06 April 2025.
- The feature of recording audit trail (edit log) facility was not enabled at the database level for accounting softwares used by the Holding Company and its three subsidiary companies incorporated in India to log any direct data changes.

  Further, for the accounting softwares where the audit trail (edit log) facility was enabled and operated during the period, we did not come across any instance of audit trail feature being tampered with. Additionally, wherever the audit trail (edit log) facility was enabled and operated, the audit trail has been preserved by the the Holding Company and its three subsidiary companies incorporated in India as per the statutory requirements for record retention for the period it was enabled.

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

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiary companies to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary companies is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Shashank Agarwal
Partner
Membership No.: 095109
ICAI UDIN:26095109FIVFLF9650

Place: Gurugram
Date : 29 May 2026

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Rico Auto Industries Limited for the year ended 31 March 2026

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In our opinion and according to the information and explanations given to us, following companies incorporated in India and included in the consolidated financial statements, have unfavourable remarks, qualification or adverse remarks given by the respective auditors in their report under the Companies (Auditor's Report) Order, 2020 (CARO):

Sr. No.	Name of the entities	CIN	Holding Company/ Subsi diary	Clause number of the CARO report which is unfavourable or qualified or adverse	Remarks
1	Rico Auto Industries Ltd	L34300HR 1983 PLC023187	Holding Company	Clause 3(ix)(d)	Short term funds used for long term purposes
2.	Rico Jinfei Wheels Limited	U34200HR 2007 PLC037021	Subsidiary Company	Clause 3(ix)(d)	Short term funds used for long term purposes

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Shashank Agarwal
Partner
Membership No.: 095109
ICAI UDIN:26095109FIVFLF9650

Place: Gurugram
Date : 29 May 2026

Annexure B to the Independent Auditor's Report on the consolidated financial statements of Rico Auto Industries Limited for the year ended 31 March 2026

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of Rico Auto Industries Limited (hereinafter referred to as "the Holding Company") as of 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 such companies incorporated in India under the Act which are its subsidiary companies, as of that date.

In our opinion and based on the consideration of reports of the other auditors on internal financial controls with reference to financial statements of subsidiary companies, as were audited by the other auditors, the Holding Company and such companies incorporated in India which are its subsidiary companies, have, 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 financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls 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 and Board of Directors' Responsibilities for Internal Financial Controls

The respective Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to 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 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 included obtaining an understanding of internal financial controls

with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.

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.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to two subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of this matter.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Shashank Agarwal
Partner
Membership No.: 095109
ICAI UDIN:26095109FIVFLF9650

Place: Gurugram
Date : 29 May 2026

Consolidated balance sheet as at 31 March 2026

(All amounts in ₹ crores, except per share data, unless otherwise stated)

Particulars	Notes	As at 31 March 2026	As at 31 March 2025
I. ASSETS			
1. NON–CURRENT ASSETS			
Property, plant and equipment	5A	**1,177.64**	1,077.29
Capital work-in-progress	5B	**161.75**	108.70
Investment property	5C	**12.84**	13.10
Intangible assets	5D	**15.57**	4.39
Intangible assets under development	5E	**11.13**	15.58
Financial assets			
(i) Investments	6	**5.95**	4.34
(iii) Other financial assets	8	**19.29**	18.99
Other non-current assets	9	**20.98**	4.60
Total non–current assets		**1,425.15**	1,246.99
2. CURRENT ASSETS			
Inventories	10	**282.36**	308.05
Financial assets			
(i) Trade receivables	11	**352.44**	370.32
(ii) Cash and cash equivalents	12	**12.77**	10.46
(iii) Bank balances other than (ii) above	13	**2.86**	9.44
(iv) Loans	14	**1.51**	1.44
(v) Other financial assets	15	**6.02**	3.93
Current tax assets (net)		**11.50**	23.99
Other current assets	16	**37.33**	27.05
Total current assets		**706.79**	754.68
Non-current asset held for sale	7	**10.19**	–
Total assets		**2,142.13**	2,001.67
II. EQUITY AND LIABILITIES			
1. EQUITY			
Equity Share capital	17	**13.53**	13.53
Other Equity	18	**765.86**	716.39
Equity attributable to owners of the Company		**779.39**	729.92
Non-controlling interest		**4.84**	2.95
Total equity		**784.23**	732.87
2. NON–CURRENT LIABILITIES			
Financial liabilities			
(i) Borrowings	19	**406.03**	332.32
(ii) Lease liabilities	47	**20.39**	16.82
Provisions	20	**26.67**	21.59
Deferred tax liabilities (net)	35	**46.79**	43.60
Total non–current liabilities		**499.88**	414.33
3. CURRENT LIABILITIES			
Financial Liabilities			
(i) Borrowings	21	**296.41**	340.67
(ii) Lease liabilities	47	**4.79**	7.52
(iii) Trade payables			
a) Total outstanding dues of micro enterprises and small enterprises	22	**39.25**	33.33
b) Total outstanding dues of creditors other than micro and small enterprises	22	**431.68**	398.78
(iv) Other financial liabilities	23	**43.86**	31.37
Other current liabilities	24	**40.66**	37.56
Provisions	25	**1.04**	1.47
Current tax liabilities (net)		**0.33**	3.77
Total current liabilities		**858.02**	854.47
Total of liabilities		**1,357.90**	1,268.80
Total equity and liabilities		**2,142.13**	2,001.67

Material accounting policies 2

The accompanying notes are an integral part of these consolidated financial statements.

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 101248W/W-100022

Shashank Agarwal
Partner
Membership No. 095109

Place : Gurugram
Date : 29 May, 2026

For and on behalf of the Board of Directors of
Rico Auto Industries Limited

Arvind Kapur
Chairman, CEO &
Managing Director
DIN: 00096308

Naveen Sorot
Chief Financial Officer

Place : Gurugram
Date : 29 May, 2026

Kaushalendra Verma
Whole-time Director
DIN : 02004259

Ruchika Gupta
Company Secretary
M. No. F-6456

Rajiv Kumar Miglani
Whole-time Director
DIN : 06873155

Consolidated statement of profit and loss for the year ended 31 March 2026

(All amounts in ₹ crores, except per share data, unless otherwise stated)

Particulars	Notes	For the year ended 31 March 2026	For the year ended 31 March 2025
INCOME			
Revenue from operations	26	**2,477.73**	2,212.40
Other income	27	**9.98**	12.81
Total income (I)		**2,487.71**	2,225.21
EXPENSES			
Cost of raw materials consumed	28	**1,508.14**	1,356.26
Changes in inventories of finished goods and work-in-progress	29	**34.23**	(11.75)
Employee benefits expense	30	**205.66**	193.51
Finance costs	31	**54.71**	55.99
Depreciation and amortization expense	5	**100.70**	101.56
Other expenses	32	**506.47**	485.91
Total expenses (II)		**2,409.91**	2,181.48
Profit before exceptional item & tax (III= I-II)		**77.80**	43.73
Exceptional Item	33	**8.32**	1.14
Profit before tax (IV)		**69.48**	42.59
Tax expense	34		
Current tax expense		**14.06**	8.41
Deferred tax expense		**3.00**	13.67
Tax adjustments for earlier years		**–**	(0.90)
Total Tax Expense (V)		**17.06**	21.18
Profit for the year (VI=IV-V)		**52.42**	21.41
Other comprehensive income (VII)			
(a) Items that will not be reclassified to statement of Profit and loss			
Remeasurements (loss)/gain of defined benefit plan obligations		**6.19**	(3.65)
Income tax relating to above items		**(1.55)**	0.90
(b) Items that will be reclassified to statement of Profit and loss			
Exchange differences on translation of foreign operations		**5.40**	1.05
Effective portion of gain/(loss) on designated portion of hedging instruments in a cash flow hedge		**(5.40)**	(1.94)
Income tax relating to above items		**1.36**	0.23
Other comprehensive income/ (loss) for the year		**6.00**	(3.41)
Total comprehensive income for the year		**58.42**	18.00
Net Profit attributable to:			
Owners of the group		**50.51**	21.40
Non-controlling interest		**1.91**	0.01
Other comprehensive attributable to:			
Owners of the group		**6.02**	(3.40)
Non–controlling interest		**(0.02)**	(0.01)
Total comprehensive attributable to:			
Owners of the group		**56.53**	18.00
Non–controlling interest		**1.89**	0.00
Net Profit for the year after non-controlling interest		**50.51**	21.40
Paid up equity share capital (face value of ₹ 1/- per share)		**13.53**	13.53
Earnings per share			
Basic and diluted (nominal value per share ₹ 1/-)	36	**3.73**	1.58

Material accounting policies 2

The notes referred above form an integral part of these consolidated financial statements.

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 101248W/W-100022

Shashank Agarwal
Partner
Membership No. 095109

Place : Gurugram
Date : 29 May, 2026

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Naveen Sorot
Chief Financial Officer

Ruchika Gupta
Company Secretary
M. No. F-6456

Place : Gurugram
Date : 29 May, 2026

Consolidated statement of changes in equity for the year ended 31 March 2026

(All amounts in ₹ crores, except per share data, unless otherwise stated)

A Equity share capital

	No. of shares	Amount
Balance as at 31 March 2026	**13,52,85,000**	**13.53**
Changes in equity share capital during the year	–	–
Balance as at 31 March 2025	13,52,85,000	13.53
Changes in equity share capital during the year	–	–
Balance as at 01 April, 2024	13,52,85,000	13.53

B Other equity

Particulars	Attributable to Owners of Equity						Non–controlling interest	Total other equity
	Reserves and Surplus					Items of OCI		
	Capital Reserve	Capital redemption reserve	Securities premium	Retained earnings	General reserve	Foreign currency translation reserve		
Balance as at 01 Apri 2025	14.49	2.00	145.04	444.99	99.70	10.17	2.95	719.34
Profit for the year	–	–	–	50.51	–	–	–	50.51
Other comprehensive income for the year (net of tax)	–	–	–	0.62	–	5.40	–	6.02
Transaction with Non controlling interests	–	–	–	0.00	–	–	1.89	1.89
Contribution by and distribution to owner								–
Dividend on equity shares (Final) (refer note 52)	–	–	–	(7.06)	–	–	–	(7.06)
Balance as at March 31 2026	**14.49**	**2.00**	**145.04**	**489.06**	**99.70**	**15.57**	**4.84**	**770.70**
Balance as at April 01 2024	14.49	2.00	145.04	436.16	99.70	9.12	2.95	709.46
Profit for the year	–	–	–	21.41	–	-	–	21.41
Other comprehensive income for the year (net of tax)	–	–	–	(4.46)	–	1.05	–	(3.41)
Transaction with Non controlling interests	–	–	–	0.00	–	–	0.00	0.00
Contribution by and distribution to owner								–
Dividend on equity shares (Final) (refer note 52)	–	–	–	(8.12)	–	–	–	(8.12)
Balance as at March 31 2025	**14.49**	**2.00**	**145.04**	**444.99**	**99.70**	**10.17**	**2.95**	**719.34**

Material accounting policies 2

Refer Note 18 for nature and purpose of other equity.

The accompanying notes are an integral part of these consolidated financial statements.

As per our report of even date attached
For B S R & Co. LLP
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Shashank Agarwal
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Chief Financial Officer

Ruchika Gupta
Company Secretary
M. No. F-6456

Place : Gurugram
Date : 29 May, 2026

Consolidated statement of cash flow for the year ended 31 March 2026

(All amounts in ₹ crores, except per share data, unless otherwise stated)

	Particulars		Year ended 31 March 2026	Year ended 31 March 2025
A.	**Cash flows from operating activities**			
	Net profit before tax		**69.48**	42.59
	Adjustments for:			
	Depreciation and amortisation expense		**100.70**	101.56
	Loss on sale of property, plant and equipment		**2.05**	6.87
	Unrealised foreign exchange loss/ (gain)		**2.91**	(3.54)
	Loss allowance on trade receivables		**–**	0.10
	Finance costs		**54.71**	55.99
	Amortisation of contract costs		**3.49**	5.60
	Interest income on financial assets measured at amortized cost		**(1.68)**	(2.96)
	Operating profit before working capital changes		**231.66**	206.21
	Changes in working capital:			
	Decrease/ (Increase) in inventories		**25.69**	(21.41)
	Decrease/ (Increase) in trade receivables		**17.88**	(39.40)
	(Increase) in other assets		**(16.38)**	(12.55)
	Increase in trade payables		**38.82**	54.70
	Increase in other liabilities and provisions		**33.86**	11.13
			331.53	198.67
	Direct taxes paid (net of refunds)		**(5.88)**	(5.58)
	Net cash generated from operating activities	**A**	**325.65**	193.10
B.	**Cash flows from investing activities**			
	Purchase of property, plant and equipment, capital work in progress and intangible assets		**(296.03)**	(161.64)
	Purchase of investments		**(1.61)**	–
	Proceeds from sale of property, Plant and equipments		**3.47**	19.68
	Proceeds from bank deposit more than 3 months		**6.33**	3.68
	Interest received		**1.37**	2.96
	Net cash used in investing activities	**B**	**(286.47)**	(135.32)
C.	**Cash flows from financing activities**			
	Proceeds from non-current borrowings		**240.28**	185.82
	Payment for lease liabilities - principal		**(5.57)**	(9.66)
	Payment for lease liabilities - interest		**(1.60)**	(1.95)
	Repayment of non-current borrowings		**(165.57)**	(130.53)
	Proceeds/ repayment from current borrowings (net)		**(48.17)**	(38.85)
	Dividend paid		**(7.13)**	(8.12)
	Interest paid		**(54.51)**	(53.45)
	Net cash used in financing activities	**C**	**(42.27)**	(56.74)
	Net (Decrease)/ Increase in cash and cash equivalents	**A+B+C**	**(3.09)**	1.04
	Effect of foreign currency fluctuation arising out of consolidation		**5.40**	1.05
	Cash and cash equivalents at the beginning of the year		**10.46**	8.38
	Cash and cash equivalents at the end of the year		**12.77**	10.46
	Cash and cash equivalents include			
	Balances with banks:			
	– In current accounts		**0.27**	0.08
	– Cash on hand		**12.50**	8.62
	– Deposit with original Maturity of less than three months		**–**	1.76
	Cash and cash equivalents at the end of the year (refer note 12)		**12.77**	10.46
	Changes in liabilities arising from financing activities			
	Interest accrued on borrowings at the beginning of year		**1.14**	1.56
	Interest on borrowings during the year		**53.41**	53.03
	Interest paid during the year		**(54.51)**	(53.45)
	Interest accrued on borrowings at the end of year		**0.04**	1.14
	Borrowings at the beginning of year		**672.99**	654.98
	Proceeds from long term borrowings		**240.28**	185.82
	Repayment of long term borrowings		**(165.57)**	(130.53)
	Proceeds/ repayment (net) from short term borrowings		**(48.17)**	(38.85)
	Non-Cash changes due to Exchange differences		**2.91**	1.57
	Borrowings at the end of year		**702.44**	672.99

Consolidated statement of cash flow for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Lease Liabilities at the beginning of the year	**24.34**	33.51
Addition during the year	**6.41**	0.49
Deletion during the year	**–**	0.00
Finance cost accrued during the year	**1.60**	1.95
Payment of Lease liabilities	**(7.17)**	(11.61)
Lease liabilities at the end of the year	**25.18**	24.34

Notes:

Refer note 2 for material accounting policies

The above Statement of cash flows has been prepared under the Indirect Method as set out in Ind AS 7 on Statement of cash flows, as notified under companies act,2013 with relevant notes thereunder.

The accompanying notes are an integral part of these consolidated financial statements.

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 101248W/W-100022

Shashank Agarwal
Partner
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Company Secretary
M. No. F-6456

Place : Gurugram
Date : 29 May, 2026

Notes to the consolidated financial statements for the year ended 31 March 2026

(₹ in crores, except share data, per share data and unless otherwise stated)

1. CORPORATE INFORMATION

Rico Auto Industries Limited ("the Holding Company") registered office is situated at 38 KM Stone, Delhi - Jaipur Highway, Gurugram - 122001 (Haryana). The Holding Company was incorporated in India on 7 March 1983. The Holding Company's shares are listed on two stock exchanges in India. The Holding Company with its Subsidiaries (together referred to as the "Group") supplies a broad range of high-precision fully machined aluminum and ferrous components and assemblies to Original Equipment Manufacturers across the globe. Its integrated services include design, development, tooling, casting, machining, assembly and research and development across aluminum and ferrous products. The Group is in the business of manufacturing and sale of auto components for two wheelers and four wheelers.

The Consolidated Financial Statements for the year ended 31 March 2026 comprise Financial Statements of the Group.

2. MATERIAL ACCOUNTING POLICIES

2.1 Basis of preparation

i) Compliance with Ind AS

The consolidated financial statements have been prepared as a going concern in accordance with Indian Accounting Standards (Ind AS) notified under the Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015, presentation requirements of Division II of Schedule III to the Companies Act, 2013" financials and other relevant provisions of the Act.

The consolidated financial statements of the Group for the year ended 31 March 2026 are approved by the Holding Company's Audit Committee and the Board of Directors on 29 May 2026.

The consolidated financial statements have been prepared on the historical cost convention on accrual basis except for the following assets and liabilities which have been measured at fair value.

– Derivative financial instruments

– Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

– Defined benefit plans - plan assets measured at fair value.

Historical cost is generally based on the fair value of the consideration given in exchange of goods or services.

The principal accounting policies are set out below -

ii) Functional and presentation currency:

The functional currency of the Holding Company and its Indian subsidiaries is the Indian Rupee. The functional currency of foreign subsidiaries is the currency of the primary economic environment in which the entity operates.

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are retranslated at the exchange rate prevailing on the balance sheet dates and exchange gains and losses arising on settlement and restatement are recognised in the statement of profit and loss. Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

The material accounting policies used in preparation of the consolidated financial statements have been discussed in the respective notes.

iii) Going concern and basis of measurement

The Consolidated financial statements have been prepared on going concern basis under the historical cost convention on accrual basis except for certain financial assets and financial liabilities, defined benefit plans that are measured at fair values at the end of each reporting period.

iv) Current – non–current classification

Asset

The Group classifies an asset as current asset when:

- it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the asset primarily for the purpose of trading;
- it expects to realise the asset within twelve months after the reporting period; or
- the asset is cash or a cash equivalent unless the asset is 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.

Notes to the consolidated financial statements for the year ended 31 March 2026 (Contd.)

(₹ in crores, except share data, per share data and unless otherwise stated)

Liabilities

A liability is classified as current when:

- it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the liability primarily for the purpose of trading;
- the liability is due to be settled within twelve months after the reporting period; or
- it does not have a right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

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 or cash equivalents.

The Group's normal operating cycle is twelve months.

2.2 Basis of consolidation

- **Subsidiary**

Subsidiary is the entity controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiary companies are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

The Group combines the financial statements of the Holding Company and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses.

- **Principles of consolidation**

The consolidated financial statements comprise the financial statements of the Holding Company and its subsidiaries. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Holding Company, i.e., year ended on 31 March.

Notes to the consolidated financial statements for the year ended 31 March 2026 (Contd.)

