

31st May, 2025

To,

The Manager (Listing), The BSE Ltd. Mumbai	The Manager (Listing), National Stock Exchange of India Ltd. Mumbai
Company's Scrip Code: 505700	Company's Scrip Code: ELECON

Sub. : Notice of the 65th Annual General Meeting of the Company scheduled to be held on Wednesday, 25th June, 2025

Dear Sir/Madam,

This is in continuation to our letter dated 21st May, 2025, informing that the Company has scheduled its 65th Annual General Meeting ("AGM") on Wednesday, 25th June, 2025 at 3:00 p.m. (IST) through Video Conferencing ("VC")/ Other Audio Video Means ("OAVM") in accordance with the relevant circulars issued by the Ministry of Corporate Affairs ("MCA") and Securities and Exchange Board of India ("SEBI"). In this regard, please find enclosed herewith the Notice of 65th Annual General Meeting of the Company for the Financial Year 2024-25.

Please note that the electronic copy of the Notice of the 65th AGM and the Annual Report for the Financial Year 2024-25 is being sent by email to those Members whose email addresses are registered with the Company/Depositories. Further pursuant to Regulation 36(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a letter including the exact path, where complete details of the Annual Report & Notice of AGM are available is being sent to those Members whose email addresses are not registered with the Company/Depositories. The Notice of the 65th AGM and the Annual Report are also being uploaded on the website of the Company at www.elecon.com.

You are requested to take the same on your record.

Thanking you.

Yours faithfully,
For Elecon Engineering Company Limited,

Bharti Isarani
Company Secretary & Compliance Officer



Encl.: As above



Cranes



Rubber Industry



Marine Industry



Plastic Industry



Power Industry



Steel Industry



Sugar Industry



Mining



Cement Industry

Gearing industries. Gearing economies.



FUTURE-DRIVEN.
INNOVATION-LED.
SUSTAINABILITY-FOCUSSED.

Across the Pages

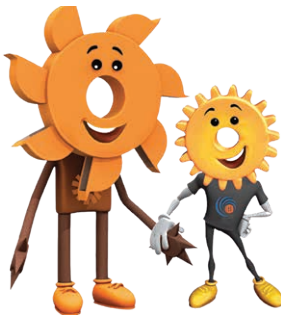
CORPORATE OVERVIEW	01-32
Corporate Snapshot	2
Journey	4
Global Footprint	6
Chairman & Managing Director's Statement	8
Board of Directors	10
Management Insights	12
Awards & Accolades	13
Business Segments	14
Financial Insights	22
Manufacturing Excellence	24
Research and Development Competence	28
ESG Approach	30
Big Moments	32

STATUTORY REPORTS	33-123
Management Discussion & Analysis	33
Board's Report	41
Business Responsibility & Sustainability Report	60
Corporate Governance Report	97

FINANCIAL STATEMENTS	124-279
Standalone	125
Consolidated	201

AGM NOTICE	280-294
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For more investor-related information, please visit <https://www.elecon.com/investors/financial-reports> Or scan the QR code



INVESTOR INFORMATION

Market Capitalisation	₹10,079 Crores
as of March 31, 2025	
CIN	L29100GJ1960PLC001082
BSE Code	505700
NSE Symbol	ELECON
AGM Date	June 25, 2025
Deemed AGM Venue	Registered Office of the Company at Anand - Sojitra Road, Vallabh Vidyanagar - 388 120, Gujarat, India

Disclaimer

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

FUTURE-DRIVEN. INNOVATION-LED. SUSTAINABILITY-FOCUSSED.

FUTURE-DRIVEN

At Elecon Engineering, we are progressing towards the future with a prudent set of strategies. With a clear long-term vision, we are aligning our goals with global opportunities, aiming for a balanced revenue mix between domestic and international markets. Backed by a flexible operating model, an expanding global presence, and a drive to surpass new revenue milestones, we are shaping a stronger tomorrow.

INNOVATION-LED

Innovation propels our momentum. From investing in world-class facilities to developing proprietary technologies, our engineering excellence remains unmatched. With solutions like advanced efficiency systems, condition monitoring for gearboxes, and a strong R&D foundation, we stay ahead of the curve. Innovation goes beyond products; it is about reimagining our processes and delivering tangible outcomes.

SUSTAINABILITY-FOCUSSED

Sustainability is a shared responsibility and a core principle that guides our actions. It encompasses strong financial performance, responsible governance, and the holistic well-being of our stakeholders. We are cultivating a unified 'One Elecon Culture' across geographies, enhancing accountability and sustainability. While our solutions enable customers to optimise resources, we remain committed to reducing our environmental footprint. For us, true progress is inclusive, enduring, and rooted in ethics.

THE ELECON WAY

Driven by foresight, powered by innovation, and anchored in responsibility, we are charting a course for sustainable growth across borders and generations. We are engineering a legacy that is Future-Driven, Innovation-Led, and Sustainability-Focussed.



Shaping Tomorrow WITH PRECISION

Elecon Engineering Company Limited (referred to as 'Elecon', 'Our Company', or 'We') stands at the forefront of industrial innovation as a global leader in industrial gear solutions and bulk material handling equipment in India. With expansive and technologically advanced manufacturing capabilities rooted in continuous innovation and a rich engineering legacy, we deliver precision-engineered, custom-built solutions to clients across the globe. Our expertise spans critical sectors such as steel, cement, power, sugar, marine, and mining industries, where performance, reliability, and scale are of paramount importance. Fuelled by innovation and decades of domain leadership, we continue to engineer excellence for the world's most demanding applications.

From optimising bulk material movement to delivering gear solutions for complex applications, including naval aircraft carriers, we consistently push the boundaries of engineering. Innovation continues to drive our evolution as we integrate advanced technologies, AI-driven solutions, and a global perspective to enhance industrial performance. Our global brands,

Benzlers and Radicon, strengthen our ability to serve diverse markets with tailored, high-performance solutions. Beyond scale, it is our strong commitment to long-term value creation, trust, and sustainability that defines us. As a reliable partner to critical industries worldwide, we are focussed on shaping a resilient, future-ready world.



benzlers
radicon

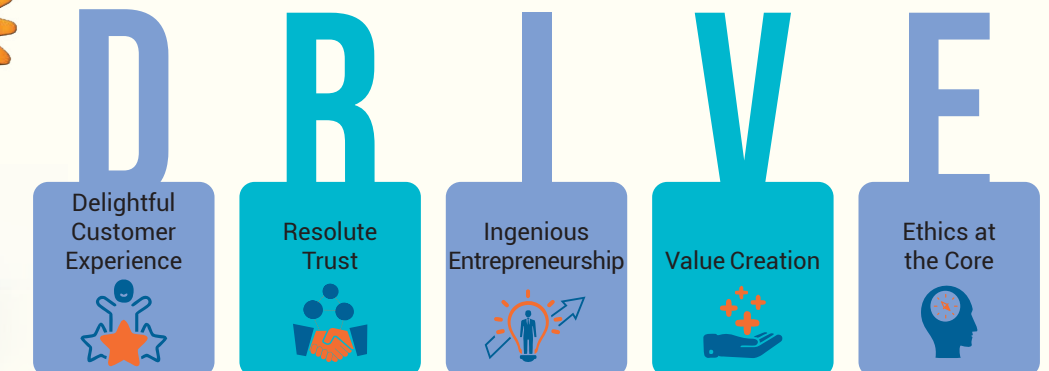
Accelerating Elecon's Legacy

Founded in 1951 by the visionary Late Shri Ishwarbhai B. Patel in Goregaon, Mumbai, ELECON is derived from ELEvators and CONveyors, reflecting our pioneering roots. What began as a humble venture soon expanded in scope and ambition, with our Company's relocation to Vallabh Vidyanagar in 1960. This marked a pivotal step in Elecon's growth journey, laying the foundation for an expansive presence in Engineering, Procurement, and Construction (EPC) projects.

Today, under the leadership of the third generation and energised by the fresh perspective of the emerging fourth generation, we proudly stand as one of Asia's largest industrial gear solutions companies based in India. Our global footprint extends across Asia, the Middle East, the UK, Europe, USA, and Africa. This enduring legacy reflects our steadfast values, clear vision, and the strength of the heritage we continue to build.



Our Values are Our Bedrock!



Key Facts

70+
Years of Industry Experience

2
Business Segments

5
State-of-the-art Manufacturing Facility & Assembly Centres

2,000+
Customers

3
Brands serving the Globe

2
Locations with Integrated R&D Centre

Core Strengths

- Diverse Product Range
- Global Presence
- Market Leader
- Research and Development Competence
- State-of-the-art Manufacturing Facilities & Assembly Centres
- Strong Brand Recognition
- Sustainable Workforce
- Financial Stability
- Technology and Digital Capabilities
- Sustainability and Social Responsibility

Our Cultural Beliefs



Tracing THE ARC OF OUR PROGRESS

As we continue our journey, every milestone reflects our tireless commitment to innovation and unmatched quality. Each step we have taken forward is the relentless drive to leap boldly into the future rather than merely keep pace. Year after year, we have been building on our legacy. This, while powering industries, transforming infrastructure, and shaping a smarter, more connected world for tomorrow.



1951

Established in Mumbai by the visionary Late Mr. Ishwarbhai B. Patel, we started our journey by venturing into the business of conveying equipment



1960

Established to manufacture ELEvators and CONveyors (Elecon) in Bombay, now Mumbai



1961

Shifted to Vallabh Vidyanagar, Gujarat and became a Public Limited Company

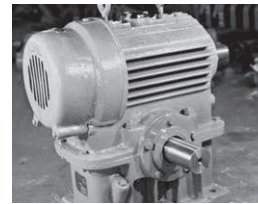


1962

Got listed on the stock exchange

1969

Collaborated with Alfred Wiseman for worm gearboxes



1968

Mr. Bhanubhai I. Patel assumed the position of Managing Director



1967

The first stacker-cum-reclaimer machine was installed at Santaldih TPS, WBSEB



1963

Installed India's first CNC machine



1974

Received India's largest MHE order from Neyveli Lignite



1975

Collaborated with WGW (TGW) Thyssen Getriebe Works for spiral bevel and helical gearboxes



1976

Founded Elecon's gear division



1985

Received first export order from EGAT, Thailand, in collaboration with Renk AG, Germany



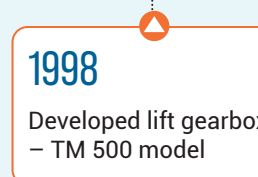
2006

Mr. Prayasvin B. Patel became the Chairman & Managing Director



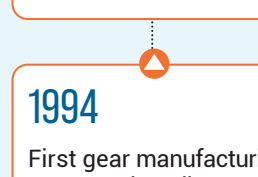
1999

Received prestigious order from the Indian Navy for 'CODOG' gearbox



1998

Developed lift gearbox – TM 500 model



1994

First gear manufacturing company in India to receive ISO certification

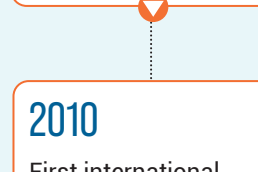


1992

We continue our collaboration with Renk AG while also working closely with SIME France on hydrokinetic fluid couplings.

2008

Collaborated with M/s Haisung Industrial System Co. Ltd., South Korea



2010

First international acquisition by Elecon of UK-based Benzlers and Radicon Group



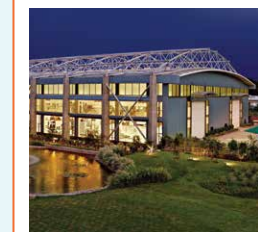
2011

Launched brand ambassadors "STACKY RECLAIMY" and "ROLLY GEARRY" for ELECON MHE and Gear division



2013

Commissioned an ultra-modern manufacturing facility, the Bhanubhai Memorial Centre of Excellence (BMCE)



2025

Achieved a record revenue of ₹ 2,227 Crores and an all-time high profit of ₹ 415 Crores. We are poised to build on this momentum going forward

2022

Delivered a large and complex gearbox successfully for an Indian Navy defence project



2016

Received the biggest order from the Indian Navy

2015

Installed longest pipe conveyor successfully at Manikgarh Cement, India.



GLOBAL FOOTPRINT

Accelerating ACROSS THE GLOBE

Headquartered in India, we have nurtured a reputation for engineering excellence that extends far beyond our national borders. With a presence spanning Asia, the Middle East, Europe, the Americas, and Africa, we stand at the intersection of global demand and precise delivery.

We meet the needs of diverse markets by anticipating, adapting, and responding with solutions built to last. Every product we deliver embodies our commitment to innovation, precision, and performance, driving real-world progress and keeping industries moving forward across the world.

PRESENCE ACROSS MARKETS

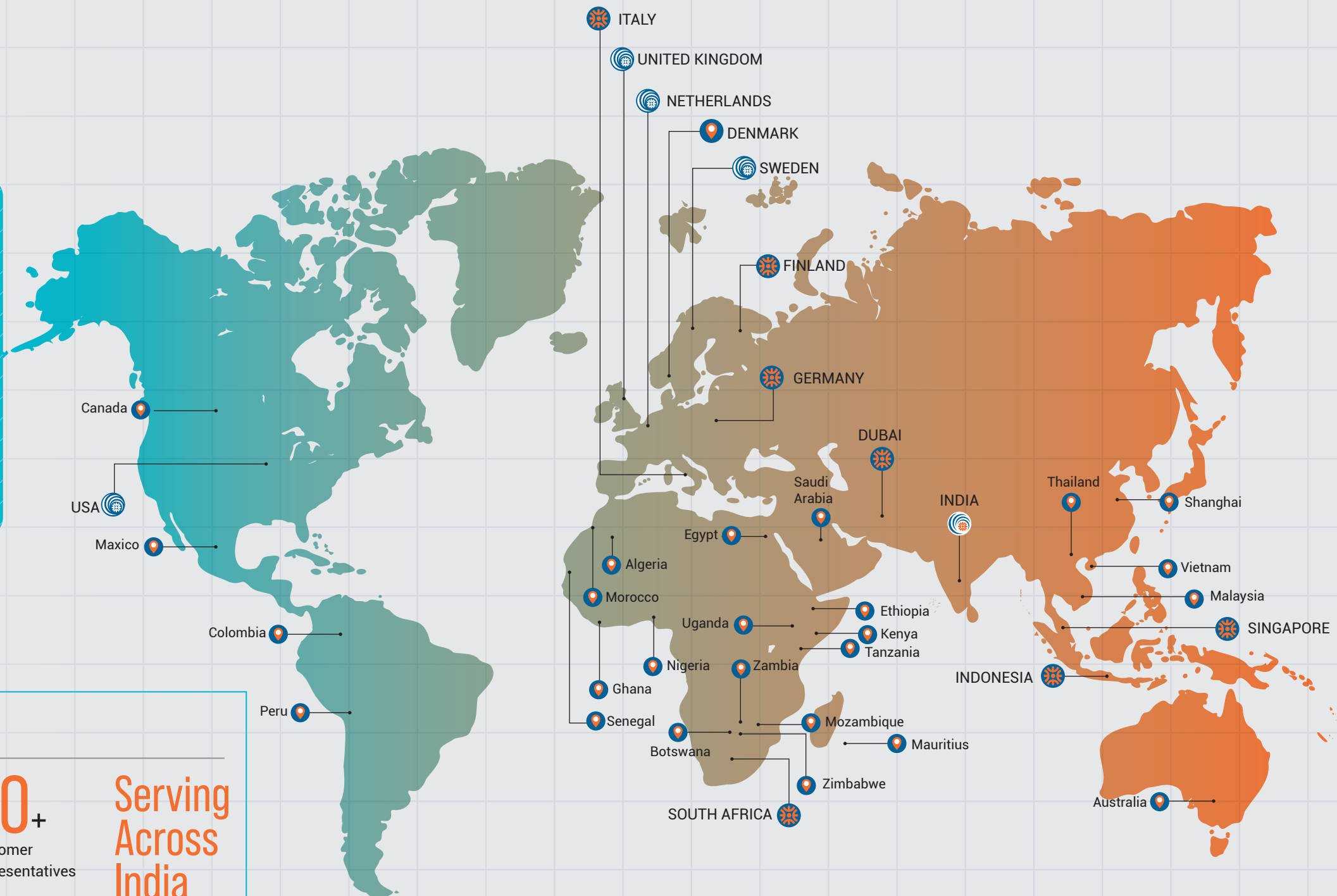
Domestic Market

1 Manufacturing Facility
13 Sales Offices
65+ Distributors and Dealers
60+ Customer Representatives

Serving
Across
India

Overseas Market

4 Manufacturing and Assembly Centres
10 Sales Offices
110+ Distributors and Dealers
35+ Customer Representatives
95+ Countries Served



Manufacturing Facility
 Sales Offices
 Assembly & Repair Centers
 Sales Representatives

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

Engineering the Road AHEAD WITH EXCELLENCE



"We supplied critical gearboxes for India's first indigenous aircraft carrier, INS Vikrant, marking a proud chapter in our journey of national service and technological contribution."

Dear Shareholders,

I am pleased to present the Annual Report for 2024-25, a year defined by resilience, strategic action, and deep commitment to our stakeholders. As we reflect on our journey, I am proud to say we have moved beyond being a company with a strong legacy; we have embraced transformation with clarity, courage, and conviction. We are building a future that is more sustainable, focussed, global, and relevant than ever before.

Staying Aligned with Focus

In 2025, India's economy carried forward its strong momentum, with GDP growth estimated at around 6.2%, supported by structural reforms, robust domestic consumption, and a strong infrastructure push. The industrial sector expanded by 6.2%, propelled by a surge in construction activity and higher output across key manufacturing verticals. This uptrend further spurred demand for advanced

industrial gear solutions and material handling equipment.

The industrial world is undergoing a dynamic transformation, shaped by evolving global supply chains, growing demand for energy-efficient solutions, rising infrastructure investments, and the increasing adoption of smart, digitalised systems. Amid this evolving environment, India's economic trajectory remains solid, with a strong capex cycle and expanding domestic demand offering a compelling opportunity landscape.

We have remained closely attuned to these macroeconomic and industrial developments. For over 74 years, our purpose has remained steady: to deliver excellence and create enduring value for all our stakeholders. We recognise the trust our partners place in us, and every gearbox and bulk material handling system we deliver mirrors that trust, strengthened by cutting-edge technology, precision engineering, and reliable performance.

Prominence in India

As India's largest industrial gearbox solution provider with a commanding presence in the market, Elecon is synonymous with quality, trust, and precision engineering. Our market leadership is defined by both size and relevance. Customer loyalty drives much of our order volume. That is the strength of our legacy and presence.

With great pride, I share that the fourth generation of our founding family is actively involved in the business, taking

on greater responsibilities and helping steer Elecon towards continued growth — a testament to our enduring legacy of engineering excellence spanning over seven decades. Every generation has chosen to stay within the same business, and that continuity has provided us with unmatched depth, wisdom, and commitment.

Our contribution to nation-building is a source of great pride, especially in the import substitution and defence sectors. One of our most significant milestones has been where we supplied critical gearboxes for India's first indigenous aircraft carrier, INS Vikrant, marking a proud chapter in our journey of national service and technological contribution.

Performance During the Past Year

Despite a challenging market environment in the first half of 2024-25, marked by global geopolitical uncertainties and a temporary slowdown in capital expenditure due to elections, we demonstrated resilience. Backed by an innovation-led mindset, strong engineering capabilities, and a sharp focus on precision, we responded with agility and foresight. A healthy order book further reinforced execution momentum, positioning us for sustained growth across both domestic and international markets.

Consolidated Financial Performance

We posted consolidated performance in 2024-25, with a revenue of ₹2,227 Crores, reflecting 14.9% year-on-year growth, in line with our annual guidance. EBITDA stood at ₹543 Crores with a robust EBITDA margin of 24.4%, while PAT came in at ₹415 Crores, delivering a PAT margin of 18.6%. The consolidated Order Book as at March 31, 2025, stood at ₹948 Crores, an increase from ₹796 Crores as at March 31, 2024, representing a 19.1% growth.

Industrial Gear Division

Our Gear division anchors our topline, generating ₹1,763 Crores in revenue, representing a 5.6% increase year-on-year. Despite a moderation in margins due to product mix, EBIT stood at ₹435 Crores, reflecting a margin of 24.7%. Serving critical industries such as steel, cement, power, mining, and marine, we design everything across sectors.

Decades of investment in advanced machinery and strong in-house R&D place us alongside global peers. We design everything across sectors.

Material Handling Equipment (MHE) Division

The MHE division, the foundation of our company, sustained strong growth and delivered an impressive performance during the year. Revenue surged 72.8% to ₹464 Crores, with EBIT more than doubling to ₹132 Crores reflecting a margin of 28.4%. This division's performance reflects successful execution of strategies, increasing demand and our ability to deliver tailored solutions to our customers.

This year has shown not only Elecon's resilience and the strength of our business to survive challenging times but also to capitalise handsomely on improving market conditions.

Expanding Global Horizons

We are steadily progressing towards our long-term strategic goal of achieving a balanced contribution from international markets to our consolidated revenue by 2029-30. In 2024-25, our international business accounted for approximately 23% of consolidated revenue, amounting to ₹517 Crores. This performance reflects our sharp strategic focus, strong operational execution, and ability to deliver value in an evolving global landscape.

Our Industrial Gear Division made remarkable strides, with our international OEM business crossing our projections for the year. This strong performance positions us for even greater growth in 2025-26, particularly as we deepen our presence in developing markets that value cost-effective, high-performance engineering solutions.

In a significant step forward, we have also forayed into exports under the MHE division. This was made possible by securing a major international order, a development that opens exciting new avenues for growth in global markets.

Investing in Our People

Our team is central to our transformation. We have proactively implemented cultural change initiatives focussed on strengthening our core values and beliefs, promoting a growth mindset, and cultivating a positive and inclusive workplace culture. These efforts aim to establish an environment where every individual feels valued, empowered, and motivated to give their best. Our objective is to transform Elecon into an inspiring workplace where talent is acknowledged, ideas thrive, and leadership is continually developed to address future challenges.

"As India's largest industrial gearbox solution provider with a commanding presence in the market, Elecon is synonymous with quality, trust, and precision engineering."

A Strong Commitment to Sustainability

We believe sustainability is an integrated philosophy that shapes our operations, culture, and growth. Environmentally, we have achieved a key milestone with SBTi approval for our science-based climate targets, committing to reducing absolute Scope 1 and 2 greenhouse gas emissions by 54.6% by 2032-33, compared to the 2022-23 baseline. This commitment reflects our clear focus on delivering value to all stakeholders through energy efficiency and responsible manufacturing.

Our dedication to sustainability extends well beyond merely reducing emissions. We are also committed to enhancing employee well-being, responsibly

managing resources, and building strong connections with the communities we support.

Our governance framework, rooted in accountability, integrity, and transparency, ensures that we uphold stakeholder trust, and make well-informed decisions aligned with long-term objectives.

For us, sustainability signifies preparing for the opportunities of tomorrow. By increasing our reliance on renewable energy, minimising waste, and consistently enhancing operational efficiencies, we are constructing a resilient foundation for long-term, sustainable growth.

Looking Ahead

The road ahead is rich with opportunity. Rising capital investments, expanding export potential, increasing demand for intelligent material handling, and the growing shift towards high-efficiency gear solutions are reshaping our industry. We are ready. With sharper focus, stronger fundamentals, and a deeply committed team, we move forward with confidence and clear purpose.

On behalf of the Board, I extend my sincere thanks to our shareholders, customers, partners, and employees. Your continued trust and support fuel our journey. Together, we are building a future-ready Elecon that is rooted in legacy, powered by innovation, and driven by sustainable progress.

Best regards,

Prayasvin B. Patel

Chairman & Managing Director

BOARD OF DIRECTORS

Guiding the Future WITH STRATEGIC LEADERSHIP


Mr. Prayasvin B. Patel
Chairman & Managing Director

With over 5 decades of industry experience, Mr. Prayasvin B. Patel brings strong technical and commercial expertise to Elecon. He holds a bachelor's degree in mechanical engineering and is an MBA graduate from USA. Moreover, he plays a key role in strategy across the Gear and Material Handling Equipment (MHE) divisions, overseeing marketing and business development.


Mr. Aayush A. Shah
Non-Independent & Non-Executive Director

Mr. Aayush A. Shah serves as the Executive Director of Power Build Private Limited. He has been actively involved in managing business units, formulating strategic plans and budgets, enhancing operational processes, overseeing project execution, and leading successful business turnaround efforts.


Mr. Ashutosh A. Pednekar
Independent & Non-Executive Director

Mr. Ashutosh A. Pednekar is a practising Chartered Accountant and has been a Partner at M. P. Chitale & Co., Chartered Accountants, since 1992. He possesses deep expertise in accountancy, finance, risk management, and insurance contracts, bringing valuable insights across these critical areas.


Mr. Nirmal P. Bhogilal
Independent & Non-Executive Director

Mr. Nirmal P. Bhogilal brings over 5 decades of extensive experience in the machine tool building and engineering industry. A graduate in Chemical Engineering from London University, he currently serves as the Chairman of the Batliboi Group.


Mr. Pradip M. Patel
Non-Independent & Non-Executive Director

With over 5 decades of experience in the bearing industry, Mr. Pradip M. Patel brings a wealth of knowledge and insight to the business. He is an MBA from a university in USA and excels in leadership, strategic planning, and providing strong operational direction, playing a key role in driving growth and performance.


Mr. Prashant C. Amin
Non-Independent & Non-Executive Director

With over 4 decades of experience in leading and operating enterprises, Mr. Prashant C. Amin has demonstrated strong leadership in successfully acquiring, integrating, and managing foreign companies. He completed his MBA in USA, along with a master's degree in engineering and management.


Mr. Pranav C. Amin
Independent & Non-Executive Director

Mr. Pranav C. Amin earned a degree in Economics and Industrial Management, along with an MBA in International Management. With his deep expertise in strategic leadership and organisational management, he brings both a global outlook and sharp business insight to every decision.


Dr. Sonal V. Ambani
Independent & Non-Executive Director

Dr. Sonal V. Ambani holds a PhD in business management and is the founding Chairperson of the FICCI Ladies Organisation (FLO), Ahmedabad chapter. A recognised innovator, she has been granted two patents in USA. She is also an active member of the United Nations Development Fund for Women (UNIFEM), reflecting her commitment to global gender equity and empowerment.

Powering OUR PROGRESS WITH INSIGHTS



Mr. M. M. Nanda
Business Head, Gear Division

"The Industrial Gear Division remains a pillar of strength, driven by its diversified sectoral reach and decades of engineering expertise. Serving industries such as steel, power, and cement, we manufacture a full range of gearboxes using cutting-edge technology and precision engineering. We consistently import best-in-class machinery and develop advanced engineering capabilities coupled with remarkably short turnaround times. This technological advantage fuels both superior product quality and enhanced operational efficiency. Our advanced condition monitoring systems enhance performance, reduce costs, and meet evolving customer needs. In the domestic market, we continue to maintain our leadership position in this division. Our customers' recognition is evidence of our commitment to precision, reliability, and performance remaining firm. Internationally, we exceeded our OEM business by achieving our projection through strategic partnerships that are strengthening our global footprint. With a unified 'One Elecon' culture, we ensure consistent quality while scaling sustainably across markets."



Mr. P. K. Bhasin
Business Head, Material Handling Division

"The growth achieved in our MHE division is not accidental but the result of focussed strategy and the strengthening of our delivery capabilities. As we exited from EPC work and focussed solely on equipment supply and the after-market segment, which sharpened execution and improved margins. This shift has paid off: revenue rose from ₹269 Crore in 2023-24 to ₹464 Crore in 2024-25, and we secured an export order worth USD 1.65 million. Our innovation agenda remains closely aligned with industry evolution, ensuring we meet expectations with speed, precision, and reliability. Our distinct offerings and service agility have reinforced client trust and translated into greater market engagement.

With limited competition and a clear strategy, Elecon is India's top MHE player, poised to deepen its domestic leadership and expand globally."



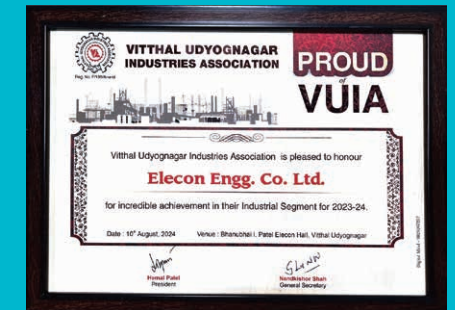
Mr. Narasimhan Raghunathan
Chief Financial Officer

"Our financial performance in 2024-25 is a testament to disciplined execution, rigorous cost control, and strategic capital allocation. We delivered a consolidated revenue of ₹ 2,227 Crores, with an EBITDA of ₹ 543 Crores and PAT of ₹ 415 Crores, achieving our highest-ever revenue alongside strong margins. Despite macroeconomic headwinds, our margin resilience highlights the strength of our operating model and strategic discipline. We have laid a solid foundation for sustainable, long-term growth. Our continued investments in advanced technology and engineering excellence distinguish us in a competitive landscape. Our calibrated capital allocation approach continues to prioritise long-term value creation and shareholder returns. Backed by a healthy balance sheet and a forward-looking mindset, we are well-positioned to capitalise on emerging opportunities and scale new frontiers in the industry."

Marking Moments THAT MATTER



Received the 'Excellence Award' in the category of 'Best Practices in HR and IR policies' by the Federation of Gujarat Industries.



Honoured for 'Incredible Achievement in the Industrial Segment for 2023-24' by the Vitthal Udyog Nagar Industries Association.



Certified as a 'Great Place to Work' organisation for the third consecutive time in a row with 78% trust score.



Awarded the 'Appreciation Certificate' in Occupational Safety & Health by the National Safety Council of India.



Bestowed with the 'Best Performance' award by Quality Circle Forum of India.



Moving Forward WITH OUR STRENGTHS

We stand at the intersection of a rich legacy and a future full of possibilities. Across our business segments, be it advanced material handling solutions or high-performance industrial gears, we are driven by a spirit of innovation. We focus on both today and what lies ahead, constantly striving for excellence, quality, and sustainability in everything we do. By strengthening our reputation as a trusted global partner, we are powering progress across industries and creating a lasting impact for years to come.



Industrial Gearboxes

One of Asia's Largest Gear Solution Providers

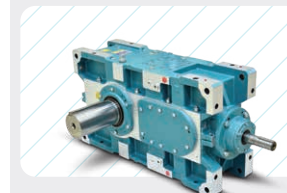
Our Industrial Gear Division reflects the strength of our legacy and the precision of our engineering excellence. With over seven decades of experience in engineering behind us, we take pride in being India's largest and most trusted manufacturer in this space. We build high-performance, reliable, and customised solutions that power

critical applications across steel, cement, power, sugar, marine, and mining, among others. These sectors contribute more than half of our overall order intake, underscoring the scale and importance of our diversified presence. We continue to expand our global reach, acquiring new customers and reinforcing our position in international markets.



4 stages, Vertical, Helical Gear Box cum Pinion Stand

OUR DIVERSIFIED PRODUCT RANGE



EON² Helical and Bevel Helical Gearbox



Inline Type Helical Gearbox for Central Drive



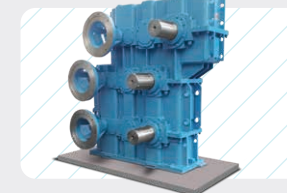
24" Worm Gearbox



Roller Press Drive



Pinion Stand



Calendar Drive



Complete Drive System



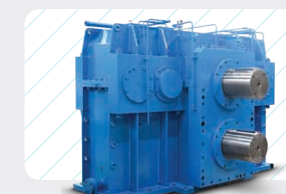
High Speed Gearbox



Vertical Roller Mill Drive Gearbox



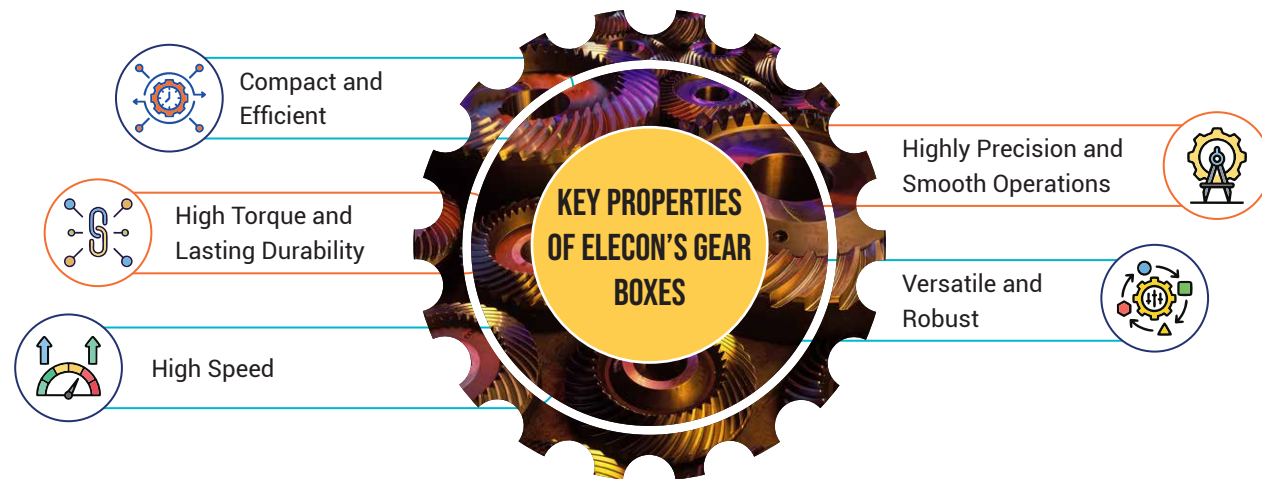
Rubber Mixer Drive Gearbox



Parallel Shift Helical Gearbox Combined



Spiral Bevel Gears



Key Strengths

We offer one of the most comprehensive gear solutions portfolios: From standard catalogue models to fully customised, engineered products, we design everything across sectors.

We serve a diverse range of industries: From steel, cement, and power to marine, defence, and mining, we are present wherever performance matters.

We are powered by technology: Our in-house R&D, world-class imported machinery, and deep understanding of applications help us stay ahead in innovation.

We back our products with strong support: Our extensive service network ensures prompt assistance and proactive maintenance, wherever our products are in use.



We prioritise customer efficiency: Our gearboxes consume less power, use oil optimally, and reduce cost structures for our clients.

We are building intelligent gearboxes: New Condition Monitoring Systems allow customers to remotely monitor performance, access diagnostics, and receive maintenance reports.

We lead the Indian market with confidence: With a dominant presence across key sectors, our leadership is the result of decades of quality, trust, and delivery.

We are growing globally: Strengthened by long-term partnerships with international OEMs, our overseas business has exceeded initial expectations, reinforcing Elecon's expanding global footprint.

We deliver sustainable and reliable products: Our gearboxes are built to perform longer, run smarter, and consistently deliver performance.

Key Downstream Industries Served



... and many more

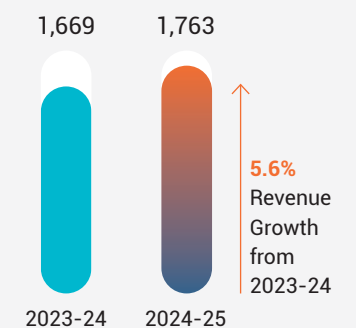


Industrial Robot for machine loading & unloading

Performance Highlights, 2024-25

- The gear division registered a 5.6% Y-o-Y revenue growth. While the first half of the year reflected Elecon's resilience in navigating challenging and volatile market conditions, the latter half showcased our agility in capitalising on improving industry dynamics, particularly in the domestic steel, cement, and power sectors, leading to a strong turnaround in the segment.
- EBIT margins declined slightly by approximately 160 basis points, reaching 24.7%, primarily due to a change in product mix.
- Order intake for the year was ₹ 1,794 Crores, reflecting a healthy Y-o-Y growth of 12.1%.
- The order book stood at ₹ 583 Crores as at March 31, 2025, indicating sustained customer confidence and demand.

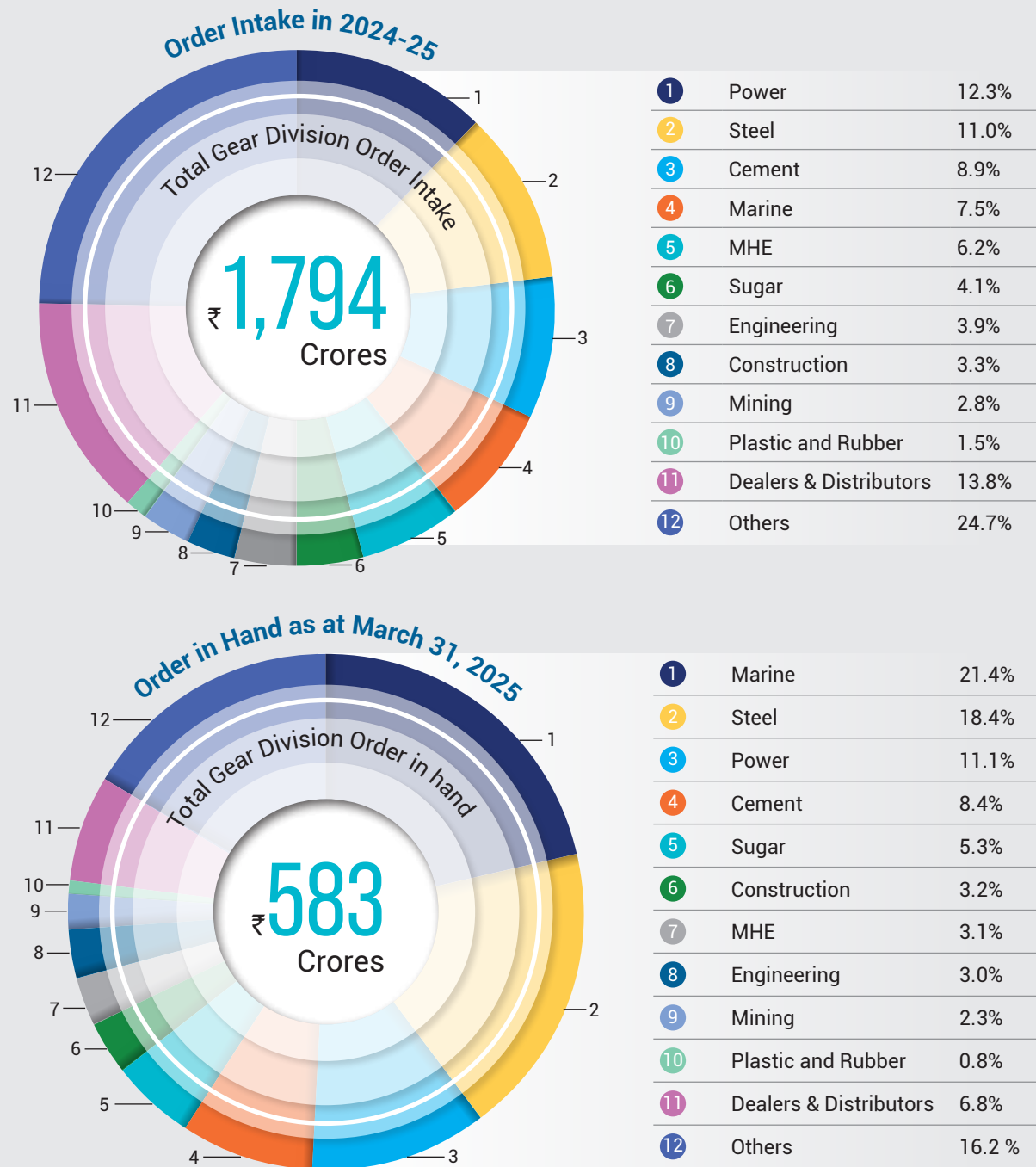
Consolidated Revenue Comparison (₹ in Crores)



Inside view of BMCE Plant

INDUSTRY-WISE CONSOLIDATED ORDER BOOK ANALYSIS

As of March 31, 2025



Way Forward

We are focussed on scaling our Gear Division with purpose and precision. Our priority is to deepen technological capability through sustained investments in intelligent design, digital integration, and advanced manufacturing systems. We are accelerating global expansion by targeting strategic OEM alliances and untapped geographies, with a clear objective of achieving a balanced revenue mix between India and overseas markets. Our efforts will remain anchored in delivering engineering excellence, enhancing product efficiency, and building long-term customer value, keeping us ahead of the curve and powering the industries of tomorrow.

Material Handling Equipment

One of India's Largest Manufacturers of Bulk Material Handling Equipment

Elecon has a strong legacy in material handling equipment, offering smart, reliable solutions designed to keep pace with changing industry demands. With renewed strategic

focus on our core strengths, this division is again emerging as a key growth driver for Elecon. As one of India's largest manufacturers of bulk material handling equipment,

Elecon remains a trusted partner to key sectors, including steel, power, cement, mining, and fertilisers, among others.

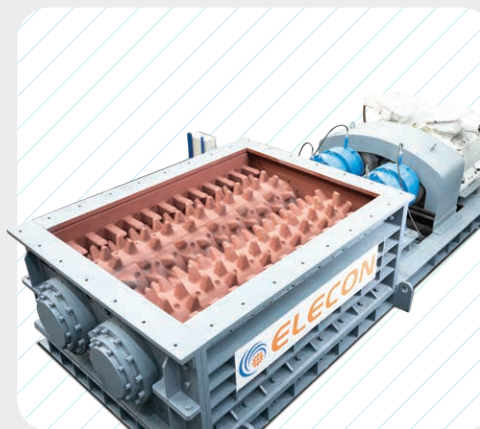
OUR DIVERSIFIED PRODUCT RANGE



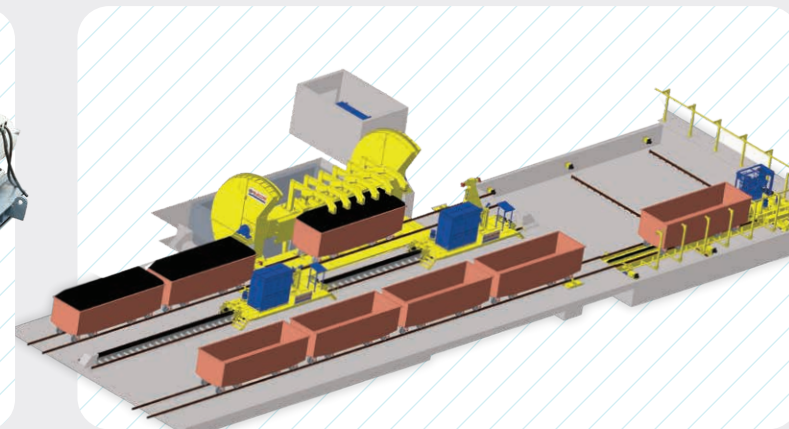
Stacker cum Reclaimer



Specialised Conveyors



Sizers



Tandem Wagon Tippler

Key Strengths of the Segment

We offer a broad and versatile product portfolio: From conveyor belts to stacker reclaimers and wagon tipplers, our range covers all essential bulk material handling equipment.

We lead India's MHE market with pride: With very few competitors left and decades of sustained presence, Elecon is recognised as the top-most player in this space.

We prioritise safety and reliability: Safety is embedded at every stage, from design and manufacturing to installation, ensuring dependable, long-lasting solutions.

We are powered by deep in-house expertise: With design, manufacturing, and project management under one roof, we offer integrated solutions that meet complex operational needs.

We strengthen customer confidence through quality: Our commitment to consistent quality and timely delivery builds lasting partnerships and drives repeat business.



We serve critical sectors across India: From power and steel to cement, mining, and fertilisers, our equipment supports the backbone of India's industrial infrastructure.

We are evolving with a product-centric approach: Moving away from EPC contracts, we now focus on delivering high-quality equipment with supervision of installation and commissioning.

We are entering new markets through exports: We have begun exporting MHE equipment, secured an order worth USD 1.65 million, and are actively exploring global opportunities.

Key Downstream Industries Served



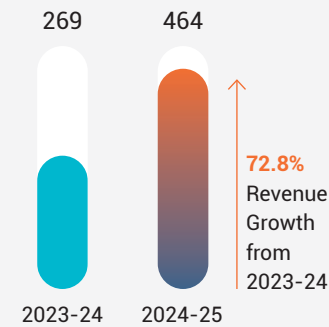
... and many more

Performance Highlights, 2024-25

- The Material Handling Equipment (MHE) division delivered a strong performance, registering a robust 72.8% Y-o-Y revenue growth. This performance was driven by a strategic focus on strengthening product supply and enhancing after-sales services, leading to a remarkable turnaround in the segment.
- EBIT margins improved significantly by approximately 670 basis points, reaching 28.4%, primarily due to a better product mix and a higher contribution from the after-market segment.
- Order intake for the year was ₹ 586 Crores, reflecting a healthy year-on-year growth of 49.1%.
- The order in hand stood at ₹ 365 Crores as at March 31, 2025, indicating sustained customer confidence and demand.
- We secured a significant order worth USD 1.65 million, marking a strategic milestone in our global ambitions.

Consolidated Revenue Comparison

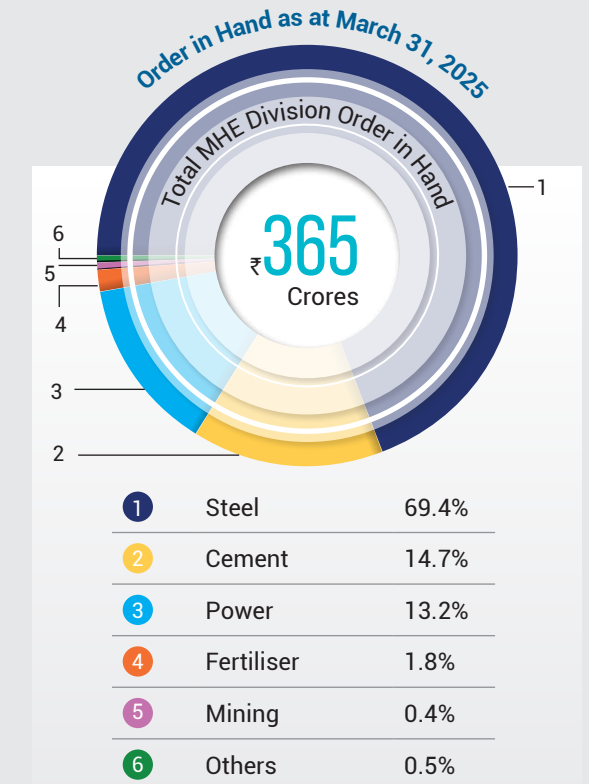
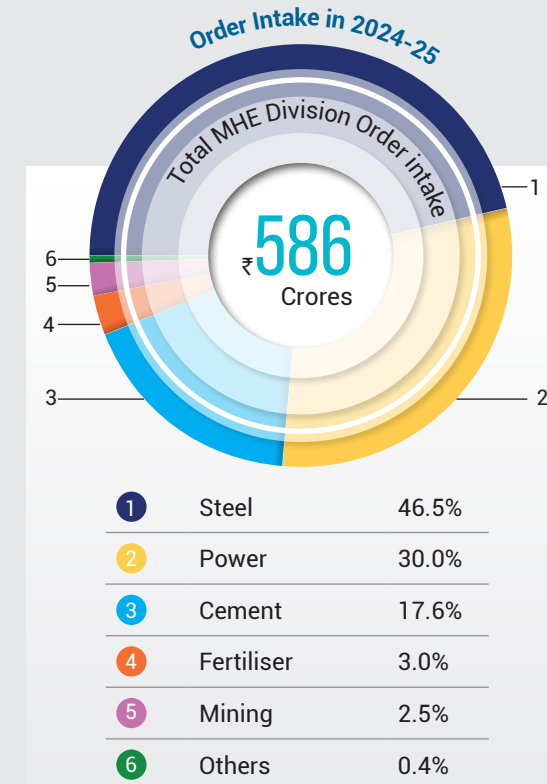
(₹ in Crores)



Manufacturing facility at MHE division

INDUSTRY-WISE CONSOLIDATED ORDER BOOK ANALYSIS

As of March 31, 2025



Way Forward

Looking ahead, we are confident that the MHE division will continue its growth momentum. Our focus will be on continuous product innovation, strengthening after-sales service, and deepening customer engagement. We will also actively explore export opportunities to build our presence in international markets. By staying true to our core strengths and leveraging the lessons from our transformation journey, we are poised to lead the material handling industry in India and beyond.