(₹ in crores, except share data, per share data and unless otherwise stated)

Consolidation procedure:

i) Subsidiary:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Holding Company with those of its subsidiaries.

(b) Offset (eliminate) the carrying amount of the Holding Company's investment in each subsidiary and the Holding Company's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and property, plant and equipment, are eliminated in full). Ind-AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Holding Company of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the Holding Company's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities

The subsidiary companies which are included in the Consolidation and the Holding Company's holding therein is as under:

S. No.	Name of the Subsidiary Company	Nature of relation	Ownership in % either directly or through subsidiaries		Country of Incorporation and Principal place of Business
			2024-25	2023-24	
1	Rico Auto Industries Inc. , USA	Subsidiary Company	100%	100%	USA
2	Rico Auto Industries (UK) Limited	Subsidiary Company	100%	100%	UK
3	AAN Engineering Industries Limited	Subsidiary Company	100%	100%	India
4	Rico Friction Technologies Limited	Subsidiary Company	70%	70%	India
6	Rico Jinfei Wheels Limited	Subsidiary Company	96.30%	96.30%	India

* Rico Fluidtronics Limited was merged with Rico Jinfei Wheels Limited pursuant to the order of the Hon'ble National Company Law Tribunal (NCLT) dated 01 July 2025. Accordingly, these consolidated financial statements have been prepared using the principles as prescribed under Appendix C of Ind AS 103 for "Business combinations of entities under common control" giving the retrospective effect to the merger as if the merger has been made effective 1 April 2024. Also refer note 48.

2.3 Material accounting policies

i) Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer. The Group recognises revenue when it transfers control over a good or service to a customer and the performance obligations towards customer have been met. Performance obligations are deemed to have been met when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

Notes to the consolidated financial statements for the year ended 31 March 2026 (Contd.)

(₹ in crores, except share data, per share data and unless otherwise stated)

Sale of products

Revenue from sale of products is recognised when control of the products being sold is transferred to customers and there are no longer any unfulfilled obligations. The performance obligations in contract with customers are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on delivery terms. Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of discount) allocated to that performance obligation. Revenue excludes taxes or duties collected on behalf of the government.

For contracts that permit the customer to return an item, revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Therefore, the amount of revenue recognised is adjusted for expected returns, which are estimated based on the historical data. In these circumstances, a refund liability and a right to recover returned goods asset are recognised

The Group recognized revenue when (or as) a performance obligation was satisfied, i.e. when 'control' of the goods underlying the particular performance obligation were transferred to the customer.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes and duties.

Expected sales returns, volume and cash discounts are accounted as reduction of revenue basis the estimate of customers' future purchases / customers' future sales to downstream customers in the value-chain. Any changes in the estimated amount of obligations for discounts/incentives are recognized prospectively in the period in which the change occurs.

Further, revenue from sale of goods is recognized based on a 5-Step Methodology which is as follows:

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligation in contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contracts are subject to modification to account for changes in contract specification and requirements. The Group reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Use of significant judgements in revenue recognition:

a) The Group's contracts with customers could include promises to transfer products to a customer. The Group assesses the products promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

b) Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Group allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

c) The Group uses judgement to determine an appropriate standalone selling price for a performance obligation. The Group allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract.

d) The Group exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

Notes to the consolidated financial statements for the year ended 31 March 2026 (Contd.)

(₹ in crores, except share data, per share data and unless otherwise stated)

Interest income

For all financial assets measured either at amortised cost or at fair value through other comprehensive 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 Group 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. Interest income is included in other income in the statement of profit and loss.

Rental income

Rental income arising from properties given under operating leases is recognised over the lease term for which the property is given on rent as per the rent agreement and is shown in other income under revenue in the Consolidated Statement of Profit and Loss.

Contract assets

A contract asset is the entity's right to consideration in exchange for goods or services that the entity has transferred to the customer. A contract asset becomes a receivable when the entity's right to consideration is unconditional, which is the case when only the passage of time is required before payment of the consideration is due. The impairment of contract assets is measured, presented and disclosed on the same basis as trade receivables.

Contract liabilities

A contract liability is the obligation to transfer goods to a customer for which the entity has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the entity transfers goods or services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the entity performs under the contract.

ii) Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group's lease asset consists of lease for land, building and machines. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (1) the contract involves the use of an identified asset, (2) the Group has substantially all of the economic benefits from the use of the asset through the period of the lease, and (3) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a Right of use (ROU) asset and a corresponding lease liability for all lease arrangements under which it is a lessee, except for short-term leases and low value leases. For short-term leases and low value leases, the Group recognizes the lease payments as an expense on a straight-line basis over the term of the lease.

The ROU assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the date of commencement of the lease on a straight -line basis over the shorter of the lease term and the useful life of the underlying asset

The lease liability is initially measured at amortized cost at the present value of the future lease payments. For leases under which the rate implicit in the lease is not readily determinable, the Group uses its incremental borrowing rate based on the information available at the date of commencement of the lease in determining the present value of lease payments.

Lease liabilities are remeasured with a corresponding adjustment to the related ROU asset if the Group changes its assessment as to whether it will exercise an extension or a termination option.

Lease liability and ROU assets have been separately presented in the Balance sheet and the payment of principal portion of lease liabilities has been classified as financing cash flows.

Group as lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Notes to the consolidated financial statements for the year ended 31 March 2026 (Contd.)

(₹ in crores, except share data, per share data and unless otherwise stated)

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

iii) Government grants, subsidies and export incentives

Grants from the government are recognised at their fair value where there is reasonable assurance that the grant will be received and the Group will comply with all the conditions.

Government grants related to the income are deferred and recognised in the consolidated Statement of Profit and Loss over the period necessary to match them with the cost that are intended to compensate and presented within other income.

Government grants related to property plant and equipment are included in the non-current liabilities as deferred income and are credited to Profit and loss on a straight-line basis over the expected life of the related assets and presented within other income in accordance with the primary conditions associated with purchase of assets and related grants.

Export benefit entitlements, in the nature of income grant, are recognised in the consolidated Statement of Profit and Loss when the right to receive benefit is established in respect of the exports made and the realisation is reasonably certain.

iv) Property, plant and equipment (PPE)

Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment includes its purchase price, import duties and non-refundable purchase taxes, duties or levies, after deducting trade discounts and rebates, any other directly attributable cost of bringing the asset to its working condition for its intended use the cost of replacing part of the plant and equipment and borrowing costs for long – term construction projects if the recognition criteria are met and estimated cost of dismantling and removing the items and restoring the site on which it is located. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. All other repairs and maintenance costs are expensed when incurred.

Construction in progress is stated at cost, net of accumulated impairment losses, if any. Plant and equipment is 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 for long-term construction projects if the recognition criteria are met

Any gain or loss on disposal of an item of property, plant and equipment is recognised in the Statement of Profit and Loss.

Recognition:

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if:

(a) it is probable that future economic benefits associated with the item will flow to the entity; and

(b) the cost of the item can be measured reliably.

All other expenses on existing assets, including day- to- day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

The Group identifies and determines cost of asset significant to the total cost of the asset having useful life that is materially different from that of the remaining life.

Property, Plant and Equipment which are added/disposed off during the year, depreciation is provided on pro-rata basis with reference to the month of addition/deletion.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

Subsequent expenditure can be capitalized only if it is probable that future economic benefits associated with the expenditure will flow to the Group.

Expenditure directly attributable to construction activity is capitalized. Other indirect costs incurred during the construction periods which are not directly attributable to construction activity are charged to Statement of Profit and Loss. Reinvested income earned during the construction period is adjusted against the total of indirect expenditure.

Notes to the consolidated financial statements for the year ended 31 March 2026 (Contd.)

(₹ in crores, except share data, per share data and unless otherwise stated)

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.

Capital work-in-progress and Intangible assets under development

Capital work in progress/Intangible assets under development are stated at cost, net of impairment loss, if any. Assets in the course of construction are capitalised in capital work in progress account. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs (net of income) associated with the commissioning of the asset, including the expenditure incurred on trial runs (net of trial run receipts, if any), are capitalised up to the date asset is ready for its intended use.

Expenses incurred relating to project during the project development stage prior to its intended use, are considered as pre-operative expenses and disclosed under 'Capital work in progress' or 'Intangible assets under development', as the case may be.

Amounts paid towards technical know-how fees and other expenses for specifically identified projects/ products being development expenditure is carried forward based on assessment of benefits arising from such expenditure. Such expenditure is amortized over the period of expected future sales from the related product, i.e. the estimated period of 6 years on straight line basis based on past trends, commencing from the month of commencement of commercial production.

Capital advances

Advances paid towards the acquisition of property, plant and equipment and intangible assets, outstanding at each balance sheet date is classified as capital advances under "other non-current assets".

v) Intangible assets

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the tax authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates.

An intangible asset is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the Statement of Profit and Loss when the asset is derecognised.

Intangibles under progress represents intangible assets under construction and is carried at cost.

The useful lives of intangible assets are assessed as finite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

vi) Investment properties

Investment property comprises freehold land that are held for capital appreciation and recognised at cost, less impairment loss, if any.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

Though the Group measures investment property using cost-based measurement, the fair value of investment property is disclosed in notes. Fair value are determined based on an annual evaluation performed by an accredited external independent valuer.

vii) Depreciation and amortisation

Depreciation on building and plant and machinery is provided on the straight-line method, computed on the basis of useful life, on a pro-rata basis from the date the asset is ready to put to use. However, for certain categories of plant and machinery depreciation is provided using straight line method over a period of 20 years based on the technical estimate and history of usage.

Depreciation on other property, plant and equipment is provided on written down value method, computed on the basis of useful life prescribed in Schedule II to the Companies Act, 2013, on a pro-rata basis from the date the asset is ready to put to use.

Depreciation on dies and moulds is provided based on useful life of the items ascertained on a technical estimate by the management.

Notes to the consolidated financial statements for the year ended 31 March 2026 (Contd.)

(₹ in crores, except share data, per share data and unless otherwise stated)

Intangible assets are being amortised on written down value method over the useful life of 5-10 years, as estimated by the management to be the economic life of the assets over which economic benefits are expected to flow.

The estimated useful life considered for the assets are as under:

Asset	Estimated Useful Life
Plant and machinery	15-20
Building	30-60
Furniture and fixtures	10
Office equipment	5
Computers	3-8
Vehicles	8
Dies	5-15
Product development	5
Softwares	3-5
Other intangibles	10

* Includes right of use asset having life of 5 years.
** Includes right of use asset having life of 9 years.

The management has estimated, supported by independent assessment by technical experts, professionals, the useful lives of the following classes of assets:

- The useful life of temporary erection is estimated one year, which is lower than those indicated in Schedule II.
- Computers (Servers and networks) are depreciated over the estimated useful lives of three - four years, which is lower than those indicated in Schedule II.
- Non-Commercial Vehicles are depreciated over the estimated useful lives of six years, which is lower than those indicated in Schedule II.

viii) Fair value measurement

The Group measures financial instruments such as investments at fair value at each reporting/ balance sheet date

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:

- In the principal market for the asset or liability, or
- 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 Group.

The fair value of an asset or a 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 best use or by selling it to another market participant that would use the asset in its highest and best use.

Group 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 minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated 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 markets 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
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 recognised in the consolidated financial statements on a recurring basis, the Group 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 or each case.

Notes to the consolidated financial statements for the year ended 31 March 2026 (Contd.)

(₹ in crores, except share data, per share data and unless otherwise stated)

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This Note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes

- Disclosures for valuation methods, significant estimates and assumptions
- Quantitative disclosures of fair value measurement hierarchy
- Investment properties
- Financial instruments (including those carried at amortised cost)

ix) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets (other than trade receivable which is recognised at transaction price as per Ind AS 115) 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.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial instruments at amortised cost
- Financial instruments at fair value through profit or loss (FVTPL)
- Financial instruments measured at fair value through other comprehensive income (FVTOCI)

A 'financial instruments' is measured at the 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.

After initial measurement, 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. This category generally applies to trade and other receivables.

Financial instruments at FVTPL

FVTPL is a residual category for financial assets. Any financial assets, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a financial asset which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

The net changes in fair value are recognised in the statement of profit and loss.

Equity investments

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. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on Initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

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

Notes to the consolidated financial statements for the year ended 31 March 2026 (Contd.)

(₹ in crores, except share data, per share data and unless otherwise stated)

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group 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 Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group 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 Group continues to recognise the transferred asset to the extent of the Group continuing involvement. In that case, the Group 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 Group 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 Group could be required to repay.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

Derivative financial instruments and hedge accounting

The Group uses derivative instruments such as foreign exchange forward contracts and currency swaps to hedge its foreign currency and interest rate risk exposure. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value and changes therein are generally recognized in profit and loss.

Impairment of financial assets

In accordance with Ind-AS 109, the Group 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 measured at amortized cost; and

b) Lease receivables under Ind-AS 116

The Group 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 Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month 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-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

As a practical expedient, the Group uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

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ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. 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, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

For assessing increase in credit risk and impairment loss, the Group 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.

The Group does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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 Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss. This category includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind-AS 109.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to Statement of Profit and Loss. However, the Group 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.

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.

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.

This category generally applies to borrowings. For more information refer Note 19.

De-recognition

A financial liability is derecognized 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 de-recognition 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.

Offsetting of financial instruments

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.

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Derivative financial Instruments and hedge accounting

Derivative accounting

Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as forward currency contracts. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

Hedge Accounting

Initial recognition and subsequent measurement

The Group designates (Cash Flow Hedge):

- Intrinsic Value of Call Spread option to hedge foreign currency risk for repayment of Principal Amount in relation to FCNR Loan availed in Euro.
- Interest Rate Swap (Floating to Fixed) to hedge interest rate risk in respect of Floating rate of interest in relation to FCNR Loan.

  The Group documents at the inception of the hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows of hedged items. The Group documents its risk management objective and strategy for undertaking various hedge transactions at the inception of each hedge relationship.

Cash flow hedges that qualify for hedge accounting

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

When option contracts are used to hedge foreign currency risk, the Group designates only the intrinsic value of the option contract as the hedging instrument.

Gains or losses relating to the effective portion of the change in intrinsic value of the option contracts are recognised in the cash flow hedging reserve within equity. The changes in the time value of the option contracts that relate to the hedged item ('aligned time value') are recognised within other comprehensive income in the costs of hedging reserve within equity.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss. The time value of an option used to hedge represents part of the cost of the transaction.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss within other income or expense.

x) Inventories

Inventories which include raw materials, components, stores, work in progress, finished goods and spares are valued at the lower of cost and net realizable value. However, raw materials, components and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost or in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realizable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

Inventories are valued as follows:

Raw materials, stores and spares

Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Inventories are valued at lower of cost or net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.

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(₹ in crores, except share data, per share data and unless otherwise stated)

Work in progress

Work in progress is valued at lower of cost or net realisable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity and actual stage of production. Cost is determined on a weighted average basis.

Finished goods

Finished goods are valued at lower of cost or net realisable value (NRV). NRV assessment is done on item by item basis. Cost includes direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity. Cost is determined on a weighted average basis.

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

xi) Business Combination

Common control

Business combinations involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and where that control is not transitory are accounted for as per the pooling of interest method. The business combination is accounted for as if the business combination had occurred at the beginning of the earliest comparative period presented or, if later, at the date that common control was established; for this purpose, comparatives are revised. The assets and liabilities acquired are recognised at their carrying amounts. The identity of the reserves is preserved, and they appear in the Financial Statements of the Company in the same form in which they appeared in the financial statements of the acquired entity. The difference, if any, between the consideration and the amount of share capital of the acquired entity is transferred to capital reserve.

xii) Employee benefits

Short term employee benefits and defined contribution plans:

All employee benefits payable/available within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus etc. are recognised in the statement of profit and loss in the period in which the employee renders the related service.

Provident fund and Employee State Insurance scheme

Provident fund benefit and Employee State Insurance benefit are defined contribution plans under which the Group pays fixed contributions into funds established under Employee Provident Fund and Miscellaneous Provision Act, 1952 and Employee State Insurance Act, 1948 respectively. The Group has no legal or constructive obligations to pay further contributions after payment of the fixed contribution. The contributions recognised in respect of defined contribution plans are expensed as they accrue. Liabilities and assets may be recognised if underpayment or prepayment has occurred and are included in current liabilities or current assets, respectively, as they are normally of a short-term nature.

Gratuity

Gratuity is in the nature of defined benefit plan. The liability recognised in the consolidated balance sheet in respect of gratuity is the present value of the defined benefit obligation as at the consolidated balance sheet date less the fair value of plan assets. Gratuity Fund is administered through Life Insurance Corporation of India and India First Life Insurance Company Limited. The defined benefit obligation is calculated at the consolidated balance sheet date on the basis of actuarial valuation by an independent actuary using projected unit credit method. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recorded in Other Comprehensive Income in the year in which such change occurs

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognises related restructuring cost.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Group recognises the following changes in the net defined benefit obligation as an expense in the Statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income.

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(₹ in crores, except share data, per share data and unless otherwise stated)

Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the Group recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of terminations benefits. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

Compensated absences

The Group also provides benefit of compensated absences to its employees which are in the nature of long-term benefit plan. The compensated absences comprise of vesting as well as non-vesting benefit. Liability in respect of compensated absences becoming due and expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefits expected to be availed by the employees. Liability in respect of compensated absences becoming due and expected to be availed more than one year after the consolidated balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method as on the reporting date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recorded in the consolidated Statement of Profit and Loss in the year in which such gains or losses arise. Leave encashment fund is administered through Life Insurance Corporation of India and India First Life Insurance Company Limited.

xiii) Research and development expenses

Revenue expenditure on research is expensed off under the respective heads of account in the year in which it is incurred.

Expenditure on development activities, whereby research findings are applied to a plan or design for the production of new or substantially improved products and processes, is capitalized, if the cost can be reliably measured, the product or process is technically and commercially feasible and the Group has sufficient resources to complete the development and to use and sell the asset. The expenditure capitalized includes the cost of materials, direct labour and an appropriate proportion of overheads that are directly attributable to preparing the asset for its intended use. Development expenditure that does not meet any of the aforementioned conditions is recognised in the consolidated Statement of Profit and Loss as an expense as incurred.

Property, plant and equipment used for research and development are depreciated in accordance with the Group's policy on property, plant and equipment as stated above.

xiv) Borrowing cost

Borrowing costs directly attributable to acquisition, construction or erection of qualifying assets are capitalized. Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended use are complete.

Other borrowing costs are recognised as an expense in the consolidated Statement of Profit and Loss in the year in which they are incurred.

xv) Foreign currency transactions

Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount, the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Subsequent recognition

Foreign currency monetary assets and liabilities are reported using the closing rate as at the reporting date.

Non-monetary items, which are carried in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction.

Exchange differences

Exchange differences arising on settlement or translation of monetary items are recognised in the consolidated Statement of Profit and Loss in the year in which they arise, except for the following:

- Exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognized in profit or loss in the Separate Financial Statements of the reporting entity or the individual Financial Statements of the foreign operation, as appropriate. In the Financial Statements that include the foreign operation and the reporting entity such exchange differences are recognized initially in OCI. These exchange differences are reclassified from equity to profit or loss on disposal of the net investment.
- Tax charges and credits attributable to exchange differences on those monetary items are also recorded in OCI.

Notes to the consolidated financial statements for the year ended 31 March 2026 (Contd.)

(₹ in crores, except share data, per share data and unless otherwise stated)

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 recognized in OCI or the statement of profit and loss are also recognized in OCI or the Statement of Profit and Loss, respectively).

Group companies

On Consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their Statements of Profit or Loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the Group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for Consolidation are recognized in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognized in profit or loss.

Foreign operations

The assets and liabilities of foreign operations (subsidiaries) including goodwill and fair value adjustments arising on acquisition, are translated into INR, the functional currency of the Group and its joint ventures, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into INR at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount of exchange differences related to that foreign operation recognized in OCI is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is re-allocated to NCI. When the Group disposes of only a part of its interest in an associate or a joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

xvi) Income Taxes

Tax expense recognised in the consolidated Statement of Profit and Loss comprises the sum of deferred tax and current tax except the ones recognised in Other Comprehensive Income or directly in equity.

Current tax is the amount of tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current income tax relating to items recognised outside the consolidated Statement of Profit and Loss is recognised outside the consolidated Statement of Profit and Loss (either in other comprehensive income or in equity). The current tax is calculated using the tax rate that have been enacted or subsequently enacted by the end of the reporting period.

Deferred tax is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes.

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 the consolidated Statement of Profit and Loss is recognised outside the consolidated Statement of Profit and Loss (either in other comprehensive income or in equity).

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and liability on a net basis.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with asset will be realised.

Deferred tax assets are recognized on carry forward of unused tax credits and any unused tax losses.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets – unrecognized or recognized, are reviewed at each reporting date and are recognized/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized.

Notes to the consolidated financial statements for the year ended 31 March 2026 (Contd.)

(₹ in crores, except share data, per share data and unless otherwise stated)

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 they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Deferred income tax are not provided on the undistributed earnings of the subsidiaries where it is expected that the earnings of the subsidiary will not be distributed in the foreseeable future.

xvii) Provisions and contingencies

The Group creates a provision when there is a present obligation (legal/constructive) as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may but probably will not require an outflow of resources. Disclosure is also made in respect of a present obligation that probably requires an outflow of resources, where it is not possible to make a reliable estimate of the related outflow. Where there is a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

xviii) Earnings per share

Basic earnings per share

Basic earnings per share are calculated by dividing:

- the profit attributable to owners of the Group
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:

- the after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

xix) Impairment of non-financial assets

For assets with definite useful life, the Group 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 Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset 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.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded Group's or other available fair value indicators.

The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of

Notes to the consolidated financial statements for the year ended 31 March 2026 (Contd.)

(₹ in crores, except share data, per share data and unless otherwise stated)

depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Intangible assets with indefinite useful lives are tested for impairment annually at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

xx) Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term balances, as defined above.

xxi) Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

xxii) Dividend distribution

Dividends paid are recognised in the period in which the interim dividends are approved by the Board of Directors of the Holding Company, or in respect of the final dividend when approved by shareholders of the Holding Company.

xxiii) Corporate Social Responsibility ("CSR") expenditure

CSR expenditure incurred by the Group is charged to the Consolidated Statement of the Profit and Loss.

xxiv) Expenditure

Expenses are accounted for on the accrual basis.

xxv) Exceptional items

Exceptional items refer to items of income or expense within the Consolidated Statement of Profit and Loss from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Group.

xxvi) Equity share capital

Incremental costs directly attributable to the issue of equity shares are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with Ind AS 12.

xxvii) Contingent liabilities

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 Group 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. The Group does not recognize a contingent liability but discloses its existence in the financial statements. Contingent assets are only disclosed when it is probable that the economic benefits will flow to the entity

xxviii) Segment reporting

Basis for segmentation

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. The Group is primarily engaged in the manufacturing and assembling of automotive components for the automotive industry. All operating segments' operating results are reviewed regularly by the Group's Chief Operating Decision Maker ("CODM") to make decisions about resources to be allocated to the segments and assess their performance. CODM believes that these are governed by same set of risk and returns hence CODM reviews as one balance sheet component.

Notes to the consolidated financial statements for the year ended 31 March 2026 (Contd.)

(₹ in crores, except share data, per share data and unless otherwise stated)

xxix) Asset held for sale

Non-current assets are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets are generally measured at the lower of their carrying amount and fair value less costs to sell.

Once classified as held for sale, property, plant and equipment are no longer amortised or depreciated.

Non-current assets classified as held-for-sale are presented separately from the other assets in the balance sheet.

xxx) Rounding off amounts

All amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest crores (up to two decimal places) as per the requirements of Schedule III of the Act unless otherwise stated.

3. SIGNIFICANT ESTIMATES AND JUDGEMENTS

The preparation of consolidated financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these consolidated financial statements and the reported amount of revenues and expenses for the years presented. Actual results may differ from the estimates. Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements includes:

Significant Estimates

- measurement of defined benefit obligations;
- estimation of useful lives of property, plant and equipment;
- estimation on future sales, discount rates and terminal growth rates for determining impairment of investment in/ loan advanced to subsidiary companies;
- provision and contingent liabilities;
- carrying values of inventories;
- carrying values of hedging instruments;
- lease classification, lease term and discount rates; and
- Impairment assessment of financial and non-financial assets

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

Note 26: revenue recognition: whether revenue from products is recognised over time or at a point in time;
Note 47: lease term: whether the Group is reasonably certain to exercise extension options.

4. RECENT PRONOUNCEMENTS

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

In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 1, 2025. The Group has reviewed the amendment and based on its evaluation has determined that it does not have any impact in its consolidated financial statements.

In August 2025, MCA notified the following amendments to:

1. Ind AS 1, Presentation of Financial Statements, applicable w.e.f. April 1, 2025 – The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Group has no impact of these amendments in its classification criteria of current and non-current liabilities.
2. Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments: Disclosures, applicable w.e.f. April 1, 2025 – The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Group has reviewed the amendment and based on its evaluation has determined that it does not have any impact in its consolidated financial statements.

Notes to the consolidated financial statements for the year ended 31 March 2026 (Contd.)

(₹ in crores, except share data, per share data and unless otherwise stated)

3. Ind AS 12, International Tax Reform – Pillar Two Model Rules applicable immediately - The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. The Group has reviewed the amendment and based on its evaluation has determined that it does not have any impact in its consolidated financial statements.

Amendments issued but not yet effective.

The Ministry of Corporate Affairs (MCA) amended the Companies (Indian Accounting Standards) Rules, 2015, introduced changes to Ind AS 1 – Presentation of Financial Statements, effective from 01 April 2026. These amendments provide guidance when an entity breaches any covenant of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand, it classifies the liability as current, even if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach. An entity classifies the liability as current because, at the end of the reporting period, it does not have the right to defer its settlement for at least 12 months after that date. However, an entity classifies the liability as non-current if the lender agreed by the end of the reporting period to provide a period of grace ending at least 12 months after the reporting period, within which the entity can rectify the breach and during which the lender cannot demand immediate repayment. This amendment is to be applied retrospectively for annual reporting periods beginning on or after 1 April 2026, in accordance with Ind AS 8, Accounting Policies, accounting Estimates and Errors.

The Group has considered these amendments and expects that there will be no impact in its consolidated financial statements.

Notes to the consolidated financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

5 Property, plant and equipment, capital work-in-progress, investment property, intangible assets and intangible assets under development

5A Property plant and equipment

Particulars	Gross carrying values					Accumulated Depreciation				Net carrying values
	As at 01 April 2025	Additions	Disposals	Reclassification to non current assets held for sale (refer note 7)	As at 31 March 2026	As at 01 April 2025	Charge for the year	Adjustment upon disposals	As at 31 March 2026	As at 31 March 2026
Property, plant and equipment										
Land*	122.04	–	–	10.19	111.85	1.88	0.43	–	2.31	109.54
Buildings**	207.23	16.23	–	–	223.46	61.27	7.49	–	68.76	154.70
Furniture and fixtures	4.12	1.80	–	–	5.92	3.28	0.15	–	3.43	2.49
Plant and equipment***	1,180.67	161.82	10.48	–	1,332.01	471.59	50.44	5.08	516.95	815.06
Dies and moulds	171.29	31.49	0.01	–	202.77	85.37	36.55	0.01	121.91	80.86
Vehicles	16.90	2.03	–	–	18.93	9.80	2.33	0.33	11.80	7.13
Office equipment	17.68	0.42	0.46	–	17.64	9.45	0.33	–	9.78	7.86
Total	**1,719.93**	**213.79**	**10.95**	**10.19**	**1,912.58**	**642.64**	**97.72**	**5.42**	**734.94**	**1,177.64**

Particulars	Gross carrying values					Accumulated Depreciation				Net carrying values
	As at 01 April 2024	Additions	Disposals	Reclassification to non current assets held for sale (refer note 7)	As at 31 March 2025	As at 01 April 2024	Charge for the year	Adjustment upon disposals	As at 31 March 2025	As at 31 March 2025
Property, plant and equipment										
Land*	116.43	22.47	16.87	–	122.04	1.61	0.28	–	1.88	120.15
Buildings**	205.88	1.36	0.01	–	207.23	53.41	7.87	0.01	61.27	145.96
Furniture and fixtures	4.13	0.02	0.04	–	4.12	3.07	0.22	0.01	3.28	0.83
Plant and equipment***	1,102.21	89.92	11.46	–	1,180.67	410.06	67.45	5.92	471.59	709.07
Dies and moulds	139.99	34.33	3.03	–	171.29	66.24	20.56	1.43	85.37	85.92
Vehicles	17.58	2.51	3.19	–	16.90	9.92	2.46	2.58	9.80	7.10
Office equipment	17.09	0.63	0.04	–	17.68	8.91	0.56	0.03	9.45	8.25
Total	1,603.31	151.24	34.63	–	1,719.93	553.22	99.40	9.98	642.64	1,077.29

* Includes gross block of right of use asset amounting to ₹ 43.21 crores (31 March 2025 : ₹ 43.21 crores) with net block of ₹ 39.76 crores (31 March 2025 : ₹ 40.19) as at the reporting date, refer note 47.

** Includes gross block of right of use asset amounting to ₹ 12.21 crores (31 March 2025 : ₹ 11.73 crores) with net block of ₹ 5.67 crores (31 March 2025 ₹ 6.01 crores) as at the reporting date, refer note 47.

*** Includes gross block of right of use asset amounting to ₹ 32.7 crores (31 March 2025 : ₹ 46.41 crores) with net block of ₹ 22.74 crores (31 March 2025 : ₹ 37.84 crores) as at the reporting date, refer note 47.

Notes to the consolidated financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

5.1 Title deeds of Immovable Property not held in the name of the company

Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter / director	Property held since which date	Reason for not being held in the name of the company
As at 31 March 2026						
Property, plant and equipment	Freehold Land, Building Bawal, Haryana.	14.41	RASA Autocom Limited	No	6-Jun-11	RASA Autocom Limited was merged with the Company. The Company is in the process of transferring the title deed in its own name.
Property, plant and equipment	Freehold land, Manesar, Haryana	60.01	Rico Castings Limited	No	22-Mar-07	RICO Castings Limited was merged with the subsidiary company i.e. Rico Jinfei Wheels Limited. The Company is in the process of transferring the title deed in its own name.
Property, plant and equipment	Leasehold Property	8.34	Rico Castings Limited	No	16-Jan-20	Rico Fluidtronics Limited was merged with the subsidiary company i.e. Rico Jinfei Wheels Limited. The Company is in the process of transferring the lease deed in its own name.
Property, plant and equipment	Leasehold Property	0.81	Rico Castings Limited	No	20-Sep-23	Rico Fluidtronics Limited was merged with the subsidiary company i.e. Rico Jinfei Wheels Limited. The Company is in the process of transferring the lease deed in its own name.

Notes to the consolidated financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

Relevant line item in the Balance Sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/ director or employee of promoter / director	Property held since which date	Reason for not being held in the name of the company
As at 31 March 2025						
Property, plant and equipment	Freehold land, Bawal, Haryana	14.41	RASA Autocom Limited	No	6-Jun-11	RASA Autocom Limited was merged with the Company. The Company is in the process of transferring the title deed in its own name.
Property, plant and equipment	Freehold Land, Building Manesar, Gurgaon, Haryana.	60.01	Rico Castings Limited	No	22-Mar-07	RICO Castings Limited was merged with the subsidiary company i.e. Rico Jinfei Wheels Limited. The Company is in the process of transferring the title deed in its own name.
Property, plant and equipment	Leasehold Property	8.34	Rico Castings Limited	No	16-Jan-20	Rico Fluidtronics Limited was merged with the subsidiary company i.e. Rico Jinfei Wheels Limited. The Company is in the process of transferring the lease deed in its own name.
Property, plant and equipment	Leasehold Property	0.81	Rico Castings Limited	No	20-Sep-23	Rico Fluidtronics Limited was merged with the subsidiary company i.e. Rico Jinfei Wheels Limited. The Company is in the process of transferring the lease deed in its own name.

5.2 For commitments with respect to property, plant and equipment, refer note 40.

5B Capital work–in–progress

Particulars	As at 31 March 2026	As at 31 March 2025
As at the beginning of the year	**108.70**	81.76
Additions	**158.17**	89.41
Transfers to property, plant and equipment	**(105.12)**	(62.47)
As at the end of the year	**161.75**	**108.70**

Asset under construction

Capital work in progress as at 31 March 2026, 31 March 2025 comprises expenditure incurred mainly for building in the course of construction and plant and machinery and dies.

The Group accounts for capitalization of property, plant and equipment to the extent applicable through capital work in progress and therefore the movement in capital work-in-progress is the difference between closing and opening balance of capital work-in-progress as adjusted in additions to property, plant and equipment.

Notes to the consolidated financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

i. The capital work-in-progress ageing schedule as at 31 March 2026 and 31 March 2025 is as follows :

As at 31 March 2026

CWIP	Less than 1 Year	1–2 years	2–3 years	More than 3 years	Total
Projects in progress	**156.61**	**5.14**	**–**	**–**	**161.75**
Projects temporarily suspended	**–**	**–**	**–**	**–**	**–**

As at 31 March 2025

CWIP	Less than 1 Year	1–2 years	2–3 years	More than 3 years	Total
Projects in progress	64.31	33.16	11.23	–	108.70
Projects temporarily suspended	–	–	–	–	–

There are no projects as at each reporting year where activity had been suspended. Also there are no projects as at the end of reporting period which has exceeded cost as compared to its original plan or where completion is overdue.

5C Investment property

TThe group has leased out its land and building for the purpose of earning rental incomes. Therefore, as at reporting date, the Group earns rental income from land and building, hence as per Ind AS 40 – "Investment Property", land and building has been classified as investment property. The Group has no restrictions on the realisability of its investment property. The notes set out the disclosure relating to investment property as per the requirement of Ind AS 40 - "Investment Property".

Particulars	**Gross carrying values**				**Accumulated depreciation**				**Net carrying values**
	As at 01 April 2025	**Additions**	**Disposals**	**As at 31 March 2026**	As at 01 April 2025	**Charge for the year**	**Adjustment upon disposals**	**As at 31 March 2026**	**As at 31 March 2026**
Land	6.82	**–**	**–**	**6.82**	–	**–**	**–**	**–**	**6.82**
Buildings	8.48	**–**	**–**	**8.48**	2.20	**0.26**	**–**	**2.46**	**6.02**
Total	15.30	**–**	**–**	**15.30**	2.20	**0.26**	**–**	**2.46**	**12.84**

Particulars	**Gross carrying values**				**Accumulated depreciation**				**Net carrying values**
	As at April 01 2024	**Additions**	**Disposals**	As at 31 March 2025	As at 01 April 2024	**Charge for the year**	**Adjustment upon disposals**	As at 31 March 2025	As at 31 March 2025
Land	6.82	–	–	6.82	–	–	–	–	6.82
Buildings	8.48	–	–	8.48	1.94	0.26	–	2.20	6.28
Total	15.30	–	–	15.30	1.94	0.26	–	2.20	13.10

Notes to the consolidated financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

i. Amount recognised in consolidated statement of profit and loss for investment property

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Rental income from Investment property	**0.68**	0.68
Profit from investment property before depreciation	**0.68**	0.68
Depreciation during the year	**0.26**	0.26
Profit from investment property	**0.42**	0.42

ii. Fair Value

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Investment property	**80.72**	42.79

As at 31 March 2026 and 31 March 2025, the fair values of the investment properties are ₹ 80.72 crores and ₹ 42.79 crores respectively in total from land and building. The Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment properties

iii. Estimation of Fair Value

Fair value of Investment property is based on market approach. While applying the market approach, consideration has been given to circle rates issued by relevant regulatory authorities. With respect to the investment property at the beginning of current year, the circle rate has been increased from ₹ 20,475 per sq. mt. to ₹ 31,950 per sq. mt.

iv. Description of valuation techniques used and key inputs for valuation on investment properties:

Particulars	Valuation technique
Land and building situated on Plot No 22, Sector 05, HSIIDC Phase-II, Bawal, Haryana ₹ 31,950 per sq. mt. after considering the location, shape & size and local enquiries, the market rate has been considered. Land area - 20,475 Sq. mt. Land value - ₹ : 65.42 crores Building value- ₹ : 15.30 crores	Market value

Notes to the consolidated financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

5D Intangible assets

Particulars	Gross carrying values				Accumulated amortisation				Net carrying values
	As at 01 April 2025	Additions	Disposals	As at 31 March 2026	As at 01 April 2025	Charge for the year	Adjustment upon deletion	As at 31 March 2026	As at 31March 2026
Product development	9.50	**8.68**	**–**	**18.18**	5.11	**1.68**	**–**	**6.79**	**11.39**
Software	0.41	**5.22**	**–**	**5.63**	0.41	**1.04**	**–**	**1.45**	**4.18**
Total Intangible assets	9.91	**13.90**	**–**	**23.81**	5.52	**2.72**	**–**	**8.24**	**15.57**

Particulars	Gross carrying values				Accumulated amortisation				Net carrying values
	As at 01 April 2024	Additions	Disposals	As at 31 March 2025	As at 01 April 2024	Charge for the year	Adjustment upon deletion	As at 31 March 2025	As at 31 March 2025
Product development	9.50	–	–	9.50	3.21	1.90	–	5.11	4.39
Software	0.41	–	–	0.41	0.41	–	–	0.41	–
Total Intangible assets	9.91	–	–	9.91	3.62	1.90	–	5.52	4.39

5E Intangible assets under development

Particulars	As at 31 March 2026	As at 31March 2025
As at the beginning of the year	**15.58**	6.94
Additions	**5.96**	8.64
Transfers to intangible assets	**(10.41)**	–
As at the end of the year	**11.13**	15.58

Notes to the consolidated financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

The intangible assets under development ageing schedule as at 31 March 2026 and 31 March 2025 is as follows :

As at 31 March 2026

Intangible assets under development	**Less than 1 Year**	**1–2 years**	**2–3 years**	**More than 3 years**	**Total**
Projects in progress	**6.59**	**2.87**	**1.18**	**0.49**	**11.13**

As at 31 March 2025

Intangible assets under development	Less than 1 Year	1–2 years	2–3 years	More than 3 years	Total
Projects in progress	8.64	2.68	1.58	2.68	15.58

There are no projects as at each reporting period where activity had been suspended. Also there are no projects as at the reporting period which has exceeded cost as compared to its original plan or where completion is overdue

F Borrowing costs capitalized/transferred to capital work in progress during the year amounts to ₹ 5.67 crores (previous year ₹ 3.54 crores) and the capitalisation rate used to determine the amount of borrowing costs to be capitalised is the weighted average interest rate applicable to the Group's borrowings during the year, in this case 8.50% (previous year 9.00%)

G (i) For details regarding charge on property, plant and equipment - refer note 19A and 19B

(ii) The Group has not revalued its property, plant and equipment during the year.