Narrating PROGRESS THROUGH NUMBERS

During the year under review, we delivered healthy financial performance, supported by a focussed strategy and disciplined execution. Consistent revenue growth, stable profitability, and a healthy order book reflect our ability to navigate market challenges effectively and make the most of emerging opportunities.

STANDALONE FINANCIAL HIGHLIGHTS

Revenue from Operations (₹ in Lakhs)

Year	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	1,06,473	99,648	91,954	95,546	83,574	79,610	89,282	1,19,699	1,59,967	1,87,112

EBITDA (₹ in Lakhs)

Year	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	14,237	15,580	10,936	11,349	10,530	14,381	18,423	28,069	41,361	46,359
EBITDA Margin (%)	13.37	15.64	10.94	11.88	12.60	18.06	20.63	23.45	25.86	24.78

PAT (₹ in Lakhs)

Year	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	3,651	2,106	808	1,207	7,242	3,626	9,552	18,815	30,316	34,003
PAT Margin (%)	3.43	2.11	0.88	1.26	8.67	4.56	10.70	15.72	18.95	18.17

Net Worth (₹ in Lakhs)

Year	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	71,550	72,230	72,517	73,360	77,800	81,637	90,567	1,07,782	1,34,548	1,65,036

Debt-Equity Ratio (X)

Year	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	0.79	0.63	0.68	0.65	0.50	0.31	0.13	0.02	0.03	0.09

Return on Capital Employed (%)

Year	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	4.94	1.72	0.64	0.96	6.44	9.77	14.39	23.31	30.01	27.74



CONSOLIDATED FINANCIAL HIGHLIGHTS

Revenue from Operations (₹ in Lakhs)

Year	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	1,36,555	1,27,466	1,18,972	1,22,484	1,08,846	1,04,444	1,21,195	1,52,968	1,93,742	2,22,696

EBITDA (₹ in Lakhs)

Year	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	16,083	15,992	11,333	13,970	14,038	18,534	24,644	33,888	47,447	54,259
EBITDA Margin (%)	11.78	12.87	9.75	11.41	12.90	17.75	20.33	22.15	24.49	24.36

PAT (₹ in Lakhs)

Year	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	5,961	4,386	562	8,826	1,951	5,763	14,049	23,749	35,558	41,510
PAT Margin (%)	2.74	0.84	0.64	5.72	8.24	5.52	11.59	15.53	18.35	18.64

Net Worth (₹ in Lakhs)

Year	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	59,110	60,660	58,780	74,559	83,470	90,127	1,03,492	1,26,156	1,58,408	1,97,509

Debt-Equity Ratio (X)

Year	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	0.79	0.82	0.83	0.71	0.54	0.36	0.14	0.05	0.04	0.09

Return on Capital Employed (%)

Year	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	2.82	0.83	0.06	0.51	7.02	11.29	16.92	22.84	28.70	26.76

MANUFACTURING EXCELLENCE

Harnessing TECHNOLOGY TO SHAPE TOMORROW

We are the pioneers in India's heavy engineering space. By combining cutting-edge technologies with deep industry expertise, we deliver material handling and industrial gear solutions that often exceed global standards.

Our world-class manufacturing facilities are powered by advanced digital tools, AI-driven design simulations, and precision engineering. With seamless integration across our value chain, we are equipped to serve the most demanding industries, including steel, power, cement, and mining, among others, with unmatched accuracy and reliability. From smart condition monitoring systems embedded in our gearboxes to intelligent automation across our shop floors, we are redefining how heavy engineering operates in a fast-evolving world.

Our Manufacturing Facility and Assembly Centres: Footprint Across India and Abroad



Outside view of BMCE Plant

Manufacturing Facility

Elecon Plant (India)

~3,35,000
Square Metres of Area

1960
Year of Commencement

Products Manufactured
Material Handling
Equipment and
Industrial Gears

Place: Vallabh Vidyanagar, Gujarat



Helical assembly unit

Assembly Centres

Benzlers Plant (Sweden)

~3,100
Square Metres of Area

2010
Year of Acquisition

Products Manufactured
Industrial Gears and
Reducers

Place: Helsingborg

Benzlers Plant (The Netherlands)

~1,700
Square Metres of Area

2010
Year of Acquisition

Products Manufactured
Industrial Gears and
Reducers

Place: Venlo

Radicon Plant (The UK)

~3,000
Square Metres of Area

2010
Year of Acquisition

Products Manufactured
Industrial Gears and
Reducers

Place: Elland

Radicon Plant (USA)

~4,900
Square Metres of Area

2010
Year of Incorporation

Products Manufactured
Industrial Gears and
Reducers

Place: Elgin

Manufacturing Competence



Process Innovation

Right from the beginning, we have chosen to build rather than borrow. While most equipment was imported, we established our manufacturing, fostering a culture of innovation. Today, we use state-of-the-art machinery from top global manufacturers, prioritising long-term quality and precision. Though not fully automated yet, our processes are continuously optimised for efficiency, consistency, and scale.



Product Innovation

Decades of R&D have kept our product portfolio evolving to meet global standards. From marine gearboxes for warships to vertical mill gearboxes for cement and power sectors, our products are tailored for precision and reliability. The MHE division offers customised, advanced bulk material handling solutions across industries.



Integrated In-house Capabilities

Our backward integration ensures control over every production stage from raw materials to final assembly. This helps to enhance flexibility, speeding delivery and improve quality.



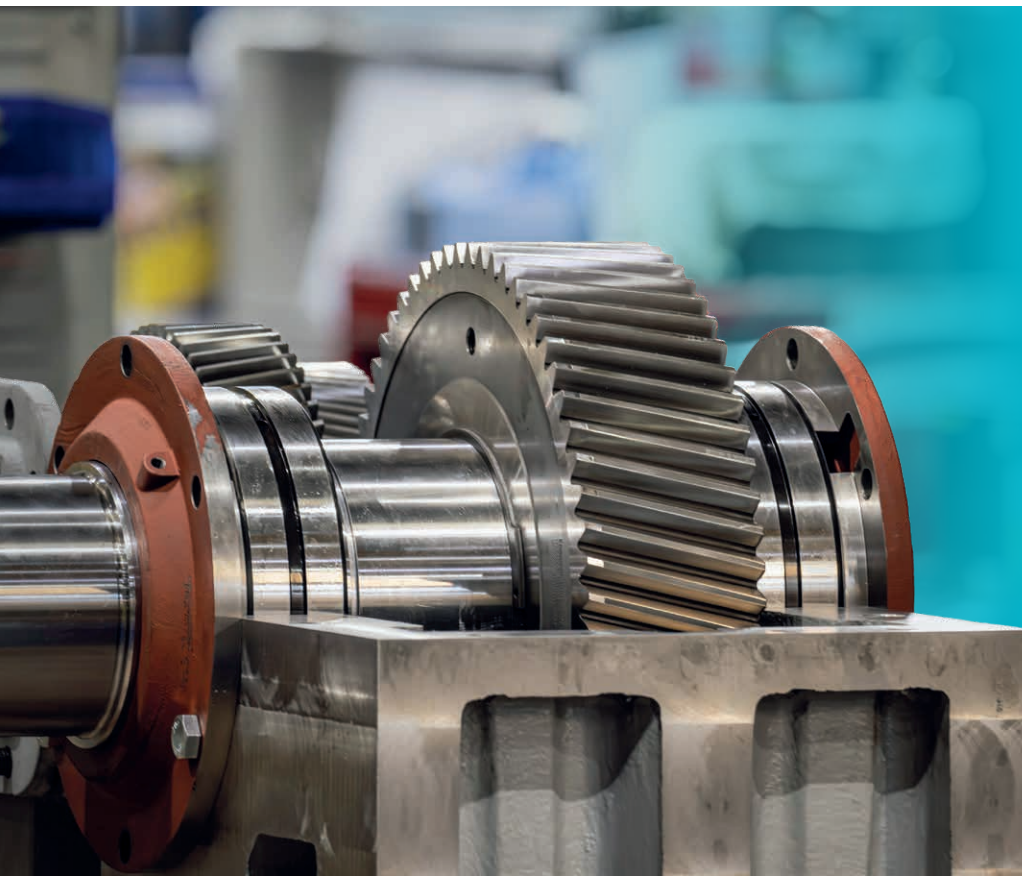
Embracing Digitalisation and IoT

We are developing intelligent gearboxes with advanced Condition Monitoring Systems, leveraging IoT. This enables our customers to remotely track performance, access diagnostics, and schedule predictive maintenance, redefining uptime and transparency.



Advanced Tool Management

We safeguard high-value machining tools with a secure, card-controlled Cardex storage system. This way, we ensure accountability, reduce downtime and maintain smooth operations.



Precision That Goes Deeper Than Microns

When we say precision, we mean gear-cutting accuracy down to a few microns, about one-tenth the thickness of a human hair. Our DIN-class facility in Vallabh Vidyanagar is designed to uphold these global benchmarks. Every gearbox we manufacture reflects our obsession with detail and performance, from the smallest pinion to the most complex industrial drive.

SNIPPETS OF MANUFACTURING COMPETENCE

Pioneer in India

First Company to Manufacture Innovative Bulk Material Handling Equipment



One of Asia's Largest

Leading Providers of Gear Solutions and Material Handling Systems



Defence-Grade Engineering

The Only Indian Company Capable of Manufacturing Complex Gearboxes for the Indian Navy



A Legacy of Trust

Trusted by Industries across India and Global Markets



Quality Control

Key Quality Control Processes

Our approach to quality is methodical and uncompromising. We have implemented an Integrated Management System (IMS) based on internationally recognised standards, ensuring end-to-end control throughout every stage of our operations. From raw material receipt to final testing before dispatch, each process is closely monitored the performance and reliability our customers expect.

Competence of the Quality Team

Our quality assurance team is one of our greatest strengths. With years of hands-on experience and deep technical expertise, they bring exceptional attention to detail and a strong understanding of compliance standards. Their dedication ensures we consistently uphold our reputation for world-class quality and operational excellence.

QUALITY CERTIFICATION



Quality Management



Environmental Management



Occupational Health and Safety



NABL Accredited Laboratory



Leading Engineering WITH PRECISION & INNOVATION

Innovation is at the heart of how we grow and serve our customers. With well-equipped R&D centres across multiple locations in India, we are constantly enhancing our systems and gear products through a combination of steady innovation and hands-on engineering expertise. This commitment enables us to stay agile, respond effectively to the evolving needs of our clients, and consistently deliver long-term value in everything we do.



DSIR-APPROVED IN-HOUSE R&D FACILITY

Our in-house Research and Development (R&D) facility, recognised by the Department of Scientific and Industrial Research (DSIR), Government of India, is a strong testament to our unwavering commitment to innovation and excellence. This prestigious recognition reflects the high standards and robust capabilities we maintain in our research initiatives.

Our R&D activities cover the entire product development lifecycle—from concept design and engineering to value engineering, 3D modelling, detailed drawings, and Finite Element Analysis (FEA). Each phase is executed with a focus on quality, performance, and continuous improvement.

This facility not only supports the development of advanced, reliable products but also plays a key role in enhancing customer value, reducing time-to-market, and fostering technological leadership in our industry.

R&D INITIATIVES

We take great pride in our strong research and development foundation. With a dedicated team of over 100 engineers, we are constantly exploring new possibilities to stay ahead of industry demands. Our R&D team leverages more than 20 advanced software platforms for design, analysis, and parameter validation, ensuring every solution we develop is robust, efficient, and future-ready. Our efforts go beyond just creating new products; we are equally focussed on enhancing the efficiency, reliability, and sustainability of our existing offerings.

2

Patents Granted

5

Patents Currently under Application

DRIVING THE FUTURE OF INDUSTRIAL POWER TRANSMISSION



In early 2023, we introduced the 'EON²' industrial gearbox, an innovation that reflects our commitment to engineering excellence and customer-centric design. This next-generation gearbox was conceived with a clear vision: to deliver superior performance, enhanced energy efficiency, and unmatched durability. EON² is more than just a product; it is the result of deep research, precision manufacturing, and our resolve to stay ahead of industry needs. Through this launch, we reaffirmed our focus on delivering solutions that meet the highest global standards while also aligning seamlessly with our customers' evolving operational requirements.

STRENGTHENING MANUFACTURING EXCELLENCE TO POWER GLOBAL ASPIRATIONS

Over the last five years, we have intensified our focus on strengthening the backbone of our operations, our manufacturing processes. Through our 'One Elecon' initiative, we are driving greater cohesion across all production units. We are achieving this by standardising processes, implementing robust Standard Operating Procedures (SOPs), and aligning quality benchmarks across facilities. This strategic integration ensures consistency, enhances precision, and reinforces our ability to deliver world-class engineering solutions with unmatched reliability. Our success in this endeavour is exemplified by a notable USD 1.65 Million export order secured in the MHE division last year, reinforcing the growing trust in our capabilities.

ESG APPROACH

Balancing Innovation WITH RESPONSIBILITY

Guided by a commitment to responsible progress, we integrate Environmental, Social, and Governance (ESG) principles into every aspect of our operations. This focus drives lasting impact, creating value that supports communities, protects the planet, and builds a better future for all.



ENVIRONMENT

For us, engineering and environmental stewardship go hand in hand. By delivering energy-efficient gear solutions and smart material handling systems, we actively contribute to the global transition towards lower emissions and reduced consumption of natural resources. Demonstrating our commitment, we received approval for our Near-Term Science-Based Targets (SBTs) from the Science Based Targets initiative (SBTi) on January 6, 2025.

18.7 MW

Wind and Solar
Energy Installed

7 MW

Wind and Solar Energy
(Under Commissioning)

60%

Total energy needs sourced
through renewable energy

95%

Lighting infrastructure
converted to LED systems



SOCIAL

Elecon remains committed to responsible growth by investing in its people and contributing to the society. We foster skilled, diverse workforce through long-term development and leadership initiatives, while maintaining a zero-fatality workplace supported by robust health and safety measures. Our social outreach extends to healthcare, education, sports, and community welfare, reflecting our belief that sustainable progress includes meaningful impact beyond the business.

250+

Development Programmes Conducted

15,000+

Total Training Hours

3,200+

workforce hours
SHE training

₹ 523.97

Lakhs
CSR Spend



GOVERNANCE

At Elecon, corporate governance is a continuous journey centred on integrity, transparency, and accountability. With a balanced Board of experts, top-level executives, and skilled professionals, supported by robust systems, we ensure ethical conduct across our operations. Our commitment to strong governance, beyond mere policies, drives our growth while considering the well-being of all stakeholders. We uphold ethical conduct through proactive risk management, open communication, and regular audits—reinforced by key policies such as our Code of Conduct, Whistleblower, Risk Management, and Insider Trading policies. Governance at Elecon isn't just compliance—it's a driver of long-term value.

4

Independent Directors

3

Non-Independent & Non-
Executive Directors

1

Executive Director

BIG MOMENTS

A Glimpse into ELECON ENGINEERING, 2024-25



MANAGEMENT DISCUSSION & ANALYSIS 2024-25



GLOBAL ECONOMIC OVERVIEW

The global economy entered 2025 with cautious stability. After enduring a prolonged period of unprecedented shocks ranging from the Covid pandemic to global geopolitical instability, green shoots of stabilization began emerging in 2024. Inflation moderated from multi-decadal highs, while labour markets showed signs of normalization, with unemployment and vacancy rates returning to pre-pandemic levels. Global growth has hovered around 3% in recent years.

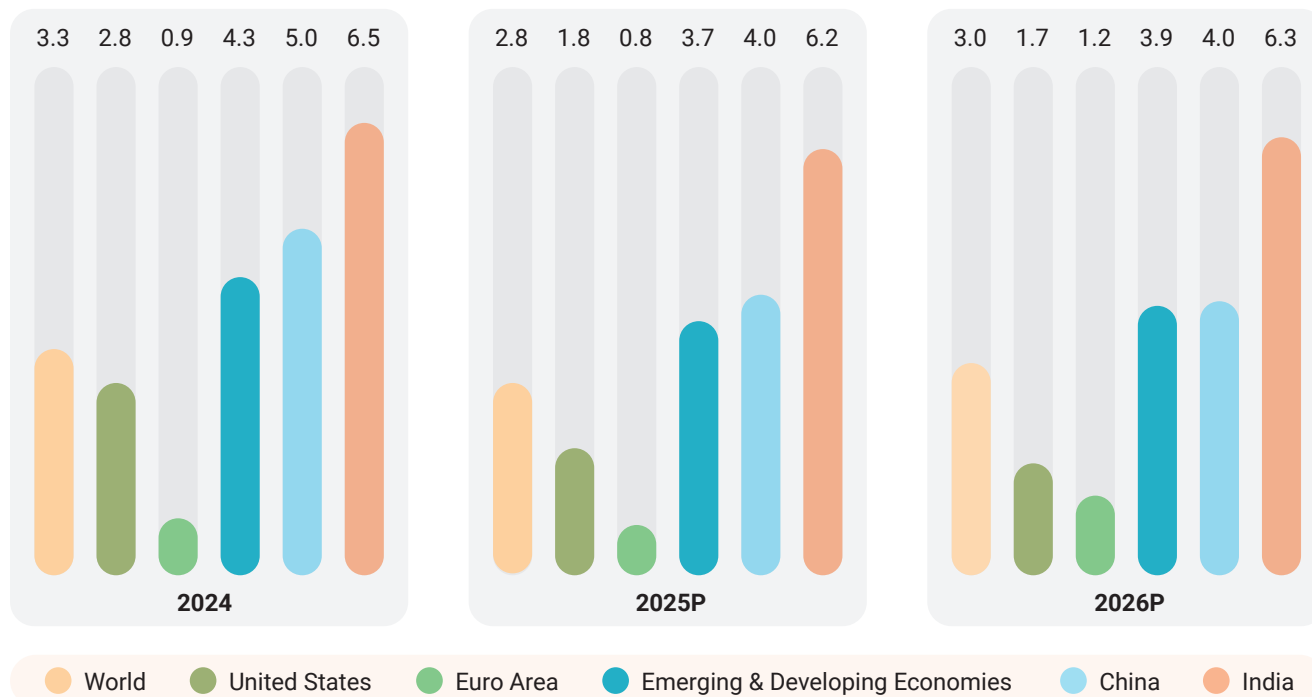
However, the international trade landscape has once again been thrown into a frenzy with clouds of

uncertainty threatening to destabilise the global economy, which was looking to get back on track. A series of tariff increases initiated by the United States was proposed to be countered in equal measure by most of its major trading partners. Although the tariff war has been paused for the time being, the sword still hangs over the neck of the global economy. If implemented, the effective global tariff rates will rise to their highest levels in a century. This represents a major spanner in the works of the global economy, considerably dragging down the growth outlook at a time when international trade dynamics were

already unstable and looking for some fresh impetus.

The IMF has projected global GDP growth to decelerate to **2.8% in 2025** and marginally recover to **3.0% in 2026**. That is significantly below the historical average growth of ~3.7% seen over 2000-2019. Advanced economies are expected to grow at just **1.4%**, with the **U.S.** slowing to **1.8%** and the **Euro Area** to **0.8%**, amid increased policy uncertainty and weaker demand. Growth in the emerging markets and developing economies are expected to slow to **3.7% in 2025** and **3.9% in 2026**.

Global GDP Growth Forecast (% YoY):



While the trade war threat still looms, recent developments such as the trade deal between the US and the UK, the positive tone coming out of US's trade talks with China, and India and US working constructively on a bilateral trade deal provide some sense of relief and hope. A retreat from protectionist measures and renewed multilateral cooperation could help restore growth momentum. Policymakers must prioritize transparency, debt sustainability, and coordination to mitigate risks and bolster medium-term growth prospects.

INDIAN ECONOMY

India remains a standout performer on the international stage and is expected to continue leading global growth. Despite a slight downward revision from its earlier forecast in January 2025 to factor in heightened global trade tensions and uncertainty, the IMF has projected India to remain the fastest-growing major economy over the next two years, with India's GDP expected to grow at **6.2% in 2025** and **6.3% in 2026**.

The bright outlook stems from India's strong macroeconomic fundamentals, resilient domestic consumption, and its ability to maintain a steady trajectory while navigating a complex global landscape. IMF's reaffirmation of India's resilience and potential underscores its expanding role as a global growth engine.

The outlook for the Indian economy continues to be positive, driven by macroeconomic stability, pro-growth monetary policy environment, and resilient domestic demand.

Retail inflation in India eased to a 6-year low of 4.6% in 2024-25. It eased further to 3.16% in April 2025. This highlights the effectiveness of RBI's monetary policy in successfully balancing economic expansion and price stability. With inflation under control, RBI has been stepping on the pedal to support growth with two

back-to-back rate cuts in February and April 2025.

The HSBC Manufacturing PMI hit a 10-month high of 58.2 in April 2025, inching up slightly from 58.1 in March 2025. The Manufacturing PMI has remained above the 50-mark since July 2021, indicating sustained growth in the manufacturing sector in the country.

With an approximately 10% Y-o-Y increase in its budget for 2025-26, the government has allocated ₹ 11.2 Lakh Crores for capital expenditure, underlined its continuing thrust on investment-led growth in India. The outlook for the Indian economy continues to be positive, driven by macroeconomic stability, pro-growth monetary policy environment, and resilient domestic demand.

Industry Outlook

Engineering & Capital Goods Sector

India's capital goods sector is playing a pivotal role in the country's industrialization journey. With a contribution of approximately 1.9% to India's GDP, the sector includes machinery, electrical equipment, and construction products, all of which are vital for infrastructure expansion.

Government initiatives have played a key role in strengthening India's capital goods sector. The Ministry of Heavy Industries has implemented several targeted policies, including Production Linked Incentive (PLI) schemes, aimed at boosting domestic production and reducing dependence on imports. These measures align with the broader "Make in India" campaign, which seeks to increase the manufacturing sector's contribution to GDP, generate employment opportunities, and enhance technological capabilities. As a backbone of industrial growth, the capital goods sector supports large-scale manufacturing and infrastructure projects across the country. With the momentum of increasing urbanization, expansive infrastructure development, and robust policy support, the sector is well-positioned to drive sustainable industrial growth and elevate India's competitiveness in the global market.



GEARBOX INDUSTRY

The industrial gearbox industry is experiencing steady growth, driven by the increasing adoption of automation across a wide range of sectors and continuous technological advancements in gearbox design and performance. Gearboxes are critical components in automated applications such as CNC machines, robotic systems, conveyor mechanisms, and assembly lines, where precision, efficiency, and reliability are essential.

Additionally, the rising demand for heavy-duty machinery across various industries, particularly in construction, mining, and energy, is further accelerating market expansion. The push for infrastructure development and large-scale public works projects is boosting the need for robust industrial gearbox drives in construction equipment, including cranes, lifts, hoists, and other material handling machinery. In these high-load, high-demand environments, gearboxes must

deliver exceptional durability and performance.

As companies strive for higher operational efficiency and throughput, the role of industrial gearboxes becomes even more pivotal.

All in all, the increased industrial process automation and rising need for energy efficiency will continue to drive demand for gearboxes and the outlook for the sector remains positive.



COMPANY PERFORMANCE – ELECON ENGINEERING

Operational Highlights – 2024-25

2024-25 has been another remarkable year for Elecon. The Company delivered its best-ever performance in 2024-25, recording its highest Revenue, EBITDA and PAT. This achievement, especially after considering the slow start to the year, demonstrates Elecon's resilience and strength during times of global macroeconomic challenges.

Despite soft momentum in the earlier part of the year, Elecon overcame the challenges, showcasing its ability to hold its ground during adverse times. The Company roared back with a robust performance in the latter part of the year and has delivered on what it had committed on an annual basis.

After election-led domestic slowdown and global macroeconomic uncertainties impacted the business in the first half of the year, the Gear division saw a robust recovery in the second half and ended the year with a growth of 5.6%. While the first half demonstrated Elecon's resilience in navigating challenging and volatile market conditions, the second half has shown the Company's ability to capitalize on improving industry dynamics. Looking forward, the demand continues to be steady across domestic as well as export markets. In the domestic market, the Company is seeing consistent momentum in the power, steel and cement industries. Enquiry levels across the export markets are showing promising signs as well.

Elecon's industry-leading turnaround time, consistent aftermarket support,



and customized solutions continue to make it a preferred OEM partner globally. Our partnerships with the OEMs in overseas markets is delivering better-than-expected results in terms of order inflow and revenue.

The MHE division continued to grow from strength to strength in 2024-25, delivering a robust 72.8% growth during the year. This growth momentum is underpinned by a strong order book, with demand largely driven by the steel, power and cement industries. The pivot towards product supply and sharp focus on after-market services continued to bear fruit for Elecon. The Company expects sustained and profitable growth trajectory in the MHE division to continue.

At ₹ 2,380 Crores, 2024-25 also saw strong momentum in terms of order intake, reflecting a 19.4% growth for the year. With a strong order backlog

of ₹ 583 Crores in the Gear division and ₹ 365 Crores in the MHE division as at March 31, 2025, there is strong visibility for the coming year.

Elecon has firmly established itself as the leader in India and as one of the largest industrial gearbox solution providers in Asia. Our successful OEM partnerships in international markets underline our confidence in expanding our geographical presence. The references and credibility we gain through these partnerships serve as a catalyst for further expansion.

The Company's wide product range, technological capabilities, focus on innovation, operational excellence, and strategic international partnerships positions it well to harness future opportunities in both, domestic and global markets. The focus on steady cash flow generation and maintaining financial discipline remains unwavering.

Sector-Specific Growth Drivers

Elecon's gearboxes and material handling equipment find its use across sectors such as steel, power, cement, fertilizers, mining etc. The steel, power and cement sectors contributed 20%, 16% and 11% respectively to the Company's Order Intake during 2024-25.

Cement

The cement sector has undergone significant consolidation following a series of acquisitions. The domestic cement industry also faced operational challenges in 2024 such as moderate capacity utilisation levels, lower realisations, slower pace of volume growth and pressure on margins. After seeing soft demand in H1 2024-25 due to the election and extended monsoon, the growth momentum picked up in the second half of 2024-25, driven by a pick-up in construction activities.

While realisations were under pressure in H1 2024-25, prices saw some stabilisation in the second half of the year. Given the government's budgetary allocation towards capital expenditure, cement demand is expected to grow steadily. That should support prices, profitability and capacity expansion for the cement industry. The cement sector is likely to see 43-45 Million tons of capacity expansion in 2025-26.

The outlook for the cement sector is positive, driven by rising demand, reduced competition, and cost efficiencies. Volumes and prices are expected to increase. These factors lay the foundation for steady capacity expansion, which in turn will aid growth for Elecon.

While realisations were under pressure in H1 2024-25, prices saw some stabilisation in the second half of the year. Given the government's budgetary allocation towards capital expenditure, cement demand is expected to grow steadily.

Steel

In India, steel demand is expected to grow at 8-9% in calendar year 2025, significantly outpacing the growth rates of other countries. This optimistic outlook reflects a strong trajectory for the Indian steel industry. The growth in steel demand is primarily attributed to a transition towards metal-intensive construction in the residential and infrastructure sectors. Large-scale government initiatives such as the Pradhan Mantri Awas Yojana (housing for all) and the Gati Shakti Master Plan (infrastructure development) are expected to be major catalysts. Additionally, rising demand from

sectors like engineering, packaging, and industrial manufacturing will further contribute to this growth.

Power

India's electricity consumption grew by ~6%, driven primarily by weather-related demand. The ongoing expansion in India's power sector, driven by rising electricity demand, substantial capacity additions in Coal based Power plants and government policy support, is creating strong business opportunities for Elecon. These developments, along with increased traction in the aftermarket segment, position Elecon well to capitalize on the sector's growth momentum.



FINANCIAL PERFORMANCE

It can be referred in the Board's Report under heading "Financial Results" in this Annual Report.

Financial Ratios

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Particulars	Standalone		Consolidated	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
Debtors Turnover Ratio	3.81	4.53	4.21	4.90
Inventory Turnover Ratio	11.71	9.70	9.42	7.62
Interest Coverage Ratio*	59.61	113.19	50.31	74.64
Current Ratio	2.90	2.92	3.16	3.05
Debt Equity Ratio*	0.09	0.03	0.09	0.04
Operating Profit Margin (%)	24.78	25.86	24.36	24.49
Net Profit Margin (%)	18.17	18.95	18.64	18.53
Return on Net Worth (%)	20.60	22.53	21.02	22.45

*There is a change of more than 25% in Interest Coverage Ratio and Debt Equity Ratio. Such change in Interest Coverage Ratio is mainly due to reduction in finance cost and debt. Such change in Debt-Equity Ratio is mainly due to entrance of new lease agreement by the Company.

RISK AND CONCERNS

The Company could be susceptible to strategy, innovation and business or product portfolio related risks if there is any significant and unfavourable shift in industry trends, customer preferences or returns on R&D investments. Elecon does have the benefit of being very well entrenched with many of its customers, involved in their critical and strategic initiatives. Therefore, client concentration related risks are mitigated to that extent.

Risks emanating from changes in the global markets such as the recent financial meltdown, regulatory or political changes and alterations in the competitive landscape could affect the Company's operations and outlook. Any adverse movements in

economic cycles in the Company's target markets and volatility in foreign currency exchange rates could have a negative impact on the Company's performance. This risk is mitigated to some extent due to the Company's presence in multiple and diverse markets. The Company also takes necessary steps such as forex hedging to mitigate exchange rate risks.

Elecon operates in a highly competitive industry, replete with multiple competitors, in both India and abroad. Shifts in clients' and prospective clients' dispositions could affect its business. While the Company has strong domain expertise, robust delivery capabilities and significant project experience,

there is no guarantee that it will always get the better of competition.

The Company's operating performance is subject to risks associated with factors that may be beyond its control, such as the termination or modification of contracts and non-fulfilment of contractual obligations by clients due to their own financial difficulties or changed priorities or other reasons. Elecon does have mechanism in place to try and prevent such situations as well as taking insurance cover as necessary.

INTERNAL CONTROLS SYSTEM

The Company has mechanisms in place to establish and maintain adequate internal controls over all operational and financial functions. The Company intends to undertake further measures as necessary in line with its intent to adhere to procedures, guidelines and regulations as applicable in a transparent manner.

Internal Controls are continuously evaluated by the Internal Auditors and Management. Findings from internal audits are reviewed by the Management and the Audit Committee. The corrective actions and controls have been put in place wherever necessary. Scope of work of Internal Auditors covers review of controls on accounting, statutory and other compliances and operational areas in addition to reviews relating to efficiency and economy in operations.

DEVELOPMENT IN HUMAN RESOURCES/INDUSTRIAL FRONT

The Company has a strong committed work force nurtured and backed up by its professional culture coupled with innovative HR process aimed at strategic alignment with the business objectives. It has been the tradition of the Company to maintain excellent industrial relations at all levels. This has ensured that we have a committed and dedicated workforce with a high level of enthusiasm.

The number of employees as on March 31, 2025 was 740 as against 687 as on March 31, 2024.



Strategic Outlook

While the global macroeconomic landscape poses some challenges, the Indian economy continues to demonstrate resilience and is expected to lead global growth. A stable government, growth-focussed policy and steady domestic demand combine to create a conducive environment for investments.

Elecon will remain committed to maintaining its leadership position in the domestic market, while at the same time expanding its global presence through strategic partnerships. The focus on innovation and R&D remains unwavering. The company will also continue to drive operational

efficiencies and strive to maintain its strong cash flow generation and financial discipline. With a robust order book, diversified sector presence, and a culture of excellence, Elecon is well-positioned to deliver sustained and profitable growth, thereby creating long-term value for its stakeholders.

BOARD'S REPORT

Dear Members,

The Board of Directors present the Company's Sixty-Fifth Annual Report and Company's Audited Financial Statements for the Financial Year ended on March 31, 2025.

As our valued partners in the Company, we share our vision for growth with you. Our core principles combine realism and optimism, which have been, and will continue to be, the driving force behind all our future efforts.

The summary of financial highlight is given below:

FINANCIAL RESULTS

The Company's financial performance (Standalone and Consolidated) for the financial year ended on March 31, 2025 is summarised below:

Particulars	Standalone		Consolidated	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Turnover	1,87,112	1,59,967	2,22,696	1,93,742
Profit Before Tax, Finance Cost, Depreciation & Amortisation and Adjustments for previous year (EBIDTA)	46,359	41,361	54,259	47,447
Add: Other Income	5,287	3,971	6,005	4,406
EBIDTA (Including other income)	51,646	45,332	60,264	51,853
Less : Finance Cost	993	594	1,304	864
Depreciation & Amortisation	5,058	4,125	6,076	5,092
Profit Before share of equity accounted Investee and Tax	45,595	40,613	52,884	45,897
Share of Profit of Associates	-	-	813	641
Profit before Tax	45,595	40,613	53,697	46,538
Less: Provision for Tax	11,822	10,331	12,417	11,014
Deferred Tax	(230)	(34)	(230)	(34)
Profit After Tax	34,003	30,316	41,510	35,558
Add:				
Other Comprehensive Income	(61)	(135)	194	88
Previous Year Balance Brought Forward	80,554	53,739	1,08,903	76,623
PROFIT AVAILABLE FOR APPROPRIATION	1,14,496	83,920	1,50,607	1,12,269
APPROPRIATIONS:				
Dividend Paid	3,366	3,366	3,366	3,366
Balance Carried Forward	1,11,130	80,544	1,47,241	1,08,903

BOARD'S REPORT (CONTD.)

PERFORMANCE OF THE COMPANY

➤ **Standalone Financial Performance**

For the financial year ended on March 31, 2025, the Company has achieved a Turnover of ₹ **1,87,112 Lakhs** as against ₹ 1,59,967 Lakhs in the previous year.

For the year ended on March 31, 2025, the Company has achieved Earnings Before Interest (Finance Cost), Depreciation & Amortisation and Tax (EBIDTA) of ₹ **46,359 Lakhs** as against the EBIDTA of ₹ 41,361 Lakhs during the previous year.

The Net Profit after tax of the Company for the financial year 2024-25 was ₹ **34,003 Lakhs** compared to ₹ 30,316 Lakhs during the previous year.

The Company holds total unexecuted orders of about ₹ 87,138 Lakhs (₹ 50,656 Lakhs for Gear Division and ₹ 36,482 Lakhs for MHE Division) as on March 31, 2025. This will help us to continue to have sustainable growth in coming years.

➤ **Consolidated Operations**

Your Company's total consolidated turnover for the year ended on March 31, 2025 was ₹ **2,22,696 Lakhs** as against ₹ 1,93,742 Lakhs in the previous year.

For the year ended on March 31, 2025, the Company has achieved Earnings Before Interest (Finance Cost), Depreciation & Amortisation and Tax (EBIDTA) of ₹ **54,259 Lakhs** as against the EBIDTA of ₹ 47,447 Lakhs during the previous year.

The Consolidated Net Profit after tax of the Company for the financial year 2024-25 was ₹ **41,510 Lakhs** compared to ₹ 35,558 Lakhs during the previous year.

During the year under review, your Company's consolidated Net Worth is ₹ **1,97,509 Lakhs** as against ₹ 1,58,408 Lakhs for the previous year.

The Company holds total unexecuted orders of about ₹ 94,785 Lakhs (₹ 58,303 Lakhs for Gear Division and ₹ 36,482 Lakhs for MHE Division) as on March 31, 2025. This will help us to continue to have sustainable growth in coming years.

➤ **Dividend**

During the year, your Board has declared and paid an Interim Dividend of ₹ 0.50/- (i.e. 50%) per Equity Share of ₹ 1/- each for the financial year 2024-25. The

said interim dividend was paid to shareholders of the Company on November 12, 2024 and resulted to a cash outflow of ₹ 1,122 Lakhs.

Your Directors have recommended Final Dividend of ₹ 1.50/- (i.e. 150 %) per Equity Share of ₹ 1/- each for the financial year ended on March 31, 2025 (previous year ₹ 2.00 per Equity Share of face value of ₹ 2/- each). The said dividend, if approved by the shareholders, would involve a cash outflow of ₹ 3,366 Lakhs as against ₹ 2,244 Lakhs dividend in the previous year.

The dividend recommended is in accordance with the Company's Dividend Distribution Policy. As required under the Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company has a Policy on Dividend Distribution. The Dividend Distribution Policy of the Company can be accessed at <https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/Dividend-Distribution-Policy.pdf>

During the year under review, the unclaimed dividend pertaining to the financial year 2016-17 has been transferred to the Investor Education & Protection Fund.

➤ **Transfer to Reserves**

The Board of Directors has decided to retain the entire amount of profit for the financial year 2024-25 in the statement of profit and loss.

➤ **Share Capital**

The paid-up Equity Share Capital as on March 31, 2025 was ₹ 2,244 Lakhs. During the year under review, the Company has not issued any shares with differential voting rights neither granted stock options nor sweat equity.

During the year under review, the Company has sub-divided one equity share of face value of ₹ 2/- each fully paid-up, into 2 equity shares of face value of ₹ 1/- each fully paid-up.

➤ **Borrowings****Working Capital Borrowings:**

Continuous monitoring and review of the receivables, inventories and other working capital parameters helped the Company to continue with Nil working capital borrowings as at March 31, 2025. Further,

BOARD'S REPORT (CONTD.)

the Company is working on effective Supply Chain Management to optimise overall working capital flow in the Company.

Cash and Cash Equivalent as at March 31, 2025 was ₹ 9,312 Lakhs.

There is no instance of one-time settlement and valuation while taking loans from banks/financial Institutions.

Fixed Deposits

The Company has not accepted any fixed deposits and there are no unpaid/unclaimed deposits as on March 31, 2025.

Particulars of Loans, Guarantees or Investments

The details of Loans given, Guarantees and Securities provided and Investments made by the Company in compliance with the Companies Act, 2013 are given in the notes to the Financial Statements.

➤ **Subsidiary, Joint Venture & Associate Companies**

As on March 31, 2025, the Company has 12 Direct & Indirect Subsidiary Companies.

Pursuant to the provisions of Sections 129, 134 and 136 of the Companies Act, 2013 read with Rules framed thereunder and Listing Regulations, your Company has prepared Consolidated Financial Statements of the Company and its Subsidiaries and a separate statement containing salient features of financial statement of Subsidiaries forms part of the Annual Report.

The Annual Report of the Company containing standalone and consolidated financial statements has been placed on the website of the Company. Further, annual accounts of the Subsidiary Companies have also been placed on the website of your Company. Any member who is interested in obtaining the Audited Financial Statements of the Subsidiary Companies may obtain the same by writing to the Company.

Financial Performance – Subsidiary Companies**Radicon Transmission UK Limited (Consolidated)**

The total Income of the Benzlers Radicon Group has decreased by 9.6% to GBP 29.80 Millions in the current year compared to 32.97 Millions in the previous year. EBITDA excluding other income increased to GBP

5.32 Millions in the current year compared to GBP 5.12 Millions in the previous year. The Company has made a Profit before Tax for GBP 4.37 Millions in Current Year compared to Profit before Tax of GBP 3.97 Millions in previous year. Despite the reduction in earnings, the Company maintained profitability through cost rationalisation and a strategic shift towards operational optimisation.

Benzlers Group (Nordic and Europe)

Benzlers Group has witnessed a decrease in Sales Revenue of 13.8% to GBP 12.5 Millions in the current year compared to GBP 14.5 Millions in the previous year. The Company's EBITDA Margin is GBP 2.36 Millions in the current year compared to GBP 0.95 Million in the previous year. Profits before Tax and exceptional income have increased to GBP 2.06 Millions compared to 0.80 Million in the previous year. Despite the reduction in earnings, the Company maintained profitability through cost rationalisation and a strategic shift towards operational optimisation.

Radicon Transmission UK Limited

The Sales Revenue for the year has decreased by 19% to GBP 8.86 Millions compared to GBP 10.98 Millions in the previous year. EBITDA Margin has decreased to GBP 1.07 Millions compared to GBP 1.83 Millions in the previous year. Profits before Tax are GBP 0.75 Million in the current year compared to 1.35 Million in the previous year.

Radicon Drive Systems, Inc. (Radicon USA)

Radicon-USA has witnessed an increase in Sales Revenue of 10.2% to GBP 9.30 Millions in the current year compared to GBP 8.44 Millions in the previous year. EBITDA decreased in the current year to GBP 1.90 Million, compared with the previous year of GBP 2.35 Millions. Generating a Profit before Tax of GBP 1.43 Million in the current year compared to GBP 1.78 Million in the previous year. Despite the reduction in earnings, the Company maintained profitability through cost rationalisation and a strategic shift towards operational optimisation.

Elecon Singapore Pte. Limited

During the year under consideration, revenue of Elecon Singapore Pte. Ltd., has increased by 21.6% from USD 2.68 Millions 2023-24 to USD 3.26 Millions

BOARD'S REPORT (CONTD.)

2024-25. EBITDA has increased by 92.8% from 0.15 Million 2023-24 to USD 0.29 Million 2024-25.

Elecon Middle East FZCO, Dubai (Consolidated)

During the year, total revenue of Elecon Middle East FZCO (consolidated) has increased by 60.4 %, from AED 32.08 Millions 2023-24 to AED 51.46 Millions 2024-25. Increase in EBITDA by 66.61% from AED 5.45 Millions 2023-24 to AED 9.08 Millions 2024-25.

Elecon Middle East FZCO, Dubai

During the year, total revenue of Elecon Middle East FZCO has increased by 58.9%, from AED 31.98 Millions 2023-24 to AED 50.82 Millions 2024-25. Increase in EBITDA by 66.85% from AED 5.43 Millions 2023-24 to AED 9.06 Millions 2024-25.

Elecon Radicon Africa (Pty) Ltd.

Elecon Middle East FZCO, Dubai, a Wholly Owned Subsidiary of the Company has incorporated its wholly owned subsidiary namely "Elecon Radicon Africa (Pty) Limited" on November 17, 2023. During the year, total revenue of Elecon Radicon Africa (Pty) Limited ZAR 3.17 Millions 2024-25 compared to ZAR 0.55 Million in previous year and EBITDA ZAR 0.16 Million 2024-25 compared to previous year ZAR 0.12 Million.

Financial Performance – Associate**Eimco Elecon (India) Limited (EEIL)**

During the year, EEIL has achieved a Turnover of ₹ 24,647 Lakhs for financial year ended on March 31, 2025 as against ₹ 22,750 Lakhs in the previous year. For the year ended on March 31, 2025; EEIL has achieved Earnings Before Interest (Finance Cost), Depreciation & Amortisation and Tax (EBIDTA) including other income of ₹ 7,401 Lakhs as against the EBIDTA of ₹ 5,649 Lakhs during the previous year.

With the consent of the Board of Directors, the Company executed a Termination Agreement on April 23, 2025, effectively ending all shareholders agreements previously entered into with Tamrock Great Britain Holdings Limited and other associated companies or individuals. As a result of this Termination, Eimco Elecon (India) Limited is ceased

to be classified as an Associate Company of the Company, effective from April 23, 2025.

Directors & Key Managerial Personnel (KMPs)**Cessation of Tenure of Independent Director**

During the year under review, there has been no cessation in the tenure of Independent Directors.

New Appointment

Mrs. Natasha Treasurywala (DIN: 07049212), was appointed as a Non-Executive & Independent Woman Director of the Company effective from April 24, 2025 for a period of five years, not liable to retire by rotation, subject to approval of the members.

Members' approval for her appointment as an Independent Woman Director, under Sections 149 and 152 of the Companies Act, 2013 and under Regulation 17(1A) and Regulation 25 of Listing Regulations has been sought in the Notice convening the 65th Annual General Meeting of the Company.

Mrs. Natasha Treasurywala is an advocate and partner in M/s. Desai & Diwanji's corporate commercial practice group. Her practice includes a wide range of transactions including mergers and acquisitions, joint ventures, structured finance and general corporate law. She regularly advises on high value, cross border M&As. She also advises commercial and investment banks, financial institutions, private equity sponsors and borrowers in connection with secured and unsecured credit facilities, cross-border acquisition financings with a particular focus on non-convertible debenture and bond issuances.

She has been named as one of the India's top 100 lawyers by Forbes consistently in 2021, 2022 and 2023. She was also honoured as one of the India's top 50 super lawyers by Asian Legal Business in 2023.

In the opinion of the Board, she has the requisite skills and capabilities for handling the desired roles & responsibilities as a Non- Executive & Independent Woman Director of the Company, her vast experience in the realm of various fields will be beneficial to the Company. Further, she possesses relevant proficiency which will bring tremendous value to the Board and to the Company.

BOARD'S REPORT (CONTD.)

In terms of Section 149 and other applicable provisions of the Companies Act, 2013 and Regulation 16(1)(b) and other applicable regulations of the Listing Regulations, an Independent Director shall hold office for a term of five consecutive years and not be liable to retire by rotation. Accordingly, Mrs. Natasha Treasurywala (DIN: 07049212) is appointed as an Independent Director to hold office for a term of five consecutive years from the date of April 24, 2025 and shall not be liable to retire by rotation.

Director Retiring by rotation

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Aayush Alkesh Shah (DIN: 07140517), Director retires by rotation at the forthcoming 65th Annual General Meeting of the Company and being eligible, offers himself for re-appointment.

The Board recommends his appointment for your approval.

Disclosures by Directors

None of the Directors of your Company is disqualified as per provisions of Section 164(2) of the Companies Act, 2013. Your Directors have made necessary disclosures to this effect as required under Companies Act, 2013.

Declaration by Independent Directors

The Company has received necessary declarations from each Independent Director under Section 149(7) of the Companies Act, 2013 and under Regulation 25(8) of Listing Regulations, that he/she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of Listing Regulations, respectively.

Meetings

During the year under review, four Board Meetings, four Audit Committee Meeting, one Stakeholders Relationship Committee Meeting, one Nomination and Remuneration Committee Meeting, one Corporate Social Responsibility Committee Meeting, two Risk Management Committee Meetings and one Separate Meeting of Independent Directors were held. During the year, no resolutions were passed by way of circular by the Board of Directors. However, Audit Committee had passed one resolution by way of circular. The intervening gaps between the Board and Committee

Meetings were within the period prescribed under the Companies Act, 2013 and Listing Regulations.

Composition of Various Committees

Details of various committees constituted by the Board as per the provisions of Companies Act, 2013 and Listing Regulations and their meetings are given in the Corporate Governance Report which forms a part of this report.

Meeting of Independent Directors

The Independent Directors met on March 05, 2025 without attendance of Non-Independent Directors and Members of the Management. The Independent Directors reviewed the performance of Non-Independent Directors and Board as a whole and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Nomination and Remuneration Policy

The Board has framed a policy for selection and appointment of Directors, Key Managerial Personnel (KMP) and Senior Management Personnel (SMP) and their remuneration.

As and when need arises to appoint Director, KMP and SMP, the Nomination and Remuneration Committee (NRC) of the Company will determine the criteria based on the specific requirements. NRC, while recommending candidatures to the Board, takes into consideration the qualification, attributes, experience and independence of the candidate. Director(s), KMP(s) and SMP(s) appointment and remuneration will be as per NRC Policy of the Company.

The salient features of the NRC Policy of the Company have been disclosed in the Corporate Governance Report, which is a part of this report. The said Policy is available on the Company's website on <https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/Nomination%20&%20Remuenration%20Policy%20-25.04.2023.pdf>.

Familiarisation Programme for the Independent Directors

In compliance with the requirements of Listing Regulations, the Company has put in place a Familiarisation Programme for Independent Directors to familiarise them with the working of

BOARD'S REPORT (CONTD.)

the Company, their roles, rights and responsibilities vis-à-vis the Company, the industry in which the Company operates, business model etc., alongwith updating on various amendments in the Listing Regulations and the Companies Act, 2013. The policy on Familiarisation Programme is uploaded on the website of the Company and can be accessed through web link <https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/Details-of-Familiarization-Programmes-for-IDs.pdf>.

The Company has conducted the familiarisation programme for Independent Directors of the Company, details for the same have been disclosed on the Company's website <https://www.elecon.com/investors/corporate-information>.

Evaluation of Board and Senior Management

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of Listing Regulations, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Committees. Further, the Nomination and Remuneration Committee has carried out the performance evaluation of Senior Management including the Company Secretary and Chief Financial Officer of the Company. The manner in which the evaluation was carried out has been explained in the Corporate Governance Report which forms a part of this report.

Key Managerial Personnel (KMP)

As on the date of this report, the following are the Key Managerial Personnel ("KMPs") of the Company as per Sections 2(51) and 203 of the Companies Act, 2013:

- Mr. Prayasvin B. Patel, Chairman & Managing Director
- Mr. Narasimhan Raghunathan, Chief Financial Officer
- Mrs. Bharti Isarani, Company Secretary

Directors' Responsibility Statement

Pursuant to Section 134(5) of the Companies Act, 2013, with respect to the Directors' Responsibility Statement, the Board of Directors confirmed that:

- In the preparation of the annual accounts, the applicable accounting standards have been

followed alongwith proper explanation relating to material departures;

- The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the period;
- The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The Directors have prepared the annual accounts on a going concern basis;
- The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Board Diversity

The Company recognises and embraces the importance of a diverse board in its success. The Company believes that a truly diverse board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will help the Company to retain its competitive advantage. The Board has adopted the Board Diversity Policy which sets out the approach to diversity of the Board of Directors. The policy is available on our website at <https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/Index-Elecon-Board-Diversity-Policy-30.08.2022.pdf>

Related Party Transactions

All contracts or arrangements with related parties, entered during the financial year were at arm's length basis and in the ordinary course of the Company's business. All such contracts or arrangements were

BOARD'S REPORT (CONTD.)

entered into with prior approval of Audit Committee. No material contract or arrangement with related parties was entered into during the year under review. Therefore, there is no requirement to report any transaction in Form No. AOC-2 in terms of Section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014.

The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website at <https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/RPT-Policy-2022-FINAL.pdf>. None of the Directors or any Key Managerial Personnel has any material pecuniary relationships or transactions vis-à-vis the Company.

Auditors

Statutory Auditors

M/s. C N K & Associates, LLP, Chartered Accountants, appointed as Statutory Auditors of the Company for a period of 5 (five) years i.e. from the conclusion of 61st Annual General Meeting for the Financial Year 2020-21.

The Board has taken note and M/s. C N K & Associates LLP, Chartered Accountants have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the Rules framed thereunder as Statutory Auditors of the Company. As required under Listing Regulations, the Auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

Cost Auditors

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, the Cost Audit records maintained by the Company in respect of its manufacturing activity are required to be audited. Your Directors have, on the recommendation of the Audit Committee, appointed M/s. Ketki D. Visariya & Co., Cost Accountants as Cost Auditors to audit the cost accounts of the Company for the financial year ended on March 31, 2026 at a remuneration of ₹ 1,70,000/- p.a. As required under the Companies Act, 2013, the remuneration payable to the Cost Auditors is required to be placed before the Members in a General Meeting for their ratification. Accordingly, a Resolution seeking Member's ratification for the remuneration payable to M/s. Ketki

D. Visariya & Co., Cost Auditors is included in the Notice convening the 65th Annual General Meeting.

The Cost Audit Report provided by the Cost Auditors of the Company i.e. M/s Ketki D. Visariya & Co., for the financial year 2023-24 was filed with the Ministry of Corporate Affairs within the statutory period.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Samdani Shah & Kabra, Company Secretary in Practice to undertake the Secretarial Audit of the Company for the financial year 2024-25. The Report on the Secretarial Audit carried out by the Secretarial Auditor i.e. M/s. Samdani Shah & Kabra, Practicing Company Secretary during the Financial Year 2024-25 is annexed herewith as "Annexure A". The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

Further, as per Regulation 24A (1) of the Listing Regulations, the Company may appoint an individual for not more than one term of five consecutive years and a Secretarial Audit Firm for not more than two terms of five consecutive years as Secretarial Auditors of the Company with the approval of its shareholders in its Annual General Meeting. In view of the same, your Directors, on the recommendation of the Audit Committee appointed M/s. Samdani Shah & Kabra, Vadodara, Practicing Company Secretary, for the first term of five consecutive years to carry out the Secretarial Audit of the Company from financial year 2025-26 upto financial year 2029-30 and to fix their remuneration.

Members' approval for appointment of M/s. Samdani Shah & Kabra, Vadodara, Practicing Company Secretary, under Regulation 24A(1) of the Listing Regulations has been sought in the Notice convening the 65th Annual General Meeting of the Company.

Annual Secretarial Compliance Report

The Company has undertaken an audit for the Financial Year 2024-25 for all the applicable compliances as per Listing Regulations and Circulars/Guidelines issued by SEBI from time to time. The Annual Secretarial Compliance Report for abovesaid financial year shall be submitted to the stock exchanges within prescribed time limit as per Listing Regulations.

BOARD'S REPORT (CONTD.)

➤ Internal Financial Control Systems and their adequacy

Your Company has an effective internal control and risk mitigation systems, which are constantly assessed and strengthened with new/revised standard operating procedures. The Company's internal control system is commensurate with its size, scale and complexities of its operations. The main thrust of internal audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same. The Company has a robust Management Information System, which is an integral part of the control mechanism.

The Audit Committee of the Board of Directors, the Statutory Auditors and the Business Heads are periodically apprised of the internal audit findings and corrective actions are taken by the Management. Audit plays a key role in providing assurance to the Board of Directors. Significant audit observations and corrective actions taken by the Management are presented to the Audit Committee of the Board. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee.

➤ Risk Management

Being one of the top 500 Listed Companies, the Company has implemented Risk Management System. The Board of the Company has constituted a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The said committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the areas of financial risks and controls. The details pertaining to the composition of the Risk Management Committee are included in the Corporate Governance Report, which is a part of this report.

➤ Corporate Social Responsibility (CSR) Initiatives

In accordance with the provisions of Section 135 of the Companies Act, 2013 and Companies (Corporate Social

Responsibility Policy) Rules, 2014, your Company has adopted CSR policy on the recommendation of the Members of the CSR Committee and with the approval of the Board. The CSR policy may be accessed on the Company's Website at the <https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/Index-CSR%20Policy-05.05.2021-30.08.2021.pdf>

The Composition of the Committee and other details are provided in Corporate Governance Report, which is a part of this Annual Report.

The Company implements various CSR activities directly and / or through the implementing agencies and the activities undertaken by the Company are in accordance with Schedule VII of the Companies Act, 2013. The Report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amendments thereto, is given in "Annexure B", forming part of this report.

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as "Annexure C".

➤ Particulars of Employees

Disclosures relating to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms a part of this Report as "Annexure D"

Details of employee remuneration as required under the provisions of Section 197 of the Companies Act, 2013 and Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are available to any Shareholder for inspection on request. If any Shareholder is interested in obtaining a copy thereof, such Shareholder may write to the Company Secretary, where upon a copy would be sent through email only. The Annual Report excluding the aforesaid information is being sent to the members of the Company.

BOARD'S REPORT (CONTD.)

➤ Business Responsibility and Sustainability Report

Pursuant to Regulation 34(2)(f) of Listing Regulations, Business Responsibility and Sustainability Report (BRSR) is mandatory for the top 1,000 listed companies (by market capitalisation).

Your Company being covered under top 500 companies, BRSR is applicable to it. The BRSR is forming part of the Annual Report and annexed as "Annexure- E".

On a voluntary basis, your Company has obtained Reasonable Assurance for the BRSR Core Key Performance Indicators (KPIs) and Limited Assurance for the Essential Indicators from CNK & Associate LLP. This assurance report is annexed alongwith the BRSR.

➤ Corporate Governance

Pursuant to Regulation 34(3) read with Schedule V of the Listing Regulations, separate reports on Management Discussion & Analysis and Corporate Governance together with a certificate from the Practicing Company Secretary form part of this Report.

Your Company is committed to maintain the highest standards of Corporate Governance, reinforcing the valuable relationship between the Company and its Stakeholders. A detailed report on Corporate Governance is annexed as "Annexure F" to this Report alongwith the Auditors' Certificate on its compliance by the Company.

➤ Compliance of Secretarial Standards

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

➤ Prevention of Sexual Harassment at Workplace

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. As required under law, an Internal Committee (IC) has been constituted for reporting and conducting inquiry into the complaints made by the victim on the harassment at the work

place. During the year under review, there were no complaints pertaining to sexual harassment.

The policy on Sexual Harassment at Workplace is placed on the Company's website at <https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/POSH-Policy-Final.pdf>.

➤ Vigil Mechanism / Whistle Blower Policy

The Company has in place a Vigil Mechanism/Whistle Blower Policy for Directors and Employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. The Mechanism provides for adequate safeguards against victimisation of Director(s) and Employee(s) who avail the mechanism.

The Vigil Mechanism/Whistle Blower Policy is available on Company's website at <https://www.elecon.com/views/templates/admin-uploads/Investors/whistle-blower-policy/Elecon-Whistle-Blower-Policy-2022-new.pdf>.

➤ Material Subsidiaries

The Board of Directors of the Company has approved a Policy for determining material subsidiaries, which is in line with the Listing Regulations as amended from time to time. The policy is available on our website at <https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/Elecon-Policy-on-Determining-Material-Subsidiary-2020.pdf>

The Company does not have material subsidiary company.

➤ Annual Return

The annual return of the Company as on March 31, 2025 in the prescribed format is available on the Company's website. The web-link is as under:

<https://www.elecon.com/investors/annual-return-as-provided-under-section-92-of-the-companies-act-2013>

➤ Significant and Material Orders passed by the Regulators or Courts or Tribunals

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

BOARD'S REPORT (CONTD.)

➤ Application made or proceeding pending under the Insolvency and Bankruptcy Code, 2016

During the financial period under review, no application is made or pending under the Insolvency and Bankruptcy Code, 2016 ("IBC 2016") against the Company.

➤ Reporting of Frauds

There was no instance of fraud during the year under review, which required the Statutory Auditors and/or Secretarial Auditors to report to the Audit Committee, Board and/or Central Government under Section 143(12) of the Companies Act, 2013 and Rules framed thereunder.

➤ Insurance

The Company takes a very pragmatic approach towards insurance. Adequate cover has been taken for all movable and immovable assets for various types of risks.

➤ Industrial Relations/Personnel

Your Company is committed to upholding its excellent reputation in the field of Industrial relations. Through continuous efforts, the Company invests and improvises development programmes for its employees.

➤ Material Changes and Commitments

There are no material changes and commitments, affecting the financial performance of the Company that occurred during the Financial Year to which the Financial Statements relate and the date of this Report.

There is no change in the nature of business during the year under review.

➤ Acknowledgement

Your Directors are highly grateful for the unstinted guidance, support and assistance received from the Government and Financial Institutions. Your Directors are thankful to all valuable Stakeholders of the Company viz. shareholders, customers, dealers, vendors, suppliers and business associates for their faith, trust and confidence reposed in the Company.

Your Directors wish to place on record their sincere appreciation for the dedicated efforts and consistent contribution made by the employees to ensure that the Company continues to grow and excel.

For and on behalf of Board of Directors,

Prayasvin B. Patel

Chairman & Managing Director

DIN: 00037394

Place: Vallabh Vidyanagar

Date: April 24, 2025

ANNXURE – A TO BOARD'S REPORT

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2025

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members,
ELECON ENGINEERING COMPANY LIMITED
Anand - Sojitra Road,
Vallabh Vidyanagar - 388 120,
Gujarat, India.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Elecon Engineering Company Limited** ("Company"). 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, 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 authorised 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 March 31, 2025 ("review period"), 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 review period, according to the provisions of:

- The Companies Act, 2013 ("Act") and the Rules made thereunder;
- The Securities Contracts (Regulation) Act, 1956 and the Rules made thereunder;
- The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- 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;

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India ("SEBI") Act, 1992: -

- SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018; However, there were no actions / events pursuant to these regulations, hence not applicable.
- SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- SEBI (Buy-back of Securities) Regulations, 2018; However, there were no actions / events pursuant to these regulations, hence not applicable.
- SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; However, there were no actions / events pursuant to these regulations, hence not applicable.
- SEBI (Prohibition of Insider Trading) Regulations, 2015;
- SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Act and dealing with client;
- SEBI (Delisting of Equity Shares) Regulations, 2021; However, there were no actions / events pursuant to these regulations, hence not applicable;
- SEBI (Depositories and Participants) Regulations, 2018;
- SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021; However, there were no actions / events pursuant to these regulations, hence not applicable;
- SEBI (Debenture Trustees) Regulations, 1993; However, there were no actions / events pursuant to these regulations, hence not applicable.

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

- Secretarial Standards issued by The Institute of Company Secretaries of India; and

ANNXURE – A TO BOARD’S REPORT (CONTD.)

ANNXURE – A TO BOARD’S REPORT (CONTD.)

- ii. Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited, read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the review period, the Company has complied with the provisions of the applicable Acts, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

We further report that;

- A. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the review period were carried out in compliance with the provisions of the Act;
- B. Adequate notice is given to all the Directors to schedule Board Meetings, Agenda and detailed

Notes on Agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting;

- C. As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded;
- D. There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with all the applicable Laws, Rules, Regulations and Guidelines;
- E. During the review period, there were no specific instances / actions in the Company in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards etc. having major bearing on the Company’s affairs.

S. Samdani

Partner

Samdani Shah & Kabra

Company Secretaries

FCS No. 3677 | CP No. 2863

ICSI Peer Review # 1079/2021

ICSI Unique Code: P2008GJ016300

ICSI UDIN: F003677G000188499

Place: Vadodara

Date: April 24, 2025

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

APPENDIX A

To
The Members,
Elecon Engineering Company Limited
Anand - Sojitra Road,
Vallabh Vidyanagar - 388 120,
Gujarat, India.

Our Secretarial Audit Report of even date is to be read alongwith this letter, that:

- i. Maintenance of secretarial records and compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the management of the Company. Our examination was limited to the verification and audit of procedures and records on test basis. Our responsibility is to express an opinion on these secretarial records and compliances based on such verification and audit.
- ii. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records and we believe that the processes and practices we followed provide a reasonable basis for our opinion.
- iii. Wherever required, we have obtained the management representations about the Compliance of Laws, Rules and Regulations, happening of events, etc.
- iv. 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 Company’s affairs.

S. Samdani

Partner

Samdani Shah & Kabra

Company Secretaries

FCS No. 3677 | CP No. 2863

ICSI Peer Review # 1079/2021

ICSI Unique Code: P2008GJ016300

ICSI UDIN: F003677G000188499

Place: Vadodara

Date: April 24, 2025

ANNEXURE – B TO BOARD’S REPORT

CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR FINANCIAL YEAR ENDED ON MARCH 31, 2025

1. A brief outline on CSR Policy of the Company:

The Company’s CSR Policy is in adherence to the provisions of Section 135 of the Companies Act, 2013 read with Rules framed thereunder and provides for carrying out CSR activities in the area of Education, Healthcare including preventive healthcare, etc. either directly by the Company or through ‘Non-Profit Organisations’, viz. B. I. Patel Charitable Trust, I. B. Patel Charitable Trust and others or by way of contribution to Central / State Government Relief Funds.

2. Composition of CSR Committee:

Sr. No.	Name of Directors	Designation / Nature of Directorship	Number of meeting(s) of CSR Committee held during the year	Number of meeting(s) of CSR Committee attended during the year
1.	Dr. Sonal V. Ambani	Chairperson, Independent & Non-Executive Director	1	1
2.	Mr. Prayasvin B. Patel	Member, Non-Independent & Executive Director	1	1
3.	Mr. Prashant C. Amin	Member, Non-Independent & Non-Executive Director	1	1

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

Composition of the CSR Committee shared above and is available on the Company’s website on: <https://www.elecon.com/about-us/board-committees>

CSR Policy - <https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/Elecon-Corporate-Social-Responsibility-Policy-may-2021.pdf>

CSR Projects – **Not applicable**

4. Provide the executive summary alongwith 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. CSR Obligation for the financial year:

Sr. No.	Particulars	Amount (₹ in Lakhs)
(a)	Average Net Profit of the Company as per sub-section (5) of Section 135	25,968.72
(b)	Two percent of Average Net Profit of the Company as per sub-section (5) of Section 135	519.37
(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 [(b)+(c)-(d)]	519.37

ANNEXURE – B TO BOARD’S REPORT (CONTD.)

6. CSR amount spent or unspent for the Financial Year:

Sr. No.	Particulars	Amount (₹ in Lakhs)
(a)	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project)	523.97
(b)	Amount spent in Administrative Overheads	NIL
(c)	Amount spent on Impact Assessment, if applicable	Not applicable
(d)	Total amount spent for the Financial Year [(a)+(b)+(c)]	523.97

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

Total amount spent for the Financial Year (₹ in Lakhs)	Amount unspent (₹ in Lakhs)				
	Total amount transferred to the Unspent CSR Account as per sub-section (6) of Section 135		Amount transferred to any fund specified under Schedule VII as per the second proviso to sub-section (5) of Section 135		
	Amount.	Date of transfer.	Name of the fund.	Amount.	Date of transfer.
523.97	NIL	-	-	NIL	-

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

Sr. No.	Particulars	Amount (₹ in Lakhs)
(i)	Two percent of average net profit of the Company as per sub-section (5) of Section 135.	519.37
(ii)	Total amount spent for the Financial Year	523.97
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	4.60
(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)]	4.60

7. Details of Unspent Corporate Social Responsibility amount for the preceding three financial years: **Not Applicable**

Sr. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of Section 135 (₹ in Lakhs)	Balance amount in Unspent CSR Account under sub-section (6) of Section 135	Amount spent in the Financial Year (₹ in Lakhs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of Section 135, if any		Amount remaining to be spent in succeeding Financial Years (₹ in Lakhs)	Deficiency, if any
					Amount (₹ in Lakhs)	Date of transfer		

Not applicable

ANNEXURE – B TO BOARD’S REPORT (CONTD.)

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

☐ Yes ☒ No

If Yes, enter the number of Capital assets created / acquired: **Not Applicable**

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sr. 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 of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address

NIL

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

For and on behalf of the Board of Directors,

Prayasvin B. Patel	Sonal V. Ambani
Chairman & Managing Director	Chairperson of CSR Committee
DIN : 00037394	DIN : 02404841

Place : Vallabh Vidyanagar
Date : April 24, 2025

ANNEXURE – C TO BOARD’S REPORT

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information required under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014

1. CONSERVATION OF ENERGY

a) Energy Conservation measures taken

- Continuous efforts towards energy conservation by adopting new technology with more focus on improvement and process, through improved maintenance practices like Time Base Maintenance and Analysis through Short interval control etc.
- New VRV technology adopted in air cooling plant for office air conditioner, which replaces old ductable system of cooling. It results in saving more than 30,000 units annually.
- Servo System adopted in Broaching Machines in place of Conventional Induction Motor Hydraulic power pack, culminates in saving of 18,000 KWH annually
- Old existing air compressors replaced with permanent Magnet Motor (Efficiency class, IE4) technology to optimise energy consumption, we achieved savings of 15,000 units.
- Continuous monitoring and reconditioning of PFC panel leads to PF unity which saves energy bill as well as active power usage.
- Use of Green Energy: in addition to existing solar plants, the Company had added 1 MW roof top solar plant at MHE Division of the Company at Vallabh Vidyanagar, Gujarat to harvest Solar Energy.
- Replacement of old Condensers of Grinding room AC Plants upgrades overall efficiency and results in saving of 40,000 units annually.
- To stop compressed air leakages in the plant, 465 meters, new legris make aluminum, less friction, oxidation free pipes installed for air distribution which results in saving of 10,000 KWH of electricity per annum.
- 92 nos. overhead, LED lamps replaced in Dowty Shed of the Company to conserve 57,408 KWH of electricity per annum.

- Air condenser is replaced by water condenser in grinding room machines to conserve 97,500 KWH of electricity per annum.
- To meet increased demand of electricity, old 1,500 KVA transformers replaced with new energy efficient OLTC 2,000 KVA transformer for better quality power and low transformer losses.

(b) Additional investments and proposal if any, being implemented for reduction of consumption of energy

Continuous measures are being adapted in the Company for energy conservation. For Solar harvesting, we are proud to announce that we are planning to install 4 MW of solar and 3 MW of wind renewable energy capacity.

(c) Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods

Significant reductions in consumption of energy and production cost of goods be observed by the implementation of above referred measures. Implementation of above referred measures has resulted in increased facility reliability as well as improved equipment performance without any cost.

2. TECHNOLOGY ABSORPTION

(I) Research and Development (R&D)

➤ Specific Area in which R&D carried out by the Company and benefits derived as a result of R&D:

The Company has an in-house R&D facility that has been approved by the Department of Scientific and Industrial Research, where R&D activities are carried out. The following are some of the R&D activities completed and the benefits obtained as a result:

- A planetary gearbox with grooved flex pin and double cantilever concept developed for load distribution to get higher efficiency.
- Highly flexible coupling developed for application where shock load is high and this coupling allows high misalignment.

ANNEXURE – C TO BOARD’S REPORT (CONTD.)

- A new Helical and Bevel Helical gearbox series has been upgraded. The benefits include high efficiency, robust design, increased thermal rating, universal mounting and excellent torque to weight capacity.
- Standard and Customised condition monitoring system developed as per industry IoT 4.0.
- Fluid coupling develops with slip optimisation.
- Pinion stand gearbox standardisation helps for fast delivery.
- Developed single stage helical gearbox with large torque capacity for mill application.
- Marine gearbox design was successfully validated through classification society.
- Develop single stage extruder gearbox series for plastic and rubber industry.
- Develop the concept of direct meshing girth gear unit for mill application.

➤ Future plan of action:

The following is a summary of the future action plan:

1. Development of a Twin Screw extruder gearbox series.

2. Upgradation of existing conveyor series.
3. Development of Special Worm gearbox series.

➤ Expenditure on R & D:

In order to pursue R&D endeavors, the Company incurs R&D expense on a continual basis, which is separately recognised in the financial statements. The overall R&D expenditure for the Financial Year 2024-25 is as follows:

	₹ in Lakhs
Capital Expenditure	NIL
Revenue Expenditure	600.66
Total	600.66

(II) Technology absorption, adaptation & innovation, measures taken and benefits derived therefrom:

- Procured software for shock calculation of marine gearbox.

3. FOREIGN EXCHANGE DETAILS

	(₹ in Lakhs)	
Particulars	2024-25	2023-24
Earnings	16,333.57	10,987.16
Outgo	12,166.32	8,685.51

ANNEXURE – D TO BOARD’S REPORT

STATEMENT OF DISCLOSURE OF REMUNERATION OF DIRECTORS AND EMPLOYEES

Information pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Sr. No.	Name of Directors and KMPs	Designation	% Increase in Remuneration in 2024-25	Ratio of Remuneration to Median Remuneration of Employees
A. Directors:-				
1	Mr. Prayasvin B. Patel	Chairman & Managing Director	*17.36	295.52
2	Mr. Aayush A. Shah	Non-Independent & Non-Executive Director	22.32	1.79
3	Mr. Pradip M. Patel	Non-Independent & Non-Executive Director	18.96	1.96
4	Mr. Prashant C. Amin	Non-Independent & Non-Executive Director	21.33	1.81
5	Mr. Ashutosh A. Pednekar	Independent & Non-Executive Director	20.93	1.97
6	Mr. Nirmal P. Bhogilal	Independent & Non-Executive Director	#	1.98
7	Mr. Pranav C. Amin	Independent & Non-Executive Director	28.92	1.80
8	Dr. Sonal V. Ambani	Independent & Non-Executive Director	18.69	1.99
B. Key Managerial Personnel:-				
1	Mr. Narasimhan Raghunathan	Chief Financial Officer	8.53	8.92
2	Mrs. Bharti L. Isarani	Company Secretary	10.32	3.67

* The Commission payable of ₹ 17.25 Crores is included in the remuneration of Mr. Prayasvin B. Patel for the financial year 2024-25 (₹ 15.00 Crores for financial year 2023-24).

#Mr. Nirmal P. Bhogilal was appointed as a Non-Executive Independent Director w.e.f. April 01, 2024. Hence, his current year's remuneration is not comparable.

- The median remuneration of employees of the Company during the financial year was ₹ 7.67 Lakhs. There was an increase of 14.61% in the median remuneration of employees.
- There were 740 permanent employees on the rolls of Company as on March 31, 2025.
- There was an increase of 11.25% in average percentage salaries of employees (other than the managerial personnel) in the last financial year i.e. 2024-25 whereas the managerial personnel remuneration for the same financial year was increased to 17.36%. Change in Managerial Personnel Remuneration is mainly due to change in remuneration and commission payment to Mr. Prayasvin B. Patel for the financial year 2024-25.
- The key parameters for the variable component of remuneration availed by the Directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
- It is hereby affirmed that the remuneration paid is as per the Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

ANNEXURE - E TO BOARD'S REPORT

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

Elecon Engineering Company Limited exemplifies industry leadership and innovation in the Transmission business while offering integrated solutions across the entire value chain of material handling systems. In alignment with the evolving standards of our peers, we are committed to fostering a culture of transparency, accountability, and collaboration with our stakeholders to drive sustainable development that benefits all.

Recognising the growing importance of Environmental, Social, and Governance (ESG) factors within our industry, we have embedded these principles deeply into our corporate strategy. By aligning our practices with global benchmarks and industry leaders, we aim to minimise our environmental footprint, contribute positively to society, and uphold the highest standards of governance. This commitment reflects our dedication to creating long-term value for all stakeholders while addressing the broader impact of our operations on society and the environment.

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L29100GJ1960PLC001082
2.	Name of the Listed Entity	Elecon Engineering Company Limited
3.	Year of incorporation	1960
4.	Registered office address	Anand-Sojitra Road, Vallabh Vidyanagar 388 120, Dist. Anand, Gujarat, India.
5.	Corporate address	Anand-Sojitra Road, Vallabh Vidyanagar - 388 120, Dist. Anand, Gujarat, India.
6.	E-mail id	investor.relations@elecon.com
7.	Telephone	+91-2692-238701
8.	Website	www.elecon.com
9.	Financial year for which reporting is being done	2024-25
10.	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited and BSE Limited
11.	Paid-up Capital	₹ 2,244.00 Lakhs
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mrs. Bharti L. Isarani, Company Secretary & Compliance Officer +91-2692-238701 investor.relations@elecon.com
13.	Reporting boundary	Standalone Basis
14.	Name of Assurance provider	CNK & Associates LLP
15.	Type of Assurance obtained	Reasonable Assurance – BRSR Core KPIs Limited Assurance – Essential Indicators

II. Products/services

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

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacturing, Repairs & Maintenance	Electrical equipment, General purpose and Special purpose Machinery & Equipment, Transport equipment	100%

ANNEXURE – E TO BOARD'S REPORT (CONTD.)

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

Sr. no.	Product/Service	NIC Code	% of total Turnover contributed
1	Gears (Reduction gears)	29131	70.16%
2	Bulk Material Handling Equipment	29151	27.37%
3	Repair and maintenance of bearings, gears, gearing and driving element	29138	1.27%
4	Repair and maintenance of lifting and handling equipment	29158	1.20%

III. Operations

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

Location	Number of plants	Number of offices	Total
National	2	13	15
International*	-	-	-

* However, Elecon has 4 manufacturing & assembly centres and 10 sales offices through its foreign subsidiaries.

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	29
International (No. of Countries)	31

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

Exports constitute 8.60% of the total turnover of the entity.

c. A brief on types of customers

We are engaged in manufacturing of Industrial Gears and Material Handling Equipment. We cater to the following industries:

- Steel Industries
- Cement Manufacturing Industries
- Power Generation & Transmission Industries
- Sugar Manufacturing Industries
- Material Handling Equipment Industries
- Defense Industries
- Mining Industries
- Fertiliser Industries

ANNEXURE – E TO BOARD’S REPORT (CONTD.)

IV. Employees

20. Details at the end of Financial Year:

a. Employees and workers (including differently abled)

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	740	718	97.03%	22	2.97%
2.	Other than Permanent (E)					
3.	Total employees (D + E)	740	718	97.03%	22	2.97%
WORKERS						
4.	Permanent (F)	1,422	1,419	99.79%	3	0.21%
5.	Other than Permanent (G)					
6.	Total workers (F + G)	1,422	1,419	99.79%	3	0.21%

b. Differently abled Employees and workers:

Sr. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B /A)	No. (C)	% (C/A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	8	7	87.50%	1	12.50%
2.	Other than Permanent (E)					
3.	Total differently abled employees (D + E)	8	7	87.50%	1	12.50%
DIFFERENTLY ABLED WORKERS						
1.	Permanent (F)	-	-	-	-	-
2.	Other than Permanent (G)					
3.	Total differently abled workers (F + G)	-	-	-	-	-

21. Participation/Inclusion/Representation of women:

Particulars	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	8	1	12.50%
Key Management Personnel*	2	1	50.00%

*Excluding Key Management Personnel covered under Board of Directors

22. Turnover rate for permanent employees and workers (in %)

Particulars	2024-25 (Turnover rate in Current FY)			2023-24 (Turnover rate in Previous FY)			2022-23 (Turnover rate in the year prior to Previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	9.30	4.55	9.15	9.82	11.54	9.88	9.12	11.11	9.17
Permanent Workers	8.00	-	8.00	38.10	-	38.10	32.36	-	32.36

ANNEXURE – E TO BOARD’S REPORT (CONTD.)

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

23. (a) Names of Holding / Subsidiary / Associate Companies / Joint Ventures

Sr. 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	Radicon Transmission UK Limited	Subsidiary	100	No
2	Elecon Singapore PTE. Limited	Subsidiary	100	No
3	Elecon Middle East FZCO	Subsidiary	100	No
4	Benzlers Systems AB	Step Down Subsidiary	100	No
5	AB Benzlers	Step Down Subsidiary	100	No
6	Radicon Drive Systems Inc.	Step Down Subsidiary	100	No
7	Benzlers Transmission A.S.	Step Down Subsidiary	100	No
8	Benzlers Antriebstechnik G.m.b.h	Step Down Subsidiary	100	No
9	Benzlers TBA B.V.	Step Down Subsidiary	100	No
10	OY Benzlers AB	Step Down Subsidiary	100	No
11	Benzlers Italia s.r.l.	Step Down Subsidiary	100	No
12	Elecon Radicon Africa (Pty) Limited	Step Down Subsidiary	100	No
13	Eimco Elecon (India) Limited	Associate	16.62%	No

VI. CSR Details

24. (i) Whether CSR is applicable as per Section 135 of the Companies Act, 2013: (Yes/No) Yes
- (ii) Turnover (in ₹) - ₹ 1,87,112 Lakhs (2024-25)
- (iii) Net worth (in ₹) - ₹ 1,65,327 Lakhs (2024-25)

ANNEXURE – E TO BOARD’S REPORT (CONTD.)

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 (NGRBC):

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	2024-25 (Current Financial Year)			2023-24 (Previous Financial Year)		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes	-	-	NA	-	-	NA
Investors (other than shareholder)	Yes	-	-	NA	-	-	NA
Shareholders	Yes	11	-	NA	9	-	NA
Employees and workers	Yes	-	-	NA	-	-	NA
Consumers	Yes	583	23	NA	359	15	NA
Value Chain Partners	Yes	-	-	NA	-	-	NA
Other (please specify)	-	-	-	NA	-	-	NA

Links: <https://www.elecon.com/investors/policies>

<https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/Code%20of%20Conduct-new-2023.pdf>

<https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/Human%20Rights%20Policy-new-2023.pdf>

<https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/Supplier%20Code%20of%20Conduct-2023.pdf>

<https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/Customer%20Relationship%20Policy-2023.pdf>

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

Sr. 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	Sustainable Product	Opportunity	Our R&D team is dedicated to enhance our product range to minimise electricity and oil consumption during operation. Both our existing and upcoming products are focused on use of recyclable materials.	-	Positive

ANNEXURE – E TO BOARD’S REPORT (CONTD.)

Sr. 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	Renewable Energy	Opportunity	In our commitment to renewable energy, we have transitioned to solar and wind power, significantly expanding our renewable energy footprint. This shift not only benefits the environment but also helps to reduce our energy costs. Currently, we have an installed capacity of 5.5 MW in solar and 13.25 MW in wind farms. Our efforts are ongoing as we work towards commissioning 4 MW of solar and 3 MW of wind renewable energy capacity. These initiatives reflect our dedication to sustainability and our proactive approach to adopting clean energy solutions.	-	Positive
3	Sustainable supply chain	Opportunity	The Company values long-term relationships with suppliers, viewing them as essential partners in growth. We regularly organise Strategic Partner Meetings to strengthen these bonds, promote open communication, and foster collaboration. This approach ensures mutual success, aligns strategic goals, and drives sustainable growth through shared innovation and partnership.	-	Positive
4	Occupational Health & Safety	Risk	Neglecting health and safety can disrupt smooth operations, reduce workforce availability and potentially result in legal action. Ensuring robust health and safety measures is crucial to maintaining operational efficiency, protecting employee well-being, and avoiding costly litigation. This proactive approach safeguards the Company's productivity and reputation.	We are enhancing our safe work practices/procedures by automating most of our machinery and working procedures. In addition, we are working towards increasing the frequency and coverage of our training and awareness programs.	Negative

ANNEXURE – E TO BOARD’S REPORT (CONTD.)

Sr. 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	Training and Skill Development	Opportunity	Our skill enhancement and training programs boost efficiency and help retain our highly skilled workforce. By investing in continuous learning and professional development, we ensure our employees remain competent and engaged, leading to improved performance and long-term retention of specialised talent. This commitment to growth drives our overall success and competitiveness.	-	Positive
6	Stakeholder Engagement	Opportunity	As we strive to become a more sustainable business, including diverse stakeholders in our growth journey is essential. We incorporate their feedback into our strategic planning and regularly engage with employees, investors, suppliers, and customers. Through initiatives like employee engagement programs, investor meetings, and vendor conferences, we ensure ongoing collaboration and alignment with our sustainability goals.	-	Positive
7	Ethical Behavior	Opportunity	Adhering to ethical behavior, as outlined in our Code of Conduct, promotes good governance and ensures compliance with regulatory standards. Our Company places significant emphasis on ethical conduct and compliance, and it is one of our core values. This commitment fosters a positive organisational culture, upholding integrity, accountability, and responsible business practices.	-	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

Policy and management processes	P1	P2	P3	P4	P5	P6	P7	P8	P9
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)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	https://www.elecon.com/investors/policies								

ANNEXURE – E TO BOARD’S REPORT (CONTD.)

Policy and management processes	P1	P2	P3	P4	P5	P6	P7	P8	P9
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	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Name of the national and international codes/ certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	ISO 14001 (2015), ISO 45001 (2018), Authorised Economic Operator certification, Great Place to Work certification, ISO 9001 (2015), API standards as per requirement, National Accreditation Board for Testing & Calibration Laboratories (NABL) certificate, CE/ATEX certification for certain products.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Sustainability Commitments: Renewable Energy Investments: Strategic projects for enhancement of 3 MW windmill(s) and 4 MW solar farms by next financial year. SBTi Goals: The Company has committed to reduce absolute scope 1 and 2 GHG emissions 54.6% by FY 2033. The Company has also committed that 81.4% of its suppliers by emissions covering purchase of goods and services, and up and downstream transportation and distribution, by FY 2028. Environmental Stewardship: Enhancing rainwater recharge wells by next financial year. Adoption of EVs: Usage of electric vehicles / equipment into operations to reduce fossil fuel consumption resulting into minimisation of carbon emissions. Inclusivity & Awareness: Conducting sustainability-focused ongoing training and awareness programs for value chain partners.								
6. Performance of the entity against specific commitments, goals and targets along-with reasons in case the same are not met.	We installed a 1 MW solar roof top in the Company premises. The balanced committed 3 MW solar farm increased to 4 MW solar farm, which will be commissioned in the next financial year. Additionally, our wind farm generates electricity supplied to the grid, with unit credits offsetting our electricity bill. Our total capacity includes 5.5 MW in solar and 13.25 MW in windfarms.								

ANNEXURE – E TO BOARD’S REPORT (CONTD.)

Governance, leadership and oversight

7. *Statement by Director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)*

The Company stands as a beacon of industry leadership, driven by the visionary efforts of its founders and successors to achieve excellence through a sustainability-focused business strategy. This approach harmonises ecological and social progress with financial growth, reflecting a commitment to creating long-term value for all stakeholders. Inspired by industry best practices, we prioritise customer satisfaction, adopt eco-friendly and energy-efficient manufacturing processes and uphold exemplary standards in workplace safety and employee well-being.

To embed sustainability across our operations, our Board and Committees actively engage in strategic discussions on key ESG issues, guided by a materiality assessment process. Our open and continuous dialogue with employees, suppliers, customers, associations and regulatory authorities ensures a collaborative approach to driving progress in quality, environmental stewardship and workplace safety.

Our innovative solutions empower industries and businesses to reduce their environmental footprint, contributing to a sustainable future. With significant investments in renewable energy, we are transitioning to cleaner energy sources, including the commissioning of an additional 4 MW of solar and 3 MW wind farm capacity this year, complementing our existing 5.5 MW solar and 13.25 MW wind energy assets. These initiatives not only enhance energy efficiency but also deliver cost savings, reinforcing our commitment to operational excellence.

Recognising the evolving ESG landscape, we continuously review and enhance our management systems through rigorous internal and external evaluations. This iterative approach drives improvements in our overall performance, ensuring alignment with global sustainability benchmarks. The strong emphasis on our ESG and Sustainability agenda reflects our dedication to fostering resilience, innovation and shared value creation, positioning us as a leader in sustainable business practices.

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies). Our Board has overview on the Business Responsibility Policies. Respective Business Heads are responsible for implementing and driving the policies.
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. No. Our Board, during their meetings, discusses topics on sustainability and takes appropriate decisions as and when required. The respective business heads are responsible for implementation and monitoring of ESG parameters within their scope.

10. **Details of Review of NGRBCs by the Company:**

Subject For Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee	Frequency (Annually /Half yearly/ Quarterly, Any other-Please Specify)									
			P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	As a sustainable practice, our Board reviews the policies on need basis and sustainability initiatives on an annual basis. During review, the effectiveness of the policies is assessed and any necessary changes to policies and procedures are adopted. Department and Business Heads also review our policies and their effectiveness periodically and any update or change is timely presented to the Board for approval, if required.	Our Board reviews the policies on need basis and sustainability initiatives on an annual basis.									
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Board of Directors and its Committee	Annual Basis									

ANNEXURE – E TO BOARD’S REPORT (CONTD.)

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.
- | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|---|----|----|----|----|----|----|----|----|
| While the Company has not carried out an independent audit of the policies, the policies are periodically reviewed by the Board and its Committees as well as Auditors of respective functions like ISO Auditors, Internal Auditors and Secretarial Auditors, etc. In addition, Elecon is certified for ISO 9001, ISO 14001 and ISO 45001 which are assessments done by external audit agency. They assess the policies and procedures maintained by the organisation as part of the certification process. The Information security policy, privacy policy and risk management policy have been reviewed as part of this process. Elecon has documented management policies reviewed and approved by Management. | | | | | | | | |
12. **If answer to question (1) above is “No” i.e. not all Principles are covered by a policy, reasons to be stated:**
- | Questions | P1 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|---|----|----|----|----|----|----|----|----|----|
| The entity does not consider the Principles material to its business (Yes/No) | | | | | | | | | |
| The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No) | | | | | | | | | |
| The entity does not have the financial or/human and technical resources available for the task (Yes/No) | | | | | | | | | |
| It is planned to be done in the next financial year (Yes/No) | | | | | | | | | |
| Any other reason (please specify) | | | | | | | | | |

SECTION C: 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 categorised 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 Indicators

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

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	Percentage of people in respective category covered by the awareness programmes
Board of Directors	4	Recent Amendment in the SEBI Regulations, SEBI (LODR) Regulations, 2015 and SEBI (Prohibition of Insider Trading) Regulations, 2015, Training of code of conduct, ESG Policy	100.00%
Key Managerial Personnel	7	POSH, Skill Enhancement, Health & Safety, Leadership	64.29%

ANNEXURE – E TO BOARD’S REPORT (CONTD.)

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	Percentage of people in respective category covered by the awareness programmes
Employees other than BoD and KMPs	88	POSH, Values, Health & Safety, Human Rights & Culture, Skill Enhancement	100%
Workers	75	Health & Safety, Skill Enhancement, Quality & Manufacturing Circle Awareness	81.08%

- 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 Requirements) Regulations, 2015 and as disclosed on the entity’s website):

Monetary

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹ Lakhs)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	Principle 1	GST State Tax Officer - Adjudication, Coimbatore (Tamil Nadu)	2.07	Penalty was levied regarding Tax Invoice Raised to an Unregistered business place of a Register Taxpayers.	No
Settlement	-	None	-	Not applicable	Not applicable
Compounding fee	-	None	-	Not applicable	Not applicable

Non - Monetary

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	-	None	-	Not applicable	Not applicable
Punishment	-	None	-	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	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. It is a part of our Code of Conduct. We ensure all our systems are operated ethically.

ANNEXURE – E TO BOARD’S REPORT (CONTD.)

Web-link to the policy:

<https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/Elecon-Code-of-Conduct.pdf>,
<https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/Code%20of%20Conduct-new-2023.pdf>.

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

Particulars	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
Directors	-	-
KMPs	-	-
Employees	-	-
Workers	-	-

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

Particulars	2024-25 (Current Financial Year)		2023-24 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	-	Not Applicable	-	Not Applicable
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	-	Not Applicable	-	Not Applicable

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

Not applicable.

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

Particulars	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
Number of days of account payables	79	78

ANNEXURE – E TO BOARD’S REPORT (CONTD.)

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	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	14.45%	17.95%
	b. Number of trading houses where purchases are made from	372	435
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	58.33%	59.41%
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	8.90%	9.37%
	b. Number of dealers / distributors to whom sales are made	69	64
	c. Sales to top 10 dealers/ distributors as % of total sales to dealers / distributors	59.37%	58.17%
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	13.40%	12.14%
	b. Sales (Sales to related parties / Total Sales)	7.23%	8.14%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	-	-
	d. Investments (Investments in related parties / Total Investments made)	21.77%	34.62%

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.

	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)	Details of improvements in environmental and social impacts
R&D	-	-	Our R&D department is not only focused on upgrading our technology but also focused on making our products more sustainable. To reduce the environment and social impact of our products the department works on projects considering reduction of weight of our product and optimal use of oil in operations, improvising safety features and operational efficiency. Our R&D/Manufacturing department created a process for producing higher quality class gears to reduce meshing losses, which increases gearbox efficiency and reduces power loss. Furthermore, higher quality gears minimise noise levels, which is critical for the environment.

ANNEXURE – E TO BOARD’S REPORT (CONTD.)

	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)	Details of improvements in environmental and social impacts
Capex	14.08%	10.15%	Increased renewable energy generation & consumption by adding 1 MW solar roof top system. New auto scrap transfer conveyor system to eliminate human intervention and fatigue as well as increase safety for work force. Installation of Cooling system for human comfort at new workshop and office.

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

Yes

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

Around 80% of inputs were sourced sustainably, the Company has formulated an operating procedure to approve vendors. Materials are procured from approved vendors both, local and international. The quality assurance team of the Company conducts periodic audit of the vendors, especially those who supply key materials and there is very specific focus towards the conservation of energy, water & environment at their end.

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.

Our product line comprises products predominantly made of metals, accounting for around 99% of the composition. This metal content renders our products highly recyclable. The materials used, including ferrous and non-ferrous elements, contribute to a robust and sustainable life cycle lasting approximately 20-25 years. As a result, direct reclamation of our products for recycling post their life cycle is currently unviable.

Our product manual serves as a tool to raise awareness among customers, advocating for the recycling of used products through designated recyclers. At the end of their life cycle, our products do not generate plastic, e-waste, hazardous waste, or any other form of waste, aligning with our commitment to environmental sustainability.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity’s activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Yes, we are disposing the waste in line with the EPR requirement to registered recyclers.

ANNEXURE – E TO BOARD’S REPORT (CONTD.)

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:

% of employees covered by

Category	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number	%	Number	%	Number	%	Number	%	Number	%
Permanent Employees and Other than Permanent Employees											
Male	718	718	100%	718	100%	-	-	-	-	-	-
Female	22	22	100%	22	100%	22	100%	-	-	-	-
Total	740	740	100%	740	100%	22	100%	-	-	-	-

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

% of workers covered by

Category	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number	%	Number	%	Number	%	Number	%	Number	%
Permanent Employees and Other than Permanent Employees											
Male	1,419	1,419	100%	1,419	100%	-	-	-	-	-	-
Female	3	3	100%	3	100%	3	100%	-	-	-	-
Total	1,422	1,422	100%	1,422	100%	3	0.21%	-	-	-	-

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

Particulars	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
Cost incurred on wellbeing measures as a % of total revenue of the Company	0.03%	0.04%

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

Benefits	2024-25 (Current Financial Year)			2023-24 (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%	Y	100%	100%	Y
Gratuity	100%	100%	Y	100%	100%	Y
ESI*	NA	NA	NA	NA	NA	NA
Others – Please Specify						
Felicitation Scheme	100%	NA	NA	100%	NA	NA
NPS	5.50%	-	Y	5.68%	-	Y

* The facilities and branches of the Company are either exempted from or not covered under ESIC Scheme.

ANNEXURE – E TO BOARD’S REPORT (CONTD.)

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, our office and manufacturing unit are accessible to differently abled employees and workers.

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

Yes, we emphasise on treating every individual with dignity and respect inside our organisation and throughout the supply chain. We also ensure that Human Rights Policy is strictly adhered in our premises and also encourages its supply chain partners to comply with our policy.

<https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/Human%20Rights%20Policy-new-2023.pdf>

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

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	-	-	-	-
Female	100%	100%*	-	-
Total	100%	100%*	-	-

*One female employee went on maternity leave during the 2023-24 financial year and returned in April 2024. Another female employee went on maternity leave in June, 2024 and returned in December, 2024.

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

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Employees	Yes*, we have a grievance redressal mechanism which is elaborated in our Code of Conduct through which Employees & Workers can raise their concerns, and which are addressed at the earliest.
Other than Permanent Employees	
Permanent Workers	Employees & Workers will promptly report to the Management about any actual or possible violation of the Code of Conduct, or any event he or she becomes aware of that could affect the business or reputation of any unit of our Company to the appropriate person(s) as defined in the policy.
Other than Permanent Workers	

*Detailed redressal mechanism can be viewed in specific policies whose link is <https://www.elecon.com/investors/policies>,

<https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/Code%20of%20Conduct-new-2023.pdf>

<https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/Code of Conduct-2023.pdf>,

<https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/Human%20Rights%20Policy-new-2023.pdf>

ANNEXURE – E TO BOARD’S REPORT (CONTD.)

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

Category	2024-25 (Current Financial Year)			2023-24 (Previous Financial Year)		
	Total employees/ workers in respective category (A)	No. of employees/ workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees/ workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (C / D)
Total Permanent Employees						
Male	-	-	-	-	-	-
Female	-	-	-	-	-	-
Total Permanent Workers						
Male	-	-	-	-	-	-
Female	-	-	-	-	-	-

8. Details of training given to employees and workers:

Category	2024-25 (Current Financial Year)					2023-24 (Previous Financial Year)				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	718	718	100%	579	81%	665	648	97%	545	82%
Female	22	19	86%	11	50%	22	22	100%	15	68%
Total	740	737	100%	590	80%	687	670	98%	560	82%
Workers										
Male	1,419	959	68%	592	42%	1,286	1,286	100%	349	28%
Female	3	1	33%	-	-	1	1	100%	-	-
Total	1,422	960	68%	592	42%	1,287	1,287	100%	349	28%

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

Category	2024-25 (Current Financial Year)			2023-24 (Previous Financial Year)		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	718	694	97%	665	640	96%
Female	22	22	100%	22	20	91%
Total	740	716*	97%	687	660*	96%
Workers						
Male	1,419	-	-	1,286	-	-
Female	3	-	-	1	-	-
Total	1,422	-	-	1,287	-	-

* Only employees joining before the cut-off date, i.e., December 31, are eligible for performance review.