(iii) The Group does not have any benami property and no proceedings have been initiated or pending against the Group for holding any benami property, under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the rules made thereunder.

Notes to the consolidated financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

	Particulars	As at 31 March 2026	As at 31 March 2025
	NON–CURRENT ASSETS		
6	**Investments**		
	Investments at cost		
	Investments - others		
	Investment in equity instruments at FVTPL - unquoted		
	Rico Care Foundation (Sec 8 Company)	**0.05**	0.05
	29,900 equity shares of ₹10/- each (31 March 2025: 29,900 equity shares of ₹10/- each)		
	Aggregated book value and fair value of investments in un-quoted equity instruments at FVTPL (A)	**0.05**	0.05
	Investment in equity instruments at amortised cost - unquoted		
	Roop Ram Industries Private Limited	**2.44**	2.44
	24,34,640 equity shares of ₹10/- each (31 March 2025: 24,34,640 equity shares of ₹10/- each)		
	Dalavaipuram Renewables Private Limited	**3.12**	1.85
	31,27,424 equity shares of ₹10/- each (31 March 2025: 18,51,967 equity shares of ₹10/- each)		
	Boond Renewable Energy Private Ltd	**0.34**	–
	3,39,479 equity Shares @ Rs.10/- each (31 March 2025: Nil)		
	Aggregated book value and fair value of investments in un-quoted equity instruments at amortised cost (B)	**5.90**	4.29
	Non current investments	**5.95**	4.34
	Less: Impairment allowance on equity investments	**–**	–
	Total Non-current investments		
	**The Holding Company holds more than 20% in the companies calssified as investment in equity instruments at amortised cost - unquoted. However, the Holding Company does not exercise significant influence or control on decisions of the investees. Hence, they are not being construed as associate companies		
7	**Non-current asset held for sale**		
	Land (reclassification from Property, Plant and Equipments)	**10.19**	0.00
		10.19	0.00
	During the year ended 31 March 2026,the Holding Company entered into an agreement for the sale of its entire land parcel situated at Industrial Park, Village Bawli Kalanjari, Pargana and Tehsil Roorkee, District Haridwar, Uttarakhand. Accordingly, land is presented as a non-current asset held for sale. The Holding Company is expecting to consummate the transaction within next 12 months. These assets are being measured at the lower of its carrying amount and fair value less costs to sell. No impairment has been recognised during year ended March 31, 2026.		
8	**Other financial assets**		
	(unsecured, considered good)		
	Other financial assets carried at amortised cost		
	Bank deposits with more than 12 months maturity	**0.29**	–
	Security deposits	**19.00**	18.99
		19.29	18.99
9	**Other non-current assets (unsecured, considered good)**		
	Capital advances	**19.11**	2.87
	Contract costs (refer note 45)	**1.16**	1.11
	Prepaid expenses	**0.71**	0.62
		20.98	4.60
	CURRENT ASSESTS		
10	**Inventories**		
	(valued at lower of cost or net realisable value)		
	Raw materials (includes goods in transit of ₹ 0.16 (31 March 2025: ₹ 0.99)	**65.05**	49.74
	Work-in-progress	**59.37**	46.77
	Finished goods (includes goods in transit of ₹ 14.28 (31 March 2025: ₹ 18.67)	**102.13**	148.49
	Stores and spares	**55.81**	63.05
	Total	**282.36**	308.05

Notes to the consolidated financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

	Particulars	As at 31 March 2026	As at 31 March 2025
	i) The Company has provided for provision for inventories on raw materials and store and spares of INR 0.45 crores (31 March 2025: INR 0.45 crores) for the year ended 31 March 2026.		
	ii) The write-down of inventories to net realisable value during the year amounted to INR 0.17 crores (31 March 2025: INR 0.34 crores). The write-down is included in changes in inventories of finished goods.		
	iii) Refer note 39D for information on assets charged as security by the Company.		
11	**Trade receivables**		
	Trade Receivables (Refer note 49 for ageing schedule)	**353.80**	371.68
	Total	**353.80**	371.68
	Unsecured, considered good	**352.44**	370.32
	Trade receivables – credit impaired	**1.36**	1.36
		353.80	371.68
	Less: Allowances for credit loss	**(1.36)**	(1.36)
	Total	**352.44**	370.32
	For amount due from related parties and terms and conidtions, refer note 53.		
	No trade receivables are due from directors or officers of the Company either seperately or jointly with any other person.		
	The trade receivables are non-interest bearing and generally on terms of 30 - 90 days.		
	Transfer of Trade Receivables The Holding Company and a subsidiary company sold with recourse trade receivables to a bank for cash proceeds. These trade receivables have not been derecognised from the balance sheet, because the Holding Company and a subsidiary company retains substantially all of the risks and rewards – primarily credit risk. The amount received on transfer has been recognised as a unsecured bank loan (see Note 19B). The arrangement with the bank is such that the customers remit cash directly to the respective Company and the respective Company transfers the collected amounts to the bank.		
	The receivables are held within a held-to-collect business model consistent with the respective Company's continuing recognition of the receivables.		
	The following information shows the carrying amount of trade receivables at the reporting date that have been transferred but have not been derecognised and the associated liabilities:		

	Particulars	As at 31 March 2026	As at 31 March 2025
	Carrying amount of trade receivables transferred to the bank	**13.51**	79.64
	Carrying amount of associated liabilities	**12.84**	75.61
	*For explanations on group's market and credit risk management processes, refer note 39.		
12	**Cash and cash equivalents**		
	Cash on hand	**0.27**	0.08
	Balances with banks		
	On current accounts	**12.50**	8.62
	Total	**12.77**	10.46
13	**Bank balances other than cash and cash equivalents**		
	Unpaid dividend accounts*	**0.29**	0.36
	Bank deposits with original maturity of more than 3 months and remaining maturity of less than 12 months	**2.57**	9.08
	Total	**2.86**	9.44
	* These balances are not available for use by the company and has been kept in escrow accounts for unclaimed dividends.		
	CURRENT ASSESTS		
14	**Loans (unsecured, considered good)**		
	Loans to employees	**1.51**	1.44
	Total	**1.51**	1.44
	(i) The Group has no loans and advances which are either repayable on demand or are without specifying any terms or period of repayment.		
	(ii) No loans or advances are due by directors or other officers of the Company or any of them either severally or jointly with any other person. Further, no loans or advances are due by firms or private companies in which any director is a partner, a director or a member.		

Notes to the consolidated financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

	Particulars	As at 31 March 2026	As at 31 March 2025
15	**Other financial assets**		
	(unsecured, considered good)		
	Other financial assets carried at amortised cost		
	Interest receivable	**0.67**	0.98
	Export incentive receivable	**1.77**	0.13
	Derivative asset measured at fair value (refer note 37)	**0.04**	–
	Others	**3.54**	2.82
	Total	**6.02**	3.93
16	**Other current assets (unsecured, considered good)**		
	Advances to suppliers	**13.18**	5.24
	Prepaid expenses	**4.68**	6.59
	Balance with government authorities	**16.28**	8.50
	Contract costs (refer note 45)	**–**	3.54
	Others	**3.19**	3.18
		37.33	27.05
	EQUITY AND LIABILITIES		
17	**Equity share capital**		
	a) Authorised		
	490,000,000 equity shares of 1/- each, 216,000,000 equity shares of 10/- each (31 March 2025: 490,000,000 equity shares of 1/- each, 216,000,000 equity shares of 10/- each)	**265.00**	265.00
	5,000,000 redeemable preference shares of ₹ 10/- each (March 31, 2025: 5,000,000 redeemable preference shares of ₹ 10/- each)	**5.00**	5.00
	b) Issued, subscribed and paid–up		
	135,285,000 equity shares of ₹ 1/- each fully paid up (31 March 2025: 135,285,000 equity shares of ₹ 1/- each)	**13.53**	13.53
		13.53	13.53

c) Reconciliation of number of equity shares outstanding

Particulars	Year ended 31 March 2026		Year ended 31 March 2025	
	Amount	**No. of shares**	Amount	No. of shares
At the beginning of the year	**13.53**	**135,285,000**	13.53	135,285,000
Movement during the year	**–**	**–**	–	–
Outstanding at the end of the year	**13.53**	**135,285,000**	13.53	135,285,000

Rights, preferences and restrictions attached to equity shares

The Holding company has one class of equity shares having par value of INR 1 per share (31 March 2024: INR 1 per share). Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend which is paid as and when declared by the Board of Directors All the existing equity shares rank pari passu in all respects including but not limited to dividends and shares in the company's residual assets on winding up.

The Holding Company has paid final dividend of INR 0.50 and INR 0.60 per equity share of face value INR 1 each, in current year and previous year respectively.

The Board of Directors at its Meeting held on 29 May 2026, has recommended a final dividend @ 55% i.e. INR 0.55 per equity share. The dates of the book closure for the entitlement of such final dividend and Annual General Meeting shall be decided and informed in due course of time.

In the event of liquidation of the Company, the share holders of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the share holders.

Notes to the consolidated financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, unless otherwise stated)

d) Details of shareholders holding more than 5% equity shares in the Holding Company

Name of shareholder	As at 31 March 2026		As at 31March 2025	
	% of holding	No of shares	% of holding	No of shares
ASN Manufacturing and Services Private Limited	**15.40**	**2,08,38,321**	15.40	2,08,38,321
Mr. Arvind Kapur	**10.44**	**1,41,18,043**	10.44	1,41,18,043
Mr. Arun Kapur	**6.48**	**87,70,849**	6.48	87,70,849
Meraki Manufacturing and Finvest Advisors Private Limited	**8.72**	**1,17,90,841**	8.72	1,17,90,841
Higain Investments Private Limited	**5.60**	**75,80,628**	5.60	75,80,628

As per records of the holding company, including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest,the above shareholding represents both legal and beneficial ownerships of shares.

e) Details of shareholding of promoters

Promoter name	As at 31 March 2026			As at March 31 2025		
	No of shares	% holding	% of change during the year	No of shares	% holding	% of change during the year
Mr. Arvind Kapur	**1,41,18,043**	**10.44%**	**–**	1,41,18,043	10.44%	–
Mr. Arun Kapur	**87,70,849**	**6.48%**	**–**	87,70,849	6.48%	–
Mrs. Upasna Kapur	**34,53,384**	**2.55%**	**–**	34,53,384	2.55%	–
Mrs. Ritu Kapur	**7,33,140**	**0.54%**	**–**	7,33,140	0.54%	–
Ms. Nyla Kapur	**3,83,440**	**0.28%**	**–**	3,83,440	0.28%	–
Mr. Samarth Kapur	**1,94,800**	**0.14%**	**–**	1,94,800	0.14%	–
Mrs. Shivani Kapur	**1,49,800**	**0.11%**	**–**	1,49,800	0.11%	–
Mrs. Romilla Bahl	**79,000**	**0.06%**	**–**	79,000	0.06%	–
Mrs. Promila Sikka	**4,000**	**0.00%**		4,000	0.00%	
ASN Manufacturing and Services Private Limited	**2,08,38,321**	**15.40%**	**–**	2,08,38,321	15.40%	–
Meraki Manufacturing and Finvest Advisors Private Limited	**1,17,90,841**	**8.72%**	**–**	1,17,90,841	8.72%	–
Higain Investments Private Limited	**75,80,628**	**5.60%**	**–**	75,80,628	5.60%	–
Total	**6,80,96,246**	**50.34%**	**–**	6,80,96,246	50.34%	–

f) The Holding Company has not issued bonus shares, equity shares issued for considerations other than cash and also no shares has been bought back during the period of five years immediately preceeding 31 March 2026.

	Particulars	As at 31 March 2026	As at 31 March 2025
18	**Other equity**		
	Capital redemption reserve		
	Opening balance	**2.00**	2.00
	Changes during the year	**–**	–
	Closing balance	**2.00**	2.00
	Capital reserve		
	Opening balance	**14.49**	14.49
	Changes during the year	**–**	–
	Closing balance	**14.49**	14.49
	Securities premium		
	Opening balance	**145.04**	145.04
	Changes during the year	**–**	–
	Closing balance	**145.04**	145.04
	General reserve		
	Opening balance	**99.70**	99.70
	Changes during the year	**–**	–
	Closing balance	**99.70**	99.70

Notes to the consolidated financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

Particulars	As at 31 March 2026	As at 31 March 2025
Foreign currency transalation reserve		
Opening balance	**10.17**	9.12
Changes during the year	**5.40**	1.05
Closing balance	**15.57**	10.17
Retained earnings		
Opening balance	**444.99**	436.16
Add : Profit for the year	**50.51**	21.41
Other Comprehensive Income for the period	**0.62**	(4.46)
Less : Dividend on equity shares (Final)	**(7.06)**	(8.12)
Closing balance	**489.06**	444.99
Total	**765.86**	716.39

Description of reserves

a Capital reserve
Capital Reserve represents amount created on acquistion of business pursuant to Composite Scheme of Arrangment and Amalgamation.

b Capital redemption reserve
The same has been created on redemption of share capital and shall be utilised in accordance with provision of the Act.

c Securities premium
Securities premium reserve is used to record the premium on issue of shares. The reserve will be utilised in accordance with provisions of the Act.

d General reserve
General Reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes

e Retained earnings
Retained earnings are the accumulated profits earned by the company till date, as adjusted for distribution to owners

NON–CURRENTS LIABILITIES

19	**Borrowings***		
	Secured, at amortised cost		
	Term loan		
	From banks		
	Foreign currency loans	**4.51**	50.84
	Rupee loans	**293.77**	173.28
	From Financial institutions		
	Rupee loans	**207.97**	191.02
	Vehicle loans		
	From financial institutions	**0.05**	0.30
	From banks	**2.90**	2.66
	Unsecured loan, at amortized cost		
	Term loan from bank		
	Rupeee loans	**21.86**	30.63
	From related party (refer note 53)	**–**	6.89
		531.06	455.61
	Less: Amount clubbed under "Current borrowings" (Current maturities of long term borrowings)	**125.03**	123.30
	Aggregate secured borrowings	**406.03**	332.32

***Also, refer Note 19 (A) and 19 (B)**

Notes to the consolidated financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

	Particulars	As at 31 March 2026	As at 31 March 2025
19A	**Security Details – non–current secured loans**		
1	Buyer's credit facility from Yes Bank Limited is secured by first pari passu charge (unless specifically charged) of all movable fixed assets of the Holding Company (both present and future) and mortgage by way of deposit of title deeds of certain immovable properties of the Holding Company situated at Dharuhera and Gurugram. Loan carries interest @ Jpybor + 0.75% to 0.95% per annum (previous year Jpybor + 0.95% per annum).	**4.51**	5.32
2	Buyer's credit facility from Indusind Bank Limited carries interest @Euribor + 0.50% per annum (previous year Euribor + 0.50% per annum) and is repayable against disbursement of term loan which is repayable in 12-15 quarterly installments. The facility is secured by first pari passu charge on machinery etc purchased against the facility and mortgage by way of deposit of title deeds of certain immovable properties of the Holding Company situated at Chennai and Pathredi.	**–**	45.52
3	Rupee term loan from Yes Bank Limited carries interest @ 8.17% to 9.25% per annum (previous year @ 9.20% to 9.25% per annum) and is repayable in 20 equal quarterly installments. The term loan is secured by first pari passu charge (unless specifically charged) of all movable fixed assets of the Holding Company (both present and future) and mortgage by way of deposit of title deeds of certain immovable properties of the Holding Company situated at Dharuhera and Gurugram.	**10.05**	12.73
4	The Holding Company has converted rupee term loan in euro, a cross currency swap from Kotak Mahindra Bank Limited, carries interest @ 3.05% per annum on euro notional (previous year 3.05 % per annum) and is repayable in 16 equal quarterly installments after moratorium of 12 quarters starting December 2021. The term loan is secured by first pari passu charge (unless specifically charged) of all movable fixed assets of the Holding Company (both present and future) and mortgage by way of deposit of title deeds of certain immovable properties of the Holding Company situated at Dharuhera and Gurugram.	**–**	4.05
5	Rupee term loan from HDFC Bank Limited carries interest @ 7.75% to 8.75% per annum (previous year 9.00% to 10.75% per annum) and is repayable in 20 equal quarterly installments after moratorium of 4 quarters starting Jauary 2022. The term loan is secured by first pari passu charge (unless specifically charged) of all movable fixed assets of the Holding Company (both present and future) and mortgage by way of deposit of title deeds of certain immovable properties of the Holding Company situated at Dharuhera and Gurugram.	**3.75**	8.75
6	Rupee term loan from Axis Bank Limited carries interest @ 9.80% to 10.20% per annum (previous year 10.00% to 10.20% per annum) and is repayable in 12 quarterly installments after moratorium of 8 quarters starting Sep 2024. The term loan is secured by first pari passu charge (unless specifically charged) of all movable fixed assets of the Holding Company (both present and future) and mortgage by way of deposit of title deeds of certain immovable properties of the Holding Company situated at Dharuhera and Gurugram.	**7.01**	14.06
7	Rupee term loan from Karnataka Bank carries interest @ 8.19% to 9.30% per annum (previous year 9.30% to 10.30% per annum) and is repayable in 24 quarterly installments after moratorium of 5 quarters starting from Sep 2023. The term loan is secured by the first pari passu charge on machinery etc purchased against the facility and mortgage by way of deposit of title deeds of certain immovable properties of the Holding Company situated at Chennai and Pathredi.	**51.00**	57.95
8	Rupee Working Capital term loan from ICICI Bank carries interest rate @ 8.45% to 9.00% per annum (previous year 9.00% per annum) and is repayable in 12 equal quarterly installments starting from May, 2024. The term loan is secured by first pari passu charge (unless specifically charged) of all movable fixed assets of the Holding Company (both present and future) and mortgage by way of deposit of title deeds of certain immovable properties of the Holding Company situated at Dharuhera and Gurugram.	**5.00**	10.00
9	Rupee term loan from ICICI Bank carries interest rate @ 8.45% to 9.00% per annum (previous year 9.00% per annum) and is repayable in 18 equal quarterly installments after moratorium of 3 quarters starting December,2024. The term loan is secured by first pari passu charge (unless specifically charged) by way of hypothecation on all the movable fixed assets of the Holding Company (both present and future) and mortgage by way of deposit of title deeds of certain immovable properties of the Holding Company situated at Dharuhera and Gurugram.	**13.33**	17.78

Notes to the consolidated financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

	Particulars	As at 31 March 2026	As at 31 March 2025
10	Rupee working capital term loan (ECLGS) from HDFC Bank Limited carries interest @ 9.00% per annum (previous year 9.00% per annum) and is repayable in 48 equal monthly installments after moratorium of 24 months starting April,2025. The term loan is secured by second pari passu charge (unless specifically charged) of all movable fixed assets of the Holding Company (both present and future), second pari passu charge on mortgage by way of deposit of title deeds of certain immovable properties of the Holding Company situated at Dharuhera and Gurugram and second pari passu charge on all the current assets of the Holding Company including all types of stocks and book debts / receivables (both present and future).	**9.00**	12.00
11	Rupee working capital term loan (ECLGS) from Yes Bank Limited carries interest @ 9.25% per annum (previous year 9.25% per annum) and is repayable in 48 equal monthly installments after moratorium of 12 months starting April 2022. The term loan is secured by second pari passu charge (unless specifically charged) of all movable fixed assets of the Holding Company (both present and future), second pari passu charge on mortgage by way of deposit of title deeds of certain immovable properties of the Holding Company situated at Dharuhera and Gurugram and second pari passu charge on all the current assets of the Holding Company including all types of stocks and book debts / receivables (both present and future).	**–**	4.25
12	Rupee working capital term loan (ECLGS) from Kotak Mahindra Bank Limited carries interest @ 8.65% to 9.25% per annum (previous year 9.20% to 9.25% per annum) and is repayable in 48 monthly installments after moratorium of 12 months starting February 2022. The term loan is secured by second pari passu charge (unless specifically charged) of all movable fixed assets of the Holding Company (both present and future), second pari passu charge on mortgage by way of deposit of title deeds of certain immovable properties of the Holding Company situated at Dharuhera and Gurugram and second pari passu charge on all the current assets of the Holding Company including all types of stocks and book debts / receivables (both present and future).	**–**	7.44
13	Rupee working capital term loan (ECLGS) from Axis Bank Limited carries interest @ 9.25% per annum (previous year 9.20% to 9.25% per annum) and is repayable in 48 equal monthly installments after moratorium of 24 months starting February,2024. The term loan is secured by second pari passu charge (unless specifically charged) of all movable fixed assets of the Holding Company (both present and future), second pari passu charge on mortgage by way of deposit of title deeds of certain immovable properties of the Holding Company situated at Dharuhera and Gurugram and second pari passu charge on all the current assets of the Holding Company including all types of stocks and book debts / receivables (both present and future).	**3.58**	5.82
14	Rupee working capital term loan (ECLGS) from State Bank of India carries interest @ 9.00% to 9.25% per annum (previous year 9.25% per annum) and is repayable in 48 equal monthly installments after moratorium of 24 months starting January,2024. The term loan is secured by second pari passu charge on all the current assets of the Holding Company including all types of stocks and book debts / receivables (both present and future).	**3.90**	6.03
15	Rupee term loan from HDFC Bank Limited carries interest @ 7.58% to 8.55% per annum (previous year 8.71% to 9.00% per annum) and is repayable in 7 quarterly installments starting August 2024. The term loan is secured by first pari passu charge (unless specifically charged) of all movable fixed assets of the Holding Company (both present and future) and mortgage by way of deposit of title deeds of certain immovable properties of the Holding Company situated at Dharuhera and Gurugram.	**–**	4.85
16	Rupee term loan from HDFC Bank Limited carries interest @ 8.25% to 9.00% per annum and is repayable in 20 quarterly installments after moratorium of 12 months starting from July 2026. The term loan is secured by first pari passu charge (unless specifically charged) of all movable fixed assets of the Holding Company (both present and future) and mortgage by way of deposit of title deeds of certain immovable properties of the Holding Company situated at Dharuhera and Gurugram.	**27.99**	–
17	Rupee term loan from ICICI Bank Limited carries interest @ 9.38% per annum and is repayable in 18 quarterly installments starting from August 2025. The term loan is secured by the first pari passu charge on machinery etc purchased against the facility and mortgage by way of deposit of title deeds of certain immovable properties of the Holding Company situated at Chennai and Pathredi.	**46.20**	–
18	Rupee term loan from HDFC Bank Limited carries interest @ 8.11% to 8.36% per annum and is repayable in 24 quarterly installments after moratorium period of 12 months starting November 2026. The term loan is secured by exclusive charge on machinery etc purchased against the facility and mortgage by way of deposit of title deeds of certain immovable properties of the Holding Company situated at Hosur.	**82.17**	–

Notes to the consolidated financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

	Particulars	As at 31 March 2026	As at 31 March 2025
19	Rupee term loan from Shinhan Bank Limited carries interest @ 7.60% per annum and is repayable in 20 quarterly installments from May 2026. The term loan is secured by first pari passu charge (unless specifically charged) of all movable fixed assets of the Holding Company.	**25.00**	–
20	Rupee term loan from Bajaj Finance Limited carries interest @ 8.60% to 9.00% per annum (previous year @ 9.00% per annum) and is repayable in 60 Monthly installments after moratorium of 12 months starting February 2026. The term loan is secured by first pari passu charge (unless specifically charged) of all movable fixed assets of the Holding Company (both present and future) and mortgage by way of deposit of title deeds of certain immovable properties of the Holding Company situated at Dharuhera and Gurugram.	**72.50**	75.00
21	Rupee working capital term loan from Axis Finance Limited carries interest @ 9.75% to 10.10% per annum (previous year 9.90% to 10.10% per annum) and is repayable in 18 quarterly installments after moratorium of 12 months starting from December 2023. The term loan is secured by first pari passu charge (unless specifically charged) of all movable fixed assets of the Holding Company.	**33.33**	50.00
22	Rupee term loan from Bajaj Finance Limited carries interest @ 8.65% to 9.00% per annum and is repayable in 60 Monthly installments after moratorium of 12 months starting July 2026. The term loan is secured by first pari passu charge (unless specifically charged) of all movable fixed assets of the Holding Company (both present and future) and mortgage by way of deposit of title deeds of certain immovable properties of the Holding Company situated at Dharuhera and Gurugram.	**50.00**	–
23	Vehicle loans are secured by hypothecation of vehicles financed and are repayable in monthly instalments ranging from 47-60 carrying interest @ 7.20% to 8.80% per annum (Previous year 7.20% to 8.80% per annum).	**2.94**	2.96
24	Rupee term loan from Axis Finance Limited carries interest @ 9.90% to 10.20% per annum (previous year 10.00% to 10.20% per annum) and is repayable in 24 equal quarterly installments starting December-2023. The term loan is secured by first Pari passu charge on the moveable fixed assets, mortgage over immovable properties at Manesar plant and Bawal Plant of the Holding Company and first pari passu charge on current assets.	**30.03**	38.02
25	Rupee term loan from Axis Finance Limited carries interest @ 9.90% to 10.45% per annum (previous year 10.25 to 10.45% per annum) and is repayable in 19 equal quarterly installments starting May-2025. The term loan is secured by first Pari passu charge on the moveable fixed assets, mortgage over immovable properties at Bawal Plant of the Holding Company and first pari passu charge on current assets.	**22.11**	28.00
26	Rupee term loan from ICICI Bank carries interest rate @ 7.75% to 9.00% per annum (previous year 9.00% per annum) and is repayable in 18 equal quarterly installments after moratorium of 2 quarters starting January'2025. The term loan is secured by exclusive charge (unless specifically charged) by way of hypothecation on all the movable fixed assets of the a Subsidiary Company (both present and future). This loan is fully repaid in FY 2025-26.	**–**	7.56
27	Rupee term loan from Federal Bank Limited carries interest @ 7.99% per annum and is repayable in 12 quarterly installments starting June-2026. The term loan is secured by first pari passu charge (unless specifically charged) of all movable fixed assets of the a Subsidiary Company (both present and future).	**5.78**	–
		509.20	418.09
19A1	**Security Details - non-current unsecured loans**		
1	Rupee working capital term loan from Shinhan Bank carries interest @ 7.20% to 8.20% per annum (previous year 8.20% to 8.45% per annum) and is repayable in 16 quarterly installments starting November 2024.	**21.86**	30.63
2	Loan from ASN Manufacturing and Services Pvt Ltd carries interest @ 10.00% per annum payable on quarterly rests (previous year 10.00% per annum) and is repayable in 10 equal quarterly installments. This loan is fully repaid in FY 2025-26.	**–**	4.72
		21.86	35.35
19B	**Security Details – current secured loans**		
	Current secured loans		
1	Working capital loans/facilities are secured against first pari passu charge on all the current assets of the Holding Company including all types of stocks and book debts / receivables (both present and future) carrying interest rate ranging from 6.42% to 10.60% per annum (previous year 5.60% to 10.25% per annum).	**139.75**	140.78

Notes to the consolidated financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

	Particulars	As at 31 March 2026	As at 31 March 2025
2	Working capital loans/facilities are secured against first pari passu charge on all the current assets of a Subsidiary Company including all types of stocks and book debts / receivables (both present and future) carrying interest rate ranging from 7.74% to 10.00% per annum (previous year 8.99% to 10.00% per annum)	**7.24**	1.00
		146.99	141.78
	Current Unsecured loans		
1	Working capital loans/facilities are secured against first pari passu charge on all the current assets of the Holding Company including all types of stocks and book debts / receivables (both present and future) carrying interest rate ranging from 6.42% to 10.60% per annum (previous year 5.60% to 10.25% per annum).	**–**	37.52
2	Working capital facility for sale bill discounting from various banks carries interest @ 7.74% to 8.92% per annum (previous year 8.50% to 8.92% per annum)	**12.84**	38.08
3	Working capital facility for purchase bill discounting from financial institution interest @ 9.60% per annum (previous year 9.60% per annum) - {TREDS}	**9.41**	–
4	Interest free short term loans from directors (refer related party note - 53)	**2.14**	2.14
		24.39	77.74
	Total borrowings	**702.44**	672.99
	Additonal disclosures:		
	1. The Group has utilised the borrowings for the purpose it was taken. 2. The quarterly returns/ statements of current assets filed with the banks/ financial institutions are in agreement with the books of accounts.		
20	**Provisions**		
	Provision for gratuity (refer note 42)	**24.80**	19.66
	Provision for compensated absences	**1.56**	1.64
	Provision for warranty* (refer note 25)	**0.31**	0.29
	Total	**26.67**	21.59
	CURRENT LIABILITIES		
21	**Borrowings**		
	Working capital loans		
	Secured, at amortised cost*		
	From banks		
	Working Capital Demand Loan from banks in INR	**–**	14.00
	Working capital rupee loans	**146.99**	127.78
	Rupeee loans	**146.99**	141.78
	TOTAL (A)	**146.99**	141.78
	Unsecured, at amortised cost		
	Bills discounting	**12.84**	75.61
	Loans from related parties	**2.14**	–
	Working capital rupee loans	**9.41**	–
	TOTAL (B)	**24.39**	75.61
	Current maturities of long-term borrowings (C)*	**125.03**	123.29
	Total (A+B+C)	**296.41**	340.67
	* **Refer note 19 (A) for security details and terms of repayment for non-current borrowings (including current maturities)** ** **Refer note 19 (B) for security details and terms of repayment for current borrowings**		
22	**Trade payables**		
	Payable to micro enterprises and small enterprises (Refer note 50)	**39.25**	33.33
	Payable to other than micro enterprises and small enterprises	**431.68**	398.78
	Total	**470.93**	432.11
	For amounts due to related parties, refer note 53 **Terms and conditions of the above financial liabilities:** For explanations on the Company's risk management processes, refer to note 39. Refer note no 54 for ageing.		

Notes to the consolidated financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

	Particulars	As at 31 March 2026	As at 31 March 2025
	Supplier Finance arrangements		
	The Holding Company participates in a supplier finance arrangement under which its suppliers may elect to receive early payment of their invoices from a financial institutions. Under the arrangement, the financial institution agrees to pay amounts due to participating suppliers in respect of invoices owed by the Holding Company and the Holding Company repays the bank at a later date. The principal purpose of this arrangement is to facilitate efficient payment processing and provide the willing suppliers early payment terms, compared with the related invoice payment due date. From the Holding Company's perspective, the arrangement does not significantly extend payment terms beyond the normal terms agreed with other suppliers that are not participating; however, the arrangement does provide participating suppliers with the benefit of early payment. Additionally, the Holding Company does not incur any additional interest towards the bank on the amounts due to the suppliers. The Holding Company therefore includes the amounts subject to the arrangement within trade payables because the nature and function of these payables remains the same as those of other trade payables.		
	All payables under the arrangement are classified as current as at 31 March 2026 and 31 March 2025.		
	Additional information about the Holding Company's trade payables is provided in the table below.		
	Carrying amount of financial liabilities subject to supplier finance arrangement		
	Presented with in trade payable	**186.94**	159.14
	- of which suppliers have received the payment from the financial institutions	**154.39**	–*
	Range of payment due dates		–*
	Trade payable subject to supplier finance arrangement (days after invoice date)	**0- 90 days**	–*
	Comparable trade payables (days after invoice date)	**0- 90 days**	–*
	*The Holding Company applied transitional relief available under Supplier Finance Arrangements (Amendments to Ind AS 7 and Ind AS 107) and has not provided comparative information in the first year of adoption.		
	Non cash changes There were no significant non-cash changes in the carrying amount of financial liabilities subject to supplier finance arrangements		
	The payments to the financial institutions are included within operating cash flows because they continue to be part of the normal operating cycle of the Company and their principal nature remains operating i.e., payments for the purchase of goods and services. The payments to a supplier by the financial institution of INR 154.39 crores are considered non-cash transactions.		
	For additional information about how these arrangements affect the Company's exposure to liquidity risk, see Note 39(C).		
23	**Other financial liabilities**		
	I. Derivatives at fair value through profit and loss		
	Derivative liability measured at fair value (refer note 37)	**–**	0.63
	Total (I)	**–**	0.63
	II. Other financial liabilities at amortised cost		
	Interest accrued but not due on borrowings	**0.04**	1.14
	Unclaimed dividends*	**0.29**	0.36
	Security deposits	**5.29**	5.19
	Capital creditors	**5.93**	9.69
	Employee benefits payable	**23.38**	5.43
	Other liabilities	**8.93**	8.93
	Total (II)	**43.86**	30.74
	Total (I+II)	**43.86**	31.37
	***No amounts is required to be transferred to Investor Education Protection Fund (IEPF) from unclaimed dividends**		

Notes to the consolidated financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

	Particulars	As at 31 March 2026	As at 31 March 2025
24	**Other liabilities**		
	Statutory liabilities	**13.40**	27.68
	Contract liabilities- advance from customers* (refer note 45)	**24.38**	9.08
	Other Advances#	**1.34**	–
	Other liabilities	**1.54**	0.80
	Total	**40.66**	37.56
	*Represents non-interest bearing advances from customers, expected to be recognised within the period of 1 year.		
	#Includes advance against non current asset held for sale amounting to INR 1.34 crores (previous year: Nil)		
25	**Provisions**		
	Provision for gratuity (refer note 42)	**0.47**	0.84
	Provision for compensated absences	**0.19**	0.31
	Provision for warranty	**0.38**	0.31
	Total	**1.04**	1.47
	***Movement in provision for warranty**		
	Opening provision	**0.60**	0.43
	Add: Change for the year	**0.09**	0.70
	Less: Utilised during the year	**–**	(0.53)
	Closing provision	**0.69**	0.60

* The subsidiary company i.e. Rico Jinfei Wheels Limited gives warranty on sale of goods. The provision for warranty is made on the basis of management estimate of expected claims basis the Company's past experience. This reflects management's estimate of its liability towards warranty expenses.

	Particulars	Year ended 31 March 2026	Year ended 31 March 2025
26	**Revenue from operations**		
	Operating revenue		
	Sale of products	**2,434.56**	2,160.01
	Sale of services	**4.06**	2.48
		2,438.62	2,162.49
	Other operating revenue		
	Sales of scrap	**22.16**	30.00
	Duty draw back and other incentives	**7.75**	7.89
	Others	**9.20**	12.02
		39.11	49.91
	Total	**2,477.73**	2,212.40
	Reconciliation of Revenue Recognised with contracted price is as follows :-		
	Contract price	**2,464.28**	2,191.03
	Adjustments to the contract price - cash discount and credit notes	**(25.66)**	(28.54)
	Revenue Recognised	**2,438.62**	2,162.49
	The Adjustment made to the contract price comprises of cash discount, returns, and credits under the head "Operating Revenue ".		
	a) The amount of INR 9.08 crores included in contract liabilities at 31 March 2025 has been recognised as revenue during the year ended 31 March 2026 (31 March 2025: 9.33 crores)		
	b) No information is provided about remaining performance obligations at 31 March 2026 or at 31 March 2025 that have an original expected duration of once year or less, as allowed by IND AS 115.		
	c) Refer note 45 for disclosure requirements as per Ind AS 115 - "Revenue from contracts with customers"		
27	**Other income**		
	Interest income under the effective interest method	**1.68**	2.96
	Exchange rate fluctuation (net)	**2.93**	1.71
	Rental income	**3.00**	2.90
	Miscellaneous Income	**2.37**	5.24
	Total	**9.98**	12.81

Notes to the consolidated financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

	Particulars	Year ended 31 March 2026	Year ended 31 March 2025
28	**Cost of materials consumed**		
	Raw material and components		
	Opening stock	**49.74**	49.55
	Add: Purchases during the year	**1,523.45**	1,356.45
	Less: Closing stock	**65.05**	49.74
	Raw material and components consumed	**1,508.14**	1,356.26
29	**Changes in inventories of finished goods and work-in-progress**		
	(a) Work–in–progress		
	Opening stock	**46.77**	34.90
	Closing stock	**59.37**	46.77
		(12.60)	(11.86)
	(b) Finished goods		
	Opening stock	**148.96**	148.61
	Closing stock	**102.13**	148.49
		46.83	0.12
	Total	**34.23**	(11.75)
30	**Employee benefit expenses**		
	Salaries, wages and bonus	**174.14**	165.07
	Contribution to provident and other funds	**17.13**	14.33
	Staff welfare expenses	**14.39**	14.12
	Total	**205.66**	193.51
31	**Finance costs**		
	Interest on debts, borrowings and lease liabilities measured at amortised cost	**53.92**	54.98
	Other borrowing costs	**0.79**	1.01
	Total	**54.71**	55.99
32	**Other expenses**		
	Consumption of stores and spares	**70.41**	66.43
	Power and fuel	**177.80**	171.82
	Casual wages	**113.66**	105.42
	Job work charges	**15.85**	15.10
	Rent (Refer Note 47)	**1.88**	1.56
	Freight and forwarding charges	**64.04**	59.77
	Legal and professional	**16.58**	14 92
	Repairs and Maintenance		
	Repairs to machinery	**9.40**	8.38
	Repairs to buildings	**2.08**	1.08
	Others	**7.59**	4.38
	Rates & taxes	**1.17**	1.07
	Traveling and conveyance	**6.37**	4.82
	Insurance	**4.41**	5 03
	Amortsation of contract assets	**3.49**	5.60
	Commission to Directors	**0.44**	0.50
	Directors' sitting fees	**0.31**	0.45
	Allowances for bad and doubtfol receivables and advances	**–**	0.10
	CSR Expenses	**1.05**	0.72
	Vehicle running and maintenance expenses	**1.58**	3.61
	Loss on Sale of Property, plant and equipments	**2.05**	6.87
	Marketing and sales promotion	**1.25**	2.39
	Intangible asset written off	**0.92**	–
	Miscellaneous expenses	**4.14**	5.89
	Total	**506.47**	485.91

Notes to the consolidated financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

	Particulars	Year ended 31 March 2026	Year ended 31 March 2025
33	**Exceptional items**		
	Expenditure incurred on account of Voluntary retirement scheme	**0.94**	1.14
	Expenditure incurred on account of Labour law*	**7.38**	–
	Total	**8.32**	1.14

* Effective 21 November 2025, The Government of India has consolidated multiple existing labour legislations into a unified framework comprising four Labour Codes collectively referred to as the 'New Labour Codes'. Under Ind AS 19, changes to employee benefit plans arising from legislative amendments, requiring recognition of past service cost immediately in the Statement of Profit and Loss. The New Labour Codes has resulted in estimated one time increase in provision for employee benefits of the Group of INR 7.38 crores (includes INR 6.11 crores pertains to gratuity and INR 1.27 crores pertains to leave encashment). The Group has presented such incremental impact under "Exceptional items" in the Statement of Profit and Loss account.