ANNEXURE – E TO BOARD’S REPORT (CONTD.)

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 a system?

Yes, at Elecon, safety is ingrained as a fundamental value rather than just a priority. To mitigate safety incidents and emphasise the importance of well-being, we take proactive and preventive measures. These include safety audits, emergency preparedness plans, fire safety protocols, comprehensive training, and targeted initiatives. Our dedication to preventing injuries and occupational illnesses is reflected in our adherence to ISO 45001:2018 standards and similar guidelines, which we promote throughout our organisation. This comprehensive occupational health and safety management system underscores our commitment to ensuring a safe and healthy work environment for all employees. The detailed policy is available at <https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/EHS%20policy-2023.pdf>.

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

To ensure comprehensive risk management across our offices and manufacturing facility, we have implemented a systematic risk management procedure. This includes active involvement from engineers, production-in-charge personnel, and members of the Environment Health & Safety (EHS) team in conducting risk assessments and managing identified risks. Documentation, approval, and communication of risk mitigation plans to relevant stakeholders are integral steps in our risk management process. Our operations are guided by safety observations, rectification plans, and procedures encompassing Hazard Identification & Risk Assessment for all activities, contractor safety management, and regular external audits to maintain a safe and compliant workplace.

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

Yes, We have a structured risk management approach in place to ensure safety across our offices and manufacturing facility. This involves engineers, production supervisors, and EHS team members actively participating in risk assessments and managing identified risks. Documenting, approving, and communicating risk mitigation plans to stakeholders is crucial. Our operations are guided by safety observations, rectification plans, and procedures covering Hazard Identification & Risk Assessment, contractor safety management, and routine external audits for workplace safety compliance.

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

Yes, all workers, including their dependent family members, have access to an external multispecialty reputed hospital in close proximity to our premises. This hospital is equipped with the latest facilities and infrastructure to provide comprehensive non-occupational medical and healthcare services. Additionally, we conduct awareness programs conducted by experts on various topics such as good health habits, heart attack, varicose veins, orthopedic pain, and more to educate and empower our employees and their families.

Furthermore, all our employees are covered under a group health insurance policy that ensures access to a wide range of non-occupational medical and healthcare services. This coverage reinforces our commitment to supporting the well-being and health needs of our workforce and their loved ones.

ANNEXURE – E TO BOARD’S REPORT (CONTD.)

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
Lost Time Injury Frequency Rate (LTIFR) (per one Million-person hours worked)	Employees	-	-
	Workers	0.18	0.20
Total recordable work-related injuries	Employees	-	-
	Workers	1	1
No. of fatalities	Employees	-	-
	Workers	-	-
High consequences for work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	-	-

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

The entity maintains a safe and healthy workplace through a range of measures. These include routine safety audits, emergency preparedness plans, fire safety measures, and comprehensive training programs. Hazards are promptly identified, and risk levels are mitigated to acceptable standards, with controls regularly reviewed and deviations addressed promptly. Adherence to safety protocols is closely monitored, with a focus on hazard elimination. Additionally, periodic training and awareness sessions reinforce safety practices, fostering a culture of safety across all operations. This holistic approach ensures that the entity prioritises the well-being of its employees and creates a conducive environment for productive and safe work.

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

Category	2024-25 (Current Financial Year)			2023-24 (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	-	-	NA	-	-	NA
Health & Safety	-	-	NA	-	-	NA

14. Assessments for the year:

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

*Third party assessments are carried out viz. IMS audit. We also undertake external safety audit as per BIS 14489 and, approved accredited laboratories carry out workplace condition monitoring on timely basis.

ANNEXURE – E TO BOARD’S REPORT (CONTD.)

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.

Our actions are addressed in form of Kaizens and Poka-yoke based on recommendations received by assessments in order to mitigate the risk & concerns arising at working locations proactively with horizontal deployment.

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.

Through our Stakeholder Engagement and Materiality Assessment process, we have identified important internal and external groups of stakeholders. These stakeholders play an important role in activities related to Elecon and can help our company shape a sustainable future.

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

Stakeholder Group	Whether identified as Vulnerable & Marginalised 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
Customers	No	Direct engagement, Customer satisfaction survey, Customer feedback	As and when required	To ensure product quality and safety, high customer satisfaction
Shareholders	No	Email, SMS, Newspaper advertisement, website	Annually/ Half yearly/ Quarterly	Annual Financial Statements and other related information
Employees	No	Meetings, Email, SMS, Intranet, Posters, Slogans	Monthly/ Quarterly meetings and continuous communications	Engagement Initiatives, Trainings and Policy updates, Occupational Health & Safety and other Department updates
Regulatory & Government	No	Direct engagement	As and when required	To comply with applicable regulations
Communities	No	Direct engagement, CSR partners	As and when required	To have an overview on the implementation and success of the projects
Vendors	No	Regular supplier and contractor meets	As and when required	To resolve supplier and contractor concerns and encourage suppliers to adhere to Elecon’s policies

ANNEXURE – E TO BOARD’S REPORT (CONTD.)

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:

Category	2024-25 (Current Financial Year)			2023-24 (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	740	740	100%	687	687	100%
Other than Permanent						
Total Employee	740	740	100%	687	687	100%
Workers						
Permanent	1,422	1,422	100%	1,287	1,287	100%
Other than Permanent						
Total Workers	1,422	1,422	100%	1,287	1,287	100%

2. Details of minimum wages paid to employees and workers, in the following format:

Category	2024-25 (Current Financial Year)					2023-24 (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 and Other than Permanent)										
Male	718	-	-	718	100%	665	-	-	665	100%
Female	22	-	-	22	100%	22	-	-	22	100%
Workers (Permanent and Other than Permanent)										
Male	1,419	62	4%	1,357	96%	1,286	64	5%	1,222	95%
Female	3	-	-	3	100%	1	-	-	1	100%

3. Details of remuneration/salary/wages, in the following format:

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)	7	15,06,000*	1	15,24,000*
Key Managerial Personnel	1	65,07,588	1	25,84,872
Employees other than BoD and KMP	716	7,50,054	21	8,75,292
Workers	1,419	2,43,852	3	3,20,088

* It is inclusive of remuneration, sitting fees with commission payable to the Directors for 2024-25.

ANNEXURE – E TO BOARD’S REPORT (CONTD.)

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

Particulars	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
Gross wages paid to females as % of total wages	2.27%	3.30%

The percentage is calculated basis CTC (inclusive of Gratuity) of female Employees (Permanent & Other than Permanent) to that of total CTC of Employees (Permanent & Other than Permanent).

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 HR Department and respective Business Heads are responsible for addressing human rights-related issues.

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

Yes. The HR Department is the focal point of contact for any human rights issue. A cross-functional team is formed to verify and investigate if an issue is reported. After identifying and resolving the issue, a report is prepared, and all business heads are made aware of it for precautionary measures. In case of any severe human rights issues, the Board is presented with the report findings and further action to avoid repetition.

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

	2024-25 (Current Financial Year)			2023-24 (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	-	-	NA	-	-	NA
Discrimination at workplace	-	-	NA	-	-	NA
Child Labour	-	-	NA	-	-	NA
Forced Labour/ Involuntary Labour	-	-	NA	-	-	NA
Wages	-	-	NA	-	-	NA
Other human rights related issues	-	-	NA	-	-	NA

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

Particulars	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
Total Complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	-	-
Complaints on POSH as a % of female employees / workers	-	-
Complaints on POSH upheld	-	-

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

We are dedicated towards preventing harassment in the workplace, particularly sexual harassment, and have zero tolerance for such behavior. We support reporting any concerns about harassment and take complaints about it or any unpleasant or uncomfortable behavior seriously. Committee have been established to investigate complaints of sexual harassment and to suggest appropriate action where necessary.

We have a Prevention of Sexual Harassment (POSH) Policy and Human Rights Policy that defines the mechanism of resolving any discrimination and harassment case, which has set guidelines for members of the grievance redressal mechanism.

ANNEXURE – E TO BOARD’S REPORT (CONTD.)

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

Yes, we encourage our suppliers to adhere with our Supplier Code of Conduct and other policies. Our Supplier Code of Conduct can be viewed at <https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/Supplier%20Code%20of%20Conduct-2023.pdf>.

10. Assessments for the year:

	% of plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	
Forced/involuntary labor	100%. Our HR team takes a survey by randomly selecting employees and contractors for evaluation. An external auditor verifies and assesses the processes followed by our HR team. Regulatory inspectors also verify the processes being followed in our manufacturing plants.
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 9 above.

There were no significant risks / concerns arising from the human rights assessments.

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:

	(In Giga Joules)	
Parameter	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
From renewable sources (Giga Joules)		
Total electricity consumption (A)	32,292.25	41,306.60
Total fuel consumption (B)	-	-
Energy consumption through other sources (Renewable Energy) (C)	13,180.57	13,990.20*
Total energy consumption (A+B+C)	45,472.82	55,296.80*
From non-renewable sources (Giga Joules)		
Total electricity consumption (D)	63,760.50	50,751.20
Total fuel consumption (E)	51,287.00	32,161.10
Energy consumption through other sources (F)	-	-
Total energy consumption from nonrenewable sources (D+E+F)	1,15,047.50	82,912.30
Total energy consumption (A+B+C+D+E+F)	1,60,520.32	1,38,209.10
Energy intensity per rupee of turnover (Total energy consumption/ revenue from operations)	0.86	0.86

ANNEXURE – E TO BOARD’S REPORT (CONTD.)

	(In Giga Joules)	
Parameter	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)*** ((GJ/Lakh of adjusted turnover)	17.72	19.35
Energy intensity in terms of physical Output	-	NA**
Energy intensity (optional) – the relevant metric may be selected by the entity	-	-

*Small part of our solar rooftop electricity generated is supplied to the grid and the same is not included in this calculation as the value is not significant.

**Intensity, in terms of physical output, is not applicable due to the diverse range of products manufactured, majority of measured in numbers rather than tonnage, making it challenging to track in standardised units.

***Purchasing power parity (PPP) conversion factor is 20.66 for the year 2025 as per IMF data available at <https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/IND>.

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 or evaluation is being carried out during the year

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 we do not have any recognised sites/facilities as a Designated Consumer (DC) under Perform, Achieve & Trade scheme.

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

Particulars	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	2,33,855.77	2,02,164.09
(iii) Third party water	-	-
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	2,33,855.77	2,02,164.09
Total volume of water consumption (in kilolitres)	2,33,855.77*	2,02,164.09
Water intensity per rupee of turnover (Water consumed / turnover) – KL/INR Lakh	1.25	1.26
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	25.82	28.31
Water intensity in terms of physical output	NA	NA
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

*93,807.18 kiloliters consumption of recycled water is not considered in this calculation as per the definition in the regulation.

ANNEXURE – E TO BOARD’S REPORT (CONTD.)

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 or evaluation is being carried out during the year.

4. Provide the following details related to water discharged:

Parameter	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water		-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) To Ground water (Gardening)		
- No treatment	-	-
- With treatment – please specify level of treatment	93,807.18 (Tertiary)	-
(iii) To Sea water	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third-parties	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(v) Other	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharge (in kilolitres)	93,807.18	-

Our units implement initiatives to conserve freshwater by recycling treated wastewater, ensuring ZLD (Zero Liquid Discharge).

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 or evaluation is being carried out during the year.

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

Yes. Our water stewardship strategy revolves around optimising water usage to minimise intake while maximising efficiency. Across all our company-owned facilities and offices, we prioritise water conservation and recycling efforts, aiming for Zero Liquid Discharge (ZLD). Following treatment, all wastewater is recycled to support the preservation and expansion of our green spaces. Moreover, we’ve implemented rainwater harvesting systems across our extensive industrial site, channeling collected rainwater into designated pits to replenish our groundwater levels.

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

Parameter	Units	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
NOx	MT	15.68	0.17
SOx	MT	0.19	0.16
Particulate matter (PM)*	MT	13.17	19.30
Persistent organic pollutants (POP)	MT	NA	Not Available

ANNEXURE – E TO BOARD’S REPORT (CONTD.)

Parameter	Units	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
Volatile organic compounds (VOC)	M MT	0.33	Not Available
Hazardous air pollutants (HAP)	MT	NA	Not Available
Others – please specify	NA	NA	Not Available

** This year we have calculated air emissions for 17 stacks 2024-25 using CPCB Standards.*

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

Yes, independent assessment has been carried out by external third-party agency. This agency is National Accreditation Board for Testing and Calibration Laboratories (NABL) accredited, and Ministry of Environment, Forest and Climate Change (MoEF) approved.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Units	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	MtCO ₂ e	2,361.24	2,213.45
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	MtCO ₂ e	12,681.26	10,943.85
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	MtCO ₂ e/ ₹ Lakh	0.08	0.08
Total Scope 1 and Scope 2 emissions per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	MtCO ₂ e/ ₹ Lakh	1.66	1.72
Total Scope 1 and Scope 2 emission intensity in terms of physical output	-	-	NA
Total Scope 1 and Scope 2 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.

No such independent assessment is being carried out during the year ending March 31, 2025.

ANNEXURE – E TO BOARD’S REPORT (CONTD.)

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

Yes, this year we have set up a 2 MW capacity of solar rooftop, significantly contributing to our organisation's sustainability efforts by reducing greenhouse gas emissions. Additionally, to achieve net-zero emissions in our operations, we've established our own wind farm, which generates electricity supplied to the grid. We receive credits for the units contributed, effectively reducing our electricity bills. Our renewable energy infrastructure boasts a total installed capacity of 5.5 MW in solar rooftops and 13.25 MW in windfarms. Through the utilisation of these renewable sources, we've successfully avoided CO₂ emissions.

We are committed to reducing our greenhouse gas emissions in alignment with the Science-Based Targets initiative (SBTi), target validation will get done this year. Our emission reduction target will be established based on identified decarbonisation strategies, including the adoption of renewable energy, enhancing energy efficiency, and implementing fuel-switching measures.

9. Provide details related to waste management by the entity, in the following format:

Parameter	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
Total Waste Generated (in metric tonnes)		
Plastic waste (A)	11.56	10.99
E Waste (B)	3.71	-
Bio medical waste (C)	-	-
Construction and Demolition Waste (D)	-	-
Battery Waste (E)	4.14	2.41
Radio-active waste (F)	-	-
Hazardous waste. Please specify, if any. (G)	127.43	156.34
Other Non-hazardous waste generated (H) Please specify, if any (Break-up by composition i.e., by materials relevant to the sector)	14,463.59	10,773.12
Total (A + B + C + D + E + F + G + H)	14,610.43	10,942.85
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.08	0.07
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	1.61	1.53
Waste intensity in terms of physical output NA	NA	NA
Waste intensity (optional) – the relevant metric may be selected by the entity	-	-

ANNEXURE – E TO BOARD’S REPORT (CONTD.)

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)

Parameter	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
Category of Waste		
(i) Recycled*	7,087.50	4,874.84
(ii) Re-used*	7522.73	6,067.85
(iii) Other recovery operations	-	-
Total	14,610.23	10,942.69

*Waste recovery is done internally as well as through authorised recyclers.

For each category of waste generated, total waste disposed of by nature of disposal method (in metric tonnes)

Parameter	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
Category of Waste		
(i) Incineration	0.20	0.16
(ii) Landfilling	-	-
(iii) Other recovery operations	-	-
Total	0.20	0.16

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. During our ISO 14001 external audit, the waste collection procedure and data is verified as a part of the process.

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.

We closely monitor waste management techniques. Automated machining of gear parts addresses this issue by minimising the amount of metal scrap generated. We generate a substantial amount of metal scrap, which is then reused in our foundry shop to make castings. Hazardous waste (used oil) contaminated empty containers (carboys, tins, cans, etc.) are disposed of to an approved recycler in accordance with regulatory requirements. Our foundry produces a substantial volume of burnt sand, which is used by recyclers in the infrastructure and building industries.

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:

Sr. 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.
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Not Applicable, as our plants/ offices are not situated in ecological sensitive areas where environmental approval/ clearance is required.

ANNEXURE – E TO BOARD’S REPORT (CONTD.)

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
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Environmental impact assessments are not applicable to us, and we have not performed the same during the financial year ending March 31, 2025.

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: We are compliant with.

Sr. 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
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Not applicable, as we have not violated any ruled mentioned in the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act for the year ending March 31, 2025.

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.

We are associated with 9 trade and Industry chambers/ Associations

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

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Confederation of Indian Industry (CII)	National
2	Federation Gujarat Industries (FGI)	State
3	Gujarat Chamber of Commerce & Industry (GCCI)	State
4	Central Gujarat Chamber of Commerce & Industry (CGCCI)	State
5	Indo-German Chamber of Commerce (IGCC)	National
6	EEPC India	National
7	Vitthal Udyognagar Industries Association	Local
8	Indian Institute of Materials Management	National
9	Quality Circle Federation of India (QCFI)	National

ANNEXURE – E TO BOARD’S REPORT (CONTD.)

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, as no such adverse order is received from any authority for which corrective action must be taken by our Company for the year ending March 31, 2025.		

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
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Not Applicable

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

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

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

We have grievance redressal mechanism in our Human Rights Policy. Our Board level CSR Committee is responsible to redresses any community related grievances.

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

	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
Directly sourced from MSMEs/ small producers	52.40%	62.00
Sourced directly from within the district and neighboring districts	46.48%	50.01

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	2024-25 (Current Financial Year)	2023-24 (Previous Financial Year)
Rural	-	-
Semi-Urban	90.55%	86.44%
Urban	2.44%	0.57%
Metropolitan	7.01%	12.99%

The percentage is calculated basis CTC (inclusive of Gratuity) of employees and workers to that of total CTC.

ANNEXURE – E TO BOARD’S REPORT (CONTD.)

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.

We have divided our operational geography amongst branches. Each branch is responsible for customers in their respective geography. We have deployed service personnel in each of our geography. Our service personnel are technically sound and are being given regular training.

Our customers can raise issues or complaints in the respective branches or online in our central Customer Resolution Management. These details are made available in our handbook to every customer. After lodging of a complaint, we deploy our competent personnel to resolve the complaint. After resolution, the service personnel shall inform the customer of the preventive action to be taken to avoid further complaints and safe operations of our equipment.

Complaints are reported to all concern HOD’s/CEO/Vice President on Monthly basis and a Management Review Meeting (M.R.M.) is carried out every six months.

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

	As a percentage to total turnover
Environmental and social parameters relevant to the product	71.33%
Safe and responsible usage	100.00
Recycling and/or safe disposal	71.33%

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

	2024-25 (Current Financial Year)			2023-24 (Previous Financial Year)		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data Privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber-security	-	-	-	-	-	-
Delivery of essential services	-	-	-	-	-	-
Restrictive Trade Practices	-	-	-	-	-	-
Unfair Trade Practices	-	-	-	-	-	-
Other	-	-	-	-	-	-

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

	Number	Reasons for recall
Voluntary recalls	Nil	
Forced recalls		

ANNEXURE – E TO BOARD’S REPORT (CONTD.)

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

Yes, we secure our digital data and maintain privacy through various mechanisms. We have our own internal IT policy which is adhered to.

<https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/Data%20Privacy%20and%20Cyber%20Security%20Policy-2023.pdf>

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 Consumers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Nil

7. Provide the following information relating to data breaches:

a. Number of instances of data breaches	Nil
b. Percentage of data breaches involving personally identifiable information of customers	Not Applicable
c. Impact, if any, of the data breaches	Not Applicable

ANNEXURE – E TO BOARD’S REPORT (CONTD.)

INDEPENDENT REASONABLE AND LIMITED ASSURANCE REPORT ON BUSINESS RESPONSIBILITY SUSTAINABILITY REPORT OF ELECON ENGINEERING COMPANY LIMITED

To,
The Board of Directors,
Elecon Engineering Company Limited
Gujarat, India.

We have undertaken to perform a Reasonable Assurance for Business Responsibility Sustainability Report [hereinafter “BRSR”] ‘Core Key Performance Indicators (KPIs)’ and Limited Assurance for ‘Essential Indicators’ for Elecon Engineering Company Limited vide Engagement Letter dated December 27, 2024 in respect of the agreed BRSR in accordance with the criteria stated below. This is included in BRSR of the company for the financial year ended March 31, 2025.

Criteria

The criteria used by the Company to prepare the Identified Sustainability Information is as per the guidelines issued by Securities and Exchange Board of India (SEBI) in accordance with the circulars:

- SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023
- SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated July 12, 2023 and clarifications issued for the same.

This engagement was conducted by a multidisciplinary team including assurance practitioners, social, governance and environmental experts.

Identified Sustainability Information

The identified Sustainability Information for the financial year ended March 31, 2025 is summarised below as per Appendix 1;

The areas for which Reasonable and Limited assurance is undertaken are also given in Appendix 1 to the report; and

Our Reasonable and Limited assurance engagement was with respect to the year ended March 31, 2025 information only unless otherwise stated and we have not performed any procedures with respect to earlier periods or any other elements included in the BRSR and, therefore, do not express any conclusion thereon.

Management’s Responsibility

The Company’s management is responsible for selecting or establishing suitable criteria for preparing the Sustainability Information, considering applicable laws and regulations,

if any, related to reporting on Sustainability Information, Identification of key aspects, engagement with stakeholders, content, preparation and presentation of the Identified Sustainability Information in accordance with the Criteria. This responsibility includes design, implementation and maintenance of internal control relevant to the preparation of BRSR and the measurement of Identified Sustainability Information, which is free from material misstatement, whether due to fraud or error.

Inherent Limitations

The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measures and measurement techniques and can affect comparability between entities.

Our Independence and Quality Control

We have maintained our independence and confirm that we have met the requirements of Code of Ethics issued by Institute of Chartered Accountants of India (ICAI) and have the required competencies and experience to conduct this assurance engagement and

The firm applies Standard on Quality Control (SQC) 1, “Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements” issued by the ICAI and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Our Responsibility

Our responsibility is to express a Reasonable and Limited assurance conclusion, as applicable and given in the Appendix 1 to this report on the Identified Sustainability Information based on the procedures we have performed and evidence we have obtained;

We conducted our engagement in accordance with the Standard on Sustainability Assurance Engagements (SSAE) 3000, “Assurance Engagements on Sustainability Information”, issued by the ICAI. This standard requires that we plan and perform our engagement to obtain reasonable assurance about whether the Identified Sustainability

ANNEXURE – E TO BOARD’S REPORT (CONTD.)

Information are prepared, in all material respects, in accordance with the Reporting Criteria. A reasonable assurance engagement involves assessing the risks of material misstatement of the Identified Sustainability Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances;

For the purpose of limited assurance, this standard requires that we plan and perform our engagement to obtain limited assurance about whether the Identified Sustainability Information is free from material misstatement;

A limited assurance engagement involves assessing the suitability in the circumstances of the Company’s use of the Criteria as the basis for the preparation of the Identified Sustainability Information, assessing the risks of material misstatement of the Identified Sustainability Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the Identified Sustainability Information;

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks; and

The procedures we performed were based on our professional judgment and included inquiries, observation of processes performed, inspection of documents, evaluating the appropriateness of quantification methods and reporting policies, analytical procedures and agreeing or reconciling with underlying records.

Basis of Opinion:

Given the circumstances of the engagement, in performing the procedures listed above, we:

- Obtained an understanding of the identified sustainability indicators and related disclosures;
- Obtained an understanding of the assessment criteria and their suitability for the evaluation and / or measurements of the identified sustainability indicators;
- Made enquiries of Company’s Management, including those responsible for Sustainability, Environment, Social, Governance (ESG), Corporate

Social Responsibility (CSR), etc., and those with responsibility for managing the Company’s BRSR;

- Obtained an understanding and performed an evaluation of the design of the key systems, processes and controls for managing, recording and reporting on the Identified Sustainability Indicators including at the sites and corporate office visited;
- Based on that understanding, the risks that the selected information may be materially misstated and determining the nature, timing and extent of further procedures;
- Checked the consolidation for various domestic branch offices, 2 plant sites and corporate office under the reporting boundary (as mentioned in the BRSR) for ensuring the completeness of data being reported except data pertaining to energy, waste, water and emissions domestic branch offices are not included for the purpose of BRSR Core KPIs;
- Based on above understanding and the risks that the identified sustainability indicators may be materially misstated, determined the nature, timing and extent of further procedures;
- Performed substantive testing on a sample basis of the Identified Sustainability Indicators at corporate head office, and 2 plant sites located at Vallabh Vidyanagar, Gujarat to verify that data had been appropriately measured with underlying documents recorded, collated and reported;
- Assessed records and performed testing including recalculation of sample data;
- Reviewed records and performed testing including recalculation of sample data;
- Assessed the level of adherence to the ‘Guidance note for BRSR format’ issued by SEBI followed by the Company in preparing the BRSR;
- Assessed the BRSR for detecting, on a test basis, any major anomalies between the information reported in the BRSR on performance with respect to agreed indicators and relevant source data/information; and
- Obtained representations from Company’s Management.

ANNEXURE – E TO BOARD’S REPORT (CONTD.)

Exclusions:

The following and therefore we do not express a conclusion on the same:

- Operations of the Company other than those mentioned in the Scope of Assurance as per the above referred Engagement Letter;
- Aspects of the BRSR and the data/information (qualitative or quantitative) other than the Identified Sustainability Information;
- Data and information outside the defined reporting period i.e., Financial Year 2024-25 and
- The statements that describe expression of opinion, belief, aspiration, expectation, aim, or future intentions provided by the Company.

Opinion on the Reasonable Assurance

Based on the procedures we have performed and the evidence we have obtained, the Identified Sustainability Information for the financial year ended March 31, 2025 (as stated under “Identified Sustainability Information”) are prepared in all material respects, in accordance with the criteria.

Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Company’s

Identified Sustainability Information included in the BRSR for year ended March 31, 2025 are not prepared, in all material respects, in accordance with the Criteria.

Restriction on use

Our Reasonable Assurance Report and Limited assurance conclusion have been prepared and addressed to the Board of Directors of Elecon Engineering Company Limited at the request of the company solely, to assist company in reporting on Company’s sustainability performance and activities. Accordingly, we accept no liability to anyone other than the company. Our Deliverables should not be used for any other purpose or by any person other than the addressees of our Deliverables. The firm neither accepts nor assumes any duty of care or liability for any other purpose or to any other party to whom our Deliverables are shown or into whose hands it may come without our prior consent in writing.

For C N K & Associates LLP

Chartered Accountants
Firm Registration Number: 101961 W/W – 100036

Himanshu Kishnadwala

Partner
Membership Number: 037391

Date: April 24, 2025
Place: Mumbai
UDIN: 25037391BMLFTN1851

ANNEXURE – E TO BOARD’S REPORT (CONTD.)

APPENDIX 1:

Sr No.	Indicator Number	Name of Indicator	Type of Assurance
1	Section C - Principle 6 -Q7	Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the given format	Reasonable
2	Section C - Principle 6 -Q3	Provide details of the following disclosures related to water withdrawal, in the given format	Reasonable
3	Section C - Principle 6 -Q4	Provide the following details related to water discharged	Reasonable
4	Section C - Principle 6 -Q1	Details of total energy consumption (in Joules or multiples) and energy intensity, in the given format	Reasonable
5	Section C - Principle 6 -Q9	Provide details related to waste management by the entity, in the given format	Reasonable
6	Section C - Principle 3 - Q1c	Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the given format	Reasonable
7	Section C - Principle 3 - Q11	Details of safety related incidents, in the given format	Reasonable
8	Section C - Principle 5 - Q3b	Gross wages paid to females as % of total wages paid by the entity, in the given format	Reasonable
9	Section C - Principle 5 - Q 7	Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the given format	Reasonable
10	Section C - Principle 8 -Q4	Percentage of input material (inputs to total inputs by value) sourced from suppliers	Reasonable
11	Section C - Principle 8-Q 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 given locations, as % of total wage cost	Reasonable
12	Section C - Principle 9 - Q 7	Provide the following information relating to data breaches: - Number Of instances of data breaches - Percentage of data breaches involving personally identifiable information of customers - Impact, if any, of the data breaches	Reasonable

ANNEXURE – E TO BOARD’S REPORT (CONTD.)

Sr No.	Indicator Number	Name of Indicator	Type of Assurance
13	Section C - Principle 1 - Q 8	Number of days of accounts payables (Accounts Payable * 365) / cost of goods/services procured) in the given format.	Reasonable
14	Section C - Principle 1 - Q 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 given format	Reasonable
15	BRSR Report	- Section A: General Disclosure – 24 indicators - Section B: Management & Process disclosures – 12 indicators - Section C: Principle wise performance disclosures – 9 Principles (Essential indicators except the Core KPI's as covered in Sr. No. 1 – 14 above)	Limited

ANNEXURE - F TO BOARD’S REPORT

CORPORATE GOVERNANCE REPORT

This report is prepared in accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and the report contains the details of Corporate Governance systems and processes at Elecon Engineering Company Limited (“the Company”).

STATEMENT ON COMPANY’S PHILOSOPHY ON CODE OF GOVERNANCE

Effective corporate governance practices constitute the strong foundation on which successful commercial enterprises are built to last longer. Corporate Governance comprises of a set of system and practices to ensure that Company’s affairs are managed in a manner which ensures accountability, transparency and fairness in all the transactions in the widest sense. The objective is to meet stakeholders’ aspirations and societal expectations. We are committed to evolve and follow the Corporate Governance guidelines and best practices in the best interest of all our stakeholders and society. We consider it our inherent responsibility to disclose timely and accurate information regarding our financials and performances as well as the governance of the Company. We believe to constantly improve sustainable value creation. It is an upward-moving target that we collectively strive towards achieving. The Board of Directors of the Company strives for the best Corporate Governance practices with appropriate checks and balances at right places and at right intervals.

POLICIES AND PRACTICES

Code of Conduct

The Company has in place a comprehensive Code of Conduct (“the code”) and the code applies to all the Board Members including Independent Directors and Members of the Senior Management of the Company. The Codes gives guidance and strives for ethics, honesty, integrity and fairness. The Code is available on the website of the Company and can be accessed at <https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/Elecon-Code-of-Conduct.pdf>. The compliance to the code is affirmed annually by the above stated persons to whom the code applies.

A declaration on confirmation of compliance of the Code of Conduct, signed by the Company’s Chairman and Managing Director is attached to this Report.

Prevention of Insider Trading Code

The Board of Directors of the Company has approved the policy on the Code of Conduct for Prevention of Insider Trading & Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information as per the SEBI (Prohibition of Insider Trading) Regulations, 2015 as available on the website of the Company and can be accessed at web-link [https:// www.elecon.com/views/templates/admin-uploads/Investors/Trading-Window/2020-2021/Elecon_Code_of_Conduct_of_Prevention_of_Insider_Trading_and_Code_of_Fair_Disclosure_of_UPSI_2020_2021.pdf](https://www.elecon.com/views/templates/admin-uploads/Investors/Trading-Window/2020-2021/Elecon_Code_of_Conduct_of_Prevention_of_Insider_Trading_and_Code_of_Fair_Disclosure_of_UPSI_2020_2021.pdf). The Compliance Officer of the Company is responsible for adherence to the Code of Conduct for Prohibition of Insider Trading Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information.

Whistle Blower Policy

The Company has in place a Whistle Blower Policy and Vigil Mechanism under which Employees and Directors are encouraged to report their concerns about unethical behavior / practices. Employees may use this channel to report concerns related to discrimination, retaliation and harassment and are assured of complete anonymity and confidentiality. During the year under review, no such case was reported. No employee of the Company has been denied to access to the Audit Committee. The detail of such mechanism is communicated to all the Directors and Employees and the Whistle Blower Policy is available on the website of the Company and can be accessed at web-link <https://www.elecon.com/views/templates/admin-uploads/Investors/whistle-blower-policy/Elecon-Whistle-Blower-Policy-2022-new.pdf>.

Policy for Determining Materiality for Disclosures

In line with requirements under Regulation 30 of the Listing Regulations, the Company has framed a policy on disclosure of material events and information, which is available on our website <https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/Elecon-Policy-on-Determination-of-Materiality-of-Events-2017.pdf>. The objective of this policy is to have uniform disclosure practices and ensure timely, adequate and accurate disclosure of material event and information on an ongoing basis.

Policy for Determining Material Subsidiary

The Company has adopted policy for determining material subsidiaries and material non-listed subsidiary of the

ANNEXURE – F TO BOARD’S REPORT (CONTD.)

Company to provide the governance framework for them. The Company’s policy on “Material Subsidiary” is placed on the Company’s website and can be accessed through weblink <https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/Elecon-Policy-on-Determining-Material-Subsidiary-2020.pdf>. For financial year 2024-25, the Company does not have any material subsidiary.

BOARD OF DIRECTORS

The Company has defined guidelines and established framework for the meetings of the Board and its Committees. These guidelines seek to systematise the

decision-making process at the meetings of the Board and Committees in an informed and efficient manner.

The Board provides strategic guidance and independent views to the Company’s management while discharging its fiduciary responsibilities. The Board also provides direction and also exercises appropriate control to ensure that the Company is managed in a manner that fulfills stakeholder’s aspirations and society’s expectations. The Company is managed by the Board of Directors consisting highly qualified and experienced professionals from different fields, which formulates strategies, policies and reviews its performance periodically. The Chairman & Managing Director manages the business of the Company under the overall supervision, guidance and control of the Board.

Composition of the Board

The Company has a balanced Board with optimum combination of Executive and Non-Executive Directors, including Independent Professionals, which plays a crucial role in Board processes and provides independent judgment on issues of strategy and performance.

As on March 31, 2025, the Board consists of Eight (8) Directors as follows:

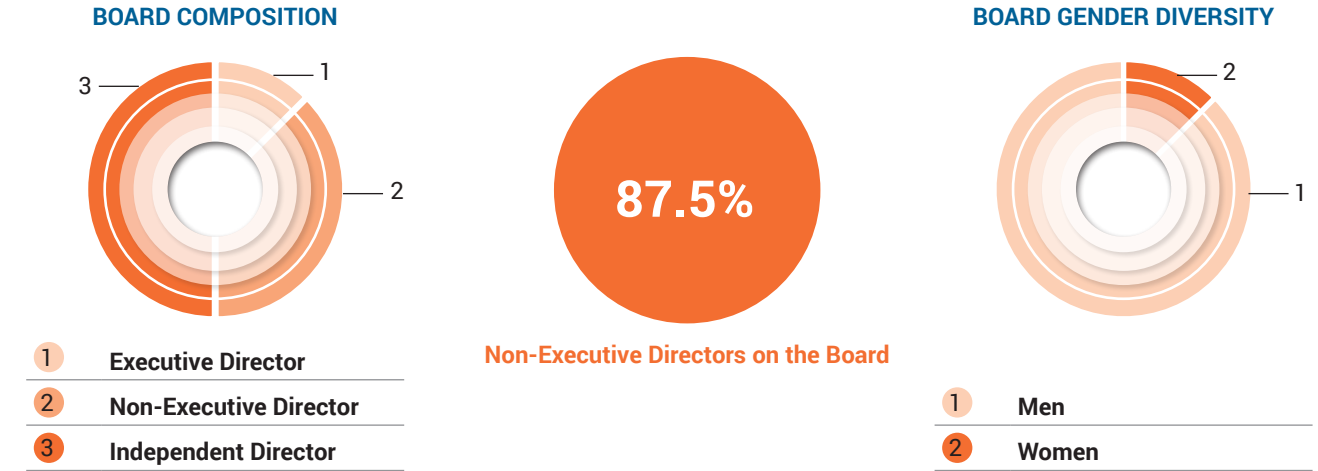
Sr. No.	Category	Name of Director	% of total Board Size
1	Executive Director	• Mr. Prayasvin B. Patel, CMD*	12.5
2	Non-Independent & Non-Executive Director	• Mr. Aayush A. Shah • Mr. Pradip M. Patel • Mr. Prashant C. Amin	37.5
3	Independent & Non-Executive Director**	• Mr. Ashutosh A. Pednekar • Mr. Nirmal P. Bhogilal • Mr. Pranav C. Amin • Dr. Sonal V. Ambani	50

*CMD: Chairman and Managing Director

**Independent & Non-Executive Director includes One Woman Independent Director

Moreover, none of the Directors on the Company’s Board is a Member of more than 10 (Ten) Committees or act as Chairman of more than 5 (Five) Committees (Committees being Audit Committee and Stakeholders Relationship Committee) across all the Companies in which he or she is a Director pursuant to the Regulation 26 of Listing Regulations. Necessary disclosures have been made by each Director.

ANNEXURE – F TO BOARD’S REPORT (CONTD.)



Brief Profile of Directors

Details of Directors of the Company as on March 31, 2025, including their category, shareholding in the Company, number of other Directorships including name of listed entities where he/she is a director alongwith the category of their directorships, committee positions held by them in other companies as a Member or Chairperson are given below:

Name and Designation of Director(s) (DIN)	Date of Appointment, Other Directorship, Committee Positions and Shareholding in the Company	List of Directorship held in Other Listed Companies and Category of Directorship
Mr. Prayasvin B. Patel Chairman & Managing Director (DIN: 00037394)	Appointed: July 01, 2011 Other Directorships*: 8 Committee membership(s)/ Chairmanship(s) in other Company(ies)^: NIL No. of Shares held 39,25,864	Eimco Elecon (India) Limited - Executive Director
Mr. Aayush A. Shah Non-Independent & Non-Executive Director (DIN: 07140517)	Appointed: April 25, 2023 Other Directorships*: NIL Committee membership(s)/ Chairmanship(s) in other Company(ies)^: NIL No. of Shares held NIL	–
Mr. Pradip M. Patel Non-Independent & Non-Executive Director (DIN: 00012138)	Appointed: November 14, 1977 Other Directorships*: 2 Committee membership(s)/ Chairmanship(s) in other Company(ies)^: 2 No. of Shares held 1,24,824	Eimco Elecon (India) Limited – Chairman, Non-Executive - Non Independent Director

ANNEXURE – F TO BOARD’S REPORT (CONTD.)

Name and Designation of Director(s) (DIN)	Date of Appointment, Other Directorship, Committee Positions and Shareholding in the Company		List of Directorship held in Other Listed Companies and Category of Directorship
Mr. Prashant C. Amin Non-Independent & Non-Executive Director (DIN: 01056652)	Appointed:	July 29, 2008	Eimco Elecon (India) Limited-
	Other Directorships#:	2	<i>Non-Executive - Nominee</i>
	Committee membership(s)/ Chairmanship(s) in other Company(ies)^:	1 (as a Chairman)	<i>Director</i>
	No. of Shares held	81,350	
Mr. Ashutosh A. Pednekar Independent & Non-Executive Director (DIN: 00026049)	Appointed:	July 01, 2022	Northern Arc Capital Limited -
	Other Directorships#:	3	<i>Non-Executive - Independent</i>
	Committee membership(s)/ Chairmanship(s) in other Company(ies)^:	2 (as a Chairman)	<i>Director</i>
	No. of Shares held	NIL	
Mr. Nirmal P. Bhogilal Independent & Non-Executive Director (DIN: 00173168)	Appointed:	April 01, 2024	Batliboi Limited -
	Other Directorships#:	1	<i>Chairman, Executive Director</i>
	Committee membership(s)/ Chairmanship(s) in other Company(ies)^:	1	
	No. of Shares held	NIL	
Mr. Pranav C. Amin Independent & Non-Executive Director (DIN: 00245099)	Appointed:	May 27, 2021	Alembic Pharmaceuticals Limited -
	Other Directorships#:	3	<i>Managing Director</i>
	Committee membership(s)/ Chairmanship(s) in other Company(ies)^:	2 (including one as a Chairman)	Max Healthcare Institute Limited - Non-Executive - Independent Director
	No. of Shares held	NIL	
Dr. Sonal V. Ambani Independent & Non-Executive Director (DIN: 02404841)	Appointed:	August 14, 2015	Carysil Limited -
	Other Directorships#:	6	<i>Non-Executive - Independent</i>
	Committee membership(s)/ Chairmanship(s) in other Company(ies)^:	3	<i>Director</i>
	No. of Shares held	NIL	Fairchem Organics Limited - Non-Executive - Independent Director

excluding Directorship(s) held in the Company, alternate directorships, directorship in foreign companies and Section 8 companies and private limited companies which are not the subsidiaries of public limited companies.

^ In accordance with Regulation 26 of the Listing Regulations.

ANNEXURE – F TO BOARD’S REPORT (CONTD.)

Notes:

- The brief profile of the Directors is available on the website of the Company.
- Relationship between the Directors inter-se as on March 31, 2025, none of the Directors of the Company were related to each other except Mr. Pradip M. Patel who is Mr. Prayasvin B. Patel's sister's husband and Mr. Aayush A. Shah who is the son in law of Mr. Prayasvin B. Patel.
- All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 (the Act) and Regulation 16(1)(b) of the Listing Regulations. In the opinion of the Board, the Independent Directors fulfil the conditions and are independent of the Management.
- During the period under review, none of the Independent Directors of the Company has resigned.
- Video / teleconferencing facilities are used as and when required to facilitate Directors at other locations to participate in the meetings.
- The number of Directorship(s) and Committee Membership(s)/Chairmanship(s) of all Directors is/ are within the respective limits prescribed under the Act and the Listing Regulations.

CORE SKILLS/EXPERTISE/ COMPETENCIES AVAILABLE WITH THE BOARD

The Board comprises qualified and experienced members who possesses required skills, expertise and competencies that allow them to make effective contributions to the Board and its Committees. The Board has an identified list of core skills/expertise/competences of Directors as required in the context of the business of the Company.

The following skills/expertise/ competencies have been identified for the effective functioning of the Company and are currently available with all the members of the Board:

1. Qualification & Knowledge:

- Degree holder in relevant disciplines (e.g. management, finance, engineering, marketing, legal, etc.);
- Knowledge to understand the Company's business (including its mission, vision & values), strategic plans, goals, policies and major risk factors as well as threats & opportunities

2. Experience:

- Experience of management in a diverse organisation
- Experience in finance, administration, corporate and strategic planning, sales & marketing etc.
- Demonstrable ability to work effectively with Board of Directors
- Experience in Corporate Strategic Decision Making to achieve the goals and mission

3. Skills:

- Excellent interpersonal, communication and representational skills
- Financial Skills, Technical or other relevant Professional Skills
- Demonstrable leadership skills
- Extensive team building and management skills
- Strong influencing and negotiating skills
- Having continuous professional development to refresh knowledge and skills

4. Abilities and Attributes:

- Commitment to high standards of ethics, personal integrity and probity
- Commitment to the promotion of equal opportunities, community cohesion and health and safety in the workplace
- Attributes & Competencies to function well as team members and to interact with the key stakeholders
- Social Responsibilities towards Society at large

ANNEXURE – F TO BOARD’S REPORT (CONTD.)

BOARD MEETINGS AND PROCEDURE

Scheduling and selection of Agenda items for Board Meetings

- The meetings are being convened by giving appropriate advance notice after obtaining the approval of the Chairman of the Board. Detailed agenda, management reports and other explanatory statements are circulated in advance amongst the members for facilitating meaningful, informed and focused discussions at the meeting. To address specific urgent need, meetings are also being called at shorter notice. The Board and Committees thereof are also authorised to pass resolution by circulation for all such matters, which are of utmost urgent nature.
- Where it is not practicable to attach any document or the agenda is of confidential nature, the same is placed on the table with the permission of the Chairman of the Board. In special and exceptional circumstances, additional or supplemental item(s) on the agenda are permitted. In order to transact some urgent business which may come after circulation of agenda papers, the same is placed before the Board by way of Table Agenda or Chairman's Agenda. Frequent and detailed deliberation on the agenda provides the strategic roadmap for the future growth of the Company.
- The agenda papers are prepared by the Company Secretary and submitted to the Chairman and Managing Director for his approval. Duly approved agenda papers are circulated amongst the Board Members by the Company Secretary.
- Detailed presentations are made at the Board/Committee meetings covering finance, major business segments and operations of the Company and on auditors reports before approving the quarterly/half yearly/annual financial results of the Company.

- As per the convenience of the Members of the Board, the Board Meetings are usually held at the Company's registered office.
- The Members of the Board have complete access to all information of the Company. The Board is also free to recommend inclusion of any matter in agenda for discussion. Senior Management Officials are invited to provide additional inputs to the items discussed by the Board as and when necessary.
- The Companies Act, 2013 read with the relevant rules made thereunder, now facilitates the participation of a Director in Board/Committee Meetings through video conferencing or other audio visual mode. Accordingly, the option to participate in the Meeting through video conferencing was made available for the Directors in compliance with the Act and the Listing Regulations.
- Post Meeting Follow Up System: The Company has an effective post Board Meeting follow up procedure. Action Taken Report on the decisions taken in a meeting is placed at the next meeting for information of the Board.

Compliance

The Company Secretary is responsible for preparation of Agenda papers for the meetings and is required to ensure adherence to all the applicable provisions of laws, rules, guidelines etc. The Company Secretary has to ensure compliance to all the applicable laws including the Companies Act, 2013 read with rules issued thereunder, SEBI Guidelines, Listing Regulations, Secretarial Standards issued by the Institute of Company Secretaries of India and other statutory requirements pertaining to capital market. The Board of Directors reviews quarterly Compliance Report confirming adherence to all applicable laws, rules, regulations and guidelines.

ANNEXURE – F TO BOARD’S REPORT (CONTD.)

Board Meetings and Attendance

During the financial year 2024-25, 4 (Four) Board Meetings were held meeting.

The details of Board meetings and attendance of Directors at these meetings and at last Annual General Meeting (AGM) are given below:

Name of Directors	Last AGM held on June 25, 2024	Board Meetings held on				% Attendance of Director
		April 19, 2024	July 17, 2024	October 18, 2024	January 22, 2025	
Mr. Prayasvin B. Patel	Yes	Yes	Yes	Yes	Yes	100%
Mr. Aayush A. Shah	Yes	Yes	Yes	Yes	Yes	100%
Mr. Pradip M. Patel	Yes	Yes	Yes	Yes	Yes	100%
Mr. Prashant C. Amin	Yes	Yes	Yes	Yes	Yes	100%
Mr. Ashutosh A. Pednekar	Yes	Yes	Yes	Yes	Yes	100%
Mr. Nirmal P. Bhogilal	Yes	Yes	Yes	Yes	Yes	100%
Mr. Pranav C. Amin	Yes	Yes	Yes	Yes	Yes	100%
Dr. Sonal V. Ambani	Yes	Yes	Yes	Yes	Yes	100%

During the year under review, no Circular Resolution was passed by the Board of the Directors of the Company.

There is no any instance where the Board had not accepted any recommendation of any committee of the Board during the financial year 2024-25.

Recording minutes of proceedings at the Board Meeting

The Minutes of the proceedings of each Board Meeting is recorded and the same is sent to all Directors for their comments, if any. The said minutes are taken for approval at the next Board Meeting and the same are signed by the Chairman in the manner as prescribed under the Companies Act, 2013 & Rules made thereunder and as per the Secretarial Standards.

Disclosure regarding Directors retiring by rotation and being re-appointed

Mr. Aayush A. Shah (DIN: 07140517), Director retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

A brief profile of Mr. Aayush A. Shah is given in the notice of Annual General Meeting, annexed to this Annual Report.

Appointment of Independent Directors

On appointment of new Independent Director, Company issues formal letter of appointment to independent director describing their duties, responsibilities etc.

The terms and conditions of appointment of Independent Directors are uploaded on the website of the Company and can be accessed through web-link <https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/LOA-independent-directors-terms-conditions.pdf>.

Separate meeting of Independent Directors

Separate meeting of Independent Directors was held on March 05, 2025 to evaluate the performance of Non-Independent Directors and the Board as a whole as well as the performance of the Chairman of the Company.

Familiarisation Programme for Independent Directors

The Company has conducted the familiarisation programme for Independent Directors of the Company; details for the same have been disclosed on the Company's website and can be accessed through web-link <https://www.elecon.com/investors/corporate-information>.