	Particulars	As at 31 March 2026	As at 31 March 2025
34	**Income tax**		
	The reconciliation of estimated income tax expense at statutory income tax rate is as follows:		
	Accounting profit before income tax expense	**69.48**	42.59
	Computed income tax using the tax rates applicable to individual entities	**17.49**	15.14
	Tax impact of deductible/non-deductible expenses		
	- Tax Adjustments for earlier years	**–**	(0.90)
	- Impact of change in tax rate	**–**	(14.37)
	- MAT written off (net of reversal of tax liability)	**–**	19.17
	- Others	**(0.43)**	2.14
	Income tax expense reported in consolidated statement of profit and loss	**17.06**	21.18
35	**The major components of income tax expense for the year ended 31 March 2026 and 31 March 2025 are:**		
	Recognised in the consolidated statement of profit and loss		
	Current tax	**14.06**	8.41
	Deferred tax expense/(credit)	**3.00**	13.67
	Tax Adjustments	**–**	(0.90)
	Total Tax Expense	**17.06**	21.18
	Recognised in the other comprehensive income		
	Deferred tax expense related to items recognised in OCI during the year		
	Net gain/(loss) on remeasurement of defined benefit obligations	**1.55**	(0.90)
	Effective portion of gain on designated portion of hedging instruments in a cash flow hedge	**(1.36)**	(0.23)
	Tax expense charged in OCI	**0.21**	(1.13)

Notes to the consolidated financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

Components and movement of deferred tax liabilities (net)

Deferred tax liabilities/(assets) in relation to:	Opening balance	Recognised /(reversed) through profit and loss	Recognised /(reversed) through OCI	Closing Balance
Deferred tax liabilities (net)				
For the year ended 31 March 2026				
Deferred tax liabilities				
Depreciation and amortisation	**43.93**	**7.91**	**–**	**51.84**
Financial assets and liabilities at amortised cost (including leases)	**6.26**	**(0.75)**	**–**	**5.51**
Others	**(1.14)**	**(3.05)**	**–**	**(4.19)**
	49.05	**4.11**	**–**	**53.16**
Deferred tax assets				
Employee benefits	**(8.49)**	**(1.73)**	**1.55**	**(8.67)**
Others	**3.04**	**0.62**	**(1.36)**	**2.30**
	(5.45)	**(1.11)**	**0.19**	**(6.37)**
Net deferred tax liabilities	**43.60**	**3.00**	**0.19**	**46.79**
For the year ended 31 March 2025				
Deferred tax liabilities				
Depreciation and amortisation	43.48	0.45	–	43.93
Financial assets and liabilities at amortised cost (including leases)	5.96	0.30	–	6.26
Others	4.04	(5.18)	–	(1.14)
	53.48	(4.43)	–	49.05
Deferred tax assets				
Employee benefits	(9.59)	2.00	(0.90)	(8.49)
Carry forward losses	(26.23)	26.23	–	–
Reversal of tax liability	–	(7.06)	–	–
Others	(0.73)	4.00	(0.23)	3.04
	(36.55)	25.17	(1.13)	(5.45)
Net deferred tax liabilities	16.93	20.74	(1.13)	43.60

The Group offsets tax assets and tax liabilities if and only if it has a legal enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relates to income tax levied by the same tax authorities.

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.

Section 115BAA of the Income Tax Act, 1961, introduced by the Taxation Laws (Amendment) Ordinance, 2019, allows any domestic company to pay income tax at the rate of 25.17%, effective from the fiscal year 2019-20, subject to the condition that they will not avail any incentives or exemptions. This new tax scheme provides an option for a lower tax base of 25.17%, while the existing tax rate is 34.94%. The Holding company has opted to shift under new tax regime from FY 2024-25 and has re-measured its deferred tax balances.

36 Earnings per share

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Profit after tax (A)(₹)	**50.51**	21.41
Weighted average number of equity shares (basic/diluted) (B)	**13,52,85,000**	13,52,85,000
Nominal value of equity share (₹)	**1.00**	1.00
Earnings per share - basic/diluted (A/B) (₹)	**3.73**	1.58

Notes to the consolidated financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

37 Financial instruments

A Financial Instruments by Category

The carrying amounts and fair values of financial instruments by category are as follows:

Particulars	As at 31 March 2026			As at 31 March 2025		
	Derivate (FV) used for Hedging	FVTPL	Amortized Cost*	Derivate (FV) used for Hedging	FVTPL	Amortized Cost*
Financial assets						
Non–current						
Investments	–	0.05	5.90	–	0.05	4.29
Other financial assets	–	–	19.29	–	–	18.99
Current						
Trade Receivables	–	–	352.44	–	–	370.32
Cash and cash equivalents	–	–	12.77	–	–	10.46
Bank balances other than cash and cash equivalents	–	–	2.86	–	–	9.44
Loans	–	–	1.51	–	–	1.44
Other financial assets	0.04	–	5.97	–	–	3.93
	0.04	0.05	400.74	–	0.05	418.87
Financial liabilities						
Non–current						
Borrowings (excluding current maturities of long term borrowings)	–	–	406.03	–	–	332.32
Lease liabilities	–	–	20.39	–	–	16.82
Current						
Borrowings	–	–	296.41	–	–	340.67
Lease liabilities	–	–	4.79	–	–	7.52
Trade payables	–	–	470.93	–	–	432.11
Other financial liabilities	–	–	43.86	0.63	–	30.75
	–	–	1,242.41	0.63	–	1,160.19

* The management assessed that the fair values of current financial assets and liabilities significantly approximate their carrying amounts largely due to the current maturities of these instruments. Accordingly, management has not disclosed fair values for financial instruments such as trade receivables, trade payables, cash and cash equivalents, other current assets, other current liabilities etc.

The fair value of non-current financial assets and financial liabilities are determined by discounting future cash flows using current rates of instruments with similar terms and credit risk. The current rates used do not reflect significant changes from the discount rates used initially. Therefore, the carrying value of these instruments measured at amortised cost approximate their fair value.

The fair value of non-current borrowings are determined basis prevailing interest rate and other terms and conditions. The carrying value approximate their fair value.

B Fair value hierarchy

The categories used are as follows:

Level 1: Quoted price in active market.

Level 2: Inputs other than the quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Discounted cash flow method is used to capture the present value of the expected future economic benefits that will flow to the company.

B.1 Financial assets and liabilities measured at fair value – recurring fair value measurements

Particulars	As at	Level 1	Level 2	Level 3	Total
Derivative asset	**31 March 2026**	**–**	**0.04**	**–**	**0.04**
Derivative liability	**31 March 2026**	**–**	**–**	**–**	**–**
Derivative asset	31 March 2025	–	–	–	–
Derivative liability	31 March 2025	–	0.63	–	0.63
Investment in equity instruments at FVTPL - unquoted	**31 March 2026**	**–**	**0.05**	**–**	**0.05**
Investment in equity instruments at FVTPL - unquoted	31 March 2025	–	0.05	–	0.05

There have been no transfers between Level 1 and Level 2 during the year ended 31 March 2026.

Notes to the consolidated financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

C Derivative financial instruments and hedge accounting

The Group exposure arises mainly on import (of raw material and capital items), export (of finished goods) and foreign currency borrowings. The Group follows a policy of matching of import and export exposures (natural hedge) to reduce the net exposure in any foreign currency. Whenever the natural hedge is not available or is not fully covering the foreign currency exposure of the Group, management uses certain derivative instruments to manage its exposure to the foreign currency risk. Foreign currency transactions are managed within approved policy parameters. The holding company uses forward contracts, cross currency swap and interest rate swaps to hedge its exposure to foreign currency and interest rate risk. Effective April 1, 2019, these derivatives are designated as hedging instruments in respect of foreign currency risk and interest rate risk in cash flow hedges.

The Holding Company enters into derivative financial instruments with various counterparties, principally financial institutions with investment grade credit ratings. Foreign exchange forward contracts are valued using valuation techniques, which employ the use of market observable inputs. The most frequently applied valuation techniques include forward pricing using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies and forward rate curves of the underlying. All derivative contracts are fully cash collateralised, thereby eliminating both the counterparty and the Company's own non-performance risk. As at 31 March 2026 the marked-to-market value of derivative asset positions is net of a credit valuation adjustment attributable to derivative counterparty default risk. The changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationships and other financial instruments recognised at fair value.

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument. The economic relationship and hedge effectiveness are based on the qualitative factors and the use of a hypothetical derivative where appropriate.

The holdig company has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk and notional amount of the hedging instruments are identical to the hedged items.

Impact of hedging activities

(i) Effects of hedge accounting on balance sheet as at 31 March 2026 :

Type of hedge and risks	Notional amount	Carrying amount of hedging instruments		Maturity dates	Weighted average strike price/rate	Change in fair value of hedging instruments	Change in value of hedged item used as the basis for recognising hedge effectiveness
		Assets	Liabilities				
Cash flow hedge							
Foreign exchange risk							
Derivative instruments							
(i) Cross currency swaps	**EUR NIL**	**–**	**–**	**–**	**–**	**–**	**–**
(ii) Forward contracts	**USD 500,000**	**–**	**0.05**	**Mar 2026 - Jul 2026**	**94.72**	**(0.12)**	**(0.12)**
(iii) Forward contracts	**EUR 1,000,000**	**0.09**	**–**	**Jan 2026 - Jul 2026**	**111.16**	**0.10**	**0.10**
Total		**0.09**	**0.05**				

Effects of hedge accounting on balance sheet as at 31 March 2025 :

Type of hedge and risks	Notional amount	Carrying amount of hedging instruments		Maturity dates	Weighted average strike price/rate	Change in fair value of hedging instruments	Change in value of hedged item used as the basis for recognising hedge effectiveness
		Assets	Liabilities				
Cash flow hedge							
Foreign exchange risk							
Derivative instruments							
(i) Cross currency swaps	EUR 521,003	–	0.70	Apr 2020 - Sep 2025	77.81	1.07	1.07
(ii) Forward contracts	USD 2,195,605	0.07	–	Apr 2025 - Nov 2025	86.36	0.09	0.09
(iii) Forward contracts	EUR 54,50,000	–	–	Apr 2025 - Feb 2026	93.64	0.88	0.88
Interest rate risk							
(i) Interest rate swap							
Total		0.07	0.70				

Notes to the consolidated financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

(ii) Effects of hedge accounting on consolidated statement of profit and loss account for the year ended 31 March 2026 :

Type of hedge	Change in value of hedging instrument recognised in other comprehensive income	Hedge ineffectiveness recognised	Amount reclassified from cash flow hedge reserve
Cash flow hedge			
Foreign exchange and Interest rate risk	**0.67**	**–**	**6.06**
Effects of hedge accounting on consolidated statement of profit and loss account for the year ended 31 March 2025 :			
Cash flow hedge			
Foreign exchange risk	0.10	–	2.04

(iii) Movement in cash flow hedge reserve

Particulars	Foreign currency and interest rate risk (As at March 31 2026)	Foreign currency and interest rate risk (As at March 31, 2025)
Opening balance	**5.43**	7.38
Add: Changes in fair value of hedging instruments	**0.67**	0.09
Less: Amounts reclassified to profit or loss	**(6.06)**	(2.04)
Less: Deferred tax relating to above (net)	**–**	–
Closing balance	**0.04**	5.43

38 CAPITAL MANAGEMENT

The Company's capital management objectives are:
The capital structure of the Group consists of debt, cash and cash equivalents and equity attributable to equity shareholders of the Group which comprises issued share capital (including premium) and accumulated reserves disclosed in the Statement of Changes in Equity. The Group's capital management objective is to achieve an optimal weighted average cost of capital while continuing to safeguard the Group's ability to meet its liquidity requirements (including its commitments in respect of capital expenditure) and repay loans as they fall due. The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is debt divided by total equity. The Group's policy is to keep an optimum gearing ratio. The Group includes within debt, interest bearing loans and borrowings.

Total debt divided by total equity

	As at 31 March 2025	As at 31 March 2025
Total debts*	**727.62**	697.33
Total equity #	**784.23**	732.87
Debt equity ratio	**0.93**	0.95

* includes short term and long term borrowings & lease liabilities
\# includes equity share capital and other equity

39 Financial risk management objectives and policies

The Group principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group operations and to support its operations. The Group principal financial assets other than derivatives comprise investments, loans given, trade and other receivables and cash and cash equivalents that derive directly from its operations. The holding company also enters into foreign exchange derivative transactions.

The group is exposed to market risk, credit risk and liquidity risk. The holding company senior management oversees the mitigation of these risks. The Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Group's policy that no trading in foreign exchange derivatives for speculative purposes will be undertaken. The policies for managing each of these risks, which are summarized below:

Notes to the consolidated financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

39A Market risk:

Market risk is the risk that future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risks namely currency risk, interest rate risk and price risk. The objective of the market risk management is to manage and control market risk exposure within acceptable parameters while optimising the return.

a. Foreign currency risk:

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency), investments & borrowing in foreign currency, etc.

The Group's exposure arises mainly on import (of raw material and capital items), export (of finished goods) and foreign currency borrowings. The Group follows a policy of matching of import and export exposures (natural hedge) to reduce the net exposure in any foreign currency. Whenever the natural hedge is not available or is not fully covering the foreign currency exposure of the Group, management uses certain derivative instruments to manage its exposure to the foreign currency risk. Foreign currency transactions are managed within approved policy parameters.

(i) Particulars of unhedged foreign currency exposure as at the reporting date

The Company exposure (without considering the derivative contracts) to foreign currency risk at the end of the reporting period expressed in INR are as follows:

Particulars	AED	THB	USD	JPY	EURO	GBP	Total
As at 31 March 2026							
Trade payables	–	–	**11.47**	**0.41**	**2.82**	**3.60**	**18.30**
Other payables	–	–	–	–	–	–	–
Borrowings:							
Term loan#	–	–	–	**4.51**	–	–	**4.51**
Less: Investments	–	–	–	–	–	–	–
Less: Cash & Bank	–	–	**0.00**	–	**0.00**	–	**0.00**
Less: Trade receivables	–	–	**17.68**	–	**40.74**	–	**58.42**
Net payable / (receivable)	–	–	**(6.21)**	**4.92**	**(37.92)**	**3.60**	**(35.61)**
Impact on profit and loss account on account of change in currency							
Sensitivity to increase of 1%	–	–	**0.06**	**(0.05)**	**0.38**	**(0.04)**	**0.36**
Sensitivity to decrease of 1%	–	–	**(0.06)**	**0.05**	**(0.38)**	**0.04**	**(0.36)**
Impact on equity, net of tax on account of change in currency							
Sensitivity to increase of 1%	–	–	**0.04**	**(0.03)**	**0.25**	**(0.02)**	**0.23**
Sensitivity to decrease of 1%	–	–	**(0.04)**	**0.03**	**(0.25)**	**0.02**	**(0.23)**

Includes INR to EURO Swap amounting to EURO Nil outstanding as at 31 March 2026.

Particulars	AED	THB	USD	JPY	EURO	GBP	Total
As at 31 March 2025							
Trade payables	–	–	9.46	0.32	4.97	3.18	17.93
Other payables	–	–	–	–	–	–	–
Borrowings:							
Term loan#	–	–	–	5.32	50.42	–	55.74
Less: Investments	–	–	–	–	–	–	–
Less: Cash & Bank	–	–	0.07	–	–	–	0.07
Less: Trade receivables	–	–	15.37	–	35.12	–	50.49
Net payable / (receivable)	–	–	(5.98)	5.64	20.27	3.18	23.11
Impact on profit and loss account on account of change in currency							
Sensitivity to increase of 1%	–	–	0.06	(0.06)	(0.20)	(0.03)	(0.23)
Sensitivity to decrease of 1%	–	–	(0.06)	0.06	0.20	0.03	0.23
Impact on equity, net of tax on account of change in currency							
Sensitivity to increase of 1%	–	–	0.04	(0.04)	(0.15)	(0.02)	(0.15)
Sensitivity to decrease of 1%	–	–	(0.04)	0.04	0.15	0.02	0.15

Includes INR to EURO Swap amounting to EURO 5,21,003 outstanding as at 31 March 2025.

Notes to the consolidated financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

Derivatives outstanding at the reporting date:

Particulars	Currency sold	As at 31 March 2026	As at 31 March 2025
Forward contract (sell) against exports	USD	**4.74**	19.02
Forward contract (sell) against exports	EURO	**11.12**	51.03

b. Interest rate risk:

The Group is exposed to interest rate risk as the Company borrows funds at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

Particulars	As at 31 March 2026	As at 31 March 2025
Variable rate borrowings	**670.15**	536.79

A reasonable change of 0.50% in interest rates at reporting date would have affected the profit and loss shown below:

Variable rate borrowings	Year ended 31 March 2025	Year ended 31 March 2024
Impact on profit and loss account on account of change in interest rate		
Interest rate increase by 0.5%	**3.35**	2.68
Interest rate decrease by 0.5%	**(3.35)**	(2.68)
Impact on equity, net of tax on account of change in interest rate		
Interest rate increase by 0.5%	**2.46**	2.01
Interest rate decrease by 0.5%	**(2.46)**	(2.01)

c. Price Risk:

The Group is affected by the price volatility of certain commodities. Its operating activities require ongoing purchase of Aluminium. Due to the significant volatility of the price of Aluminium, the Group has agreed with its customers for pass-through of increase/ decrease in prices of Aluminium. There may be lag effect in case of such pass-through arrangements.

39B Credit Risk :

Credit risk refers to the risk of default on its obligation by the customer/counter party resulting in a financial loss. The Group's exposure to credit risk is limited to the carrying amount of financial assets recognised at the date of the balance sheet, as summarised below:

Particulars	As at 31 March 2026	As at 31 March 2025
Cash and cash equivalents	**12.77**	10.46
Other bank balances	**2.86**	9.44
Trade receivables	**352.44**	370.32
Loans	**1.51**	1.44
Other financial assets	**25.26**	22.92

Cash and cash equivalents and bank balances

Credit risk relating to cash and cash equivalents and restricted cash is considered negligible as counterparties are banks. The management considers the credit quality of deposits with such banks to be good and reviews the banking relationships on an on–going basis.

Trade Receivables

Trade receivables are unsecured in nature and are derived from revenue earned from customers. Trade receivable are non-interest bearing and are settled up to 30 to 90 days terms.

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to whom the Group grants credit terms in the normal course of business. In accordance with Ind AS 109, the Group uses expected credit loss model to assess the impairment loss. The Group uses a provision matrix to compute the expected credit loss allowance of trade receivables. The provision matrix takes into account available external and internal credit risk factors such as default risk of industry, historical experience for customers, etc. However, the allowance for lifetime expected credit loss on customer balances for the year ended 31 March 2026 and 31 March 2025 are insignificant.

Notes to the consolidated financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

Expected credit loss percentage

Ageing	As at 31 March 2026	As at 31 March 2025
Within the credit period	**0.00%**	0%
0-90 days past due	**0.05%**	0%
91-180 days past due	**0.05%**	0%
181-365 days	**0.27%**	0%
More than 366 days past due	**6.15%**	35%

Movement in the loss allowance in respect of trade receivables:

Particulars	As at 31 March 2025	As at 31 March 2024
Balance at the beginning of the year	**1.36**	1.26
Amount written off	**–**	–
Provided during the year	**–**	0.10
Balance at the end of the year	**1.36**	1.36

Loans and other financial assets measured at amortised cost

Given below is the ageing of loans:

Particulars	As at 31 March 2026	As at 31 March 2025
Loans		
Less than 1 year	**1.51**	1.44
1-3 years	**–**	–
More than 3 years	**–**	–
Total	**1.51**	1.44

39C Liquidity risk:

The Company manages liquidity risk by maintaining adequate reserves and banking facilities, by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities for the Company. The Company has established an appropriate liquidity risk management framework for it's short term, medium term and long term funding requirements.
The below tables summarise the maturity profile of the Company's financial liabilities:

Particulars	Carryimg amount	Total	Less than 1 year	1 - 3 years	More than 3 years
As at 31 March 2026					
Borrowings	**702.44**	**702.44**	**296.13**	**265.18**	**141.13**
Lease liabilities	**25.18**	**25.18**	**7.80**	**9.79**	**7.59**
Trade payable	**470.93**	**470.93**	**470.93**	**–**	**–**
Other financial liabilities	**43.86**	**43.86**	**43.86**	**–**	**–**
As at 31 March 2025					
Borrowings	672.99	672.99	335.94	217.61	119.44
Expected interest on above borrowings	24.34	24.34	7.62	10.07	6.65
Interest accrued but not due on borrowings	432.11	432.11	432.11	–	–
Trade payable (including capital creditors)	31.37	31.37	31.37	–	–

Notes to the consolidated financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

39D Assets charged as security

The carrying amount of assets charged as security for current and non-current borrowings are as under:

Particulars	Note	As at 31 March 2026	As at 31 March 2025
Current assets			
Inventories	10	**271.52**	274.03
Trade receivables	11	**378.57**	360.59
Cash and cash equivalents	12	**9.85**	6.21
Other bank balances	13	**2.57**	9.44
Financial assets - Loans	14	**1.51**	1.44
Other financial assets	15	**5.97**	3.89
Other current assets	16	**64.11**	30.73
Total (I)		**734.10**	686.33
Non–current assets			
Property, plant and equipment	5A	**1142.16**	992.32
Capital work-in-progress	5B	**157.52**	105.99
Total (II)		**1,299.68**	1,111.41
Grand Total (I+II)		**2,033.78**	1,797.74

40 Contingent liabilities

A Contingent liabilities: The Company has contingent liabilities in respect of :

(i) Demand against the Company not acknowledged as liability

Particulars	As at 31 March 2026	As at 31 March 2025
Income taxes	**0.04**	–
Sales tax and Value added tax	**12.39**	1.30
Excise and service tax	**2.99**	4.22
Others	**0.01**	8.68
	15.43	14.20

41 Commitments

Particulars	As at 31 March 2026	As at 31 March 2025
i) Estimated amount of contracts remaining to be executed on account of capital commitments pertaining to Property, plant and equipments [net of advances ₹ 19.11 crores (31 March 2025 : ₹ 2.87Crores)]	**27.31**	48.73
ii) For commitments related to lease agreements, refer note 47		

42 Employee benefits

A Defined contribution plans

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Employer's contribution to provident fund	**10.26**	10.34
Employer's contribution to ESI	**0.36**	0.42

B Defined benefit plan

Gratuity

In accordance with The Payment of Gratuity Act, 1972 and The Code on Social Security, 2020, the companies incoroporated in India within the Group provides for gratuity, as defined benefit plan. The gratuity plan provides for a lump sum payment to the employees at the time of separation from the service on completion of vested year of employment i.e. five years and one year in case of fixed term employees, wherever applicable. The liability of gratuity plan is provided based on actuarial valuation as at the end of each financial year based on which the holding company contributes the ascertained liability to Life Insurance Corporation of India and India first Life Insurance Company Limited with whom the plan assets are maintained.

Notes to the consolidated financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

The following table sets out the funded status and the amount recognised in the Group's financial statements.

	Particulars	Year ended 31 March 2026	Year ended 31 March 2025
B1	**Change in defined benefit obligation**		
	Present value of obligation as at beginning of the year	**35.71**	30.45
	Current service cost*	**2.85**	2.27
	Past service cost	**8.99**	–
	Interest cost*	**2.48**	2.17
	Benefits paid	**(2.66)**	(2.90)
	Actuarial (gain)/loss	**(6.19)**	3.72
	Additionaal impact of new labour code	**0.32**	–
	Present value of obligation as at end of the year	**41.50**	35.71
	*Included in employee benefit expenses.		

		As at 31 March 2026	As at 31 March 2025
B2	**Change in fair value of plan assets**		
	Fair value of assets at the beginning of the year	**15.21**	14.10
	Expected return on plan assets	**0.99**	0.99
	Employer's contributions	**–**	–
	Benefits paid	**–**	–
	Return on plan asset greater than discount rate - (Other comprehensive income)	**0.01**	0.10
	Fair value of plan assets as at end of the year	**16.21**	15.21
	The major categories of plan assets of the fair value of the total plan assets are as follows:		
	Particulars - Defined Gratuity Plan		
	Investment in funds managed by the LIC / India First	**16.21**	15.21

		Year ended 31 March 2026	Year ended 31 March 2025
B3	**Reconciliation of Fair Value of Plan Assets and Defined Benefit Obligation**		
	Present value of obligation as at the end of the year	**41.50**	35.71
	Fair value of plan assets as at the end of the year	**16.21**	15.21
	Amount recognised in provisions (refer note 20 and 25)	**25.29**	20.50

		Year ended 31 March 2026	Year ended 31 March 2025
B4	**Expense recognised during the year**		
	In consolidated statement of profit and loss account		
	Current service cost	**2.85**	2.27
	Past service cost	**4.02**	–
	Interest cost (net of income)	**1.49**	1.18
	Additional impact of new labour code	**0.32**	–
	Net cost	**8.68**	3.45
	In other comprehensive income		
	– Change in financial assumptions	**(5.50)**	2.76
	– Return on plan asset greater than discount rate	**(0.29)**	–
	– experience variance (i.e. actual experience vs assumptions)	**(0.40)**	0.89
	Net cost	**(6.19)**	3.65

Notes to the consolidated financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
B5 The principal assumptions used in determining gratuity obligation for the Company's plans are shown below:		
Discount rate	**7.35%**	6.75%
Rate of increase in compensation levels	**5.00%**	6.00%
Mortality rate (% of IALM 12-14)	**100.00%**	100.00%
Retirement age (years)	**58**	58
Attrition / Withdrawal rates, based on age (per annum)		
Upto 30 years	**7.40%**	7.40%
31 to 40 years	**2.80%**	2.80%
41 to 50 years	**0.52%**	0.52%
Above 50 years	**0.22%**	0.22%

B6 Sensitivity analysis for gratuity liability

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and employee turnover. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period, while holding all other assumptions constant. The result of sensitivity analysis is given below:

Particulars	As at 31 March 2026		As at 31 March 2025	
	Increase	Decrease	Increase	Decrease
Impact of change in discount rate (+/- 0.5%)	**(1.64)**	**1.79**	(1.48)	1.59
Impact of change in salary (+/- 0.5%)	**1.79**	**(1.64)**	1.59	(1.50)
Impact of change in attrition rate (+/- 0.5%)	**0.18**	**(0.16)**	0.02	(0.02)

B7 Experience adjustment related to gratuity is summarised as below:

Particulars	Year ended					
	31 March 2021	31 March 2022	31 March 2023	31 March 24	31 March 25	**31 March 26**
On plan liabilities - gain/(loss)	(1.39)	(0.41)	(1.02)	(0.83)	1.04	**(0.44)**
On plan assets - gain/(loss)	–	0.18	(0.20)	–	–	**–**

B8 Expected contribution during the next annual reporting period

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
The Company's best estimate of contribution during the next year	**25.77**	20.83

B9 Maturity profile of Defined Benefit Obligation

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Weighted average duration (based on discounted cashflows)	**8 years-10 years**	9 years

Expected cash fows over the next (valued on undiscounted basis):	As at 31 March 2026	As at 31 March 2025
1 year	**3.67**	2.04
2 to 5 years	**14.68**	9.73
6 to 10 years	**19.93**	16.05
More than 10 years	**44.34**	41.17

Notes to the consolidated financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

43 The Group is engaged in the business of manufacturing and assembling of automotive components. The Group Chief Operating Decision Maker (CODM) is the Managing Director. The CODM evaluates the Group performance and allocates resources based on an analysis of various performance indicators by industry classes. All operating segments' operating results are reviewed regularly by CODM to make decisions about resources to be allocated to the segments and assess their performance. CODM believes that these are governed by same set of risk and returns hence CODM reviews as one balance sheet component. Further, the economic environment in which the company operates is significantly similar and not subject to materially different risk and rewards.

The operating segment of the Group is identified to be "Automotive components" as the CODM reviews business performance at an overall Group level as one segment.

Accordingly, as the Group operates in a single business and geographical segment, the reporting requirements for primary and secondary disclosures under Indian Accounting Standard - 108 Operating Segment have not been provided in the Consolidated financial statements.

Information about geographical area is given below:

Particulars	India	UK (including Europe)	US	Other countries	Total
Year ended 31 March 2026					
Revenue from external customers (gross)	**2,087.40**	**190.20**	**165.74**	**34.40**	**2,477.74**
Non-current assets#	**1,399.91**	**–**	**–**	**–**	**1,399.91**
Year ended 31 March 2025					
Revenue from external customers (gross)	1,861.06	187.18	148.99	15.17	2,212.40
Non–current assets#	1,223.66	–	–	–	1,223.66

Excluding Financial assets and Deferred tax assets

44 As per the transfer pricing norms applicable in India, the Group is required to use certain specified methods in computing arm's length price of transactions between the associated enterprises and maintain prescribed information and documents related to such transactions. The appropriate method to be adopted will depend on the nature of the transactions/class of transactions, class of associated persons, functions performed and other factors, which have been prescribed. The Group is in the process of updating the transfer pricing study for the current financial year. However, in the opinion of the management the same would not have a material impact on these consolidated financial statements.

45 The Group generates revenue primarily from the sale of automotive products.

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Revenue from contracts from customers (A)		
Sale of products	**2,434.56**	2,162.49
Sale of services	**4.06**	–
Other operating revenues (B)	**39.11**	49.91
Total revenue from operations (A+B)	**2,477.73**	2,212.40

Following are the disclosures with respect to revenue from operations in accordance with Ind AS 115

The Group's revenue disaggregated by geographical markets is as follows:

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
India	**2,087.40**	1,861.06
Other than India	**390.33**	351.34
Total	**2,477.73**	2,212.40

The following table provides information about trade receivables, contract costs and contract liabilities from contracts with customers

Particulars	As at 31 March 2026	As at 31 March 2025
Contract asset		
– Trade receivables	**341.42**	370.32
- Unbilled revenue	**11.02**	–
Contract cost	**1.16**	4.65
Contract liabilities		
– Advances from customers	**24.38**	9.08

Notes to the consolidated financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

Significant changes in Contract costs and contract liabilities during the year are as follows:

Particulars	As at 31 March 2026				As at 31 March 2025			
	Contract asset	**Unbilled revenue**	**Advances from customers**	**Deferred revenue**	Contract asset	Unbilled revenue	Advances from customers	Deferred revenue
Opening balances	**4.65**	**–**	**9.08**	**–**	10.25	–	9.36	–
Addition during the year	**–**	**11.02**	**24.38**	**–**	–	0.60	9.05	–
Revenue recognized/ amount adjusted/ amortized during the year	**(3.49)**	**–**	**(9.08)**	**–**	(5.60)	(0.60)	-9.33	–
Closing balance	**1.16**	**11.02**	**24.38**	**–**	4.65	–	9.08	–
Non-current	**1.16**	**–**	**–**	**–**	1.11	–	–	–
Current	**–**	**11.02**	**24.38**	**–**	3.54	–	9.08	–

The Group's contracts with customers includes promises to transfer products and rendering of services to the customer. The Group assesses the products/services promised in identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables. The Group uses judgement to determine an appropriate standalone selling price for a performance obligation. The Group allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. The Group exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers indicators such as how customer consumes benefits of significant risks and who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risk and rewards to the customer, acceptance of delivery by the customer etc. Based on the above assessment performance obligation is satisfied at point in time. Group have payment terms of 30 days to 65 days in case of domestic customers and 90 days in case of export customers.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is an unconditional right to receive cash, and only passage of time is required, as per contractual terms.

The contract liabilities primarily relate to the advance consideration received from customers for procurement of goods, for which revenue is recognised point in time. This will be recognised as revenue when the control of the goods will be transferred, which is expected to occur during the next year.

Contract costs relate directly to a contract that the entity has specifically identified which includes the costs relating to generate or enhance resources of the entity that will be used in satisfying (or in continuing to satisfy) performance obligations in the future. Further, An contract cost recognised is amortised on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates.

Notes to the consolidated financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

46 Additional information as required by paragraph 2 of the general instructions for preparation of consolidated financial statements to Schedule III to the Companies Act, 2013:

For the year ended 31 March 2026:

Particulars	Net assets		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
	As at 31 March 2026		for the year ended 31 March 2026		for the year ended 31 March 2026		for the year ended 31 March 2026	
	As % Consolidated net assets	Amount	As % Consolidated net profit	Amount	As % Consolidated other comprehensive income	Amount	As % Consolidated other comprehensive income	Amount
Parent								
Rico Auto Industries Limited	**88.36%**	**688.69**	**52.12%**	**27.32**	**3.83%**	**0.23**	**47.16%**	**27.55**
Indian subsidiaries								
1 AAN Engineering Industries Limited	**0.76%**	**5.92**	**4.29%**	**2.25**	**(0.33%)**	**(0.02)**	**3.82%**	**2.23**
2 Rico Jinfei Wheels Limited (refer note 47)	**11.18%**	**87.15**	**50.46%**	**26.45**	**6.67%**	**0.40**	**45.96%**	**26.85**
3 Rico Friction Technologies Private Limited	**0.65%**	**5.03**	**3.03%**	**1.59**	**0.0%**	**0.00**	**2.72%**	**1.59**
Foreign subsidiaries								
1 Rico Auto Industries Inc., USA	**5.2%**	**40.56**	**2.79%**	**1.46**	**0.0%**	**–**	**2.5%**	**1.46**
2 Rico Auto Industries (UK) Limited, UK	**0.79%**	**6.15**	**(1.26%)**	**(0.66)**	**0.0%**	**–**	**(1.13%)**	**(0.66)**
Non–controlling interest	**(0.62%)**	**(4.84)**	**(3.65%)**	**(1.91)**	**0.25%**	**0.02**	**(3.23%)**	**(1.89)**
1 Rico Jinfei Wheels Limited	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
2 Rico Friction Technologies Private Limited	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Add/(Less): Effect of Intercompany adjustments/ eliminations	**(6.32%)**	**(49.27)**	**(7.78%)**	**(4.08)**	**89.58%**	**5.37**	**2.2%**	**1.29**
Total	**100.00%**	**779.39**	**100.00%**	**52.42**	**100.00%**	**6.00**	**100.00%**	**58.42**

For the year ended 31 March 2025:

Rico Auto Industries Limited	91.5%	667.90	107.06%	22.91	121.53%	(4.13)	104.33%	18.78
Indian subsidiaries								
1 AAN Engineering Industries Limited	0.51%	3.69	6.5%	1.39	0.0%	0.00	7.72%	1.39
2 Rico Jinfei Wheels Limited (refer note 47)	1.17%	60.30	(29.25%)	17.85	1.47%	(0.04)	(35.06%)	17.81
3 Rico Friction Technologies Private Limited	0.6%	4.41	8.13%	1.74	(0.02%)	0.00	9.67%	1.74
Foreign subsidiaries								
1 Rico Auto Industries Inc., USA	5.82%	42.51	4.86%	1.04	(30.88%)	1.05	11.61%	2.09
2 Rico Auto Industries (UK) Limited, UK	0.83%	6.05	(2.94%)	(0.63)	0.0%	–	(3.5%)	(0.63)
Non–Controlling Interest	(0.4%)	(2.95)	0.05%	0.01	0.29%	(0.01)	0.0%	–
1 Rico Jinfei Wheels Limited	–	–	–	–	–	–	–	–
2 Rico Friction Technologies Private Limited	–	–	–	–	–	–	–	–
Add/(Less): Effect of Intercompany adjustments/ eliminations	(8.05%)	(51.99)	(94.78%)	(22.91)	7.92%	(0.28)	(114.16%)	(23.18)
Total	91.98%	729.92	(0.37%)	21.40	100.31%	(3.40)	(19.39%)	18.00

Notes to the consolidated financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

Subsidiaries considered for consolidation

The Group's subsidiaries as at 31 March 2026 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The Country of incorporation or registration is also their principal place of business.