Certification from Company Secretary in Practice

The Company has received a certificate from M/s. Samdani Shah & Kabra, Practicing Company Secretaries, as required under the Listing Regulations, confirming that none of the Directors on the Board of the Company has debarred or disqualified from being appointed or continuing as director of the Companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority.

CEO / CFO Certificate

The Managing Director/CEO and the Chief Financial Officer of the Company have furnished the requisite certificate to the Board of Directors under Regulation 17(8) of Listing Regulations. The said certificate is a part of the Annual Report.

ANNEXURE – F TO BOARD’S REPORT (CONTD.)

REMUNERATION OF DIRECTORS

Remuneration of the Executive Director for the Financial Year 2024-25

The Company pays remuneration by way of salary, perquisites and allowances to its Executive Director, which is within the permissible limits of the Companies Act, 2013 as approved by Board and Shareholders.

(₹ in Lakhs)					
Name of Director	Salary	Perquisites*	Commission	Total	Stock Options
Mr. Prayasvin B. Patel <i>Chairman and Managing Director</i>	529.65	11.26	1,725.00	2,265.91	Nil

* Monetary value of perquisites is in accordance with provisions of the Income Tax Act, 1961.

The Chairman and Managing Director is appointed on contractual basis. There is no separate provision for payment of severance fees.

Remuneration of the Non-Executive Directors for the Financial Year 2024-25

(₹ in Lakhs)			
Name of Directors	Sitting fees for 2024-25*	Commission on Annual basis for Financial Year 2024-25	Total
Mr. Aayush A. Shah	1.20	12.50	13.70
Mr. Pradip M. Patel	2.56	12.50	15.06
Mr. Prashant C. Amin	1.38	12.50	13.88
Mr. Ashutosh A. Pednekar	2.64	12.50	15.14
Mr. Nirmal P. Bhogilal	2.68	12.50	15.18
Mr. Pranav C. Amin	1.32	12.50	13.82
Dr. Sonal V. Ambani	2.74	12.50	15.24

During the year, there were no other pecuniary relationships or transactions of Non-Executive Directors with the Company. The Company has not granted any stock options to its Non-Executive Directors.

BOARD COMMITTEES

The Board has constituted five main Committees, viz. Audit Committee, Nomination and Remuneration Committee, Stakeholders’ Relationship Committee, Corporate Social Responsibility (CSR) Committee and Risk Management Committee. The recommendations of the Committees are submitted to the Board for approval. During the year, all the recommendations of the Committees were accepted by the Board. The Board supervises the execution of its responsibilities by the Committees and is responsible for their actions.

Mrs. Bharti L. Isarani, Company Secretary and Compliance Officer of the Company, is the Secretary to all the Committees constituted by the Board.

Procedure at Committee Meetings

The Company’s guidelines relating to the Board meetings are applicable to the Committee meetings. The composition and terms of reference of all the Committees are in compliance with the Companies Act, 2013 and the Listing Regulations, as applicable. Each Committee has the authority to engage outside experts, advisors and counsels to the extent it considers appropriate to assist in its functioning. Minutes of the proceedings of Committee meetings are circulated to the respective Committee members and are also placed before the Board for its noting.

ANNEXURE – F TO BOARD’S REPORT (CONTD.)

AUDIT COMMITTEE

The constitution and terms of reference of the Audit Committee are in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations.

Composition

Name of Members	Designation	Category
Mr. Ashutosh A. Pednekar	Chairperson	Independent & Non-Executive Director
Mr. Nirmal P. Bhogilal	Member	Independent & Non-Executive Director
Mr. Pradip M. Patel	Member	Non-Independent & Non-Executive Director
Dr. Sonal V. Ambani	Member	Independent & Non-Executive Director

The CFO, Statutory Auditors, Internal Auditors are permanent invitees to the meetings and attended & participated at the meetings of the Committee.

All the members of the Audit Committee possess requisite qualifications.

Terms of Reference

- Oversight of the Company’s financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and Auditor’s Report thereon before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Director’s Responsibility Statement to be included in the Board’s report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013
 - Changes, if any, in accounting policies and practices and reasons for the same
 - Major accounting entries involving estimates based on the exercise of judgment by management
 - Significant adjustments made in the financial statements arising out of audit findings
 - Compliance with listing and other legal requirements relating to financial statements
 - Disclosure of any related party transactions
 - modified opinion(s) in the draft audit report
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Review and monitor the auditor’s independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

ANNEXURE – F TO BOARD’S REPORT (CONTD.)

14. Discussion with internal auditors of any significant findings and follow up thereon;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc., of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
21. To review compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 and verify that the systems for internal control are adequate and are operation effectively;
22. Reviewing the utilisation of loans and/ or advances from/investment by the holding company in the subsidiary exceeding ₹ 100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision;
23. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;
24. Mandatorily review the following information:
 - a. management discussion and analysis of financial condition and results of operations;
 - b. management letters / letters of internal control weaknesses issued by the statutory auditors;
 - c. internal audit reports relating to internal control weaknesses;
 - d. the appointment, removal and terms of remuneration of the chief internal auditor;
 - e. statement of deviations:
 - (i) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - (ii) annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

Meetings and Attendance

4 (Four) meetings of the Committee were held during the year. The details of the meetings and attendance of members of the Committee at these meetings are given below:

Date of the Meeting	Attended by				% Attendance at Meeting
	Mr. Ashutosh A. Pednekar	Mr. Nirmal P. Bhogilal	Mr. Pradip M. Patel	Dr. Sonal V. Ambani	
April 19, 2024	Yes	Yes	Yes	Yes	100%
July 17, 2024	Yes	Yes	Yes	Yes	100%
October 18, 2024	Yes	Yes	Yes	Yes	100%
January 22, 2025	Yes	Yes	Yes	Yes	100%

During the year under review, the Board had approved and passed one resolution by circulation on September 27, 2024.

All these Committee meetings were held through video conference and physical mode in compliance of MCA Circulars and SEBI Circulars.

ANNEXURE – F TO BOARD’S REPORT (CONTD.)

NOMINATION AND REMUNERATION COMMITTEE

The constitution and terms of reference of Nomination and Remuneration Committee of the Company are in compliance with provisions of Section 178 of the Companies Act, 2013 and the Regulation 19 of the Listing Regulations.

Composition

Name of Members	Designation	Category
Mr. Nirmal P. Bhogilal	Chairperson	Independent & Non-Executive Director
Mr. Pradip M. Patel	Member	Non-Independent & Non-Executive Director
Dr. Sonal V. Ambani	Member	Independent & Non-Executive Director

Terms of Reference

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees;

For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- a. use the services of an external agencies, if required;
- b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
- c. consider the time commitments of the candidates.

2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance.
5. Review whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of the independent directors.
6. Recommend to the Board, all remuneration, in whatever form, payable to Senior Management.

The policy is framed by the Nomination and Remuneration Committee and approved by the Board. The terms and conditions of appointment of Directors are disclosed on the website of the Company at <https://www.elecon.com/investors/policies>.

Meetings and Attendance

1 (One) meeting of the Committee was held during the year. The details of the meeting and attendance of members of the Committee at these meetings are given below:

Date of the Meeting	Attended by			% Attendance at Meeting
	Mr. Nirmal P. Bhogilal	Mr. Pradip M. Patel	Dr. Sonal V. Ambani	
April 15, 2024	Yes	Yes	Yes	100%

All these Committee meetings were held through video conference and physical mode in compliance of MCA Circulars and SEBI Circulars.

ANNEXURE – F TO BOARD’S REPORT (CONTD.)

Nomination and Remuneration Policy

The Company has adopted a Policy relating to the remuneration for Directors, Key Managerial Personnel, Senior Management Personnel and other employees of the Company, which is uploaded on the website of the Company and its weblink is <https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/Nomination%20&%20Remuneration%20Policy%20-25.04.2023.pdf>

The Remuneration of the Executive Directors is determined by the Nomination and Remuneration Committee within the permissible limits of the Companies Act, 2013 and as approved by Board and Shareholders.

The Company’s remuneration policy is driven by the success and performance of the managerial personnel. While reviewing the remuneration of managerial personnel, Key Managerial Personnel (KMPs) and other senior officials, the Committee takes into account the following:

- Financial position of the Company
- Scales prevailing in the industry
- Appointee’s qualification and expertise
- Past performance
- Past remuneration etc.

Performance Evaluation

The Nomination and Remuneration Committee has laid down the criteria for performance evaluation of the Individual Directors and the Board. The framework of performance evaluation of the Independent Directors will capture the following points:

- Leadership & stewardship abilities;
- Contributing to clearly defined corporate objectives & plans;
- Communication of expectations & concerns clearly with subordinates;
- Obtain adequate, relevant & timely information from external sources;
- Review & approve achievement of strategic and operational plans, objectives, budgets;

- Regular monitoring of corporate results against projections;
- Identify, monitor & mitigate significant corporate risks;
- Assess policies, structures & procedures;
- Direct, monitor & evaluate KMPs, senior officials;
- Review management’s succession plan;
- Effective meetings;
- Assuring appropriate board size, composition, independence, structure;
- Clearly defining roles & monitoring activities of committees; and
- Review of corporation’s ethical conduct.

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of committees. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board’s functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors, including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders, etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The performance of the Committee was evaluated by the Board after seeking inputs from the Committee members. The Directors expressed their satisfaction with the evaluation process.

The Committee has also reviewed the performance of the KMPs and Senior officials as per the said policy of the Company for the year under review.

ANNEXURE – F TO BOARD’S REPORT (CONTD.)

STAKEHOLDERS RELATIONSHIP COMMITTEE

The constitution and terms of reference of Stakeholders Relationship Committee of the Company are in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations.

Composition

Name of Members	Designation	Category
Mr. Nirmal P. Bhogilal	Chairperson	Independent & Non-Executive Director
Mr. Pradip M. Patel	Member	Non-Independent & Non-Executive Director
Dr. Sonal V. Ambani	Member	Independent & Non-Executive Director

Terms of reference

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.
- Carry out any other function as may be referred by the Board from time to time or endorsed by any statutory notification / amendment or modifications as may be applicable.

Meetings and Attendance

1 (One) meeting of the Committee was held during the year. The details of the meeting and attendance of members of the Committee at these meetings are given below:

Date of the Meeting	Attended by			% Attendance at Meeting
	Mr. Nirmal P. Bhogilal	Mr. Pradip M. Patel	Dr. Sonal V. Ambani	
April 15, 2024	Yes	Yes	Yes	100%

All these Committee meetings were held through video conference and physical mode in compliance of the MCA Circulars and the SEBI Circulars.

Redressal of Investor Grievance

The Company as well as its Registrar & Transfer Agent addresses all complaints, suggestions, and grievances.

The number of complaints received and resolved to the satisfaction of investors during the financial year 2024-25 are as under:

Type of Complaints	No. of Complaints
Pending at the beginning of the financial year	Nil
Received during the financial year	11
Disposed off during the financial year	11
Remaining unresolved at the end of financial year	Nil

All the complaints and grievances were taken into consideration and resolved expeditiously within 7-10 days except in case of dispute over facts or other legal impediments and procedural issues. The Company also endeavours to take into consideration the suggestions of the stakeholders.

ANNEXURE – F TO BOARD’S REPORT (CONTD.)

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The Company has constituted CSR Committee as per the provisions of Section 135 of Companies Act, 2013 and rules framed thereunder.

Composition

Name of Members	Designation	Category
Dr. Sonal V. Ambani	Chairperson	Independent & Non-Executive Director
Mr. Prashant C. Amin	Member	Non-Independent & Non-Executive Director
Mr. Prayasvin B. Patel	Member	Executive Director

Terms of Reference

- The list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
- The manner of execution of such projects or programmes as specified in Sub-Rule (1) of Rule 4;
- The modalities of utilisation of funds and implementation schedules for the projects or programmes;
- Monitoring and reporting mechanism for the projects or programmes;
- Details of need and impact assessment, if any, for the projects undertaken by the Company;
- The CSR Committee/Board shall ensure that the administrative overheads shall not exceed five percent of total CSR expenditure of the Company for the financial year;
- Monitor and ensure that the surplus arising out of the CSR projects or programs or activities shall not form part of the business profits of a Company;
- Review and comply with the requirements of the provisions of the Act, CSR Rules and periodical disclosure requirements.
- To take necessary actions on the matters delegated by the Board from time to time.

Meetings and Attendance

1 (One) meeting of the Committee was held during the year. The details of the meeting and attendance of members of the Committee at these meetings are given below:

Date of the Meeting	Attended by			% Attendance at Meeting
	Dr. Sonal V. Ambani	Mr. Prashant C. Amin	Mr. Prayasvin B. Patel	
April 15, 2024	Yes	Yes	Yes	100%

All these Committee meetings were held through video conference and physical mode in compliance of the MCA Circulars and the SEBI Circulars.

ANNEXURE – F TO BOARD’S REPORT (CONTD.)

RISK MANAGEMENT COMMITTEE

The constitution and terms of reference of Risk Management Committee of the Company are in compliance Regulation 21 of the Listing Regulations.

Composition

Name of Members	Designation	Category
Mr. Ashutosh A. Pednekar	Chairperson	Independent & Non-Executive Director
Mr. Prashant C. Amin	Member	Non-Independent & Non-Executive Director
Mr. Prayasvin B. Patel	Member	Executive Director
Mr. Man Mohan Nanda*	Member	Head - Gear Division
Mr. Pravin Kumar Bhasin*	Member	Head - MHE Division

* Senior Executives of the Company are the Members of the Risk Management Committee.

Terms of Reference

- To formulate a detailed risk management policy which shall include:
 - A framework for identification of internal and external risks specifically faced by the Company, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - Measures for risk mitigation including systems and processes for internal control of identified risks.
 - Business continuity plan.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- To keep the Board of Directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;
- To monitor and review the risk management plan, cyber security and such other functions as may be delegated by the Board to the Risk Management Committee, as may be necessary for effective implementation of the Risk Management Policy; and
- To take necessary actions on the matters delegated by the Board from time to time.

Meetings and Attendance

2 (Two) meetings of the Committee were held during the year. The details of the meetings and attendance of members of the Committee at these meetings are given below:

Date of the Meeting	Attended by					% Attendance at Meeting
	Mr. Ashutosh A. Pednekar	Mr. Prashant C. Amin	Mr. Prayasvin B. Patel	Mr. M. M. Nanda	Mr. P. K. Bhasin	
August 28, 2024	Yes	Yes	No	Yes	No	60%
February 06, 2025	Yes	Yes	No	Yes	No	60%

ANNEXURE – F TO BOARD’S REPORT (CONTD.)

Risk Management Policy

The Risk Management Policy of the Company is available at the website of the Company <https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/Risk-Management-Policy.pdf>.

SENIOR MANAGEMENT

Particulars of Senior Management:

Sr. No	Name of Senior Management Personnel ("SMP")	Designation
1	Mr. Man Mohan Nanda	Head - Gear Division
2	Mr. Pravin Kumar Bhasin	Head - MHE Division
3	Mr. Narasimhan Raghunathan*	Chief Financial Officer
4	Mrs. Bharti L. Isarani*	Company Secretary & Compliance Officer

* They are also Key Managerial Personal (KMP) of the Company.

There is no change in Senior Management Personnel during the financial year 2024-25.

COMPLIANCE OFFICER

Mrs. Bharti L. Isarani, Company Secretary and Compliance Officer, is the Compliance Officer of the Company.

GENERAL BODY MEETINGS

Annual General Meetings

The day, date, time and venue of the Annual General Meetings held during preceding three years and the special resolution(s) passed thereat, are as follows:

Day, Date and time	Special Resolutions Passed	Venue
Tuesday, June 28, 2022 3:00 p.m.	Appointment of Mr. Ashutosh A. Pednekar (DIN: 00026049), as a Non-Executive & Independent Director of the Company with effect from July 01, 2022	Through Video Conferencing (deemed venue Registered Office of the Company)
Wednesday, June 28, 2023 3:00 p.m.	- Appointment of a Director in place of Mr. Pradip M. Patel (DIN: 00012138), who retires by rotation and being eligible, offers himself for re-appointment who has attained the age of Seventy-five (75) years. - Re-appointment of Mr. Prayasvin B. Patel (DIN: 00037394), as the Chairman & Managing Director of the Company for a period of 3 years with effect from July 01, 2023 and fixation of remuneration.	Through Video Conferencing (deemed venue Registered Office of the Company)
Tuesday, June 25, 2024 3.00 p.m.	Nil	Through Video Conferencing (deemed venue Registered Office of the Company)

ANNEXURE – F TO BOARD’S REPORT (CONTD.)

Postal Ballot

During the year under review, no resolutions were passed through Postal Ballot process.

Special resolutions proposed to be conducted through Postal Ballot

None of the businesses proposed to be transacted at the ensuing Annual General Meeting require passing a resolution through Postal Ballot. Any Special resolutions by way of Postal Ballot, if required to be passed in the future, will be decided at the relevant time.

Procedure for Postal Ballot

The Postal Ballot shall be carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Companies Act, 2013, read with the rules framed thereunder and MCA Circulars.

FRAMEWORK FOR MONITORING SUBSIDIARY COMPANIES

The Company has 12 Direct & Indirect Subsidiary Companies. The subsidiaries of the Company function with an adequately empowered Board of Directors and sufficient resources. For more effective governance, the Company monitors performance of subsidiary companies, inter alia, by following means:

- Financial statements, in particular investments made by unlisted subsidiary companies, are reviewed quarterly by the Company's Audit Committee.
- Minutes of meetings of Board of Directors of the unlisted subsidiary Company be placed before the Board of the Company regularly. For the financial year under review, the Company does not have any material unlisted subsidiary Company.
- A statement, wherever applicable, of all significant transactions and arrangements entered into by the Company's subsidiaries is presented to the Board of the Company at its meetings. The risk factors and project reports of the Subsidiary Companies are also reviewed by the Audit Committee of the Company.

RELATED PARTY TRANSACTIONS

Full disclosure of related party transactions in compliance with Indian Accounting Standard – 24 notified by the Ministry of Corporate Affairs are given in the Notes to Financial Statements. All contracts or arrangements with related parties, entered during the financial year

were at arm's length basis and in the ordinary course of the Company's business as defined under the Act and Regulation 23 of the Listing Regulations. There were no materially significant related party transaction during the financial year which were in conflict with the interest of the Company.

The policy on Related Party Transactions as approved by the Board of Directors is uploaded on the Company's website at <https://www.elecon.com/views/templates/admin-uploads/Investors/Policies/RPT-Policy-2022-FINAL.pdf>.

Details of Non-Compliance by the Company and penalties, strictures imposed on the Company by the Stock Exchange, SEBI or any Statutory Authorities on any matter related to capital market during the last three years

No penalties or strictures were imposed by SEBI, Stock Exchanges or any Statutory Authorities for any matter relating to Capital Market during last three years.

DISCLOSURE OF ACCOUNTING TREATMENT

In the preparation of the financial statements, the Company has followed the Indian Accounting Standard notified by the Ministry of Corporate Affairs. The significant accounting policies applied in preparation and presentation of financial statements has been set out in the Notes to Financial Statements.

MEANS OF COMMUNICATION

Quarterly results: The quarterly/ half yearly and annual financial results are normally published in prominent daily newspapers viz. The Economic Times, Financial Express, The Business Standard, The Hindu Business Line, Naya Padkar, Jay Hind having wide circulation across the country and also displayed on the website of the Company on www.elecon.com.

News releases, presentations: Official news releases and official media releases are generally sent to Stock Exchanges and are also available on the website of the Company.

Presentations to institutional investors/analysts: Detailed presentations are made to institutional investors and financial analysts on the Company's quarterly, half-yearly as well as annual financial results and are sent to the Stock Exchanges. These presentations, audio recordings and transcript of the meetings are available on the website of the Company.

ANNEXURE – F TO BOARD’S REPORT (CONTD.)

Website: The Company's website (www.elecon.com) contains a separate dedicated section ‘Investors’ where shareholders’ information is available.

Letters/e-mails/SMS to Investors: Apart from sending Annual Report, the Company or its Registered and share transfer agent has also addressed various investor-

centric letters/e-mails/SMS to its shareholders during the year. This include reminders for claiming unclaimed/unpaid dividend from the Company; claiming shares lying in unclaimed suspense account with the Company; dematerialisation of shares, updating e-mail address, PAN, bank account details and nomination details.

Dividend History

Financial Year	Rate (%)	Per Share (₹)	Amount (₹ in lakhs)
2017-2018	10%	0.20	224.40
2018-2019	10%	0.20	224.40
2019-2020	Nil	Nil	Nil
2020-2021	20%	0.40	448.80
2021-2022	70%	1.40	1,570.80
2022-2023	100%	2.00	2,244.00
2023-2024 (Interim Dividend)	50%	1.00	1,122.00
2023-2024	100%	2.00	2,244.00
2024-2025 (Interim Dividend)	50%	0.50	1,122.00
2024-2025*	150%	1.50	3,366.00

* Subject to the approval by the members at the 65th AGM.

Stock Options / Convertible instruments

The Company has not issued any Stock options/Convertible instruments to its Directors/Employees.

Green Initiative

Electronic copies of the Annual Report 2024-25 and the Notice of the 65th Annual General Meeting are sent to all members whose email addresses are registered with the Company/Depository Participant(s).

GENERAL SHAREHOLDER INFORMATION

Annual General Meeting

June 25, 2025 at 3:00 p.m. IST through Video Conferencing/ Other Audio Visual Means as set out in the Notice convening the 65th Annual General Meeting. Deemed venue of the meeting be Registered Office of the Company at Anand – Sojitra Road, Vallabh Vidyanagar – 388 120, Dist. Anand, Gujarat.

Financial Calendar

April 01 to March 31.

Date of Book Closure

Saturday; June 14, 2025 to Wednesday; June 25, 2025 (both days inclusive).

Dividend Payment Date

Credit/dispatch of Dividend Warrants on or after Monday; June 30, 2025.

ANNEXURE – F TO BOARD’S REPORT (CONTD.)

Payment of Listing Fees

Annual listing fees for the financial year 2024-25 has been paid by the Company to BSE Limited and National Stock Exchange of India Limited. The equity shares of the Company have neither been de-listed nor suspended from trading during the year under review.

Fees Paid to the Statutory Auditors

Details relating to fees paid to the Statutory Auditors are given in Note 34 to the Standalone Financial Statements and Note 35 to the Consolidated Financial Statements.

During the year under review, there is no payment made to the entities in the network firm/network entity of which the statutory auditors are a part.

Share Transfer System:

As mandated by SEBI, securities of the Company can be transferred/ traded only in dematerialised form. Shareholders holding shares in physical form are advised to avail the facility of dematerialisation.

The Board has delegated powers to Registrar and Transfer Agents to effect requests for transmission, name deletion, duplicate share certificates, etc.

Shareholding Pattern as on March 31, 2025:

Category	No. of Shares held	(%) of total
Promoters	13,30,12,116	59.28
Banks, Financial Institutions and Insurance Companies	17,20,511	0.77
Foreign Portfolio Investors	1,94,09,626	8.65
Mutual Funds	56,64,828	2.52
N.R. I. / O.C. B.	23,18,125	1.03
Bodies Corporate	39,46,768	1.76
Public	5,83,27,956	25.99
TOTAL	22,43,99,930	100.00

Registrar & Transfer (R&T) Agent:

MUFG Intime India Private Limited

(formerly known as Link Intime India Private Limited)

Geetakunj, 1 Bhakti Nagar Society,
Behind ABS Tower, Old Padra Road,
Vadodara, Gujarat – 390 015.

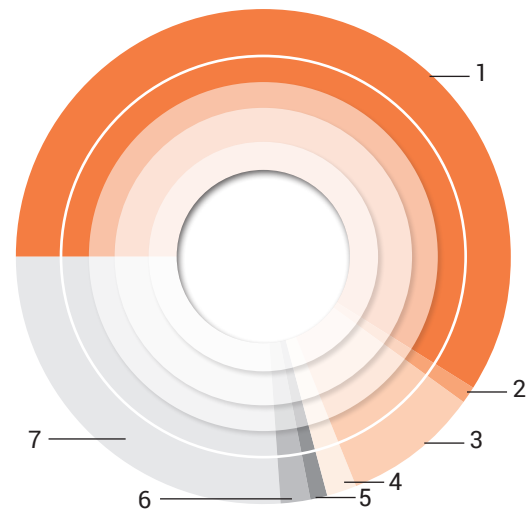
Email: vadodara@in.mpms.mufg.com

Phone: 0265-3566768

Contact Person: Mr. Alpesh Gandhi

Shareholders are requested to correspond directly with the R & T Agent for transfer / transmission of shares, change of address, queries pertaining to their shares, dividend etc.

ANNEXURE – F TO BOARD’S REPORT (CONTD.)



1	Promoter	13,30,12,116, 59%
2	Banks, FI & Insurance	17,20,511, 1%
3	Foreign Portfolio Investors	1,94,09,626, 9%
4	Mutual Funds	56,64,828, 2%
5	NRI / OCB	23,18,125, 1%
6	Bodies Corporates	39,46,768, 2%
7	Public	5,83,27,956, 26%

Distribution of Shareholding as on March 31, 2025:

Category	No. of Shareholders	Percentage of Total	No. of Shares	Percentage of Total
1 - 500	1,00,428	88.37	95,01,180	4.23
501 – 1000	6,261	5.51	48,36,246	2.16
1001 – 2000	3,208	2.82	49,19,658	2.19
2001 – 3000	1,104	0.97	28,06,979	1.25
3001 – 4000	644	0.57	23,18,037	1.03
4001 – 5000	419	0.37	19,22,900	0.86
5001 – 10001	793	0.70	56,77,422	2.53
Above 10001	789	0.69	19,24,17,508	85.75
TOTAL	1,13,646	100.00	22,43,99,930	100.00

Dematerialisation of Shares and Liquidity

As on March 31, 2025, 22,24,97,840 Shares were in dematerialised form representing 99.15% of total Shares. The Company's shares are traded on the BSE Limited, Mumbai and the National Stock Exchange of India Limited, Mumbai.

Outstanding GDRs/ADRs/Warrants or any other convertible Instruments, conversion date and likely impact on equity:

There is no outstanding GDRs/ADRs/Warrants or any other Convertible Instruments as on March 31, 2025.

Unclaimed Dividend

As per the provisions of Section 124 read with Section 125 of the Companies Act, 2013, the Company is required to transfer the dividend remained unclaimed and unpaid for a period of seven years from the due dates to the Investor Education and Protection Fund (IEPF) set up by the Central Government. During the year, the unclaimed dividend pertaining to the financial year 2016-17 has been transferred to the Investor Education & Protection Fund.

ANNEXURE – F TO BOARD’S REPORT (CONTD.)

Here below are the proposed dates for transfer of the unpaid dividend to IEPF Authority by the Company.

Financial Year	Date of Declaration	Proposed date for transfer to IEPF*	Amount (₹ in lakhs) lying unpaid as on March 31, 2025
2017-2018	26-09-2018	29-11-2025	3.11
2018-2019	17-09-2019	17-11-2026	2.73
2019-2020**	-	-	Not Applicable
2020-2021	06-08-2021	14-10-2028	4.73
2021-2022	28-06-2022	16-09-2029	12.74
2022-2023	28-06-2023	02-09-2030	14.87
2023-2024 (Interim Dividend)	20-10-2023	02-01-2031	6.50
2023-2024 (Final)	25-06-2024	24-09-2031	20.63
2024-2025 (Interim Dividend)	18-10-2024	21-12-2031	9.09
Total amount lying unpaid as on March 31, 2025			74.40

* Indicative dates, actual dates may vary.

** In the financial year 2019-20, the Company had not declared dividend.

Unclaimed Shares

The details of unclaimed equity shares lying unclaimed in Elecon Engineering Company Limited - Unclaimed Suspense Account and shares claimed by rightful owners during the financial year are as under:

Particulars	No. of Shares*	Notes
Opening Balance (April 01, 2024)	37,815	Face value ₹2 per share (before Sub-division)
Shares Claimed Before Sub-division	(80)	Claimed by rightful owners prior to Sub-division
Unclaimed Shares Before Sub-division	37,735	-
Post Subdivision Balance	75,470	Face value ₹ 1 per shares (after 1:2 split)
Shares Claimed (Post Sub-division)	(2,720)	Claimed by rightful owners
Shares Transferred to IEPFA as per IEPF Rules	(19,140)	-
Closing Balance (March 31, 2025)	53,610	Remaining unclaimed shares at year-end

*The Voting rights on such shares remain frozen until claimed by rightful owner.

Transfer of Unclaimed Equity Shares to Investor Education and Protection Fund (IEPF) Authority

Pursuant to the provisions of Sections 124 and 125 of the Companies act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended, ("Rules") all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to an IEPFA after complying with the procedure laid down under the Rules.

The Company is in compliance with the aforesaid provisions and the Rules made thereunder. During the year under review, the Company transferred total 1,54,728 number of equity shares of 218 folios of which dividends had remained unpaid or unclaimed for a period of seven consecutive years or more, to the demat account of IEPF Authority.

The shareholders who have a claim on above shares may claim the same from IEPF Authority by submitting an online application in the prescribed Form No. IEPF-5 available on the website www.iepf.gov.in and sending a physical copy of the same, duly signed to the Company, along with requisite documents enumerated in the Form No. IEPF-5. No claims shall lie against the Company in respect of the dividend/shares so transferred to IEPF Authority.

ANNEXURE – F TO BOARD’S REPORT (CONTD.)

Commodity price risk or foreign exchange risk and hedging activities

The raw materials of the Company are subject to market rate fluctuations including raw materials prices and foreign exchange volatility. The Company has in place a risk management framework for identification, monitoring and mitigation of above market rate fluctuations by way of hedging instruments as well as pass through of the impact to the Customers. The exposure to currency risk is explained in detail in the notes to the financial statements.

Plant Locations

Division	Gear Division	Material Handling Equipment Division
Address	Anand-Sojitra Road, Vallabh Vidyanagar - 388 120, Gujarat	Anand-Sojitra Road, Vallabh Vidyanagar - 388 120, Gujarat

Address of Registered Office of the Company

Anand-Sojitra Road,
Vallabh Vidyanagar – 388 120, Gujarat

Website

www.elecon.com

Address for Correspondence:

The Shareholders may address their communication/suggestions/grievances/queries to:

Mrs. Bharti L. Isarani

Company Secretary & Compliance Officer

Elecon Engineering Company Limited

Anand-Sojitra Road,

Vallabh Vidyanagar - 388 120,

Tal. & Dist. Anand, Gujarat, India.

Tel No. +91 2692 238701, 238702

Email address: investor.relations@elecon.com

CREDIT RATING

Following are the list of credit ratings obtained by the Company from ICRA Limited (Current Rating Agency) during the Financial Year 2024-25:

Rating by ICRA Limited (ICRA) for Bank Facilities of amount as mentioned hereunder:

Instrument Details	Rating June, 2023		Current Rating July, 2024	
	Amount (₹ in Crores)	Rating	Amount (₹ in Crores)	Rating
Rated on Long Term Scale:				
Cash Credit Limits	100.00	[ICRA]AA- (Stable)		[ICRA]AA (Stable)
			400.00	
Rated on Short Term Scale:				
Non-Fund Based Limits	200.00	[ICRA]A1+		[ICRA]A1+

ANNEXURE – F TO BOARD’S REPORT (CONTD.)

COMPLIANCE WITH MANDATORY / DISCRETIONARY REQUIREMENTS

During the year, the Company has fully complied with the mandatory requirements as stipulated in Listing Agreement and Listing Regulations.

The Company has adopted the following discretionary requirements of the Listing Regulations:

1. The Board

- The requirement regarding maintenance of office and reimbursement of expenses for the Non-Executive Chairman is not applicable, as the Chairman is an Executive Director.

2. Shareholders’ Rights

- The Company has not adopted the practice of sending out half-yearly declarations of financial performance to shareholders.
- However, quarterly results as approved by the Board are submitted to stock exchanges and published on the Company’s website for public access.

3. Separation of Roles

- The Company has not adopted the discretionary requirement of separating the roles of the Chairperson and the Managing Director/CEO.

4. Modified Opinion(s) in Audit Report

- The Company’s Standalone and Consolidated Financial Statements for the financial year ended on March 31, 2025, have been issued with an unmodified audit opinion.
- This reflects the Company’s strong financial discipline, adherence to applicable accounting standards, and internal controls.

5. Reporting of Internal Auditors

- The Internal Auditors report directly to the Audit Committee, thereby ensuring independence and transparency in the audit process.
- Internal audit reports are submitted quarterly and are thoroughly reviewed by the Audit Committee, which provides guidance and oversees the implementation of any recommended actions, supporting a culture of continuous improvement.

6. Meetings of Independent Directors

- The Independent Directors met once during the year without the presence of non-independent directors and management as against recommended two meetings, as per the discretionary requirements.

Practicing Company Secretary’s Corporate Governance Certificate

The Company has obtained a certificate from M/s. Samdani Shah & Kabra, Practicing Company Secretaries confirming compliance of the conditions of Corporate Governance as stipulated in Para E of Schedule V to the Listing Regulations is annexed to this report.

The Company is in compliance with the Corporate Governance requirements specified in Regulations 17 to 27 and clause (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

OTHER DISCLOSURES**Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Company has in place a policy for prevention of sexual harassment at the work place in line with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has complied with the provisions relating to the constitution of Internal Complaints Committee under the above Act.

The following is the summary of sexual harassment complaints received and disposed off during the current financial year:

- Number of Complaints received: Nil
- Number of Complaints disposed off: Nil
- Number of Complaints pending as on end of the financial year: Nil

Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):

During the period under review, it is not applicable to the Company.

Disclosure by listed entity and its subsidiaries of ‘Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount

During the period under review, there is no loan to firms/companies in which directors are interested be given by the Company.

Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries

During the period under review, it is not applicable to the Company.

Disclosure of certain types of agreements binding Company

During the year under review, no such agreement has been entered which required to be disclosed under the Clause 5A of Paragraph A of Part A of Schedule III of the Listing Regulations.

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025

[Pursuant to Regulation 34(3) read with Schedule V Para C Clause 10 (i)
of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members,
Elecon Engineering Company Limited
Anand – Sojitra Road,
Vallabh Vidyanagar – 388 120,
Gujarat, India.

We have examined the Registers, Papers, Books, Records, Forms, Returns, Declarations, Disclosures and other related documents of Elecon Engineering Company Limited (“Company”), having CIN: L29100GJ1960PLC001082, Registered Office situated at Anand - Sojitra Road, Vallabh Vidyanagar - 388 120, Gujarat, India, as 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 Clause 10(i) of the Securities and Exchange Board of India (“SEBI”) (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Director Identification Number (“DIN”) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company, its officers and representatives, we hereby certify that none of the Directors on the Board of the Company, as stated below for the Financial Year ended on March 31, 2025, have been debarred or disqualified from being appointed or continuing as Director of the Company by the SEBI, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of the Directors	DIN	Original Date of Appointment
1.	Mr. Aayush Alkesh Shah	07140517	25-04-2023
2.	Mr. Ashutosh Arvind Pednekar	00026049	01-07-2022
3.	Mr. Nirmal Pratap Bhogilal*	00173168	01-04-2024
4.	Mr. Pradip Manubhai Patel	00012138	14-11-1977
5.	Mr. Pranav Chirayu Amin	00245099	27-05-2021
6.	Mr. Prashant Chandrakant Amin	01056652	29-07-2008
7.	Mr. Prayasvin Patel	00037394	01-07-2011
8.	Dr. Sonal Vimal Ambani	02404841	14-08-2015

* Mr. Nirmal Pratap Bhogilal has been appointed as Non-Executive & Independent Director of the Company effective from April 01, 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.

S. Samdani
Partner
Samdani Shah & Kabra
Company Secretaries
FCS No. 3677 | CP No. 2863

ICSI Peer Review #: 1079/2021
ICSI Unique Code: P2008GJ016300
ICSI UDIN: F003677G000188391
Place: Vadodara
Date: April 24, 2025

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025

[pursuant to Regulation 34(3) read with Schedule V – Para E of SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members,
Elecon Engineering Company Limited
Anand – Sojitra Road,
Vallabh Vidyanagar – 388 120,
Gujarat, India.

We have examined the compliance of the conditions of Corporate Governance by Elecon Engineering Company Limited (“Company”) for the Financial Year ended March 31, 2025 (“review period”), as per the relevant provisions of Securities and Exchange Board of India (“SEBI”) (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”).

The Compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of an opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) and (t) of Regulation 46(2) and Para C, D and E of Schedule V of the Listing Regulations for the review period.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

S. Samdani
Partner
Samdani Shah & Kabra
Company Secretaries
FCS No. 3677 | CP No. 2863

ICSI Peer Review # 1079/2021
ICSI Unique Code: P2008GJ016300
ICSI UDIN: F003677G000188158
Place: Vadodara
Date: April 24, 2025

ANNEXURE – F TO BOARD’S REPORT (CONTD.)

DECLARATION

To,
The Members,
Elecon Engineering Company Limited
Anand – Sojitra Road,
Vallabh Vidyanagar - 388 120,
Gujarat, India.

I, Prayasvin B. Patel, Chairman & Managing Director of the Company, do hereby declare that all members of the Board of Directors (including Independent Directors) and Senior Management Personnel of the Company have affirmed to exercise their authorities and powers and discharged their duties and functions in accordance with the requirement of the Code of Conduct as prescribed by the Company and have adhere to the provisions of the same, for the financial year ended on March 31, 2025.

For, **Elecon Engineering Company Limited,**

Prayasvin B. Patel
Chairman & Managing Director
DIN : 00037394

Place : Vallabh Vidyanagar
Date : April 24, 2025

ANNEXURE – F TO BOARD’S REPORT (CONTD.)

CHIEF EXECUTIVE OFFICER (CEO) & CHIEF FINANCIAL OFFICER (CFO) CERTIFICATE

To,
The Board of Directors
Elecon Engineering Company Limited
Anand – Sojitra Road,
Vallabh Vidyanagar – 388 120,
Gujarat, India.

We the undersigned in our respective capacities as Chief Executive Officer and Chief Financial Officer of Elecon Engineering Company Limited (“the Company”) to the best of our knowledge and belief, certify that:

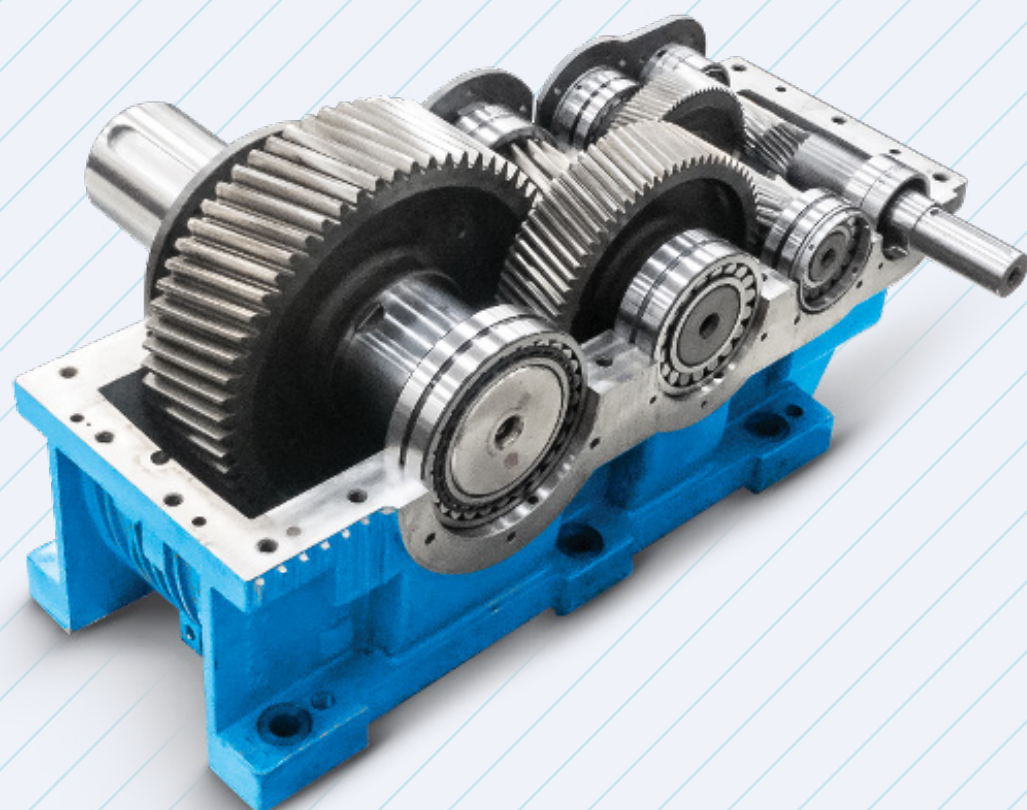
- (a) We have reviewed financial statements and the cash flow statement for the financial year ended on March 31, 2025 and that to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the Company’s affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) To the best of our knowledge and belief, no transactions entered into by the Company during the financial year ended on March 31, 2025, which are fraudulent, illegal or violate of the Company’s Code of Conduct or ethics policy.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to the financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee-
 - (i) there are no significant changes in internal control over financial reporting during the financial year ended on March 31, 2025;
 - (ii) there are no significant changes in accounting policies during the financial year ended on March 31, 2025 and that the same have been disclosed in the notes to the financial statements; and
 - (iii) there are no instances of fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company’s internal control system over financial reporting.

For Elecon Engineering Company Limited,

Prayasvin B. Patel
Chairman & Managing Director
Place : Vallabh Vidyanagar
Date : April 24, 2025

Narasimhan Raghunathan
Chief Financial Officer

Standalone Financial Statements



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ELECON ENGINEERING COMPANY LIMITED

Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the accompanying Standalone Financial Statements of **Elecon Engineering Company Limited** ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2025, 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 a summary of material accounting policies and other explanatory information (hereinafter referred to as the "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended ("Ind AS") and accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, the 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 of the Standalone Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the independence requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the Standalone Financial Statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. no.	Key Audit Matters	Auditor's Response
1.	Related party transactions The Company has undertaken several transactions with its related parties. These include sale of goods, purchase of goods and availing / rendering of services from / to related parties. We identified related party transactions as a key audit matter due to significance of related party transactions, increased regulatory compliances and risk of such transactions remaining undisclosed in the financial statements.	We applied the following audit procedures among others, to obtain sufficient and appropriate audit evidence: • Obtained and read the Company's policies, processes and procedures in respect of identifying related parties, obtaining approval, determining whether the same are at Arm's Length basis, recording and disclosure of related party transactions; • Read minutes of shareholder meetings, board meetings, audit committee meetings and reports of Internal Auditors regarding Company's assessment of related party transactions being in the ordinary course of business and at arm's length; • Tested, on a sample basis, related party transactions with the underlying contracts, confirmations and other supporting documents; • Verified the related party information disclosed in the financial statements as per the relevant Indian accounting standards with the underlying supporting documents, on a sample basis.

INDEPENDENT AUDITORS' REPORT (CONTD.)

Sr. no.	Key Audit Matters	Auditor's Response
2.	Allowance for Expected credit loss on trade receivables. Evaluation of trade receivables for impairment or Expected Credit Loss (ECL) requires exercise of judgement and involves consideration of various factors. These factors include customer's ability and willingness to pay the outstanding amounts, past due receivables, financial and economic difficulties of customers; This assessment is done for each group of customers resulting from possible defaults over the expected life of the receivables. Based on this assessment, credit loss rate is determined in provision matrix. The credit loss rate is based on the experience of actual credit losses over past years adjusted to reflect the current economic conditions and forecasts of future economic conditions. Based on such credit loss rate, the Company records ECL allowance for trade receivables. In view of the above, we have considered measurement of ECL on trade receivables (including retention monies) as a key audit matter.	We applied the following audit procedures among others, to obtain sufficient and appropriate audit evidence: • Evaluating the accounting policy for impairment of trade receivables in terms of the relevant Indian accounting standard; • Testing the design, implementation and operating effectiveness of the Company's key internal financial controls. These controls relate to measurement of ECL on trade receivables; • Evaluated monitoring mechanism by the company related to credit control, collection of trade receivables, follow up for past due amounts and for identification and recognition of corresponding impairment losses; • For past due receivables, we examined the ageing of receivables, impairment losses provided/ reversed during the year and compared them to historical experience; • Evaluating the Company's assessment regarding credit worthiness of such customers and identification of the credit impaired customers; • Balance confirmation requests were circulated to some of the selected customers on random sampling; • We evaluated the historical credit loss experience, current observable data and forward-looking outlook including subsequent realisation; • Assessing the adequacy of the related disclosures in the Standalone Financial Statements with reference to the relevant Indian accounting standards.

INFORMATION OTHER THAN THE STANDALONE FINANCIAL STATEMENT AND AUDITOR'S REPORT THEREON

The Company's Management and the Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to that Board's Report, Business Responsibility and Sustainability Report, Corporate Governance and Shareholder's Information, but does not include the Financial Statements and our auditor's report thereon.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information 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 during the course of the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Management and Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation 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 Ind AS and other accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the

INDEPENDENT AUDITORS' REPORT (CONTD.)

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

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF STANDALONE FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for

one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system 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.

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

INDEPENDENT AUDITORS' REPORT (CONTD.)

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 sub-section (11) of section 143 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. As required by section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - 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 (Also refer our comments in para 2(h)(vi));
 - 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 Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account;

- d) In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under section 133 of the Act;
- e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls with reference to Standalone Financial Statements;
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations as on March 31, 2025 on its financial position in its Standalone Financial Statements - Refer note no - 41 to the Standalone Financial Statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses on long-term contracts including derivative contracts;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

INDEPENDENT AUDITORS' REPORT (CONTD.)

- iv. a) The Management has represented, that, to the best of its knowledge and belief, as disclosed in note no – 46(h) to the Standalone Financial Statement no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in note no – 46(i) to the Standalone Financial Statement no funds (which are material either individually or in the aggregate) have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under a) and b) above, contain any material misstatement.

- v. The interim dividend declared and paid by the company during the year is in accordance with section 123 of the Act;

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 no.- 16.2 to the 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;
- vi. Based on our examination, which included test checks, the company has used accounting software for maintaining its books of account which has the feature of recording audit trail (edit logs) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software except Human Resources Management System Software implemented during the year in which audit trail is not available at data base level. Further, during the course of our audit we did not come across any instances of audit trail feature being tampered with. Additionally, the audit trail has been preserved by the company as per the statutory requirements for record retention.

For **C N K & Associates LLP**
Chartered Accountants
Firm Registration Number 101961W/W-100036

Himanshu Kishnadwala
Partner
Membership No.037391
UDIN: 25037391BMLFTK2408

Place: Vallabh Vidyanagar
Date: April 24, 2025

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date]

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in normal course of audit, we state that:

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets;

(B) The Company has maintained proper records showing full particulars of intangible assets;

b) The Company has a programme of physical verification of its Property, Plant and Equipment, investment property and right-of-use assets so by which all the items are verified in a phased manner over a period of three years. In accordance with this programme, the Company has physically verified certain Property, Plant and Equipment during the year and the discrepancies were not material and have been properly dealt with in the books of account;

c) On the basis of our examination of the records of the Company, the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company, except the following: -

Description of property	Gross carrying value held (₹ In Lakhs)	Title deeds held in name of	Whether promoter, director or their relative or employee	Period held since which date	Reason for not being held in name of company
Land Survey No.75/2, 76/1/P-1, 79/P-1, 82/P-1/P-1, 94/P-1/P-1, 100/P-1, 99/1/P-1, 108/P-4/P-1 Naransari, Bhachau, Kutch	46	Veer Energy & Infrastructure Limited	No	August 29, 2008	Mutation Pending

d) The company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year;

e) As disclosed in note no. 46(a) of the Standalone Financial Statements, No proceedings have been initiated during the year or pending against the Company as at March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder;

ii. a) The physical verification of inventories except goods-in-transit have been conducted by the management during the year. In our opinion, the frequency of verification is reasonable. Considering the size of the Company and nature of its operations, the coverage and procedures are adequate. The discrepancies noticed on physical verification of inventory did not exceed 10% or more for each class of inventory and the same have been appropriately dealt in the books of account;

b) The company has been sanctioned working capital limits in excess of five crore rupees, in aggregate during the year from various banks on the basis of security of current assets. The quarterly

returns / statements filed by the Company are broadly in agreement with the books of accounts and no material unreconciled discrepancies have been observed Refer note no.17.1(i)(g) to the Standalone Financial Statements.

iii. a) During the year, the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Hence reporting under clause 3 (iii) a) of the order is not applicable;

b) In our opinion, the investments made during the year are, prima facie, not prejudicial to the Company's interest;

c) In the case of loans granted by the Company in earlier years, in our opinion, the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular as per stipulation;

d) There is no overdue amount for more than ninety days in respect of loans granted in earlier years;

e) There are no loans which has fallen due during the year, that have been renewed or extended

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT (CONTD.)

or fresh loans granted to settle the overdues of existing loans given to the same parties;

f) During the year the Company has not granted any loans either repayable on demand or without specifying any terms or period of repayment. Hence reporting under clause 3 (iii) f) of the order is not applicable;

iv. The Company has complied with the provisions of section 185 and 186 of the Act in respect of loans granted, investment made, guarantee and securities provided, as applicable;

v. The Company has not accepted any deposits or amounts which are deemed to be deposits. Hence reporting under 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 the maintenance of cost records under Section 148(1) of the Act and are of the opinion that prima facie,

the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete;

vii. In respect of statutory dues:

a) In our opinion, the company has been generally regular in depositing undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and other material statutory dues to the extent applicable to the Company, in arrears as at March 31, 2025 for a period of more than six months from the date they became payable;

b) Details of statutory dues referred to in clause a) above which have not been deposited as on March 31, 2025 on account of any disputes are given below:

(₹ in Lakhs)						
Sr. No.	Name of the Statute	Nature of the Dues	Amount (net of amount paid under protest)	Amount paid under protest	Period to which the amount relates	Forum where dispute is pending
1	Finance Act, 1994	Service Tax	2,812	249	2009 to 2014	CESTAT, Ahmedabad
2	Central Excise Act, 1944	Excise Duty	1,869	-	November 2014 to June 2017	Gujarat High Court
3	Goods & Service Tax, Act 2017	Goods & Service Tax	928	93	July 2017	Additional Commissioner of GST & Central Excise
4	Sales Tax Act	Sales Tax / Value Added Tax	12	-	2017-18	Commissioner of Tax
5	Goods & Service Tax, Act 2017	Goods & Service Tax	15	1	2018-19	Deputy Commissioner of GST & Central Excise
6	Goods & Service Tax, Act 2017	Goods & Service Tax	4	-	2020-21	Joint Commissioner of Tax
7	Income Tax Act, 1961	Income Tax	2,947	1,174	A.Y. 2009-10, A.Y. 2014-15 to A.Y. 2018-19,	Commissioner of Income Tax (Appeals)

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT (CONTD.)

- viii. As disclosed in note no.- 46(d) of the Standalone Financial Statements, there are no transactions which are not recorded in the books of account and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961;
- ix. a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year;
- b) As disclosed in note no. 46(b) of the Standalone Financial Statements, the Company is not declared wilful defaulter by any bank or financial institution or other lender;
- c) On an examination of the records of the company, we report that the funds of term loans have been utilised for the purpose for which the loans were obtained;
- d) We report that the company has not utilised funds raised on short term basis for long term purposes;
- e) The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures;
- f) The company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures, or associate companies;
- x. a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3 (x) a) of the order is not applicable;
- b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) during the year and hence the reporting under clause 3 (x) b) of the order is not applicable;
- xi. a) No fraud by the Company and no material fraud on the company has been noticed or reported during the year;
- b) No report under sub-section (12) of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report;
- c) As represented to us by the management, there are no whistle blower complaints received by the company during the year;
- xii. The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the order is not applicable;
- xiii. The Company is in compliance with section 177 and 188 of the Companies Act, 2013, with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards;
- xiv. a) In our opinion, the company has an adequate internal audit system commensurate with the size and nature of its business;
- b) We have considered report of the internal auditors for the period under audit; issued to the company during the year and till date, in determining the nature, timing and extent of our audit procedures;
- xv. The Company has not entered into non-cash transactions with the directors or persons connected with its directors. Hence, the provisions of section 192 of the Act, are not applicable;
- xvi. a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3 (xvi) a), b) and c) of the order is not applicable;
- b) As informed to us by the Management, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and hence reporting under clause 3 (xvi) d) of the Order is not applicable;
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and during the immediately preceding financial year;
- xviii. There has been no resignation of the statutory auditors of the Company during the year;
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, knowledge of the Board of Directors and management plans

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT (CONTD.)

- and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date; We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due;
- xx. a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Act in compliance with second proviso to sub-section (5) of section 135 of the Act. Hence

- reporting under clause 3 (xx) a) of the Order is not applicable;
- b) There are no unspent amounts in respect of ongoing projects that are required to be transferred to a special account in compliance of provision of sub-section (6) of section 135 of the Act. Hence reporting under clause 3 (xx) b) of the Order is not applicable.

For **C N K & Associates LLP**
Chartered Accountants
Firm Registration Number 101961W/W-100036

Himanshu Kishnadwala
Partner
Membership No. 037391
UDIN: 25037391BMLFTK2408

Place: Vallabh Vidyanagar
Date: April 24, 2025

ANNEXURE “B” TO THE INDEPENDENT AUDITORS’ REPORT

[Referred to in paragraph 2 f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date]

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 Companies Act, 2013 (“the Act”)

OPINION

We have audited the internal financial controls with reference to Standalone Financial Statements of **Elecon Engineering Company Limited** (“the Company”) as of March 31, 2025 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 Standalone Financial Statements and such internal financial controls were operating effectively as at March 31, 2025 except for the matters stated in the para 2(h)(vi) of Report on other legal and regulatory requirements on reporting under Rule 11(g), based on the internal financial controls with reference to Standalone 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 RESPONSIBILITY 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 Standalone 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 Standalone 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 Standalone Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Standalone Financial Statements were established and maintained and whether such controls operated effectively in all material respects.

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

A company’s internal financial controls with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial controls with reference to Standalone 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 Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance

ANNEXURE “B” TO THE INDEPENDENT AUDITORS’ REPORT (CONTD.)

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 Standalone Financial Statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO STANDALONE FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to Standalone 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 Standalone Financial Statements to future periods are subject to the risk that the internal

financial controls with reference to Standalone Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **C N K & Associates LLP**

Chartered Accountants

Firm Registration Number 101961W/W-100036

Himanshu Kishnadwala

Partner

Membership No. 037391

UDIN: 25037391BMLFTK2408

Place: Vallabh Vidyanagar

Date: April 24, 2025

STANDALONE BALANCE SHEET

AS AT MARCH 31, 2025

		(₹ in Lakhs)	
Particulars	Notes	As at March 31, 2025	As at March 31, 2024
ASSETS			
I. Non-current assets			
(a) Property, plant and equipment	3	55,352	51,504
(b) Capital work-in-progress	3	659	69
(c) Investment property	4	2,501	2,512
(d) Right of Use Assets	3	18,013	8,076
(e) Other Intangible assets	5	291	203
(f) Financial assets			
(i) Investments	6	12,909	13,858
(ii) Other financial assets	7	2	553
(g) Income tax assets (net)	8	1,253	1,046
(h) Other non-current assets	9	1,873	3,678
Total non-current assets		92,853	81,499
II. Current assets			
(a) Inventories	10	16,558	15,413
(b) Financial assets			
(i) Investments	11	41,455	20,328
(ii) Trade receivables	12	57,508	40,653
(iii) Cash and cash equivalents	13	9,312	2,770
(iv) Bank balances other than (iii) above	13	7,101	8,865
(v) Other financial assets	7	1,418	5,605
(c) Other current assets	14	3,468	823
Total current assets		1,36,820	94,457
Total assets		2,29,673	1,75,956
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	15	2,244	2,244
(b) Other equity	16	1,63,083	1,32,507
Total equity		1,65,327	1,34,751
LIABILITIES			
I. Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	-	-
(ii) Lease liabilities	21	12,424	3,918
(b) Non-current provisions	18	274	575
(c) Other Non -Current liabilities	19	2,144	1,845
(d) Deferred tax liabilities (net)	36	2,290	2,540
Total non-current liabilities		17,132	8,878
II. Current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	331	-
(ii) Lease liabilities	21	2,314	430
(iii) Trade payables	20		
(A) Total Outstanding dues of micro enterprises and small enterprises		5,573	5,759
(B) Total Outstanding dues of creditors other than micro enterprises and small enterprises		17,536	9,711
(iv) Other financial liabilities	22	4,859	4,506
(b) Other current liabilities	23	13,751	9,703
(c) Current provisions	24	2,304	1,695
(d) Current tax liabilities (net)	25	546	523
Total current liabilities		47,214	32,327
Total liabilities		64,346	41,205
Total equity and liabilities		2,29,673	1,75,956
The accompanying notes form an integral part of the Standalone Financial Statements.			
2 - 47			

As per our report of even date attached

For **CNK & Associates LLP**
Chartered Accountants
Firm's Registration No : 101961W/W-100036**Himanshu Kishnadwala**
Partner
Membership No: 037391For and on behalf of the Board of Directors
Elecon Engineering Company Limited
CIN: L29100GJ1960PLC001082**Prayasvin Patel**
Chairman & Managing Director
DIN : 00037394**Narasimhan Raghunathan**
Chief Financial Officer**Ashutosh Pednekar**
Director
DIN : 00026049**Bharti Isarani**
Company SecretaryPlace : Vallabh Vidyanagar
Date : April 24, 2025Place : Vallabh Vidyanagar
Date : April 24, 2025

STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2025

		(₹ in Lakhs)	
Particulars	Notes	Year ended March 31, 2025	Year ended March 31, 2024
INCOME			
Revenue from operations	26	1,87,112	1,59,967
Other income	27	5,287	3,971
Total income (I)		1,92,399	1,63,938
EXPENSES			
Cost of materials consumed	28	89,462	70,336
Change in inventories of finished goods and work-in-progress	29	25	777
Manufacturing expense and erection charges	30	15,537	15,097
Employee benefit expenses	31	12,954	11,052
Finance costs	32	993	594
Depreciation and amortisation expense	3,4 & 5	5,058	4,125
Other expenses	33	22,775	21,344
Total expenses (II)		1,46,804	1,23,325
Profit before tax (I - II)		45,595	40,613
Tax expense	36		
Current tax		11,822	10,331
Deferred tax		(230)	(34)
Total tax expense		11,592	10,297
Profit for the year		34,003	30,316
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement of defined benefit plans		(81)	(181)
Income tax related to items that will not be reclassified to profit or loss		20	46
Other comprehensive income (net of tax) for the year		(61)	(135)
Total comprehensive income for the year		33,942	30,181
Earnings per equity share (₹ in)	35		
Equity share of face value ₹ 1 each			
Basic		15.15	13.51
Diluted		15.15	13.51
The accompanying notes form an integral part of the Standalone Financial Statements.	2 - 47		

As per our report of even date attached

For **CNK & Associates LLP**
Chartered Accountants
Firm's Registration No : 101961W/W-100036**Himanshu Kishnadwala**
Partner
Membership No: 037391For and on behalf of the Board of Directors
Elecon Engineering Company Limited
CIN: L29100GJ1960PLC001082**Prayasvin Patel**
Chairman & Managing Director
DIN : 00037394**Narasimhan Raghunathan**
Chief Financial Officer**Ashutosh Pednekar**
Director
DIN : 00026049**Bharti Isarani**
Company SecretaryPlace : Vallabh Vidyanagar
Date : April 24, 2025Place : Vallabh Vidyanagar
Date : April 24, 2025

STANDALONE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2025

A. EQUITY SHARE CAPITAL

(1) Current reporting period

(₹ in Lakhs)

Balance as at April 01, 2024	Changes in Equity Share Capital due to prior period errors	Restated balance as at April 01, 2024	Changes in equity share capital during the year	Balance as at March 31, 2025
2,244	-	2,244	-	2,244

(2) Previous reporting period

(₹ in Lakhs)

Balance as at April 01, 2023	Changes in Equity Share Capital due to prior period errors	Restated balance as at April 01, 2023	Changes in equity share capital during the year	Balance as at March 31, 2024
2,244	-	2,244	-	2,244

B. OTHER EQUITY

(1) Current reporting period

(₹ in Lakhs)

Particulars	Reserves and Surplus				
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Total
Balance as at April 01, 2024	4,942	2,878	44,133	80,554	1,32,507
Restated balance as at April 01, 2024	4,942	2,878	44,133	80,554	1,32,507
Remeasurements of post-employment benefit obligation, (net of tax) accounted through other comprehensive income	-	-	-	(61)	(61)
Profit for the year	-	-	-	34,003	34,003
Total Comprehensive Income for the year	-	-	-	33,942	33,942
Dividends	-	-	-	(3,366)	(3,366)
Balance as at March 31, 2025	4,942	2,878	44,133	1,11,130	1,63,083

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

(2) Previous reporting period

(₹ in Lakhs)

Particulars	Reserves and Surplus				
	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Total
Balance as at April 01, 2023	4,942	2,878	44,133	53,739	1,05,692
Restated balance as at April 01, 2023	4,942	2,878	44,133	53,739	1,05,692
Remeasurements of post-employment benefit obligation, (net of tax) accounted through other comprehensive income	-	-	-	(135)	(135)
Profit for the year	-	-	-	30,316	30,316
Total Comprehensive Income for the year	-	-	-	30,181	30,181
Dividends	-	-	-	(3,366)	(3,366)
Balance as at March 31, 2024	4,942	2,878	44,133	80,554	1,32,507

For description of Reserves refer Note 16.

The accompanying notes form an integral part of the Standalone Financial Statements. (2 - 47)

For **CNK & Associates LLP**
Chartered Accountants
Firm's Registration No : 101961W/W-100036

Himanshu Kishnadwala
Partner
Membership No: 037391

Place : Vallabh Vidyanagar
Date : April 24, 2025

For and on behalf of the Board of Directors
Elecon Engineering Company Limited
CIN: L29100GJ1960PLC001082

Prayasvin Patel
Chairman & Managing Director
DIN : 00037394

Narasimhan Raghunathan
Chief Financial Officer

Place : Vallabh Vidyanagar
Date : April 24, 2025

Ashutosh Pednekar
Director
DIN : 00026049

Bharti Isarani
Company Secretary

STANDALONE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2025

Particulars	₹ in Lakhs	
	Year ended March 31, 2025	Year ended March 31, 2024
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	45,595	40,613
Adjustments for:		
Depreciation and amortisation expense	5,058	4,125
Finance costs	993	594
(Gain)/loss on fair valuation of investment	(1,003)	(65)
(Gain)/Loss on sale of/discarded property plant and equipment (net)	(81)	(261)
Interest income	(2,483)	(1,600)
Dividend income	(63)	(87)
(Gain)/Loss on sale of investments	(104)	(90)
Allowances for Expected Credit Loss (including Bad debts and advances written off)	974	1,656
Unrealised exchange (gain) / loss	(88)	(51)
Provision for other contractual liabilities, warranty and others	25	304
Increase/(reversal) of provision for onerous contract	-	(73)
Provision for Slow and non moving inventory	(3)	1,142
Liabilities written-back	(133)	(552)
Rent received	(385)	(329)
	48,302	45,326
Working Capital Adjustments:		
(Increase)/Decrease in trade receivables	(17,331)	(12,057)
(Increase)/Decrease in inventories	(1,142)	1,019
(Increase)/Decrease in financial assets	(52)	(5,235)
(Increase)/Decrease in other current and non-current assets	(2,301)	(1,565)
(Decrease)/Increase in trade payables	7,843	1,451
(Decrease)/Increase in provisions, current and non-current liabilities	4,250	4,230
(Decrease)/Increase in other financial liabilities	353	(339)
Cash generated from operations	39,921	32,830
Taxes paid (Net of Refund)	(12,006)	(10,130)
Net cash (used in)/generated from operating activities (A)	27,915	22,700
CASH FLOW FROM INVESTING ACTIVITIES		
Payments for purchase of property, plant and equipment	(6,503)	(3,069)
Proceeds from sale of property, plant and equipment	197	592
Payments for Purchase of investments	(20,954)	(21,243)
(Increase)/Decrease in Bank Balances other than Cash & Cash Equivalents	6,805	3,101
Proceeds from sale of Investments	1,883	1,012
Rent received	385	330
Interest received	2,232	1,498
Dividend received	63	87
Net cash (used in)/generated from investing activities (B)	(15,892)	(17,692)
CASH FLOW FROM FINANCING ACTIVITIES		
Repayments of non-current borrowings	-	-
(Repayment)/Proceeds of current borrowings (Net)	331	-
Repayment against other financial arrangements	-	(430)
Finance cost paid	(993)	(595)
Dividend paid	(3,366)	(3,366)
Payment of lease liabilities	(1,452)	(294)
Net cash (used in)/generated from financing activities (C)	(5,480)	(4,685)
Net Increase/(Decrease) in cash and cash equivalents (A+B+C)	6,542	323
Cash and cash equivalents at beginning of the year (Refer note -13)	2,770	2,447
Cash and cash equivalents at the end of the year (Refer note -13)	9,312	2,770
Components of cash & cash equivalents :		
Cash on hand	-	-
Balances with banks		
- In current accounts	681	867
- Remittance in Transit	11	-
- Deposits with bank (with maturity up to 3 months)	8,620	1,903
	9,312	2,770

STANDALONE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

Notes:

- Cash and cash equivalents includes positive balances in Cash credit accounts with banks and forms an integral part of the Company's cash management.
- The above Statement of Cash Flow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS 7) - Statement of Cash Flows
- In accordance with para 22 of Ind AS 7 - Statement of Cash Flows, cash flows from current borrowings have been reported on net basis since these being working capital facilities, the maturities are short.
- During the year non cash transaction from investing and financing activities with respect to acquisition of Right to Use Assets with corresponding adjustment to Lease liabilities ₹ 16,022 Lakhs (March 31, 2024: ₹ 2,931 Lakhs)
- Figures in brackets indicates cash outflow.
- Movement in liabilities arising from financing activities as at March 31, 2025:

Particulars	₹ in Lakhs			
	Borrowings	Lease liabilities	Dividends paid (including taxes)	Finance costs
Balance at the beginning of the year	-	4,348	-	-
Proceeds from borrowings and lease liabilities	-	11,180	-	-
Repayment of borrowings/liabilities	331	(1,452)	-	-
Impact of Effective Interest Rate (EIR)	-	-	-	-
Dividends paid (including taxes)	-	-	(3,366)	-
Interest paid	-	-	-	(993)
Net cash outflows	331	14,076	(3,366)	(993)
Interest accrued during the year	-	-	-	-
Remeasurement of lease liability	-	-	-	-
Charge to statement of profit and loss	-	-	-	993
Interest Accrued during the yaer	-	662	-	-
Balance at the end of the year	331	14,738	-	-

For **CNK & Associates LLP**
Chartered Accountants
Firm's Registration No : 101961W/W-100036

Himanshu Kishnadwala
Partner
Membership No: 037391

Place : Vallabh Vidyanagar
Date : April 24, 2025

For and on behalf of the Board of Directors
Elecon Engineering Company Limited
CIN: L29100GJ1960PLC001082

Prayasvin Patel
Chairman & Managing Director
DIN : 00037394

Narasimhan Raghunathan
Chief Financial Officer

Place : Vallabh Vidyanagar
Date : April 24, 2025

Ashutosh Pednekar
Director
DIN : 00026049

Bharti Isarani
Company Secretary

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2025

1. REPORTING ENTITY

Elecon Engineering Company Limited ('the Company') is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its equity shares are listed on the Bombay Stock Exchange ('BSE') and National Stock Exchange ('NSE') in India.

The registered office of the Company is located at Anand-Sojitra Road, Vallabh Vidyanagar, Gujarat. The Company is involved in the design and manufacturing of Industrial Gears and Material Handling Equipment and is also involved in providing erection and commissioning solutions for its products. The Company has manufacturing operations based out of India, Sweden, UK, USA and The Netherlands with Sales Offices at Dubai and Singapore.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These Standalone financial statements of the Company comprises, the standalone balance sheet, 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 a summary of the material accounting policies and other explanatory information (herein referred to as "Standalone financial statements"). These standalone financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') as per the Companies (Indian Accounting Standards) Rules, 2015 (as amended) notified under Section 133 of Companies Act, 2013, (the 'Act') and guidelines issued by the Securities and Exchange Board of India (SEBI).

Details of the Company's material accounting policies are included in Note 2.5.

2.2 Basis of measurement

The standalone financial statements have been prepared under the historical cost convention on accrual basis except for the following:

Particulars	Measurement basis
a) Investments in certain equity shares/other securities of entities other than subsidiaries and associates	Fair value
b) Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

2.3 Use of estimates and judgements

The preparation of the standalone financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the standalone financial statements and reported amounts of revenues and expenses during the period.

The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed below. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates and judgements are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the standalone financial statements.

Judgements

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognised in the standalone financial statements is included in the following notes:

- **Note 6** – identification of whether the Company has significant influence over an investee where the shareholding is below 20% of the issued share capital.
- **Note 4** – identification of the land and/ or building as an investment property.
- **Note 6** – determining the amount of Impairment loss.
- **Note 37** – determining the amount of expected credit loss on financial assets (including trade receivables)
- **Note 2.5 I and 26** – identification of performance obligation in revenue recognition

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustments is included in the following notes:

- **Note 3-5** – estimate of useful life used for the purposes of depreciation and amortisation on property plant and equipment, investment properties and intangible assets.
- **Note 36** – recognition of tax expense;
- **Note 40** – measurement of defined benefit obligations: key actuarial assumptions;
- **Notes 19, 24 and 41** – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- **Note 37** – impairment of financial and non-financial assets.
- **Note 24 and 43** – Revenue recognition based on percentage of completion and provision for onerous contracts.
- **Note 3 and 21** - Ind AS 116 Leases requires lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes assessment on the expected lease term on lease by lease

basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of lease and the importance of the underlying to the Company's operations taking into account the location of the underlying asset and the availability of the suitable alternatives.

- The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

2.4 Measurement of fair values

Some of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. This includes a financial reporting team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the chief financial officer.

The financial reporting team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as pricing services, is used to measure fair values, then the financial reporting team 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.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

- **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 categorised 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 recognises 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 the following notes:

- Note 4 – investment property;
- Note 37 and 38 – financial instruments.

2.5 Material accounting policies

(a) Operating cycle and classification of current and non-current:

Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalent, the Company considers the operating cycle for assets and liabilities as 12 months.

All the assets and liabilities are classified as current and non-current as per the Company's normal operating cycle, and other criteria set out in Schedule III of the Companies Act, 2013.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent, unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Other Assets and Liabilities except as stated above are classified as non-current.

(b) Foreign currency transactions

The functional currency of the Company is the Indian rupee. These financial statements are presented in Indian rupees.

Transactions in foreign currencies are translated into the functional currency of the Company 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.

Monetary assets and liabilities denominated in foreign currencies are translated into the

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in statement of profit and loss.

(c) Financial instruments

Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised 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.

Financial assets - classification and subsequent measurement

On initial recognition, a financial asset is classified as measured at

- Amortised cost;
- 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.

A financial asset is measured at amortised 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 on the principal amount outstanding.

A debt investment 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 on the principal amount outstanding.

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVTPL.

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. At present there are no such investments.

All financial assets not classified as measured at amortised 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 amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

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;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

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 purposes 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 this assessment, the Company considers:

- contingent events that would change the amount or timing 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, a 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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Subsequent measurement and gains and losses for financial assets held by the Company

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in the statement of profit and loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in the statement of profit and loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised 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 recognised in profit or loss. Other financial liabilities are subsequently

measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in the statement of profit and loss. Presently, all the financial liabilities are measured at amortised cost.

Derecognition

Financial assets

The Company derecognises 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 recognised 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 derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

Off-setting

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.

Derivative financial instruments:

The Company uses derivative financial instruments, such as foreign exchange forward contracts to manage its exposure

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

to foreign exchange risks. 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 profit or loss arising on cancellation or renewal of such a forward exchange contract is recognised as income or as expense in the period in which such cancellation or renewal is made.

(d) Property, plant and equipment*Recognition and measurement*

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its 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 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.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in statement of profit and loss.

Subsequent measurement

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Depreciation

The estimate of the useful life of the assets has been assessed based on technical advice which considers the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support, etc. Details of useful life considered for depreciation along with method of depreciation are provided below:

Particulars	Depreciation Method	Useful Life
Plant and Equipment	Straight Line Basis	5 to 25 years
Buildings	Written Down Value Basis	10 to 60 years
All other Property Plant and Equipment	Written Down Value Basis	As prescribed in Schedule II to the Companies Act, 2013

The Management believes that these estimated useful lives reflect fair approximation of the period over which the assets are likely to be used.

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 (CWIP)

Cost of assets not ready for intended use, as on the balance sheet date, is shown as CWIP. CWIP is stated at cost, net of accumulated impairment loss, if any.

Advances given towards acquisition of assets (including CWIP) and outstanding at each balance sheet date are disclosed as "Other Non-Current Assets".

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)*Derecognition*

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The consequential gain or loss is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in the statement of profit and loss.

(e) Intangible assets*Internally generated: Research and development activities and Enterprise resource planning software*

Expenditure on research activities is recognised in statement of profit and loss as incurred.

Development expenditure is capitalised as part of the 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 recognised in the statement of profit and loss as incurred.

Subsequent to initial recognition, the asset is measured at cost less accumulated amortisation and any accumulated impairment losses.

Other intangible assets

Other intangible assets that are acquired by the Company and that have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

Amortisation

Amortisation is calculated to amortise the cost of intangible assets over their estimated useful lives (6 years) using the straight-line method and is included in depreciation and amortisation in Statement of profit and loss is provided below:

Particulars	Depreciation Method	Useful Life
Computer Software	Straight Line Basis	3 years
Licenses	Straight Line Basis	6 years

Amortisation method, useful lives and residual values are reviewed at the end of each reporting date and adjusted if appropriate.

(f) Leases*As a lessee*

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and 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.

The right-of-use asset is subsequently depreciated using the straight-line method from the lease commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

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.

Lease payments included in the measurement of the lease liability comprise the following: fixed payments, including in-substance fixed payments;

- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a Purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

As a lessor

Lease income from operating leases, where the Company is a lessor, is recognised on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflation.

(g) Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16 requirements for cost model. Investment property includes freehold/leasehold land and building.

Depreciation

Based on technical evaluation, the Management believes a period of 25-60 years as representing the best estimate of the period over which investment properties (which are quite similar) are expected to be used. Accordingly, the Company depreciates investment properties over this period on a straight-line basis. This is different from the indicative useful life of relevant type of assets mentioned in Schedule II to the Companies Act 2013.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

Any gain or loss on disposal of an investment property is recognised in statement of profit and loss. An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal.

Any gain or loss arising on derecognition of the property is calculated as the difference between the net disposal proceeds and the carrying amount of the asset and included in the statement of profit or loss in the period in which the property is derecognised.

(h) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on Weighted Average Cost basis, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- **Raw materials:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on Weighted Average Cost 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 but excluding borrowing costs. Cost is determined on Weighted Average Cost basis.
- **Stores and spares** (consisting of engineering spares, which are used in operating machines or consumed as indirect materials in the manufacturing process): cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is

determined on Weighted Average Cost basis.

- **Traded goods:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

The comparison of cost and net realisable value is made on an item-by-item basis.

The factors that the Company considers in determining the allowance for slow moving, obsolete and other non-saleable inventory include estimated shelf life, planned product discontinuances, price changes, ageing of inventory and introduction of competitive new products, to the extent each of these factors impact the Company's business and markets.

(i) Impairment

Impairment of financial assets

The Company recognises loss allowances for expected credit losses on financial assets measured at amortised cost.

At each reporting date, the Company assesses whether financial assets carried at amortised cost 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:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being significantly past due;

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise; or
- it is probable that the borrower will enter bankruptcy or other financial reorganisation.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables. Under the simplified approach, the Company is not required to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime Expected credit losses ("ECL") together with appropriate Management's estimate of credit loss at each reporting date, from its initial recognition.

The Company uses a provision matrix to determine impairment loss allowance on the group of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable 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.

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 shortfall (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 allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

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 the Company's procedures for recovery of amounts due.

Impairment of non-financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value

Using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated to reduce the carrying amounts of

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

the assets of the CGU (or group of CGUs) on a pro rata basis.

Assets (other than goodwill) for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(j) Employee benefits**Short term employee benefits**

All employee benefits payable within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Company makes specified monthly contributions towards government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in statement of profit and loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense/ (income) on the net defined benefit liability/ (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability/ (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

immediately in the statement of profit and loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Other long-term employee benefits

The Company's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurements gains or losses are recognised in the statement of profit and loss in the period in which they arise.

Termination benefits

Termination benefits are expensed through statement of profit and loss at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognises costs for a restructuring.

(k) Provisions (other than employee benefits)

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Warranties

A provision for warranties is recognised when the underlying products or services are sold. The provision is based on technical evaluation, historical warranty data and all possible outcomes by their associated probabilities.

Onerous contracts

A contract is considered to be onerous when the expected economic benefits to be derived by the Company from the contract

are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

(l) Contingent Liabilities and Contingent Assets

Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by the future events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised in the financial statements. A contingent asset is disclosed where an inflow of economic benefits is probable. Contingent assets are assessed continually and, if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

(m) Revenue recognition

Sale of goods and services

Revenue is recognised upon transfer of control of promised goods to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those goods.

Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer, which generally coincides with the delivery of goods to customers, based on contracts with the customers.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions, incentives, and returns, if any, as specified in the contracts with the customers.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

Revenue excludes taxes collected from customers on behalf of the government. Accruals for discounts/incentives and returns are estimated (using the most likely method) based on accumulated experience and underlying schemes and agreements with customers.

Revenue from services towards erection, commissioning and other services is recognised when services are rendered and there is certainty of the realisation.

Transaction Price

The Company is required to determine the transaction price in respect of each of its contracts with customers. Contract with customers for sale of goods or services are either on a fixed price or on variable price basis. For allocating the transaction price, the Company measures the revenue in respect of each performance obligation of contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In making judgment about the standalone selling price, the Company also assesses the impact of any variable consideration in the contract, due to discounts or rebates.

Performance Obligations

If a contract contains more than one distinct goods and service, the transaction price is allocated to each performance obligation based on relative stand-alone selling prices.

Dividend and Interest income:

Dividend income from investments is recognised when the Company's right to receive payment is established.

Interest income from financial assets is recognised when it is probable that economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly

discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Insurance claim:

Insurance claims are recognised on the basis of claims admitted / expected to be admitted, to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

Other Income:

Other income is comprised primarily of gain / loss on investments, exchange gain/ loss on foreign currency transactions and commission for corporate guarantee.

(n) Government Grants

The export incentives received by the Company such as duty draw back, Remission of Duties or Taxes on Export Products Scheme (RoDTEP) and Export Promotions on Capital Goods (EPCG) scheme are treated as government grants.

(o) Income taxes

Income tax expense comprises current and deferred tax. It is recognised in the statement of profit and loss except to the extent it may relate to a business combination, or items recognised directly in equity or in OCI.

The Company has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets"

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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits, if any.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by 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.

(p) Borrowing cost

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable

to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

(q) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company. For the disclosure on reportable segments see Note 43.

(r) Cash and cash equivalents

Cash and cash equivalents comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments.

(s) Investments in subsidiaries and associates

The Company has elected to recognise its investments in subsidiary and associate companies at cost in accordance with the option available in Ind AS 27, Separate Financial Statements.

(t) 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 the operating, investing and financing activities of the Company are segregated. In the cash-flow statement, cash and cash equivalents are shown net of bank overdrafts, which are included as current borrowings in liabilities on the balance sheet.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

(u) The Dividend Distribution to equity shareholders:

The Holding Company recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Holding Company. A distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in other equity.

(v) Earnings per share

Basic earnings per equity share are computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Holding Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of

the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

2.6 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. For the year ended March 31, 2025, MCA has notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 1, 2024.

The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

2.7 Rounding off

Amounts in these Financial Statements are rounded off to the nearest Lakhs except Earnings per share. The amount "0" (zero) represents value, which is less than ₹ 1 Lakh.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

3 (i) Property, plant and equipment

Particulars	Freehold Land	Buildings	Plant & Equipments	Furniture & Fixtures	Vehicles	Office Equipments	Electrical Installations & fittings	Other Equipments	Total	Capital work in progress (CWIP)
Cost										
As at April 01, 2023	27,434	7,350	44,349	172	291	647	702	1	80,946	12
Additions	336	1,277	764	-	253	7	231	-	2,868	2,925
Deductions	-	-	(485)	-	(6)	-	-	-	(491)	-
Capitalised	-	-	-	-	-	-	-	-	-	(2,868)
As at March 31, 2024	27,770	8,627	44,628	172	538	654	933	1	83,323	69
Additions	14	4,721	1,028	-	1,360	131	110	-	7,364	7,954
Recoupment / Adjustment	-	-	-	-	-	-	-	-	-	-
Deductions	-	-	(378)	-	(8)	-	-	-	(386)	-
Capitalised	-	-	-	-	-	-	-	-	-	(7,364)
As at March 31, 2025	27,784	13,348	45,278	172	1,890	785	1,043	1	90,301	659
Accumulated depreciation										
As at April 01, 2023	-	4,541	22,824	126	209	433	206	1	28,340	-
Depreciation for the year	-	381	3,089	12	45	128	217	-	3,872	-
Recoupment / Adjustment	-	-	-	-	-	-	-	-	-	-
Deductions	-	-	(388)	-	(5)	-	-	-	(393)	-
As at March 31, 2024	-	4,922	25,525	138	249	561	423	1	31,819	-
Depreciation for the year	-	354	2,524	9	296	71	182	-	3,436	-
Deductions	-	-	(294)	-	(1)	-	-	-	(295)	-
Recoupment/ Adjustment	-	-	-	-	-	-	(11)	-	(11)	-
As at March 31, 2025	-	5,276	27,755	147	544	632	594	1	34,949	-
Carrying value (net)										
As at March 31, 2025	27,784	8,072	17,523	25	1,346	153	449	-	55,352	-
As at March 31, 2024	27,770	3,705	19,103	34	289	93	510	-	51,504	-

Notes :

- Refer to Note 17.1 for information on property, plant and equipment pledged as security by the Company.
- For commitments on capital account, refer Note 41 (II).
- The Company has not revalued any of its Property, plant and equipment during the year.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

(ii) Title Deeds of Immovable Properties not held in the name of the Company

Relevant line item in the Balance Sheet	Gross carrying value (₹ in Lakhs)	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 Compan
Property, Plant & Equipment LAND Survey No.75/2, 76/1/P-1, 79/P/1, 82/P-1/P-1, 94/P-1/P-1, 100/P-1, 99/1/P-1, 108/P-4/P-1 Naransari, Bhachau, Kutch	46	Veer Energy & Infrastructure Ltd.	No	29-Aug-08	Mutation Pending

3 (iii) The following is the movement in Right Of use Assets (ROU) during the year ended March 31, 2025:

Particulars	Leasehold Land	Building	Plant & Equipment	Total
I. Cost				
As at April 01, 2023	5,595	57	23	5,675
Additions	29	-	2,930	2,959
Deduction	-	(57)	(14)	(71)
As at March 31, 2024	5,624	-	2,939	8,563
Addition during the year	981	-	15,231	16,212
Deductions	-	-	(5,010)	(5,010)
As at March 31, 2025	6,605	-	13,160	19,765
II. Accumulated Depreciation				
As at April 01, 2023	338	45	17	400
Depreciation during the year	136	2	10	148
Deduction	-	(47)	(14)	(61)
As at March 31, 2024	474	-	13	487
Depreciation during the year	152	-	1,328	1,480
Deductions	-	-	(215)	(215)
As at March 31, 2025	626	-	1,126	1,752
Carrying value (net) as at March 31, 2025	5,979	-	12,034	18,013
Carrying value (net) as at March 31, 2024	5,150	-	2,926	8,076

(iv) Capital work in progress (CWIP) Ageing Schedule

Capital work in progress (CWIP)	Amount in CWIP for the period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2024					
Projects in progress	69	-	-	-	69
As at March 31, 2025					
Projects in progress	659	-	-	-	659

Note: There are no projects whose completion is overdue or has exceeded its cost as at Balance Sheet date.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

4 INVESTMENT PROPERTY

(₹ in Lakhs)			
Particulars	Land	Office Building	Total
Cost			
As at April 01, 2023	2,300	336	2,636
Addition	-	-	-
As at March 31, 2024	2,300	336	2,636
Addition	-	-	-
As at March 31, 2025	2,300	336	2,636
Accumulated depreciation			
As at April 01, 2023	-	113	113
Depreciation for the year	-	11	11
Deductions	-	-	-
As at March 31, 2024	-	124	124
Depreciation for the year	-	11	11
As at March 31, 2025	-	135	135
Carrying value (net)			
As at March 31, 2025	2,300	201	2,501
As at March 31, 2024	2,300	212	2,512

Information regarding income and expenditure of Investment property

(₹ in Lakhs)		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Rental income derived from Investment property	16	14
Less: Direct operating expenses (including repairs and maintenance) generating rental income	4	2
Profit arising from Investment property before depreciation and indirect expenses	12	12
Less: Depreciation	11	11
Profit arising from Investment property before indirect expenses	1	1

Notes :

- The Company has no restrictions on the realisability of its Investment property and no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance and enhancements.

Fair value of the Investment property are as under:

(₹ in Lakhs)		
Fair value	Land	Office Building
Balance as at April 01, 2023	2,888	663
Fair value increase/(decrease) for the year	166	9
Purchases / (Sale)	-	-
Balance as at March 31, 2024	3,054	672
Fair value increase/(decrease) for the year	33	35
Purchases / (Sale)	-	-
Balance as at March 31, 2025	3,087	707

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

Estimation of fair value

As at March 31, 2025 and March 31, 2024 the fair values of the property are based on valuations performed by Registered Valuer as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules 2017.

Valuation model used in determination of investment property fair values is in accordance with the recommended valuation techniques by the International Valuation Standards Committee.

The Company obtains independent valuations for its investment property at least annually. The best evidence of fair value is current prices in an active market for similar properties.

The valuation of investment property as at March 31, 2025 and March 31, 2024 is done based on market feedback on values of similar properties and hence considered under "Level 2" of fair value measurement.

5 OTHER INTANGIBLE ASSETS

(₹ in Lakhs)			
Particulars	Computer Software	Licenses	Total
Cost			
As at April 01, 2023	732	40	772
Additions	35	108	143
Deductions	-	-	-
As at March 31, 2024	767	148	915
Additions	219	-	219
Deductions	-	-	-
As at March 31, 2025	986	148	1,134
Accumulated amortisation			
As at April 01, 2023	587	31	618
Amortisation for the year	63	31	94
Deductions	-	-	-
As at March 31, 2024	650	62	712
Amortisation for the year	92	39	131
Deductions	-	-	-
As at March 31, 2025	742	101	843
Carrying value (net)			
As at March 31, 2025	244	47	291
As at March 31, 2024	117	86	203

Note:

- There are no Intangible Assets under development as on March 31, 2025 and March 31, 2024.

6 NON-CURRENT FINANCIAL ASSETS - INVESTMENTS

(₹ in Lakhs)		
Particulars	March 31, 2025	March 31, 2024
Investment in subsidiary companies (Fully paid-up) (at cost) - Unquoted (Refer note 2.5(s))		
(a) 12,486,287 equity shares (March 31, 2024 : 12,486,287 equity shares) of GBP 1 each of Radicon Transmission UK Limited - United Kingdom	11,297	11,297
(b) 897,844 equity shares (March 31, 2024 : 897,844 equity shares) of S\$ 1 each of Elecon Singapore Pte. Limited	248	248

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

(₹ in Lakhs)			
Particulars	March 31, 2025		March 31, 2024
(c) 600 equity shares (March 31, 2024 : 600 equity shares) of AED 1000 each of Elecon Middle East FZE	73		73
(A)	11,618		11,618
Investment in associates (Fully paid-up) (at cost) (Refer note 2.5(s))			
Quoted			
(a) 958,426 equity Shares (March 31, 2024 : 958,426 equity shares) of ₹ 10 each of Eimco Elecon (India) Limited	217		217
(B)	217		217
Investments carried at fair value through profit and loss:			
Investment in equity shares			
(i) Unquoted			
(a) 30 equity shares (March 31, 2024: 30 equity shares) of ₹ 500 each of Charotar Gas Sahakari Mandali Limited #	0		0
Investment in Mutual Fund			
(i) Quoted			
(a) 18,000 units (March 31, 2024 : 36,500 units) of SBI Magnum Ultra SD Fund ##	1,074		2,023
(C)	1,074		2,023
Total Investments (A+B+C)	12,909		13,858
Aggregate value of quoted investments (including investments in associates)	217		217
Aggregate market value of quoted investments (other than investments in associates)	-		-
Aggregate value of unquoted investments (including investments in subsidiaries and associates)	12,692		13,641

The Company's investments on disposal will fetch only the principal amount invested and hence the Company considers cost and fair value to be the same.

Pledged with State Bank of India as margin for availing Non-Fund Based limits.

7 Financial asset - Other financial assets

(₹ in Lakhs)				
Particulars	March 31, 2025		March 31, 2024	
	Current	Non-current	Current	Non-current
Unsecured, considered good				
Deposits with banks earmarked as margin money	-	1	-	456
Deposits with banks having original maturity of more than 12 months	355	1	4,845	97
Security Deposits #	271	-	219	-
Accrued Interest on Fixed Deposits	89	-	346	-
Accrued Interest on Investments	703	-	195	-
Total other financial assets	1,418	2	5,605	553

Security deposits are primarily in relation to public utility services, tender deposits and rental properties.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

8 INCOME TAX ASSETS (NET)

(₹ in Lakhs)		
Particulars	March 31, 2025	March 31, 2024
Income tax assets (net)	1,253	1,046
Total income tax assets (net)	1,253	1,046

9 OTHER NON-CURRENT ASSETS

(₹ in Lakhs)		
Particulars	March 31, 2025	March 31, 2024
Unsecured, considered good		
Capital advances	1,311	2,981
Expenses paid in advance	47	80
Balances with government authorities (including amounts paid under protest)	515	617
Total other non-current assets	1,873	3,678

10 INVENTORIES

(₹ in Lakhs)		
Particulars	March 31, 2025	March 31, 2024
(At lower of cost and net realisable value)#		
Raw materials	4,932	3,941
[(Includes Goods in transit ₹ 631 Lakhs (March 31, 2024: ₹ 15 Lakhs)]		
Work-in-progress	7,329	5,754
Finished goods	2,572	1,587
Goods in transit	1,389	3,974
Stores and spares	336	157
Total inventories	16,558	15,413
Carrying amount of inventories pledged as security for liabilities	16,558	15,413

#Net of inventory allowance aggregating to ₹ 1,494 Lakhs (March 31, 2024: ₹ 1,414 Lakhs)

11 CURRENT FINANCIAL ASSETS - INVESTMENTS

(₹ in Lakhs)		
Particulars	March 31, 2025	March 31, 2024
Investment at FVTPL		
Exchange Traded Funds : Quoted	955	552
Infrastructure Investment Trust (InvITs): Quoted	-	830
Non Convertible Market Linked Debentures : Quoted	25,933	12,464
Mutual Funds : Quoted	15,641	
Less: Amount pledged disclosed as Non current Investment	(1,074)	6,482
Total Current Financial assets - Investments	41,455	20,328

12 TRADE RECEIVABLES

(₹ in Lakhs)		
Particulars	March 31, 2025	March 31, 2024
Secured, considered good	-	-
Unsecured, considered good	58,868	42,455
Credit impaired	1,062	-
	59,930	42,455

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

(₹ in Lakhs)		
Particulars	March 31, 2025	March 31, 2024
Less : Allowance for expected credit loss #	(2,422)	(1,802)
Total Trade receivables	57,508	40,653
Receivables from related parties (Refer note 39)	3,186	3,872
Receivables from others	54,322	36,781
Total	57,508	40,653

Allowance for expected credit loss (ECL)

#Allowance for Expected Credit Loss is calculated based on the ECL model as described under Ind AS 109. **Refer Note 2.5 (i) and Note 37(b)** for the Company's accounting policy and basis of calculating ECL allowance.

Movement in allowance for expected credit loss :

(₹ in Lakhs)		
Particulars	March 31, 2025	March 31, 2024
Balance at the beginning of the year	1,802	1,050
Add : Allowance for the year	1,259	932
Less : Reversal of allowance	(639)	(180)
Balance at the end of the year	2,422	1,802
Doubtful trade receivables written off	-	-
Total charges to Statement of Profit and Loss	620	752

12A TRADE RECEIVABLES (CURRENT)

(1) For the year ending March 31 2025

(₹ in Lakhs)							
Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	34,219	22,380	1,303	263	177	120	58,462
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	2	-	5	163	17	220	407
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	154	-	908	1,062
Less: ECL Provision							(2,422)
Total	34,221	22,380	1,308	580	194	1,248	57,508

Above includes retention money receivable amounting to ₹ 4,536 Lakhs.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

(2) For the year ending March 31 2024.

(₹ in Lakhs)							
Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	20,531	18,066	1,333	635	197	306	41,068
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	18	106	55	67	112	1,029	1,387
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Less: ECL Provision							(1,802)
Total	20,549	18,172	1,388	702	309	1,335	40,653

Above includes retention money receivable amounting to ₹ 3,706 Lakhs.

13 CASH AND BANK BALANCES

(₹ in Lakhs)		
Particulars	March 31, 2025	March 31, 2024
(a) Cash and cash equivalents		
Balance with banks		
Current accounts and debit balance in cash credit accounts	681	867
Remittance in transit	11	-
Deposits with banks (with maturity up to 3 months)	8,620	1,903
Cash on hand	-	-
Total cash and cash equivalents	9,312	2,770
(b) Other bank balances		
Deposits with banks earmarked as margin money	5,283	3,497
Deposits with banks having original maturity of more than 3 months but less than 12 months	1,744	5,308
Unpaid dividend accounts	74	60
Total other bank balances	7,101	8,865

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

14 OTHER CURRENT ASSETS

Particulars	(₹ in Lakhs)	
	March 31, 2025	March 31, 2024
Unsecured, considered good		
Advance to suppliers	2,173	281
Receivable from government authorities	105	257
Less: Provision for doubtful balances	-	(246)
	105	11
Expenses paid in advance	602	431
Other Receivables	5	29
Gratuity paid in advance	14	-
Contract assets	434	31
Export Incentive receivable	135	40
Total other current assets	3,468	823

15 EQUITY SHARE CAPITAL

Particulars	(₹ in Lakhs)		(₹ in Lakhs)	
	March 31, 2025		March 31, 2024	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
Authorised share capital				
Equity shares of ₹ 1 each (previous year ₹ 2 each)	45,50,00,000	4,550	22,75,00,000	4,550
Cumulative Redeemable Preference Shares of ₹ 2 each	2,50,00,000	500	2,50,00,000	500
Non-cumulative non-convertible Redeemable Preference Shares of ₹ 100 each	1,27,50,000	12,750	1,27,50,000	12,750
	49,27,50,000	17,800	26,52,50,000	17,800
Issued, subscribed and fully paid up				
Equity shares of ₹ 1 each (previous year ₹ 2 each)	22,43,99,930	2,244	11,21,99,965	2,244
Total equity share capital	22,43,99,930	2,244	11,21,99,965	2,244

15.1 Reconciliation of shares outstanding at the beginning and at the end of the reporting year

Particulars	(₹ in Lakhs)		(₹ in Lakhs)	
	March 31, 2025		March 31, 2024	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
At the beginning of the year	11,21,99,965	2,244	11,21,99,965	2,244
Increase in the number of shares on account of sub-division of equity shares (Refer note below)	11,21,99,965	-	-	-
At the end of the year	22,43,99,930	2,244	11,21,99,965	2,244

Note : The Board of Directors at their Meeting held on April 19, 2024 approved the sub-division of each equity share of face value of ₹ 2 each fully paid-up into 2 equity shares of face value of ₹ 1 each fully paid-up. The same has been approved by the Members at their Annual General Meeting held on June 25, 2024. The effective date for the sub-division was July 19, 2024 ("Record Date").