Name of entity	Indian / Foreign	Place of business/ country of incorporation	Ownership interest held by the Group		Nature of relation
			31 March 2026	31 March 2025	
AAN Engineering Industries Limited	Indian subsidiaries	India	**100.00%**	100.00%	Wholly owned subsidiaries
Rico Auto Industries Inc., USA	Foreign subsidiaries	USA	**100.00%**	100.00%	Wholly owned subsidiaries
Rico Auto Industries (UK) Limited, UK	Foreign subsidiaries	UK	**100.00%**	100.00%	Wholly owned subsidiaries
Rico Jinfei Wheels Limited	Indian subsidiaries	India	**96.30%**	96.30%	Entities having non-controlling interest
Rico Friction Technologies Private Limited	Indian subsidiaries	India	**100.00%**	100.00%	Wholly owned subsidiaries

47 Leases

A Company as Lessee:

i. Nature of Leasing activities

The Company has entered into lease arrangements for land, plant and equipment, and office and factory buildings that are renewable on a periodic basis with approval of both lessor and lessee. The Company does not have any lease commitments towards variable rent as per the contract.

ii. Following are the changes in the carrying value of right of use assets:

	Category of ROU assets			
Particulars	**Land**	**Building**	**Plant and equipment**	**Total**
Balance as at 01 April 2024	18.04	4.15	43.24	65.43
Addition during the year	22.43	3.47	–	25.90
Deletions during the year	–	–	2.73	2.73
Amortisation for the year	0.28	1.61	2.67	4.56
Balance as at 31 March 2025	40.19	6.01	37.84	84.04
Addition during the year	–	0.48	5.93	6.41
Deletions during the year	–	–	–	–
Transfer to PPE	–	–	19.64	19.64
Amortisation for the year	0.43	0.82	1.39	2.64
Balance as at 31 March 2026	**39.76**	**5.67**	**22.74**	**68.17**

iii. The weighted average incremental borrowing rate applied to lease liability is 7.40% (previous year @ 7.40%).

iV. Lease liabilities are presented in the Consolidated Balance Sheet as follows:

Particulars	**As at 31 March 2026**	As at 31 March 2025
Non-current	**20.39**	16.82
Current	**4.79**	7.52
Total lease liabilities	**25.18**	24.34

V. Amount recognised in Statement of Profit and Loss :

Particulars	**For the year ended 31 March 2026**	For the year ended 31 March 2025
Interest on lease liabilities	**1.60**	1.95
Rental expense relating to short-term leases	**1.88**	1.56
	3.48	3.51

Notes to the consolidated financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

vi. Amount recognised in Statement of Cash Flows:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Total cash outflow for leases	**7.17**	11.61
	7.17	11.61

vii. The following is the movement in lease liabilities:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Opening balance	**24.34**	33.51
Addition during the year	**6.41**	0.49
Deletion during the year	**–**	–
Finance cost accrued during the year	**1.60**	1.95
Payment of lease liabilities	**(5.57)**	(9.66)
Payment of interest	**(1.60)**	(1.95)
Closing balance	**25.18**	24.34

viii. Lease payments not recognized as liability:

The expense relating to payments not included in the measurement of the lease liability is as follows:

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Short term leases	**1.88**	1.56
Total	**1.88**	1.56

ix. Lease term ranges from 4-9 years (previous year 4- 9 years).

x. The below tables summarise the maturity profile of the lease liabilities:

Particulars	Less than 1 year	1 – 3 years	More than 3 years	Total
As at 31 March 2026	**7.80**	**9.79**	**7.59**	**25.18**
As at 31 March 2025	7.52	11.28	5.54	24.34

xi. Lease income recognized during the current year ₹ 3.00 crores (previous year ₹ 2.90 crores).

48 Scheme of amalgamation between two subsidiaries of the Group

During the year, a Scheme of Amalgamation ("the Scheme") was undertaken between two subsidiaries of the Group, namely Rico Fluidtroncis Limited ("RFL" or "Transferor Company") and Rico Jinfei Wheels Limited ("RJWL" or "Transferee Company"), pursuant to Sections 230 to 232 and other applicable provisions of the Companies Act, 2013

The Scheme was approved by the respective Boards of Directors of both companies in their meetings held on March 28, 2024, and was subsequently filed with the National Company Law Tribunal ("NCLT"). In accordance with the directions of the Hon'ble NCLT, the Scheme was approved by the shareholders and creditors of the respective companies with the requisite majority. The NCLT sanctioned the Scheme vide its order dated July 1, 2025, which was filed by RJWL with the Registrar of Companies, Delhi on August 2, 2025, thereby making the Scheme effective. Pursuant to the Scheme, all assets, liabilities, reserves and surplus of the Transferor Company stand transferred to and vested in the Transferee Company.

For the purpose of consolidated financial statements, the amalgamation has been accounted for in accordance with Appendix C of Ind AS 103 – Business Combinations . Accordingly, the financial information of the Transferor Company has been restated as if the amalgamation had occurred from the beginning of the preceding reporting period, i.e., April 1, 2024.

Consequently, the impact of the amalgamation, including the resultant tax effects, has been appropriately considered and recognised in the consolidated financial statements for the previous year in accordance with Appendix C of Ind AS 103 – Business Combinations.

Notes to the consolidated financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

49 Trade Receivables ageing schedule as on 31 March 2026

Particulars	Outstanding for following periods from due date of payment							
	Unbilled	Not due	Less than 6 months	6 months – 1year	1–2 years	2–3 years	More than 3 years	Total
As at 31 March 2026								
Undisputed Trade receivables- considered good	**11.02**	**256.83**	**77.60**	**1.86**	**2.83**	**2.30**	**–**	**352.44**
Undisputed Trade receivables- which have significant increase in credit risk	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Undisputed Trade Receivables- credit Impaired	**–**	**–**	**–**	**–**	**–**	**1.22**	**0.14**	**1.36**
Disputed Trade Receivables- considered good	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Disputed Trade receivables- which have significant increase in credit risk	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Disputed Trade Receivables- credit Impaired	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Less: Allowance for credit loss	**–**	**–**	**–**	**–**	**–**	**(1.22)**	**(0.14)**	**(1.36)**
	11.02	**256.83**	**77.60**	**1.86**	**2.83**	**2.30**	**–**	**352.44**
As at 31 March 2025								
Undisputed Trade receivables- considered good	–	303.35	60.44	4.03	2.44	0.06	–	370.32
Undisputed Trade receivables- which have significant increase in credit risk	–	–	–	–	–	–	–	–
Undisputed Trade Receivables- credit Impaired	–	–	–	–	1.22	0.02	0.12	1.36
Disputed Trade Receivables- considered good	–	–	–	–	–	–	–	–
Disputed Trade receivables- which have significant increase in credit risk	–	–	–	–	–	–	–	–
Disputed Trade Receivables- credit Impaired	–	–	–	–	–	–	–	–
Less: Allowance for credit loss	–	–	–	–	(1.22)	(0.02)	(0.12)	(1.36)
	–	303.35	60.44	4.03	2.44	0.06	–	370.32

50 Trade payables ageing schedule as on 31 March 2026

Particulars	Outstanding for the following periods from due date of payments						Total
	Unbilled	Not due	Less than 1 year	1–2 years	2–3 years	More than 3 years	
As at 31 March 2026							
i) Undisputed MSME	**–**	**25.23**	**13.99**	**0.03**	**–**	**–**	**39.25**
ii) Undisputed Others	**5.39**	**297.66**	**128.11**	**0.05**	**0.20**	**0.27**	**431.68**
iii) Disputed dues — MSME	**–**	**–**	**–**	**–**	**–**	**–**	**–**
iv) Disputed dues — Others	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Total	**5.39**	**322.89**	**142.10**	**0.08**	**0.20**	**0.27**	**470.93**
As at 31 March 2025							
i) Undisputed MSME	–	20.53	12.80	–	–	–	33.33
ii) Undisputed Others	1.31	233.20	163.75	0.25	0.27	–	398.78
iii) Disputed dues – MSME	–	–	–	–	–	–	–
iv) Disputed dues – Others	–	–	–	–	–	–	–
Total	1.31	253.73	176.55	0.25	0.27	–	432.11

51A Information pursuant to regulation 34, read with Schedule V (Part A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended:

Loans and advances in the nature of loans to entities	As at		Maximum balance outstanding during the year ended	
Name of entity	**31 March 2026**	31 March 2025	**31 March 2026**	31 March 2025
Loan to Employees	**1.51**	1.44	**–**	–

* refer note 14 for particulars of the loans and advances given.

Notes to the consolidated financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

51B Information pursuant to regulation 34, read with Schedule V (Part A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended:

Nature of the transaction (loans given/investment made/guarantee given)	As at 31 March 2026	As at 31 March 2025
Investments #		
Investment in equity shares		
Rico Care Foundation	**0.05**	0.05
Roop Ram Industries Private Limited	**2.44**	2.43
Dalavaipuram Renewables Private Limited	**3.12**	1.85
Boond Renewable Energy Private Limited	**0.34**	–

refer note 6 for full particulars of the investments made.

52 The following dividend were declared and paid by the company during the year :

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
INR 0.50 per equity Share (31 March 2025: INR 0.60)	**6.77**	8.12

After the reporting dates the following dividends were proposed by the directors subject to the approval at the annual general meeting; the dividends have not been recognised as liabilities.

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
INR 0.55 per equity Share (31 March 2025: INR 0.50)	**7.44**	6.77

53 RELATED PARTY DISCLOSURES

A Related party and nature of related party relationship where control exists:

i. ASN Manufacturing and Services Private Limited
ii. ASN Properties Private Limited
iii. Helical Spring (Unit of T.K. Precision Private Limited)
iv. Rico Care Foundation
v. Mirah Belle Naturals and Apothecary Private Limited
vi. Kapbros Engineering Industries Limited (Amalgamated with ASN Manufacturing and Services Private Limited vide NCLT order dated 27th July 2023)
vii. Ishvara Manufacturing and Finvest Advisors Private Limited
viii. Magpie Manufacturing and Tech Private Limited (Amalgamated with ASN Manufacturing and Services Private Limited vide NCLT order dated 27th July 2023)

B Key management personnel

i. Shri Arvind Kapur - Chairman, CEO & Managing Director
ii. Ms. Shikha Kapur - Executive Director
iii. Shri Kaushalendra Verma - Executive Director
iv. Shri Rajiv Kumar Miglani - Executive Director
v. Shri Samarth Kapur - Executive Director
vi. Shri Prabhakar Kadapa - Independent Director
vii. Shri Kanav Monga - Independent Director
viii. Ms. Sarita Kapur - Independent Director
ix. Shri Hemal Bharat Khandwala - Independent Director
x. Shri Yogesh Kapur - Independent Director
xi. Shri Rakesh Kumar Sharma - Chief Financial Officer* (upto 12th November 2025)
xii. Shri Naveen Sorot - Chief Financial Officer* (w.e.f. 13th November 2025)
xiii. Shri B.M. Jhamb - Company Secretary* (upto 30th September 2024)
xiv. Mrs. Ruchika Gupta - Company Secretary* (w.e.f 1st October 2024)

*as per the Companies Act 2013

Notes to the consolidated financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

II Transactions with related parties:

	Nature of transactions	For the year ended 31 March 2026	For the year ended 31 March 2025
B	**Enterprises in which KMP/Director have control or exercise significant influence**		
1	**ASN Manufacturing and Services Private Limited**		
	Purchase of Raw material including job work	**38.29**	25.91
	Purchase of property, plant and equipment	**–**	0.28
	Sales of goods	**–**	0.14
	Rent expenses	**0.60**	0.60
	Rent income	**2.03**	1.05
	Interest received	**–**	–
	Recovery of expenses	**4.77**	3.25
	Sale of machinery	**–**	1.26
	Sale of service	**–**	0.16
	Purchase of services	**0.54**	–
	Repayment of loan	**4.72**	–
	Interest expenses	**0.25**	0.58
2	**Helical Spring (Unit of T.K. Precision Private Limited)**		
	Purchase of raw material	**5.97**	5.63
	Sale of service	**0.03**	0.04
3	**Ishwara Manufacturing and Finvest Advisors Private Limited**		
	Rent expense	**0.08**	0.08
4	**Mirah Belle Naturals & Apothecary Private Limited**		
	Purchase of goods	**0.21**	0.20
5	**Rico Care Foundation**		
	CSR Expenses	**0.68**	0.69
	Rent Income	**0.03**	0.03
6	**Key management personnel compensation****		
	Shri Arvind Kapur#	**10.14**	9.82
	Shri Kaushalendra Verma	**1.30**	1.14
	Shri Rajiv Kumar Miglani	**1.32**	1.11
	Shri Rakesh Kumar Sharma#	**0.54**	0.90
	Shri Naveen Sorot#	**0.29**	–
	Shri B. M. Jhamb#	**–**	0.20
	Mrs. Ruchika Gupta#	**0.55**	0.21
	Sitting fees and commission	**0.74**	0.93
	Particulars		
	Short-term employee benefits	**14.89**	14.31
	Post employment benefits	**0.41**	0.30
	Total managerial remuneration paid to key management personnel	**15.30**	**14.61**

* Amounts have been rounded off to zero.

\# As per section 203 of the Act, definition of Key Managerial Personnel includes Chief Executive Officer, Chief Financial Officer and Company Secretary.

Note: The above transactions are in the ordinary course of business.

Notes to the consolidated financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

III Balances outstanding with related parties

	Particulars	Year ended 31 March 2026	Year ended 31 March 2025
B	**Enterprises in which KMP/Director have control or exercise significant influence**		
1	**ASN Manufacturing and Services Private Limited**		
	Security deposits	**0.15**	–
	Trade receivables	**–**	–
	Loan Recoverable	**–**	4.72
	Loan repayment	**–**	4.68
	Trade receivables	**10.23**	0.61
	Trade Payables	**0.10**	2.14
2	**Helical Spring (Unit of T.K. Precision Private Limited)**		
	Trade payables	**0.36**	0.51
3	**ASN Properties Private Limited**		
	Trade receivables	**0.00***	0.00*
4	**Ishwara Manufacturing and Finvest Advisors Private Limited**		
	Trade payables	**0.01**	0.02
5	**Mirah Belle Naturals & Apothecary Private Limited**		
	Trade payables	**0.03**	0.01

* Amounts have been rounded off to zero.

All transactions with related parties are made on the terms equivalent to those that prevail at arm's length transactions and within the ordinary course of business. Outstanding balances at respective year ends are unsecured.

54 Events after Balance sheet date

There are no reportable subsequent events after the balance sheet date.

55 Additional regulatory information not disclosed elsewhere in the financial information

(i) No proceeding has been initiated or pending against the Group for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) The Group has not been declared as willful defaulter by any bank or financial Institution or other lender.

(iii) The Group has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

(iv) The Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have more than one CIC (the same is not required to be registered with RBI as not being Systemically Important CIC).

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

(vi) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(vii) The Holding company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(viii) The Group has complied with the number of layers prescribed under the Companies Act, 2013.

(ix) The Group does not have any charge which is yet to be registered with ROC beyond the statutory period.

Notes to the consolidated financial statements for the year ended 31 March 2026 (Contd.)

(All amounts in ₹ crores, except per share data, unless otherwise stated)

(x) The Group has not advanced or provided loan to or invested funds in any entities including foreign entities (Intermediaries) or to any other persons, with the understanding 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 Group (ultimate beneficiaries) or

ii. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

(xi) The Group has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group 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.

(xii) The Group has not undertaken any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(xiii) None of the entities in the group have been declared wilful defaulter by any bank or financial institution or government or any government authority.

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 101248W/W-100022

Shashank Agarwal
Partner
Membership No. 095109

Place : Gurugram
Date : 29 May, 2026

For and on behalf of the Board of Directors of
Rico Auto Industries Limited

Arvind Kapur
Chairman, CEO &
Managing Director
DIN: 00096308

Kaushalendra Verma
Whole-time Director
DIN : 02004259

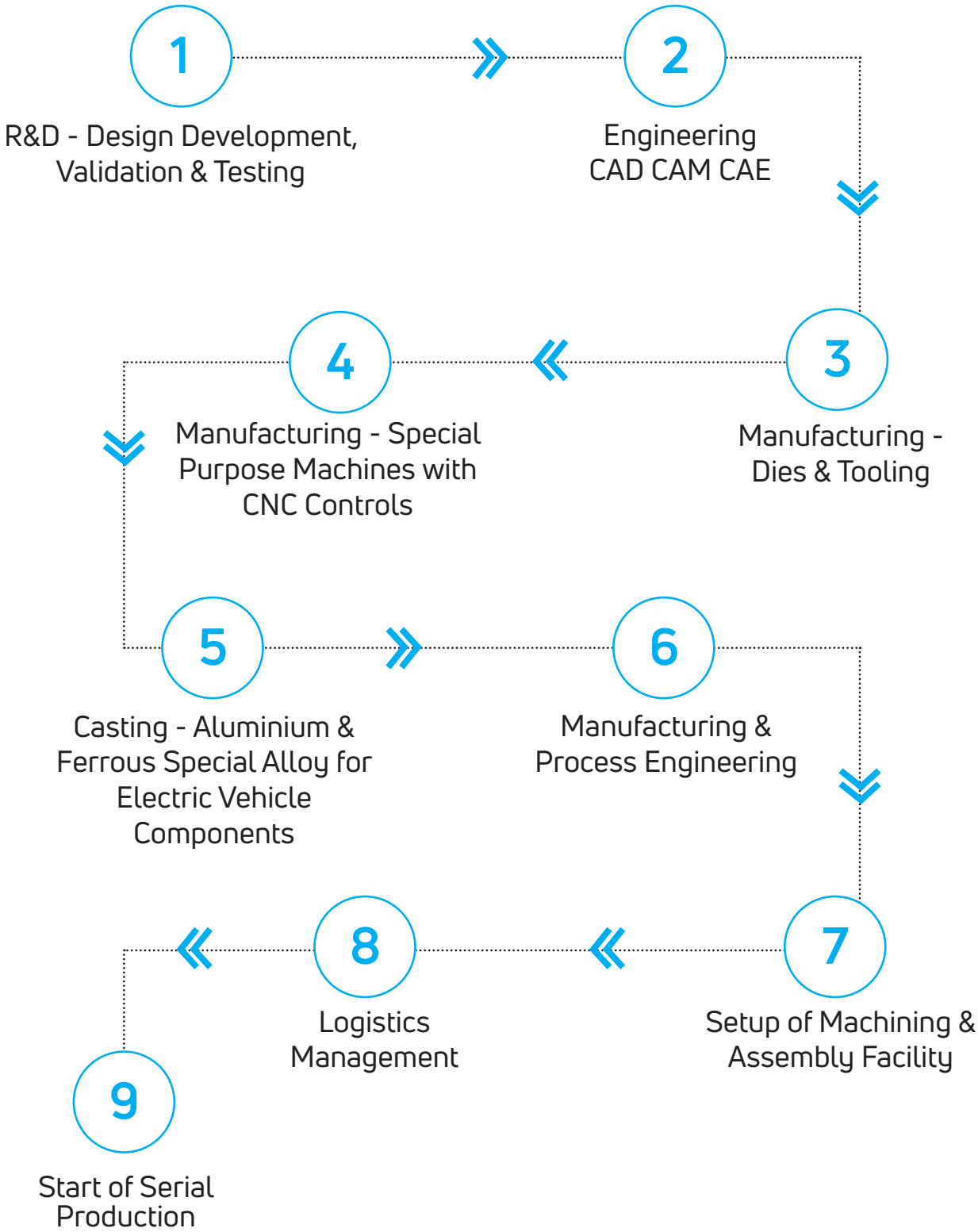
Rajiv Kumar Miglani
Whole-time Director
DIN : 06873155

Naveen Sorot
Chief Financial Officer

Ruchika Gupta
Company Secretary
M. No. F-6456

Place : Gurugram
Date : 29 May, 2026

Concept to Completion



RICO AUTO INDUSTRIES LIMITED

Registered & Corporate Office
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Gurugram - 122001, Haryana (India)
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website: www.ricoauto.in