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

15.2 Rights, preferences and restrictions attached to the equity shares

The Company has only one class of Equity Shares having a par value of ₹ 1 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend, which is approved by Board of Directors. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

15.3 Number of shares held by each shareholder holding more than 5% shares in the Company

Name of the shareholders	(₹ in Lakhs)		(₹ in Lakhs)	
	March 31, 2025		March 31, 2024	
	No. of shares	% of shareholding	No. of shares	% of shareholding
Equity shares of ₹ 1 each fully paid held by (previous year ₹ 2 each):				
Aakaish Investments Private Limited	10,46,04,474	46.62	5,23,02,237	46.62
K. B. Investments Private Limited	1,94,47,548	8.67	97,23,774	8.68

15.4 Number of Shares held by Promoters/Promoter Group

						(₹ in Lakhs)
Sr. No.	Name of the Promoters/ Promoter Group	March 31, 2025		March 31, 2024		% Change during the year
		No. of Shares	% of Total Shares	No. of Shares	% of Total Shares	
1	Prayasvin Bhanubhai Patel	39,25,864	1.75%	19,62,932	1.75%	0.00%
2	Trupti Pradip Patel	28,62,116	1.28%	14,31,058	1.28%	0.00%
3	B I Patel-HUF (Bhanubhai Patel-Karta)	4,54,980	0.20%	2,27,490	0.20%	0.00%
4	Taruna Patel	4,37,834	0.20%	2,18,917	0.20%	0.00%
5	Aishwarya P. Patel	10,440	0.00%	5,220	0.00%	0.00%
6	Akansha P. Patel	12,36,940	0.55%	6,18,470	0.55%	0.00%
7	Aakaish Investments Private Limited	10,46,04,474	46.62%	5,23,02,237	46.62%	0.00%
8	K B Investments Private Limited	1,94,47,548	8.67%	97,23,774	8.67%	0.00%
9	Power Build Private Limited	31,920	0.01%	15,960	0.01%	0.00%
10	Emtici Engineering Limited	-	0.00%	-	0.00%	0.00%
11	Prayas Engineering Limited	-	0.00%	-	0.00%	0.00%
12	Elecon Information Technology Limited	-	0.00%	-	0.00%	0.00%
13	Akaaish Mechatronics Limited	-	0.00%	-	0.00%	0.00%
14	Akaaish Printing Press Private Limited (formerly known as Speciality Woodpack Private Limited)	-	0.00%	-	0.00%	0.00%
15	Aisho Tours and Travels Limited (Formerly known as Wizard Fincap Limited)#	-	0.00%	-	0.00%	0.00%
16	Lotus Trust\$	-	0.00%	-	0.00%	0.00%
Total holding of Promoters and Promoter Group		13,30,12,116	59.27%	6,65,06,058	59.27%	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

Note : The Board of Directors at their Meeting held on April 19, 2024 approved the sub-division of each equity share of face value of ₹ 2 each fully paid-up into 2 equity shares of face value of ₹ 1 each fully paid-up. The same has been approved by the Members at their Annual General Meeting held on June 25, 2024. The effective date for the sub-division was July 19, 2024 ("Record Date").

Reclassified under Public category of shareholders w.e.f. October 23, 2024.

\$ Ultimate beneficiary.

16 OTHER EQUITY

16.1 Other reserves

	(₹ in Lakhs)				
Balance	General Reserve	Securities Premium	Capital Reserve	Retained Earnings	Total
As at April 01, 2023	44,133	2,878	4,942	53,739	1,05,692
Total comprehensive income for the period					
Profit for the year	-	-	-	30,316	30,316
Remeasurements of post-employment benefit obligation, (net of tax) accounted through other comprehensive income	-	-	-	(135)	(135)
Balance available for appropriation	44,133	2,878	4,942	83,920	1,35,873
Appropriations					
Dividend paid	-	-	-	(3,366)	(3,366)
As at March 31, 2024	44,133	2,878	4,942	80,554	1,32,507
Profit for the year	-	-	-	34,003	34,003
Remeasurements of post-employment benefit obligation, (net of tax) accounted through other comprehensive income	-	-	-	(61)	(61)
Balance available for appropriation	44,133	2,878	4,942	1,14,496	1,66,449
Appropriations					
Dividend paid	-	-	-	(3,366)	(3,366)
As at March 31, 2025	44,133	2,878	4,942	1,11,130	1,63,083

16.2 Dividend distribution made and proposed

Particulars	March 31, 2025	March 31, 2024
Dividends on equity shares declared and paid		
Final dividend for year ended March 31, 2024: ₹ 2 per share (March 31, 2023: ₹ 2 per share)	2,244	2,244
Interim dividend for FY 2024-25: ₹ 0.5 per share	1,122	1,122
	3,366	3,366
Proposed dividend on Equity shares		
Final dividend proposed for the year ended March 31, 2025: ₹ 1.50 per share (March 31, 2024: ₹ 2 per share)	3,366	2,244
	3,366	2,244

Proposed dividend on equity shares is subject to approval at the ensuing Annual General Meeting and is not recognised as a liability as at March 31, 2025.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

16.3 Description of Reserves

General Reserve

General Reserve represents appropriation of retained earnings and are available for distribution to shareholders.

Securities Premium

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

Capital Reserve

- Capital reserve amounting to ₹ 4,259 Lakhs is recorded in bargain purchase transaction of business combination in which the fair value of acquired net assets exceeded the purchase consideration. Capital reserve is not available for dividend distribution.
- Capital Reserve amounting to ₹ 683 Lakhs represent difference between book value of the net assets and reserves of Elecon Transmission International Limited ('ETIL') and investment in equity shares of Elecon Transmission International Limited.

Retained Earnings

Retained earnings represents surplus/accumulated earnings of the Company and are available for distribution to shareholders.

17 BORROWINGS

	(₹ in Lakhs)	
Particulars	March 31, 2025	March 31, 2024
Working capital loans (at amortised cost)		
From banks (Refer note 17.1)	331	-
Less : Accrued interest	-	-
Total current borrowings	331	-
Total borrowings	331	-

17.1 Nature of Securities {Loans repayable on demand}

- Working Capital Loans from banks granted by Consortium of Banks consisting of State Bank of India (As Lead Bank), Axis Bank, IDBI Bank and HDFC Bank (Including guarantees issued by them in favour of various clients of the Company) are secured by:-
 - First pari passu hypothecation charge over all the current assets of the Company, present and future.
 - Omnibus Counter Guarantee of the Company for consortium BG limits
 - Extension of first pari passu hypothecation charge over property, plant and equipment (movable and immovable) present and future, excluding certain assets specifically / exclusively charged to other banks/ financial institutions.
 - Undertaking for non disposal of various land parcels of the Company as per loan sanction letter.
- Securities released by Consortium of Banks during the current year:**
 - Registered mortgage on factory land and building as per NOC.
- Rate of Interest for Loan from banks during the year ended:

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

(₹ in Lakhs)

Name of the Bank	Interest Rate %	
	March 31, 2025	March 31, 2024
State Bank of India	8.70% to 9.05%	8.60% to 8.70%
IDBI Bank Ltd.	8.90% to 9.30%	8.00% to 8.90%
Axis Bank Ltd.	8.75% to 9.10%	5.45% to 9.10%
HDFC Bank Ltd.	9.20% to 9.45%	6.75% to 9.20%

g) Borrowings secured against Current Assets

(₹ in Lakhs)

Quarter ended	Name of Bank	Details of security provided	Amount as per Books	Amount reported in quarterly returns	Amount of Difference	Reasons for material discrepancies#
June 2024		Inventory	18,025	18,025	-	
		Receivables	30,841	30,841	-	
September 2024	Consortium of Banks led by State Bank of India	Inventory	19,314	19,314	-	NA
		Receivables	40,738	40,738	-	
December 2024		Inventory	22,805	22,805	-	
		Receivables	40,998	40,998	-	
March 2025		Inventory	16,558	16,558	-	
		Receivables	57,508	57,508	-	

Considered upto 5% of amount reported in quarterly returns.

18 NON-CURRENT PROVISIONS

(₹ in Lakhs)

Particulars	March 31, 2025	March 31, 2024
Provision for employee benefits		
Provision for compensated absences (Refer note - 40)	8	1
Other Provision		
Provision for warranty	266	574
Total non-current provisions	274	575

19 OTHER NON CURRENT LIABILITY

(₹ in Lakhs)

Particulars	March 31, 2025	March 31, 2024
Deferred government grant (Refer Note19.1):		
EPCG Obligation	299	-
Amount received under protest #	1,845	1,845
Total non-current provisions	2,144	1,845

Amount received against arbitration award from customer pending disposal of the litigation with higher court.

Particulars	March 31, 2025	March 31, 2024
Opening balance at the beginning of the year	-	76
Received during the year	299	-
Released to the Statement of Profit and Loss	-	(76)
Closing balance at the end of the year	299	-

Government assistance in the form of duty benefit availed under Export Promotion Capital Goods (EPCG) Scheme on purchase of property, plant and equipments accounted for as government grant. These grants will be recognised in statement of profit and loss on the basis of fulfillment of export obligation.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

20 TRADE PAYABLES

(₹ in Lakhs)

Particulars	March 31, 2025	March 31, 2024
Total Outstanding dues of micro and small enterprises	5,573	5,759
Total Outstanding dues of creditors other than micro and small enterprises	17,536	9,711
Total trade payables	23,109	15,470
Dues to related parties (Refer note - 39)	1,541	1,422
Dues to third parties	21,568	14,048
	23,109	15,470

Includes retention money payable to creditors amounting to ₹ 43 Lakhs (March 31, 2024 - ₹ 3 Lakhs)

Details of Dues to Micro, Small & Medium Enterprises (MSME) as defined under MSMED Act, 2006

(₹ in Lakhs)

Particulars	March 31, 2025	March 31, 2024
Principal amount remaining unpaid to any supplier as at the period end	5,573	5,759
Interest due thereon	-	-
The amount of payment made to supplier beyond appointed date	26,503	21,826
Interest paid thereon	-	-
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 period) but without adding the interest specified under the MSMED, 2006	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-

Under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act"), certain disclosures are required to be made relating to MSME. On the basis of the information and records available with the Company's management, dues to MSME have been determined to the extent such parties have been identified on the basis of information collected till the reporting date and has been relied upon by the Statutory Auditors. The Management has not provided for interest due (if any) to these MSME parties basis, no claim being made for the same and management representation that the same would be waived. The disclosures as required by Section 22 of the MSMED Act are given above.

20A Trade payables (Current)

(1) For the year ending March 31, 2025

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	4,573	997	3	-	-	5,573
(ii) Others	12,697	4,839	-	-	-	17,536
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-
Total	17,270	5,836	3	-	-	23,109

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

(2) For the year ending March 31, 2024

Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	4,916	843	-	-	-	5,759
(ii) Others	8,217	1,475	11	-	9	9,711
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-
Total	13,133	2,318	11	-	9	15,470

21 LEASE LIABILITIES

Particulars	March 31, 2025		March 31, 2024	
	Current	Non-current	Current	Non-current
Lease Liabilities	2,314	12,424	430	3,918
Total lease liabilities	2,314	12,424	430	3,918

22 OTHER FINANCIAL LIABILITIES - CURRENT

Particulars	March 31, 2025	March 31, 2024
Security deposits	204	200
Unpaid dividend #	74	60
Managerial Remuneration payable	1,725	1,500
Other Employee payables	2,534	2,133
Payables against capital goods	322	613
Total other financial liabilities - Current	4,859	4,506

There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at the year end.

23 OTHER CURRENT LIABILITIES

Particulars	March 31, 2025	March 31, 2024
Advance from customers	7,674	7,176
Statutory dues	3,783	2,527
Billing in excess of revenue - Contract liability	2,294	-
Total other current liabilities	13,751	9,703

24 CURRENT PROVISIONS

Particulars	March 31, 2025	March 31, 2024
Provision for employee benefits (Refer note - 40)		
Provision for compensated absences	5	28
Other Provisions		
Provision for contract liabilities	226	-
Provision for warranties	2,073	1,667
Total provisions	2,304	1,695

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

Movement in Provisions:

Particulars	Provision for contract liabilities	Provision for Warranties	Provision for Onerous contracts
Carrying amount as at March 31 2023	142	1,873	73
Provision made / increase in provision	-	2,241	-
Provision amount used during the year	(142)	(1,873)	(73)
Carrying amount as at March 31 2024	-	2,241	-
Provision made / increase in provision	-	2,339	-
Provision amount used during the year	226	(2,241)	-
Carrying amount as at March 31 2025	226	2,339	-

Refer 2.5 (k) of material accounting policies.

Provision for contract liabilities - It includes provision for possible levy of liquidated damages and other estimated costs expected to be incurred by the Company on account of potential delays in meeting the contractual obligations of the Company with regard to agreed deliveries/commissioning.

Provision for warranties - A provision for warranties relates mainly to standard warranty on sale of the products manufactured by the Company. The provision is based on technical evaluation, historical warranty data and a weighing of all possible outcomes by their associated probabilities. The timing of the outflows is expected to be within a period of one year from the date of balance sheet.

Provision for onerous contracts - The Company has entered into various contracts primarily into material handling. Provision for onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. The movement of onerous contracts is recognised in cost of material consumed (Refer note 28).

25 CURRENT TAX LIABILITIES (NET)

Particulars	March 31, 2025	March 31, 2024
Provision for tax (net of taxes paid in advance)	546	523
Total current tax liabilities (net)	546	523

26 REVENUE FROM OPERATIONS

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Sale of products (Refer note 43)		
Transmission equipment sales		
Local	1,02,644	1,12,200
Export sales	15,780	12,033
Material handling equipment		
Local	45,895	27,756
Export sales	307	2
	1,64,626	1,51,991
Sale of services		
Service charges	4,173	2,628
	4,173	2,628
Sale- Others		
	15,324	2,259
	15,324	2,259

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

(₹ in Lakhs)		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Other operating revenue		
Sale of scrap	1,450	1,249
Income from generation of electricity from renewable sources	1,165	1,426
Export incentives	374	414
	2,989	3,089
Total revenue from operations	1,87,112	1,59,967

27 OTHER INCOME

(₹ in Lakhs)		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest income (measured at amortised cost):		
- on deposits	784	1,176
- on investments	1,697	359
- on loans	-	9
- others	2	56
Dividend income:		
- From Associates	48	48
- From Others	15	39
Gain on sale of Property, plant and equipment (net)	81	261
Gain arising on financial assets at FVTPL (net)	1,003	65
Gain on sale of Investments at FVTPL (net)	104	90
Foreign exchange gain (net)	402	221
Rent income	385	329
Liabilities no longer payable written-back	133	552
Trade receivables previously written off, now recovered / advance written back	524	327
Insurance claims	-	372
Commission on Corporate Guarantee	12	29
Miscellaneous income	97	38
Total other income	5,287	3,971

28 COST OF MATERIALS CONSUMED

(₹ in Lakhs)		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Inventory at the beginning of the year	3,926	4,334
Add : Purchases during the year (See Note)	89,836	69,928
	93,762	74,262
Less : Inventory at the end of the year	4,300	3,926
Total cost of material consumed	89,462	70,336

Note:

- (i) includes ₹ 15,324 Lakhs of items traded during the current year (March 31, 2024: ₹ 2,259 Lakhs)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

29 CHANGE IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

(₹ in Lakhs)		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
(Increase) / decrease in inventories		
Opening work-in-progress	5,754	6,789
Closing work-in-progress	(7,329)	(5,754)
	(1,575)	1,035
Opening finished goods	5,561	5,303
Closing finished goods	(3,961)	(5,561)
	1,600	(258)
Total change in inventories of finished goods and work-in-progress	25	777

30 MANUFACTURING EXPENSES AND ERECTION CHARGES

(₹ in Lakhs)		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Stores, tools and spares consumed	4,493	5,807
Sub-contracting charges	5,210	3,983
Power and fuel	2,715	2,696
Erection and other charges	741	803
Other manufacturing expenses	2,378	1,808
Total manufacturing expense and erection charges	15,537	15,097

31 EMPLOYEE BENEFIT EXPENSES

(₹ in Lakhs)		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Salaries, wages and bonus	11,970	10,369
Contribution to provident fund and other funds (Refer note - 40)	385	334
Employee welfare expenses	599	349
Total employee benefit expenses	12,954	11,052

32 FINANCE COSTS

(₹ in Lakhs)		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest expenses: #		
- Interest on working capital	108	75
- Interest on lease	662	130
- Interest - others	8	157
Other borrowing costs (including guarantee charges)	215	232
Total finance costs	993	594

Interest expenses are calculated under the Effective Interest Method and measured at amortised cost.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

33 OTHER EXPENSES

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Rent (Refer note 44.2)	1,037	1,249
Rates and taxes	174	169
Duties and Fees	110	224
Insurance expense	198	298
Repairs and maintenance:		
- Building	1,918	944
- Machinery	2,963	2,483
- Others	91	132
Computer software maintenance charges	1,652	1,331
Payment to auditors:		
- Statutory Audit Fee	20	20
- For other services (Limited review, certification etc.)	21	17
- Tax Audit	4	4
- Other Services (Assurance for BRSR)	6	-
- Out of pocket expenses	2	2
Legal and professional fees	892	751
Directors sitting fees	15	14
Commission to non-executive directors	88	70
Travelling, communication and conveyance expenses	1,190	1,157
Bank charges	29	25
Packing, forwarding and distribution expenses (net of recoveries)	3,383	2,718
Commission and brokerage	5,131	4,869
Advertisements and sales promotion expenses	507	218
Warranty claims (Refer note 24)	344	881
Business Support Services	166	408
Doubtful trade receivables written off	354	904
Allowance for Expected Credit loss recognised / (reversed) (Refer note 12)	620	752
Donations	-	8
Expenditure on corporate social responsibility (Refer note - 34)	524	293
Miscellaneous expenses	1,335	1,403
Total other expenses	22,775	21,344

(i) Research and development expenditure accounted through statement of profit and loss aggregates ₹ 601 Lakhs (March 31, 2024: ₹ 375 Lakhs).

34 CORPORATE SOCIAL RESPONSIBILITY EXPENDITURE

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
(a) Amount of CSR required to be spent as per the limits of Section 135 of companies Act, 2013	519	288
(b) Amount spent during the year	524	293
(c) Shortfall at the end of the year	-	-
(d) Total of Previous Year Shortfall	-	-
(e) Reason for shortfall	Not Applicable	Not Applicable
(f) Nature of CSR activity	#	#
(g) Details of Related party transaction ##	522	291
(h) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movement in the provision during the year	Not Applicable	Not Applicable

Promoting Education and Healthcare

Contribution made to B.I. Patel Charitable Trust, a related party.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

35 EARNINGS PER SHARE

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Basic & Diluted Earning Per Share (EPS)		
a) Profit attributable to equity shareholders of the Company (₹ in Lakhs)	34,003	30,316
b) Weighted average number of equity shares outstanding during the year#	22,43,99,930	11,21,99,965
c) Earning per share (Basic and Diluted) (INR in)	15.15	13.51
d) Face value per share (INR in)	1	2

The Company has sub-divided its 11,21,99,965 Equity Shares having face value of ₹ 2 (Two) per share into 22,43,99,930 Equity Shares having face value of ₹ 1 (One) per share effective from July 19, 2024 ("Record Date"). Accordingly, earnings per share of comparative periods presented is calculated based on number of shares outstanding in respective periods, as increased due to sub-division of its equity shares.

36 TAX EXPENSES

The major component of income tax expense for the years ended March 31, 2025 and March 31, 2024 are:

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Current Tax:		
Current tax expense for current year	11,838	10,155
Current tax expense/(income) pertaining to prior years	(16)	176
(A)	11,822	10,331
Deferred Tax:		
Deferred tax expense/(income) for current year	(245)	153
Deferred tax benefit pertaining to prior years	15	(187)
(B)	(230)	(34)
Income tax expense reported in the Statement of Profit and Loss (A+B)	11,592	10,297
Other comprehensive income:		
Deferred tax charge / (credit) on remeasurements losses of defined benefit plans #	(20)	(46)
(C)		
Total tax expense (A+B+C)	11,572	10,251

Considered in tax reconciliation in A) below

Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate for the year ended March 31, 2025 and March 31, 2024:

A) Current tax

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Profit before tax	45,595	40,613
Statutory income tax rate	25.17%	25.17%
Tax using the Company's statutory tax rate	11,476	10,222
Tax effects of :		
Income exempt from tax	(37)	(41)
Tax at special rate	(10)	-
Disallowable expenses	214	97

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

(₹ in Lakhs)		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Reversal of deferred liability on indexation of land (Refer note (i) below)	(74)	(20)
Tax pertaining to Prior years	(1)	(11)
Others	5	4
	96	29
Tax expense	11,572	10,251

Notes:

- (i) At the time of transition to Indian Accounting Standards (Ind AS) with effect from April 01, 2015, the Company had recognised the fair value of its land parcels in the books of account and had also recognised corresponding deferred tax liability considering the future tax obligation that would arise upon sale of land in the expected manner in future (sale of land parcels on a piecemeal basis, delinked from the business).

B) Deferred tax

(₹ in Lakhs)					
Particulars	Balance as at March 31, 2023	Accounted through Statement of Profit and loss and OCI	Balance as at March 31, 2024	Accounted through Statement of Profit and loss and OCI	Balance as at March 31, 2025
Deferred tax assets:					
Provision for Impairment loss recognised	447	68	515	95	610
Expenditure allowable on realised basis	19	(18)	1	(1)	-
Deferred tax on long term capital loss	7	2	9	(9)	-
Deferred tax on other financing arrangement	111	(109)	2	131	133
Expenditure allowable on payment basis	(87)	(54)	(141)	53	(88)
Deferred tax expense / (income) accounted through OCI	125	46	171	20	191
Total Deferred tax assets	622		557		846
Deferred tax liabilities:					
Depreciation for tax purposes	(2,488)	128	(2,360)	114	(2,246)
Impact of fair valuation of financial assets	(741)	20	(721)	91	(630)
Deferred tax on fair value of investments/Derivatives	(13)	(3)	(16)	(244)	(260)
Total Deferred tax liabilities	(3,242)		(3,097)		(3,136)
Net deferred tax assets/(liabilities)	(2,620)	80	(2,540)	250	(2,290)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

Reconciliation of deferred tax (liabilities) / assets (net):

(₹ in Lakhs)		
Reconciliation of deferred tax assets / (liabilities), net	March 31, 2025	March 31, 2024
Balance at the beginning of the year	(2,540)	(2,620)
Tax income/(expense) during the period recognised in profit or loss	230	34
Tax income/(expense) during the period recognised in OCI	20	46
Balance at the end of the year	(2,290)	(2,540)

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

37 FINANCIAL INSTRUMENTS RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's financial liabilities comprise mainly of borrowings, trade and other payables. The Company's financial assets comprise mainly of investments, cash and cash equivalents, other balances with banks, loans, trade receivables and other receivables.

The Company is exposed to Market risk, Credit risk and Liquidity risk. The Board of the Company has constituted a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The said committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls. It also covers policies on specific risk areas such as currency risk, interest rate risk, credit risk and investment of surplus funds.

The following disclosures summarise the Company's exposure to financial risks and information regarding use of derivatives employed to manage exposures to such risks. Quantitative sensitivity analysis have been provided to reflect the impact of reasonably possible changes in market rates on the financial results, cash flows and financial position of the Company.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk includes borrowings, investments, trade payables, trade receivables and loans.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company seeks to mitigate such risk by maintaining an adequate proportion of floating and fixed interest rate borrowings. As at March 31, 2025, approximately 100% of the Company's borrowings which consist of cash credits for working capital are at fixed rate (March 31, 2024 : 100%). Summary of financial assets and financial liabilities has been provided below:

Exposure to interest rate risk

The interest rate profile of the Company's interest - bearing financial instrument as reported to management is as follows:

(₹ in Lakhs)		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Fixed-rate instruments		
Financial Assets	41,937	28,570
Financial Liabilities	-	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

(₹ in Lakhs)		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Variable-rate instruments		
Financial Assets	-	-
Financial Liabilities	331	-

Interest rate sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of change in interest rates. The following table demonstrates the sensitivity of floating rate financial instruments to a reasonably possible change in interest rates. The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

(₹ in Lakhs)	
Particulars	Impact on Profit / (loss) after tax
March 31, 2025	
Increase in 100 basis points	2
Decrease in 100 basis points	(2)
March 31, 2024	
Increase in 100 basis points	-
Decrease in 100 basis points	-

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 transacts business in foreign currencies (primarily USD, EUR and GBP). Consequently, the Company has foreign currency trade payables and receivables and is therefore exposed to foreign exchange risk. The Company manages its foreign currency risk by following policies approved by board as per established risk management policy. The carrying amounts of the Company's foreign currency denominated monetary items are as follows:

Exposure to Currency Risk:-

The summary of quantitative data about the Company's exposure to currency risk (based on notional amounts) is as follows:

(₹ in Lakhs)								
Particular	Year ended March 31, 2025				Year ended March 31, 2024			
	USD	GBP	EUR	Total	USD	GBP	EUR	Total
Financial Assets								
Trade receivables	3,379	114	278	3,771	2,452	273	620	3,345
Cash and cash equivalents	14	-	8	22	2	-	2	4
Other financial assets	-	-	-	-	-	-	-	-
Loans	0	-	-	0	-	-	-	-
Total (A)	3,393	114	286	3,793	2,454	273	622	3,349
Financial Liabilities								
Trade payables	68	-	1,539	1,607	123	-	252	375
Borrowings	-	-	-	-	-	-	-	-
Total (B)	68	-	1,539	1,607	123	-	252	375
Net exposure to foreign currency (A-B)	3,325	114	(1,253)	2,186	2,331	273	370	2,974

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

The Company is exposed to foreign currency risk on account of its receivables and payables. The functional currency of the Company is Indian Rupee. The Company has exposure to GBP, USD, EUR and other currencies. The Company has not hedged this foreign currency exposure as the Company has natural hedge for payables against receivables.

The following significant exchange rates have been applied during the year.

Rupees	Average rate		Year-end spot rate	
	As at Year ended March 31, 2025	As at Year ended March 31, 2024	As at Year ended March 31, 2025	As at Year ended March 31, 2024
USD 1	84.48	82.80	85.58	83.37
GBP 1	108.02	103.58	110.74	105.29
EUR 1	91.27	89.91	92.32	90.22

Foreign currency sensitivity

The following table demonstrate the sensitivity to a reasonably possible change in USD, EUR and GBP rates to the functional currency of respective entity, with all other variables held constant. The Company's exposure to foreign currency changes for all other currencies is not material. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

(₹ in Lakhs)									
Particular	USD			GBP			EUR		
	Change in exchange rate	Profit / (loss) before tax	Equity net of tax	Change in exchange rate	Profit / (loss) before tax	Equity net of tax	Change in exchange rate	Profit / (loss) before tax	Equity net of tax
Year ended March 31, 2025									
Strengthening	1.00%	33	25	2.00%	2	2	1.00%	(13)	(9)
Weakening		(33)	(25)		(2)	(2)		13	9
Year ended March 31, 2024									
Strengthening	1.00%	23	17	2.00%	5	4	1.00%	4	3
Weakening		(23)	(17)		(5)	(4)		(4)	(3)

(b) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk primarily trade receivables and other financial assets including deposits with banks. The Company's exposure and credit ratings of its counterparties are continuously monitored and the aggregate value of transactions is reasonably spread amongst the counterparties. Security deposits mainly includes rental deposits, earnest money deposits which are given as per contractual agreement. Contract assets mainly pertains to contracts where there has been no delay or default in the past periods.

Other financial assets

This comprises mainly of deposits with banks, investments in mutual funds, market linked debentures, other quoted instruments and other group receivables. Credit risk arising from these financial assets is limited because the counterparties are group companies, banks and recognised financial institutions and other corporates with high ratings, assigned by recognised credit rating agencies. In case of mutual fund investments, since majority of the investments are in overnight or liquid funds, having limited risk.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

Trade receivables

Customer credit risk is managed by each business unit subject to the Company's established policy and procedures. Trade receivables are non-interest bearing and generally have a credit period not exceeding 90 days. Credit limits are established for all customers based on internal rating criteria. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit. The Company has no concentration of credit risk as the customer base is widely distributed both economically and geographically.

An impairment analysis is performed at each reporting date based on the facts and circumstances existing on that date to identify expected losses on account of time value of money and credit risk. For the purposes of this analysis, the receivables are categorised into groups based on types of receivables. Each group is then assessed for impairment using the Expected Credit Loss (ECL) model as per the provisions of Ind AS 109 - Financial instruments. The calculation is based on provision matrix which considers actual historical data adjusted appropriately for the future expectations and probabilities. Receivables from group companies and secured receivables are excluded for the purposes of this analysis since no credit risk is perceived on them. Proportion of expected credit loss provided for across the ageing buckets is summarised below:

Bucket	Year ended March 31, 2025	Year ended March 31, 2024
Not due#	2.92%	3.41%
0-1 year	1.09%	2.42%
1-3 years	26.73%	9.88%
Greater than 3 years	76.76%	39.02%
Expected Credit Losses rate	4.04%	4.24%
Amount of expected credit loss provided (₹ in Lakhs)	(2,422)	(1,802)

Includes provision made for long outstanding retention money.

The loss rates are based on actual credit loss experience over past years. These loss rates are then adjusted appropriately to reflect differences between current and historical economic conditions and the Company's view of economic conditions over the expected lives of the receivables.

The following significant change in the carrying amounts of trade receivables contributed to change in the impairment loss allowance during year ended March 31, 2025:

- increase in credit impaired balances is due to additional impairment is considered for specific customers due to lapse of time in realising the receivable due.

Movement in provision of expected credit loss has been provided in Note no. 12.

(c) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including bilateral loans, debt and overdraft from both banks and financial institutions at an optimised cost.

The table below analyses non-derivative financial liabilities of the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed under the ageing buckets are the contractual undiscounted cash flows and includes contractual interest payments.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

(₹ in Lakhs)

Particular	Carrying amount	Less than 12 months	1-2 years	2-5 years	more than 5 years	Total
Year ended March 31, 2025						
Financial liabilities						
Borrowings	331	331	-	-	-	331
Trade payables	23,109	23,109	-	-	-	23,109
Other financial liabilities	4,859	4,859	-	-	-	4,859
Lease liabilities	14,738	2,314	2,475	6,326	3,623	14,738
Total	43,037	30,613	2,475	6,326	3,623	43,037
Year ended March 31, 2024						
Financial liabilities						
Borrowings	-	-	-	-	-	-
Trade payables	15,470	15,470	-	-	-	15,470
Other financial liabilities	4,506	4,506	-	-	-	4,506
Lease liabilities	4,348	430	701	761	2,456	4,348
Total	24,324	20,406	701	761	2,456	24,324

(d) Commodity price risk

Commodity price risk arises due to fluctuation in prices of steel. The Company has a risk management framework aimed at prudently managing the risk arising from the volatility in the commodity prices and freight costs. The Company's commodity risk is managed through well-established control processes.

(e) Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The Company has adequate cash and bank balances and no interest bearing liabilities. The Company monitors its capital by a careful scrutiny of the cash and bank balances, and a regular assessment of any debt requirements. In the absence of any interest bearing debt, the maintenance of debt equity ratio etc. is not of relevance to the Company.

(₹ in Lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest-bearing loans and borrowings (note 17 and 21)	331	-
Less: cash and cash equivalents (note 13)	(9,312)	(2,770)
Adjusted net debt	(8,981)	(2,770)
Equity share capital (note 15)	2,244	2,244
Other equity (note 16)	1,63,083	1,32,507
Total equity	1,65,327	1,34,751
Adjusted net debt to total equity ratio	(0.05)	(0.02)

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2025 and March 31, 2024.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

38 FAIR VALUE MEASUREMENTS

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

As at March 31, 2025:

(₹ in Lakhs)

Particulars					Fair Value			
	FVTPL	FVTOCI	Amortised cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Investments (Note 1 below)	42,529	-	0	42,529	42,529	-	0	42,529
Trade receivables	-	-	57,508	57,508	-	-	-	-
Cash and cash equivalents	-	-	9,312	9,312	-	-	-	-
Other bank balance	-	-	7,101	7,101	-	-	-	-
Other financial assets	-	-	1,420	1,420	-	-	-	-
Total Financial assets	42,529	-	75,341	1,17,870	42,529	-	0	42,529
Borrowings	-	-	331	331	-	-	-	-
Trade payable	-	-	23,109	23,109	-	-	-	-
Other financial liabilities	-	-	4,859	4,859	-	-	-	-
Lease liabilities	-	-	14,738	14,738	-	-	-	-
Total Financial liabilities	-	-	43,037	43,037	-	-	-	-

As at March 31, 2024:

(₹ in Lakhs)

Particulars					Fair Value			
	FVTPL	FVTOCI	Amortised cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Investments (Note 1 below)	22,351	-	0	22,351	22,351	-	0	22,351
Trade receivables	-	-	40,653	40,653	-	-	-	-
Cash and cash equivalents	-	-	2,770	2,770	-	-	-	-
Other bank balance	-	-	8,865	8,865	-	-	-	-
Other financial assets	-	-	6,158	6,158	-	-	-	-
Total Financial assets	22,351	-	58,446	80,797	22,351	-	0	22,351
Borrowings	-	-	-	-	-	-	-	-
Trade payables	-	-	15,470	15,470	-	-	-	-
Other financial liabilities	-	-	4,506	4,506	-	-	-	-
Lease liabilities	-	-	4,348	4,348	-	-	-	-
Total Financial liabilities	-	-	24,324	24,324	-	-	-	-

Note 1 Investments in associates and subsidiaries have been accounted at historical cost. Since these are scoped out of Ind AS 109 for the purposes of measurement, the same have not been disclosed in the tables above. Investments in unquoted equity shares of entities other than subsidiaries and associates have been designated as FVTPL. However, investments in equity shares on disposal will fetch only the principal amount invested and hence the Company considers cost and fair value to be the same.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

Fair value of financial assets and liabilities measured at amortised cost is not materially different from the amortised cost. Further, impact of time value of money is not significant for the financial assets and liabilities classified as current. Accordingly, the fair value has not been disclosed separately.

B. Measurement of fair values

i) Valuation techniques and significant unobservable inputs

The carrying amounts of financial assets and liabilities other than those valued at Level 1 and Level 2 are considered to be the same as their fair values due to the current and short term nature of such balances and no material differences in the values.

Fair value of borrowing is computed using the market comparison technique where information for the interest rate at which a borrowing can be availed by company is used to arrive at fair value of borrowing. Further management measurement of fair value is not materially different from the amortised cost in these case significant unobservable inputs and inter relationship between significant unobservable inputs and fair value measurement is not applicable.

The Company's investments on disposal will fetch only the principal amount invested and hence the Company considers cost and fair value to be the same for investments in equity shares of ₹ 0.15 Lakhs (March 31, 2024: ₹ 0.15 Lakhs).

ii) Levels 1, 2 and 3

Level 1 : It includes Investment in equity shares and mutual funds that have a quoted price and which are actively traded on the stock exchanges. It is valued using the closing price as at the reporting period on the stock exchanges.

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

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

C. Fair value through profit and loss - in unquoted equity shares:

i) Transfers between Levels 1 and 2

There have been no transfers between Level 1 and Level 2 during the reporting periods.

ii) Level 3 fair values

Movements in the values of unquoted equity instruments for the year ended March 31, 2025 and March 31, 2024 is as below:

(₹ in Lakhs)

Particulars	Total
As at March 31, 2023	59
Acquisitions/ (disposals)	(51)
Gains/ (losses) recognised in other comprehensive income	-
Gains/ (losses) recognised in statement of profit or loss	(8)
As at March 31, 2024	-
Acquisitions/ (disposals)	-
Gains/ (losses) recognised in other comprehensive income	-
Gains/ (losses) recognised in statement of profit or loss	-
As at March 31, 2025	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

39. RELATED PARTY DISCLOSURES

As per the Ind AS - 24 Related Party Disclosures, the details are as under

A) Name of the related parties and nature of relationships :

a) Ultimate Holding company : Aakaaish Investments Private Limited

b) Entity with control over the Company : Lotus Trust

c) Wholly owned Subsidiary Companies:

- (i) Radicon Transmission UK Limited, U.K.
- (ii) Elecon Singapore Pte. Limited, Singapore
- (iii) Elecon Middle East FZCO, Dubai

d) Wholly owned Step-down Subsidiaries:

- (i) Benzlers Systems AB, Sweden
- (ii) AB Benzlers, Sweden
- (iii) Radicon Drive Systems, Inc., USA
- (iv) Benzlers Transmission A.S., Denmark
- (v) Benzlers Antriebstechnik GmbH, Germany
- (vi) Benzlers TBA B.V., Netherlands
- (vii) OY Benzlers AB, Finland
- (viii) Benzlers Italia s.r.l., Italy
- (ix) Elecon Radicon Africa (Pty) Limited, South Africa

e) Associates:

- (i) Eimco Elecon (India) Limited, India
- (ii) Elecon Australia Pty. Limited, Australia
- (iii) Elecon Africa Pty. Limited, Africa
- (iv) Elecon Engineering (Suzhou) Co. Limited, China

Note:

The Company is in process of seeking RBI approval for liquidating its 3 associates namely Elecon Australia Pty. Limited, Elecon Africa Pty. Limited and Elecon Engineering (Suzhou) Co. Limited, China. There are no transactions in these 3 associate companies and there are no assets or liabilities pertaining to these associates.

f) Key managerial personnel:

- (i) Mr Prayasvin B. Patel - Chairman and Managing Director
- (ii) Mr Prashant C. Amin - Non-Executive Director
- (iii) Mr. Aayush Shah - Non-Executive Director
- (iv) Mr Pradip M. Patel - Director
- (v) Dr. Sonal V Ambani - Independent Director

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

- (vi) Mr. Pranav C. Amin - Independent Director
- (vii) Mr. Ashutosh Pednekar- Independent Director
- (viii) Mr. Nirmal P. Bhogilal - Independent Director(w.e.f. April 01, 2024)
- (ix) Mr Narasimhan Raghunathan- Chief Financial Officer
- (x) Mrs. Bharti L Isarani- Company Secretary

g) Relatives of Key managerial personnel:

- (i) Mrs. Taruna Patel
- (ii) Ms. Akanksha Patel
- (ii) Ms. Aishwarya Patel
- (iii) B. I. Patel HUF (Karta)
- (iv) Mrs. Trupti Pradip Patel

h) Entities forming part of the same group (with whom transaction undertaken during the year or previous year):

- (i) Radicon Transmission FZE, Dubai
- (ii) Radicon Transmission (Thailand) Limited, Thailand
- (iii) Radicon Transmission (Australia) Pty Limited, Australia
- (iv) Prayas Engineering Limited
- (v) K. B. Investments Private Limited
- (vi) Elecon Information Technology Limited
- (vii) Tech Elecon Private Limited
- (viii) Emtici Engineering Limited
- (ix) Akaaish Printing Press Private Limited (formerly known as Speciality Woodpack Private Limited)
- (x) Power Build Private Limited
- (xi) Elecon Hydraulics Private Limited
- (xii) Akaaish Mechatronics Limited
- (xiii) Aisho Tours and Travels Limited (Formerly known as Wizard Fincap Limited) (upto October 22, 2024)
- (xiv) Eimco Elecon Electricals Limited
- (xv) Elecon Peripherals Limited
- (xvi) Emtici Marketing LLP
- (xvii) Modsonic Instruments Manufacturing Company Private Limited
- (xviii) Bipra Investments And Trusts Private Limited
- (xix) Vijay M. Mistry Construction Private Limited
- (xx) Naman Integrated Management Services Pvt. Ltd.
- (xxi) B.I. Patel Charitable Trust
- (xxii) Jamko Consultants Private Limited (upto September 24, 2024)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

i) Other related parties:

(a) Post employment benefit plan:

- (i) Elecon Engineering Company Limited Employees Group Gratuity Fund
- (ii) Elecon Engineering Company Limited Employees Superannuation Scheme

(b) Directors and/or their relatives are interested:

- (i) Packme Industries Private Limited
- (ii) Darshan Chemicals
- (iii) United Marketing Company
- (iv) Desmin Agencies
- (v) Desai & Diwanji

B) Terms and conditions of transactions with related parties

Transactions with key management personnel

Compensation of key management personnel of the Company

Particulars	Year Ended	
	March 31, 2025	March 31, 2024
Remuneration		
- Mr. Prayasvin B. Patel	2,261	1,937
- Mr. Narasimhan Raghunathan	67	57
- Mrs. Bharti L Isarani	28	23
Commission and sitting fees to Independent directors and non-executive directors	102	84
Total compensation paid to key management personnel	2,458	2,101

Key Managerial Personnel who are under the employment of the Company are entitled to post employment benefits and other long term employee benefits recognised as per Ind AS 19 - Employee Benefits in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

Particulars	Holding Company		Associate		Subsidiaries		Key Managerial Personnel		Relatives of Key managerial personnel		Entities forming part of the same group		Other related parties		Total	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
Income:																
Sale of goods and rendering of services	-	-	-	-	9,867	9,867	-	-	-	-	1,507	2,095	372	-	13,521	13,025
Sale of scrap	-	-	-	-	-	-	-	-	-	-	44	21	-	-	44	21
Sales of plant and equipment	-	-	-	-	22	22	-	-	-	-	12	10	-	-	12	32
Interest Income	-	-	-	-	9	9	-	-	-	-	-	-	-	-	-	9
Corporate Guarantee Commission	-	-	-	-	29	29	-	-	-	-	-	-	-	-	12	29
Dividend income	-	-	-	-	48	48	-	-	-	-	90	34	-	-	48	82
Reimbursement of Expense	-	-	-	-	497	497	-	-	-	-	234	76	-	-	518	573
Rent Income	-	-	-	-	35	35	-	-	-	-	-	199	-	-	269	234
Expense:																
Purchase of goods and availment of services	-	-	86	115	814	814	-	-	-	-	11,741	7,514	72	-	12,040	8,490
Purchase of plant and equipment	-	-	8	-	-	-	-	-	-	-	542	1,908	-	-	550	1,908
Remuneration expense	-	-	-	-	-	-	-	2,101	-	-	-	-	-	-	2,483	2,101
Repairs & Maintenance Charges	-	-	-	-	-	-	-	2,458	-	-	1,928	1,828	-	-	1,928	1,828
Software Service Charges	-	-	-	-	-	-	-	-	-	-	1,711	1,243	-	-	1,711	1,243
Other Expenses	-	-	-	-	174	174	-	-	-	-	894	1,304	-	1	1,095	1,479
Rent Expense	-	-	5	5	80	80	-	75	-	-	931	1,060	-	-	1,036	1,140
Commission expense on Sales	-	-	-	-	-	-	-	62	-	-	291	293	-	-	72	80
Dividend paid	1,569	1,569	-	-	-	-	91	75	-	-	-	-	-	-	1,997	2,000
Contribution made to post employment defined plans trust	-	-	-	-	-	-	-	-	-	-	-	-	141	-	172	141
Contribution made towards CSR activities	-	-	-	-	-	-	-	-	-	-	522	291	-	-	522	291
Other Transactions:																
Loans repaid by Related party	-	-	-	-	889	889	-	-	-	-	-	-	-	-	-	889
Donation Paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8
Deposit Refund Received	-	-	-	-	-	-	-	-	-	-	-	8	-	-	8	21
Rent Deposit Paid	-	-	-	-	-	-	-	-	-	-	-	50	-	-	-	50

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

Particulars	Holding Company		Associate		Subsidiaries		Key Managerial Personnel		Relatives of Key managerial personnel		Entities forming part of the same group		Other related parties		Total	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
Outstanding balances:																
Assets:																
Trade receivables	-	-	-	322	77	2,736	3,020	-	-	-	128	775	-	-	3,186	3,872
Loan receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Liabilities:																
Trade payables	-	-	-	28	20	73	125	-	-	-	1,440	1,277	-	-	1,541	1,422
Advance received	-	-	-	-	-	-	7	-	-	-	-	-	-	-	-	7
Guarantees:																
Guarantee taken	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Guarantee given	-	-	-	-	-	-	1,564	-	-	-	-	-	-	-	-	1,564

Notes:

1. All the above expenses reported here are net of GST.
2. The Company had written off investments and loans outstanding from the 3 associates namely Elecon Australia Pty. Limited, Elecon Africa Pty. Limited and Elecon Engineering (Suzhou) Co. Limited in the financial year 2011-2012 amounting to ₹ 1,071 Lakhs.
3. Separate disclosure u/s 186(4) of The Companies Act, 2013 and Disclosure as per Regulation 53(F) of SEBI (Listing Obligations And Disclosure Requirements) Regulations:

Loans and advances in the nature of loans given to subsidiaries and taken from the firms/companies in which directors are interested:

Name of the Party	Relationship	Amount outstanding as at		Maximum balance outstanding during the year	
		March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Radicon Transmission UK Limited	Wholly owned subsidiary	-	-	-	889

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

40 DISCLOSURE PURSUANT TO EMPLOYEE BENEFITS

A. Defined contribution plans:

Amount of ₹ 385 Lakhs (March 31, 2024: ₹ 334 Lakhs) is recognised as expenses and included in Note No. 31 “Employee benefits expense”

Particulars	(₹ in Lakhs)	
	As at March 31, 2025	As at March 31, 2024
Provident fund and Pension Scheme	381	328
Superannuation fund	4	6
	385	334

B. Defined benefit plans:

The Company has following post employment benefits which are in the nature of defined benefit plans:

(a) Gratuity

The Company operates gratuity plan wherein every employee is entitled to the benefit as per scheme of the Company, for each completed year of service. The same is payable on retirement or termination whichever is earlier. The benefit vests only after five years of continuous service.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

March 31, 2025 : Changes in defined benefit obligation and plan assets

Particulars	April 1, 2024	Gratuity cost charged to statement of profit and loss		Transfer in/ Transfer Out liability/ asset	Benefit paid	Remeasurement (gains)/losses in other comprehensive income					Contributions by employer	March 31, 2025
		Service cost	Net interest expense			Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in other comprehensive income		
Gratuity												
Defined benefit obligation	1,517	120	109	229	(52)	-	-	45	26	71	-	1,763
Fair value of plan assets	(1,517)	-	(109)	(109)	52	9	-	-	-	9	(212)	(1,777)
Benefit liability	-	120	(0)	120	(3)	9	-	45	26	81	(212)	(14)
Total benefit liability	-	120	(0)	120	(3)	9	-	45	26	81	(212)	(14)

March 31, 2024 : Changes in defined benefit obligation and plan assets

Particulars	April 1, 2023	Gratuity cost charged to statement of profit and loss		Transfer in/ Transfer Out liability/ asset	Benefit paid	Remeasurement (gains)/losses in other comprehensive income					Contributions by employer	March 31, 2024
		Service cost	Net interest expense			Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in other comprehensive income		
Gratuity												
Defined benefit obligation	1,271	91	96	187	(75)	-	-	87	44	131	-	1,517
Fair value of plan assets	(1,287)	-	(97)	(97)	74	50	-	-	-	50	(257)	(1,517)
Benefit liability	(16)	91	(1)	90	(1)	50	-	87	44	181	(257)	-
Total benefit liability	(16)	91	(1)	90	(1)	50	-	87	44	181	(257)	-

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

The major categories of plan assets of the fair value of the total plan assets of Gratuity are as follows:

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Insurance Fund	100%	100%
(%) of total plan assets		

The principal assumptions used in determining above defined benefit obligations for the Company's plans are shown below:

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Discount rate	6.84%	7.20%
Future salary increase		
For 1st year	9.00%	9.00%
For 2nd to 3rd year	9.00%	9.00%
Starting from 3rd year	9.00%	9.00%
Expected rate of return on plan assets	6.84%	7.20%
Employee turnover rate	6.00%	6.00%
Mortality rate during employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)

Gratuity

Particulars	Sensitivity level	(₹ in Lakhs)	
		(Increase) / Decrease in defined benefit obligation (Impact)	
		Year ended March 31, 2025	Year ended March 31, 2024
Discount rate	1% increase	(121)	(102)
	1% decrease	139	117
Salary Increase	1% increase	117	105
	1% decrease	(111)	(97)
Employee Turnover	1% increase	(18)	(13)
	1% decrease	20	15

(b) Leave obligations -Unfunded

The actuarial liability towards leave obligations as at March 31, 2025 is ₹ 13 Lakhs (March 31, 2024 is ₹ 29 Lakhs). Current year charge is included in Employee benefit expense (Refer note 31)

(c) Effect of Plan on Entity's Future Cash Flows

(i) Funding arrangements and Funding Policy

The Company has purchased an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company.

(ii) Expected Contribution during the next annual reporting period

The Company's best estimate of contribution during the next year is ₹ 131 Lakhs (As at 31st March 2024 is ₹ 120 Lakhs)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

(iii) Expected cash flows over the next years (valued on undiscounted basis):

Weighted average duration (based on discounted cash flows)

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
1 year	232	187
2 to 5 year	563	516
6 to 10 year	670	571
More than 10 year	1,835	1,649

41 CONTINGENT LIABILITIES AND COMMITMENTS

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
I Contingent liabilities:		
(a) Claims against the Company not acknowledged as debt #:		
(i) Disputed with Excise and Service tax authority: [FY 2024-25 : Amount deposited : ₹ 249 Lakhs , Net ₹ 4,681 Lakhs] [FY 2023-24 : Amount deposited : ₹ 317 Lakhs , Net ₹ 4,688 Lakhs]	4,930	5,005
(ii) Disputed with Sales tax authority: [FY 2024-25 : Amount deposited : ₹ NIL Net ₹ 12 Lakhs] [FY 2023-24 : Amount deposited : ₹ NIL Net ₹ 12 Lakhs]	12	12
(iii) Disputed with GST tax Authority: [FY 2024-25 : Amount deposited : ₹ 94 Lakhs , Net ₹ 947 Lakhs] [FY 2023-24 : Amount deposited : ₹ 93 Lakhs , Net ₹ 952 Lakhs]	1,041	1,045
(iv) Disputed with Income tax authority: [FY 2024-25 : Amount deposited : ₹ 1,174 Lakhs , Net ₹ 2,518 Lakhs] [FY 2023-24 : Amount deposited : ₹ 1,174 Lakhs , Net ₹ 2,959 Lakhs]	3,692	4,133
(v) Dispute raised by Income Tax Department against the Company with the higher authorities	1,021	961
(b) Guarantees:		
Corporate Guarantee provided to Swedish Pension Authority to the tune of SEK NIL (March 31, 2024: SEK 20 Million) as a security for the purchase of pension insurances relating to the pension commitments on behalf of AB Benzlers Sweden, a step-down subsidiary of Radicon Transmission UK Limited, UK, a Wholly-owned Subsidiary of the Company.	-	1,564
II Commitments:		
Estimated amount of contracts remaining to be executed on account of capital goods and not provided for (net of capital advance)	7,315	15,764

Future cash outflows are determinable only on receipt of judgements/ decisions pending with various forums/ authorities. It is not practical to disclose possibility of any reimbursement.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

42 SEGMENT REPORTING

The Company publishes these Standalone financial statements along with the Consolidated Financial Statements. In accordance with Ind AS 108, Operating Segments, the Company has disclosed the segment information in the Consolidated Financial Statements.

43 DISCLOSURES PURSUANT TO INDIAN ACCOUNTING STANDARD (IND AS) 115, REVENUE FROM CONTRACTS WITH CUSTOMERS:

a Disaggregation of revenue

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
(i) Revenue from long-term construction contracts (revenue recognised over time)	23,753	560
(ii) Revenue other than considered in (i) above (revenue recognised at point in time)	1,60,370	1,56,318
Revenue from operations (excluding Other operating Revenues) (Refer note 26)	1,84,123	1,56,878

The Company believes that the information provided under Note 26 and Note 43, is sufficient to meet the disclosure requirements with respect to disaggregation of revenue under Ind AS 115, *Revenue from Contracts with Customers*.

b Reconciliation of the amount of revenue recognised in the standalone statement of profit and loss with the contracted price:

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Revenue as per contracted price	1,83,275	1,57,365
Adjustments		
Variable consideration (deducted)/recovered on account of liquidated damages	848	(487)
Revenue from contract with customers (excluding Other operating Revenues) (Refer note 26)	1,84,123	1,56,878

c Contract balances:

The following table provides information about receivables, contract assets and contract liabilities from the contracts with customers.

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Trade receivables	57,508	40,653
Contract assets	434	31
Contract liabilities		
Billing in excess of revenue	2,294	-
Advance from customers	7,674	7,176
Revenue recognised from opening balance of contract liability (net)	-	-
Revenue recognised in the reporting year from performance obligations satisfied (or partially satisfied) in previous years	-	-

Note: Number of customers individually accounted for more than 10% of the revenue in the year ended March 31, 2025: NIL (March 31, 2024: NIL)

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

d Unsatisfied performance obligations

The Company applies the practical expedient in Paragraph 121 of Ind AS 115 and does not disclose information about remaining performance obligations where the Company has a right to consideration from the customer in an amount that corresponds directly with the value to the customer of the Company's performance completed to date. Accordingly, the Company recognises revenue by an amount to which the Company has a right to invoice.

44 LEASE TRANSACTIONS

The Company has elected below practical expedients while applying Ind AS 116:

- Applied a single discount rate to a portfolio of leases with reasonably similar characteristics.
- Applied the exemption not to recognise right of use assets and lease liabilities with less than 12 months of lease term on the date of initial application.
- Excluded the initial direct costs from the measurement of right of use asset at the date of initial application.

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified assets for a period of time in exchange for consideration.

The Company has elected not to apply the requirements of Ind AS 116 to short term leases of all the assets that have a lease term of twelve months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight line basis over the lease term. The incremental borrowing rate applied to lease liabilities as at 1st April, 2024 is 14.50%, 8.00% and 8.5% for Lease Arrangements of current year.

44.1 As a Lessee - Movement in Lease liabilities

(₹ in Lakhs)		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Balance as at April 01, 2024	4,348	1,594
New lease contracts entered during the year	16,022	2,931
Finance costs incurred during the year	662	130
Lease contracts terminated during the year	(4,842)	(13)
Payments of lease liabilities	(1,452)	(294)
Balance as at March 31, 2025 (Refer note 21)	14,738	4,348
Maturity analysis - Undiscounted cash flows		
Less than one year	3,335	724
1-2 years	3,341	944
2-5 years	7,786	2,004
More than five years	7,687	4,363

44.2 Amounts recognised in Statement of Profit and Loss

(₹ in Lakhs)		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest on lease liabilities	662	130
Expenses relating to short-term leases	910	1,193
Expenses relating to leases of low value assets	127	56

NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

44.3 As a Lessor

Lease income from lease contracts in which the Company acts as a lessor is as below:

(₹ in Lakhs)		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Operating Lease	385	329
Maturity analysis - Undiscounted cash flows		
Less than one year	159	132
1-2 years	119	92
2-5 years	398	316
More than five years	256	375

The Company has classified these leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets.

45 DISCLOSURE AS PER SEC 186(4) OF THE COMPANIES ACT, 2013

The details of loans, guarantees and investments under Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are as follows:

- Details of Investments made are disclosed in Note No. 6
- Corporate Guarantees given by the Company in respect of loans as at March 31, 2025 are as under:

(₹ in Lakhs)			
Sr. No.	Particulars	Relationship	Year ended March 31, 2025
1	AB Benzlers Sweden	Step-down subsidiary	-
			2,375

The above Corporate Guarantee is given for business purpose.

46 OTHER DISCLOSURES WITH RESPECT TO SCHEDULE III

- The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- The Company is not declared as wilful defaulter by any bank or financial Institution or other lender.
- There is no Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013
- The Company has no such 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.)
- The Company have not traded or invested in Crypto currency or Virtual Currency during the year.
- The Company does not have any transactions with companies struck off except as mentioned below:

Sr. No.	Name of the Struck off company	Nature of Transaction	Balance Outstanding	Relationship with the struck off company, if any, to be disclosed
(i)	Vaishak Shares Limited	Dividend payment	NIL	Shareholder
(ii)	Dreams Broking Private Limited	Dividend payment	NIL	Shareholder
(iii)	Adarsh Textile Industries Pvt. Ltd.	Dividend payment	NIL	Shareholder
(iv)	Nitin Commercials Private Limited	Dividend payment	NIL	Shareholder

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

- (g) The Company does not have any charges or satisfaction which is yet to be registered with Registrars of Companies beyond the statutory period.
- (h) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- (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.
- (i) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

47 The Standalone financial statements were authorised by the Board of Directors at its Board meeting held on April 24, 2025.

As per our report of even date attached

For **CNK & Associates LLP**
Chartered Accountants
Firm's Registration No : 101961W/W-100036

Himanshu Kishnadwala
Partner
Membership No: 037391

For and on behalf of the Board of Directors
Elecon Engineering Company Limited
CIN: L29100GJ1960PLC001082

Prayasvin Patel
Chairman & Managing Director
DIN : 00037394

Narasimhan Raghunathan
Chief Financial Officer

Ashutosh Pednekar
Director
DIN : 00026049

Bharti Isarani
Company Secretary

Place : Vallabh Vidyanagar
Date : April 24, 2025

Place : Vallabh Vidyanagar
Date : April 24, 2025

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

Ratios	Numerator	Denominator	FY 2024-25	FY 2023-24	% Variance	Reason for variance
Current Ratio	Current Asset	Current Liabilities	2.90	2.92	(0.8%)	
Debt-equity ratio	Total Debt ⁽¹⁾	Shareholders Equity	0.09	0.03	(182.5%)	Increased mainly on account of new lease agreement entered into by the Company.
Debt Service Coverage Ratio	Earnings available for debt service ⁽²⁾	Debt Service ⁽³⁾	14.20	44.27	(67.9%)	Reduced due to increased finance cost, Scheduled principal repayment of non-current borrowings and Current maturity of lease liabilities
Return on Equity Ratio	Net profit after Taxes-Preference dividend (if any)	Average Shareholders Equity	22.7%	25.0%	(9.3%)	
Inventory turnover ratio	Sales	Average Inventory	11.71	9.70	20.7%	
Trade Receivables turnover ratio	Net Credit Sales	Average account Receivable	3.81	4.53	(15.9%)	
Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	4.66	4.66	0.0%	
Net capital turnover ratio	Net Sales	Working Capital	2.09	2.57	(18.9%)	
Net profit ratio	Net Profit	Net Sales	18.17%	18.95%	(4.1%)	
Return on Capital employed	Earning before interest and taxes	Capital Employed ⁽⁴⁾	27.74%	30.01%	(7.6%)	
Return on investment	Income generated from invested funds ⁽⁵⁾	Average Invested funds in Treasury investments ⁽⁶⁾	7.04%	6.88%	2.2%	

⁽¹⁾ Total Debt represents Current Borrowings + Non Current Borrowings + Lease liabilities.

⁽²⁾ Earnings available for debt service represents Profit Before Tax + Interest on Debt + Depreciation

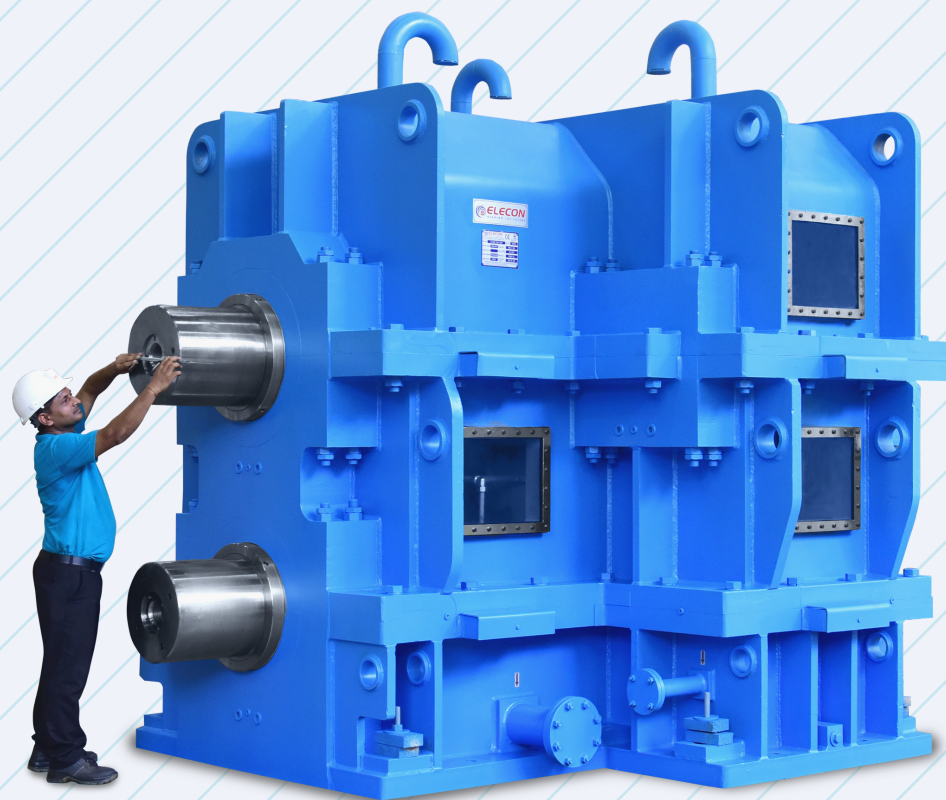
⁽³⁾ Debt Service represents Interest on Debt + Scheduled principal repayment of non-current borrowings + Current maturity of lease liabilities

⁽⁴⁾ Capital Employed represents Total Equity + Borrowings + Deferred Tax liabilities

⁽⁵⁾ Income generated from invested funds represents Interest Income

⁽⁶⁾ Average Invested funds in Treasury investments represents Average Fixed deposits of two years

Consolidated Financial Statements



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF ELECON ENGINEERING COMPANY LIMITED

Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the accompanying Consolidated Financial Statements of Elecon Engineering Company Limited ("the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate comprising of the Consolidated Balance Sheet as at March 31, 2025, the Consolidated Statement of Profit and Loss, including Other Comprehensive Income, the Consolidated Statement of Cash Flow and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the Consolidated Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and associate, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended ("Ind AS") and accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at March

31, 2025, their consolidated profit and other comprehensive income, consolidated cash flows and the consolidated changes in equity for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group and its associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the independence requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Consolidated Financial Statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. no.	Key Audit Matters	Auditor's Response
1.	Related party transactions The Company has undertaken several transactions with its related parties. These include sale of goods, purchase of goods and availing /rendering of services from/to related parties. We identified related party transactions as a key audit matter due to significance of related party transactions, increased regulatory compliances and risk of such transactions remaining undisclosed in the financial statements.	We applied the following audit procedures among others, to obtain sufficient and appropriate audit evidence: • Obtained and read the Company's policies, processes and procedures in respect of identifying related parties, obtaining approval, determining whether the same are at Arm's Length basis, recording and disclosure of related party transactions; • Read minutes of shareholder meetings, board meetings, audit committee meetings and reports of Internal Auditors regarding Company's assessment of related party transactions being in the ordinary course of business and at arm's length; • Tested, on a sample basis, related party transactions with the underlying contracts, confirmations and other supporting documents; • Verified the related party information disclosed in the financial statements as per the relevant Indian accounting standards with the underlying supporting documents, on a sample basis.

INDEPENDENT AUDITORS' REPORT (CONTD.)

Sr. no.	Key Audit Matters	Auditor's Response
2.	Allowance for Expected credit loss on trade receivables. Evaluation of trade receivables for impairment or Expected Credit loss (ECL) requires exercise of judgement and involves consideration of various factors. These factors include customer's ability and willingness to pay the outstanding amounts, past due receivables, financial and economic difficulties of customers; This assessment is done for each group of customers resulting from possible defaults over the expected life of the receivables. Based on this assessment, credit loss rate is determined in provision matrix. The credit loss rate is based on the experience of actual credit losses over past years adjusted to reflect the current economic conditions and forecasts of future economic conditions. Based on such credit loss rate, the Company records ECL allowance for trade receivables. In view of the above, we have considered measurement of ECL on trade receivables (including retention monies) as a key audit matter.	We applied the following audit procedures among others, to obtain sufficient and appropriate audit evidence: • Evaluating the accounting policy for impairment of trade receivables in terms of the relevant Indian accounting standard; • Testing the design, implementation and operating effectiveness of the Company's key internal financial controls. These controls relate to measurement of ECL on trade receivables. • Evaluated monitoring mechanism by the company related to credit control, collection of trade receivables, follow up for past due amounts and for identification and recognition of corresponding impairment losses; • For past due receivables, we examined the ageing of receivables, impairment losses provided/ reversed during the year and compared them to historical experience; • Evaluating the Company's assessment regarding credit worthiness of such customers and identification of the credit impaired customers; • Balance confirmation requests were circulated to some of the customers, selected basis random sampling; • We evaluated the historical credit loss experience, current observable data and forward-looking outlook including subsequent realisation; • Assessing the adequacy of the related disclosures in the Financial Statements with reference to the relevant Indian accounting standards.

INFORMATION OTHER THAN THE CONSOLIDATED FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Holding Company's Management and Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to that Board's Report, Business Responsibility and Sustainability Report, Corporate Governance and Shareholder's Information, but does not include Financial Statements, and our auditor's report thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information 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 during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Management and Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation and presentation of these Consolidated Financial Statements that give a true and fair view of the consolidated state of affairs, consolidated profit/loss and other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associate 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 and of its associate are responsible for maintenance

INDEPENDENT AUDITORS' REPORT (CONTD.)

of adequate accounting records in accordance with the provisions of the Act, for safeguarding of the assets of the Group and of its associate and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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's, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Management and Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of the Group and of its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Management and Board of Directors of the companies included in the Group and of its associate are also responsible for overseeing the financial reporting process of the Group and of its associate.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

As part of an audit in accordance with SAs, we exercise professional judgement 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 controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management's and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statement and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate of which we are the independent auditors and whose financial information we have audited, 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.

INDEPENDENT AUDITORS' REPORT (CONTD.)

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.

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

We communicate with those charged with governance 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 MATTERS

a) The Consolidated Financial Statements include the Group's share of net profit after tax of ₹ 813 Lakhs, total comprehensive income of ₹ 817 Lakhs for the year ended March 31, 2025 as considered in the Consolidated Financial Statements, in respect of an associate, whose financial statements, other financial information have been audited by other auditors and whose report has been furnished to us by the management. Our opinion on the Consolidated

Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this associate and our report in terms of sub-sections (3) and (11) of section 143 of the Act, in so far as it relates to associate, is based solely on the report of such other auditors;

b) We did not audit the financial statements and other financial information, in respect of Six subsidiaries (including three step down subsidiaries) whose Financial Statements and other financial information as applicable, include before consolidation adjustments, total assets of ₹ 59,213 Lakhs as at March 31, 2025 and total revenues of ₹ 33,713 Lakhs, total net profit after tax of ₹ 4,021 Lakhs, total comprehensive income of ₹ 4,046 Lakhs for the year ended March 31, 2025 and net cash inflow of ₹ 1,099 Lakhs for the year ended March 31, 2025. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. 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-sections (3) and (11) of section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of such other auditors.

These Subsidiaries and Step-down Subsidiaries are located outside India whose financial statement and financial information have been prepared in accordance with accounting principles generally accepted in the respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of these subsidiaries and Step-down Subsidiaries from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. Our opinion in so far as it relates to the balances and affairs of these subsidiaries is based on the reports of other auditors and the conversion adjustments prepared by the management of the Company

c) The accompanying Consolidated Financial Statements include unaudited financial statements and other unaudited financial information in respect of Six step down subsidiaries which have not been audited by us, whose Consolidated Financial Statements and other financial information before consolidation adjustments reflect total assets of ₹ 10,755 Lakhs as at March 31, 2025, total revenues of ₹ 17,142 Lakhs, total net profit

after tax of ₹ 1,386 Lakhs, total comprehensive income of ₹ 1,422 Lakhs for the year ended March 31, 2025 and net cash outflow of ₹ 54 Lakhs for the year ended on that date. These unaudited financial statements and other unaudited financial information have been approved and furnished to us by the management. Our opinion, in so far as it relates to the amounts and disclosures included in respect of the aforesaid subsidiary and our report in terms of sub-sections (3) and (11) of section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on such unaudited financial statements and other unaudited financial information.

d) The statement also includes the Group's share of net profit after tax of ₹ Nil and total comprehensive income of ₹ Nil for the year ended March 31, 2025, as considered in the Consolidated Financial Statements, in respect of three associates for which based on information and explanation given to us by Holding Company's management there are no transactions and the same are under Liquidation.

Our opinion on the Consolidated Financial Statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the matters covered in paragraph a) and b) above with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management as referred in c) and d) above;

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and associate, as noted in the 'Other Matters' paragraph we report, to the extent applicable, that:

- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements;
- In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and reports of the other auditors (Also refer our comments in para 1(h)(vi));

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flow and the Consolidated Statement of Changes in Equity 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 Indian Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2025 taken on record by the Board of Directors of the Holding Company and based on the considerations of the report of the statutory auditors of its associates, incorporated in India, none of the directors of the Holding Company and its associate incorporated in India are disqualified as on March 31, 2025 from being appointed as a director in terms of section 164(2) of the Act;

f) With respect to the adequacy of the internal financial controls with reference to Consolidated Financial Statements of the Holding Company and its associate incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Holding Company and its associate incorporated in India;

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of auditors' reports of the Holding Company and its associate incorporated in India, the remuneration paid by the Holding Company and its associate incorporated in India to their directors during the year is in accordance with the provisions of section 197 of the Act;

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014,

INDEPENDENT AUDITORS' REPORT (CONTD.)

as amended, 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 report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and associate, as noted in the 'Other Matters' paragraph:

- i. The Consolidated Financial Statements disclose the impact of pending litigations on its consolidated financial position of the Group and its associate in its Consolidated Financial Statements – Refer note no. 42 to the Consolidated Financial Statements;
- ii. Provision has been made in the Consolidated Financial Statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts to the extent entered by the Group and its associate;
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its associate incorporated in India;
- iv. a) The respective managements of the Holding Company and its associate which are the companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such associate respectively that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its associate to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or its associate ("Ultimate Beneficiaries")

or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- b) The respective managements of the Holding Company and its associate which are the companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such associate respectively that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the respective Holding Company or its associate from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its associate shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the associate which is the company incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause a) and b) contain any material mis-statement;
- v. The interim dividend declared and paid by the Holding Company during the year is in accordance with section 123 of the Act.

The final dividend paid, by the Holding Company and its associate incorporated in India, during the year in respect of dividend declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

INDEPENDENT AUDITORS' REPORT (CONTD.)

As stated in note no. 17.2 to the Consolidated Financial Statements, the respective Board of Directors of the Holding Company and its associate incorporated in India have proposed final dividend for the year which is subject to the approval of the members of the respective companies at the respective ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

- vi. Based on our examination, which included test checks, that performed by us on the Holding Company and the respective auditors of the Associate which are companies incorporated in India whose financial statements have been audited under the Act, the Holding Company and its Associate have used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective software except Human Resources Management System Software implemented during the year in which audit trail is not available at data base level. Further, during the course of our audit, we and respective auditors of the above referred Associate did not come across any instance of audit trail

feature being tampered with. Additionally, the audit trail has been preserved by the company and its Associate as per the statutory requirements for record retention.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of section 143(11) of the Act, to be included in the Auditors' Report, according to the information and explanations given to us and based on the CARO report issued by us for the Holding Company and based on CARO report issued by other auditors in respect of an associate whose financial information has been considered in the Consolidated Financial Statements and to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For **C N K & Associates LLP**
Chartered Accountants
Firm Registration Number. 101961W/W-100036

Himanshu Kishnadwala
Partner
Membership No.037391
UDIN: 25037391BMLFTM6635

Place: Vallabh Vidyanagar
Date: April 24, 2025

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

[Referred to in paragraph 1 f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date]

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 Companies Act, 2013 (the “Act”)

OPINION

We have audited the internal financial controls over financial reporting of **Elecon Engineering Company Limited** (“the Holding Company”) and its associate company wherein such audit of internal financial controls over financial reporting was carried out by other Auditors whose reports have been forwarded to us and have been appropriately dealt with by us in making this report as on March 31, 2025 in conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended on that date.

In our opinion and to the best of our information and according to the explanations given to us, the Holding Company and its associate company has, in all material respects, an internal financial controls with reference to financial statements of the Holding Company and such internal financial controls over financial reporting were operating effectively as at March 31, 2025 except for the matters stated in the para 1(h)(vi) of Report on other legal and regulatory requirements on reporting under Rule 11(g), based on the internal control over financial reporting criteria established by 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 RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Management and Board of Directors of the Holding Company and its associate company, which is company incorporated in India are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of internal financial controls with reference to financial statements of the Company 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 over financial reporting of the Company, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 internal financial controls with reference to financial statements of the Company 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 internal financial controls with reference to financial statements of the company and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 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 Company’s internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A Company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in

ANNEXURE “A” TO THE INDEPENDENT AUDITORS’ REPORT (CONTD.)

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future

periods are subject to the risk that the internal financial control over financial reporting 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 the operating effectiveness of the internal financial controls over financial reporting in so far as it relates to associate company, which is incorporated in India, are based on the corresponding reports of the auditors of such company incorporated in India.

Our Opinion is not modified in respect of above matter.

For **C N K & Associates LLP**

Chartered Accountants

Firm Registration Number. 101961W/W-100036

Himanshu Kishnadwala

Partner

Membership No.037391

UDIN: 25037391BMLFTM6635

Place: Vallabh Vidyanagar

Date: April 24, 2025

CONSOLIDATED BALANCE SHEET

AS AT MARCH 31, 2025

(₹ in Lakhs)			
Particulars	Notes	As at March 31, 2025	As at March 31, 2024
ASSETS			
I. Non-current assets			
(a) Property, plant and equipment	3	55,479	51,601
(b) Capital work-in-progress	3	670	91
(c) Investment property	4	2,501	2,512
(d) Right of Use Assets	3	20,875	10,570
(e) Goodwill	5	10,177	10,177
(f) Other intangible assets	5	2,360	1,995
(g) Investments accounted for using the equity method	6	7,051	6,290
(h) Financial assets			
(i) Investments	7	1,074	2,023
(ii) Other financial assets	8	7	553
(i) Deferred tax assets (net)	37	-	92
(j) Income tax assets (net)	9	1,253	1,046
(k) Other non-current assets	10	1,873	3,557
Total non-current assets		1,03,320	90,507
II. Current assets			
(a) Inventories	11	24,296	22,974
(b) Financial assets			
(i) Investments	12	41,455	20,328
(ii) Trade receivables	13	61,387	44,510
(iii) Cash and cash equivalents	14	15,885	10,969
(iv) Bank balances other than (iii) above	14	19,959	15,362
(v) Other financial assets	8	1,429	5,613
(c) Other current assets	15	5,216	2,137
Total current assets		1,69,627	1,21,893
Total assets		2,72,947	2,12,400
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	16	2,244	2,244
(b) Other equity	17	1,97,625	1,58,159
Total equity		1,99,869	1,60,403
LIABILITIES			
I. Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	-	-
(ii) Lease liabilities	19	14,654	5,941
(b) Non-current provisions	20	274	1,725
(c) Other Non-current liabilities	21	2,144	1,845
(d) Deferred tax liabilities (net)	37	2,294	2,555
Total non-current liabilities		19,366	12,066
II. Current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	331	-
(ii) Lease liabilities	19	3,138	1,105
(iii) Trade payables	22		
(A) Total outstanding dues of micro and small enterprises		5,573	5,759
(B) Total outstanding dues of creditors other than micro and small enterprises		22,441	13,032
(iv) Other financial liabilities	23	4,859	4,506
(b) Other current liabilities	24	14,292	13,005
(c) Current provisions	25	2,347	1,736
(d) Current tax liabilities (net)	26	731	788
Total current liabilities		53,712	39,931
Total liabilities		73,078	51,997
Total equity and liabilities		2,72,947	2,12,400
The accompanying notes form an integral part of the Consolidated Financial Statements.	2-50		

As per our report of even date attached

For **C N K & Associates LLP**
Chartered Accountants
Firm's Registration No : 101961 W/W - 100036**Himanshu Kishnadwala**
Partner
Membership No: 037391For and on behalf of the Board of Directors
Elecon Engineering Company Limited
CIN: L29100GJ1960PLC001082**Prayasvin Patel**
Chairman & Managing Director
DIN : 00037394**Narasimhan Raghunathan**
Chief Financial Officer**Ashutosh Pednekar**
Director
DIN : 00026049**Bharti Isarani**
Company SecretaryPlace : Vallabh Vidyanagar
Date : April 24, 2025Place : Vallabh Vidyanagar
Date : April 24, 2025

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2025

(₹ in Lakhs)			
Particulars	Notes	Year ended March 31, 2025	Year ended March 31, 2024
INCOME			
Revenue from operations	27	2,22,696	1,93,742
Other income	28	6,005	4,406
Total income (I)		2,28,701	1,98,148
EXPENSES			
Cost of materials consumed	29	1,01,587	84,022
Changes in inventories of finished goods and work-in-progress	30	1,285	2,194
Manufacturing expenses and erection charges	31	15,863	15,611
Employee benefit expenses	32	20,856	18,848
Finance costs	33	1,304	864
Depreciation and amortisation expense	3,4 & 5	6,076	5,092
Other expenses	34	28,846	25,620
Total expenses (II)		1,75,817	1,52,251
Profit before share of equity accounted investee and tax (I-II)		52,884	45,897
Share of profit from associate (net of tax)		813	641
Profit before tax		53,697	46,538
Tax expense	37		
Current tax		12,417	11,014
Deferred tax		(230)	(34)
Total tax expense		12,187	10,980
Profit for the year		41,510	35,558
Other comprehensive income			
A. Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
Exchange differences in translating the financial statements of foreign operations	17	1,127	212
Net other comprehensive income to be reclassified to profit or loss in subsequent periods (A)		1,127	212
B. Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains / (losses) on defined benefit plans	17	172	41
Income tax related to items that will not be reclassified to profit or loss		22	47
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods (B)		194	88
Total other comprehensive income for the year (net of tax) [A+B]		1,321	300
Total comprehensive income for the year		42,831	35,858
Profit attributable to:			
Owners of the Company		41,510	35,558
Non-controlling interest		-	-
Profit for the year		41,510	35,558
Other comprehensive income attributable to:			
Owners of the Company		1,321	300
Non-controlling interest		-	-
Other comprehensive income for the year		1,321	300
Total comprehensive income attributable to:			
Owners of the Company		42,831	35,858
Non-controlling interest		-	-
Total comprehensive income for the year		42,831	35,858
Earnings per equity share (₹ in)			
Equity share of face value ₹ 1 each	36		
Basic		18.50	15.85
Diluted		18.50	15.85
The accompanying notes form an integral part of the Consolidated Financial Statements.	2-50		

As per our report of even date attached

For **C N K & Associates LLP**
Chartered Accountants
Firm's Registration No : 101961 W/W - 100036**Himanshu Kishnadwala**
Partner
Membership No: 037391For and on behalf of the Board of Directors
Elecon Engineering Company Limited
CIN: L29100GJ1960PLC001082**Prayasvin Patel**
Chairman & Managing Director
DIN : 00037394**Narasimhan Raghunathan**
Chief Financial Officer**Ashutosh Pednekar**
Director
DIN : 00026049**Bharti Isarani**
Company SecretaryPlace : Vallabh Vidyanagar
Date : April 24, 2025Place : Vallabh Vidyanagar
Date : April 24, 2025

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2025

A. EQUITY SHARE CAPITAL

(1) Current reporting period

(₹ in Lakhs)

Particulars	Balance as at April 1, 2024	Changes in Equity Share Capital due to prior period errors	Restated balance as at April 1, 2024	Changes in equity share capital during the year	Balance as at March 31, 2025
Equity share capital	2,244	-	2,244	-	2,244

(2) Previous reporting period

(₹ in Lakhs)

Particulars	Balance as at April 1, 2023	Changes in Equity Share Capital due to prior period errors	Restated balance as at April 1, 2023	Changes in equity share capital during the year	Balance as at March 31, 2024
Equity share capital	2,244	-	2,244	-	2,244

B. OTHER EQUITY

(₹ in Lakhs)

Particulars	Other equity					Total equity attributable to the owners of the Company
	Reserves & Surplus				Other Comprehensive Income	
	Capital reserve	Securities premium	General reserve	Retained earnings	Exchange difference on translating the financial statement	
Balance as at April 1, 2023	247	2,878	44,324	76,623	1,594	1,25,667
Total comprehensive income for the period						
Profit for the year	-	-	-	35,558	-	35,558
Remeasurements of post-employment benefit obligation, (net of tax) accounted through Other comprehensive income	-	-	-	88	-	88
Foreign currency translation	-	-	-	-	212	212
Dividend paid	-	-	-	(3,366)	-	(3,366)
Total comprehensive income for the period	-	-	-	32,280	212	32,492
Balance as at March 31, 2024	247	2,878	44,324	1,08,903	1,806	1,58,159

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

(₹ in Lakhs)

Particulars	Other equity					Total equity attributable to the owners of the Company
	Reserves & Surplus				Other Comprehensive Income	
	Capital reserve	Securities premium	General reserve	Retained earnings	Exchange difference on translating the financial statement	
Balance as at April 1, 2024	247	2,878	44,324	1,08,903	1,806	1,58,159
Total comprehensive income for the period						
Profit for the year	-	-	-	41,510	-	41,510
Remeasurements of post-employment benefit obligation, (net of tax) accounted through Other comprehensive income	-	-	-	194	-	194
Foreign currency translation	-	-	-	-	1,127	1,127
Dividend paid	-	-	-	(3,366)	-	(3,366)
Total comprehensive income for the period	-	-	-	38,338	1,127	39,466
Balance as at March 31, 2025	247	2,878	44,324	1,47,242	2,933	1,97,625

For description of reserves refer note 17

The accompanying notes form an integral part of the Consolidated Financial Statements. (2-50)

As per our report of even date attached

For **C N K & Associates LLP**

Chartered Accountants

Firm's Registration No : 101961 W/W - 100036

Himanshu Kishnadwala

Partner

Membership No: 037391

For and on behalf of the Board of Directors

Elecon Engineering Company Limited

CIN: L29100GJ1960PLC001082

Prayasvin Patel

Chairman & Managing Director

DIN : 00037394

Ashutosh Pednekar

Director

DIN : 00026049

Narasimhan Raghunathan

Chief Financial Officer

Bharti Isarani

Company Secretary

Place : Vallabh Vidyanagar

Date : April 24, 2025

Place : Vallabh Vidyanagar

Date : April 24, 2025

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2025

Particulars	₹ in Lakhs	
	Year ended March 31, 2025	Year ended March 31, 2024
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	53,697	46,538
Adjustments for:		
Share of profit of associates	(813)	(641)
Depreciation and amortisation expense	6,076	5,092
Finance costs	1,304	864
(Gain)/loss on sale of investment	(104)	(90)
(Gain)/loss on fair valuation of investment	(1,002)	(66)
(Gain)/loss on sale of/discarded property, plant and equipment (net)	(81)	(272)
Interest income	(2,814)	(1,870)
Dividend income	(15)	(39)
Allowances for Expected Credit Loss (including Bad debts and advanced written off)	981	1,676
Unrealised exchange (gain)/loss	689	(17)
Provision for other contractual liabilities, warranty and others	942	243
Increase/(reversal) of provision for onerous contract	-	(73)
Liabilities written back	(178)	(553)
Rent Income	(393)	(337)
Provision for Slow and non moving inventory	(217)	1,127
	58,072	51,582
Working Capital Adjustments		
(Increase)/Decrease in trade receivables	(17,617)	(11,286)
(Increase)/Decrease in inventories	(1,105)	3,779
(Increase)/Decrease in financial assets	9,510	726
(Increase)/Decrease in other current and non-current assets	(2,882)	(2,240)
(Decrease)/Increase in trade payables	9,291	184
(Decrease)/Increase in provisions, current and non-current liabilities	289	4,834
(Decrease)/Increase in other financial liabilities	353	(339)
Cash generated from operations	55,911	47,240
Taxes paid (Net of Refund)	(12,681)	(10,759)
Net cash (used in)/generated from operating activities (A)	43,230	36,481
CASH FLOW FROM INVESTING ACTIVITIES		
Payments for purchase of property, plant and equipment	(6,600)	(3,149)
Proceeds from sale of property, plant and equipment	198	594
Payments for purchase of investments	(20,955)	(21,242)
(Increase)/Decrease in Bank balances other than cash and cash equivalents	(9,634)	(7,113)
Proceeds from sale of Investments	1,883	1,012
Interest received	3,071	1,572
Dividend received	15	39
Dividend received from associate	52	53
Rent received	393	337
Net cash (used in)/generated from investing activities (B)	(31,577)	(27,897)
CASH FLOW FROM FINANCING ACTIVITIES		
(Repayment)/proceeds of current borrowings (net)	331	-
Repayment against other financing arrangements	-	(430)
Finance cost paid	(1,304)	(864)
Dividend paid	(3,366)	(3,366)
Payment of lease liabilities	(2,398)	(1,191)
Net cash (used in)/generated from financing activities (C)	(6,737)	(5,851)
Net Increase/(Decrease) in cash and cash equivalents (A+B+C)	4,916	2,734
Cash and cash equivalents at the beginning of the year (Refer note 14)	10,969	8,235
Cash and cash equivalents at the end of the period (Refer note 14)	15,885	10,969
Components of cash and cash equivalents :-		
Cash on hand (below ₹ 1 Lakh)	-	-
Balances with banks		
-In current accounts	7,038	8,233
-Remittance in Transit	11	-
Deposits with bank (with maturity up to 3 months)	8,836	2,736
	15,885	10,969

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

Notes:

- Cash and cash equivalents includes positive balances in cash credit accounts with banks and form an integral part of the Group's cash management.
- The above Statement of Cash Flow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS 7) - Statement of Cash Flows.
- In accordance with para 22 of Ind AS 7 - Statement of Cash Flows, cash flows from current borrowings have been reported on net basis since these being working capital facilities, the maturities are short.
- During the year non cash transaction from investing and financing activities with respect to acquisition of Right to Use Assets with corresponding adjustment to Lease liabilities ₹ 17,017 Lakhs (March 31, 2024: ₹ 3,077 Lakhs)
- Figures in brackets indicates cash outflow.
- Movement in liabilities arising from financing activities as at March 31, 2025:

Particulars	₹ in Lakhs			
	Borrowings	Lease Liabilities	Dividends paid (including taxes)	Finance costs
Balance at the beginning of the year	-	7,046	-	-
Proceeds from non-current borrowings	331	12,220	-	-
Repayment of borrowings/liabilities	-	(2,398)	-	-
Dividend paid (including taxes)	-	-	(3,366)	-
Interest paid	-	-	-	(1,304)
Net cash outflows	331	16,868	(3,366)	(1,304)
Interest accrued during the year	-	789	-	-
Remeasurement of lease liability	-	-	-	-
Charge to statement of profit and loss	-	-	-	1,304
Foreign exchange fluctuation	-	135	-	-
Balance at the end of the year	331	17,792	-	-

The accompanying notes form an integral part of the Consolidated Financial Statements. (2-50)

As per our report of even date attached

For **C N K & Associates LLP**
Chartered Accountants
Firm's Registration No : 101961 W/W - 100036

Himanshu Kishnadwala
Partner
Membership No: 037391

For and on behalf of the Board of Directors
Elecon Engineering Company Limited
CIN: L29100GJ1960PLC001082

Prayasvin Patel
Chairman & Managing Director
DIN : 00037394

Narasimhan Raghunathan
Chief Financial Officer

Ashutosh Pednekar
Director
DIN : 00026049

Bharti Isarani
Company Secretary

Place : Vallabh Vidyanagar
Date : April 24, 2025

Place : Vallabh Vidyanagar
Date : April 24, 2025

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED MARCH 31, 2025

1. REPORTING ENTITY

Elecon Engineering Limited ('the Holding Company or Company') is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its equity shares are listed on the Bombay Stock Exchange ('BSE') and National Stock Exchange ('NSE') in India. The registered office of the Company is located at Anand-Sojitra Road, Vallabh Vidyanagar, Gujarat.

These consolidated financial statements comprise the Company and its subsidiaries (referred to collectively as the 'Group') and the Group's interest in associates. The Group is involved in the design and manufacturing of Material Handling Equipment and Industrial Gears and also involved in providing erection and commissioning solutions for its products. The Group has manufacturing operations based out of India, Sweden, UK, USA and The Netherlands with sales offices at Dubai and Singapore.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These Consolidated financial statements of the Group comprises, the consolidated balance sheet, 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 a summary of the significant accounting policies and other explanatory information (herein referred to as "Consolidated financial statements"). These consolidated financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') as per the Companies (Indian Accounting Standards) Rules, 2015 (as amended) notified under Section 133 of Companies Act, 2013, (the 'Act') and guidelines issued by the Securities and Exchange Board of India (SEBI).

Details of the Group's material accounting policies are included in Note 2.6.

2.2 Functional currency and presentation currency

These consolidated financial statements are presented in Indian Rupees (₹), which is also

the Holding Company's functional currency. All amounts have been rounded-off to the nearest Lakhs, unless otherwise indicated.

2.3 Basis of measurement

The consolidated financial statements have been prepared under the historical cost convention on accrual basis except for the following:

Particulars	Measurement basis
a) Investments in certain equity shares/other securities of entities other than subsidiaries and associates	Fair value
b) Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations

2.4 Use of estimates and judgments

The preparation of the consolidated financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the consolidated financial statements and reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed below. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates and judgements are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

Judgments

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognised in the consolidated financial statements is included in the following notes:

- **Note 6** – identification of whether the Group has significant influence over an investee where the shareholding is below 20% of the issued share capital.
- **Note 4** – identification of the land and/or building as an investment property.
- **Note 6** – determining the amount of Impairment loss.
- **Note 38** – determining the amount of expected credit loss on financial assets (including trade receivables)
- **Note 43** – identification of reportable operating segments; and
- **Note 2.5(m) and 27** – identification of performance obligation in revenue recognition

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment is included in the following notes:

- **Note 3-5** – estimate of useful life used for the purposes of depreciation and amortisation on property plant and equipment, investment properties and intangible assets.
- **Note 37** – recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;
- **Note 41** – measurement of defined benefit obligations: key actuarial assumptions;
- **Notes 20, 25 and 41** – recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- **Note 38** – impairment of financial assets.

- **Note 27 and 44** – Revenue recognition based on percentage of completion and provision for onerous contracts
- **Note 3 and 19** - Ind AS 116 Leases requires lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Group makes assessment on the expected lease term on lease by lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of lease and the importance of the underlying to the Group's operations taking into account the location of the underlying asset and the availability of the suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

2.5 Measurement of fair values

Some of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. This includes a financial reporting team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the chief financial officer.

The financial reporting team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as pricing services, is used to measure fair values, then the financial reporting team assesses

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

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.

Fair values are categorised 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 Group 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 categorised 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 Group recognises 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 the following notes:

- **Note 4** – investment property;
- **Note 38 and 39** – financial instruments.

2.6 Material accounting policies

a) Business combinations

(i) Subsidiaries

Subsidiaries are entities 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 subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

(ii) Equity accounted investees

The Group's interests in equity accounted investees comprise interests in associates.

An associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies. Interests in associates are accounted for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and OCI of equity accounted investees until the date on which significant influence ceases.

(iii) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

b) Operating cycle and classification of current and non-current:

Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalent, the Company has considered the operating cycle as the life of the project for project related assets and liabilities and for rest of the assets

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

and liabilities it has been considered as 12 months.

All the assets and liabilities are classified as current and non current as per the Company's normal operating cycle, and other criteria set out in Schedule III of the Companies Act, 2013.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent, unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Other Assets and Liabilities except as stated above are classified as non-current.

c) Foreign currency transactions

The functional currency of the Company is the Indian rupee. These financial statements are presented in Indian rupees.

Transactions in foreign currencies are translated into the functional currency of the Group companies 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.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in the statement of profit and loss.

d) Financial instruments

Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group 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.

Financial assets - classification and subsequent measurement

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVOCI – equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

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 on the principal amount outstanding.

A debt investment 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 on the principal amount outstanding.

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVTPL.

On initial recognition of an equity investment that is not held for trading, the Group 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. At present there are no such investments.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Group 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 Group'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;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- The frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

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 purposes 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 Group 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 this assessment, the Group considers:

- contingent events that would change the amount or timing 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 Group'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, a 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.

Subsequent measurement and gains and losses for financial assets held by the Group

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in the statement of profit and loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in the statement of profit and loss. Any gain or loss on derecognition is recognised in the statement of profit and loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

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 recognised in the statement of profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the statement of profit and loss. Any gain or loss on derecognition is also recognised in the statement of profit and loss. Presently, all the financial liabilities are measured at amortised cost.

Derecognition:**Financial assets**

The Group derecognises 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 Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised 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 derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled, or expire.

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

realise the asset and settle the liability simultaneously.

Derivative financial instruments:

The Group uses derivative financial instruments, such as foreign exchange forward contracts to manage its exposure to foreign exchange risks. 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 profit or loss arising on cancellation or renewal of such a forward exchange contract is recognised as income or as expense in the period in which such cancellation or renewal is made.

e) Property, plant and equipment**Recognition and measurement**

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its 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 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.

If significant parts of an item of property, plant and equipment have different useful

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in the statement of profit and loss.

Subsequent measurement

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

Depreciation

The estimate of the useful life of the assets for Holding Company has been assessed based on technical advice which considers the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support, etc. Details of useful life considered for depreciation along with method of depreciation are provided below:

(i) For Holding Company

Particulars	Depreciation Method	Useful life
Plant and Equipments	Straight line Basis	5 to 35 years
Buildings	Written Down Value Basis	10 to 60 years
All other Property, Plant and Equipment	Written Down Value Basis	As prescribed in Schedule II to the Companies Act, 2013

(ii) For Overseas Subsidiaries

Particulars	Depreciation Method	Useful Life
Plant and Machineries	Straight line Basis	7 years
Buildings	Straight line Basis	20 years
All other Property, Plant and Equipment	Straight line Basis	4 to 5 years

The management believes that these estimated useful lives reflect fair approximation of the period over which the assets are likely to be used.

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 (CWIP)

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as CWIP. CWIP is stated at cost, net of accumulated impairment loss, if any.

Advances given towards acquisition of assets (including CWIP) and outstanding at each balance sheet date are disclosed as "Other Non-Current Assets."

Derecognition

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The consequential gain or loss is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognised in the statement of profit and loss.

f) Leases

The Group at inception of a contract, assesses whether a contract is, or contains, a lease. 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.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

Lease term is a non-cancellable period together with periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and 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.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option.

In that case the right-of-use asset will be depreciated over the useful life of the underlying asset. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments to be paid over the lease term at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate. Subsequently, the lease liability is measured at amortised cost using the effective interest method.

The Group 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.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

leases, including IT equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

As a lessor

Lease income from operating leases, where the Company is a lessor, is recognised on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflation.

g) Goodwill and other Intangible assets**Goodwill**

For measurement of goodwill that arises on a business combination (see Note 2.6 (a) (i)). Subsequent measurement is at cost less any accumulated impairment losses.

In respect of business combinations that occurred prior to April 01, 2014, goodwill is included on the basis of its deemed cost, which represents the amount recorded under Previous GAAP, adjusted for the reclassification of certain intangibles.

Internally generated: Research and development activities and software development

Expenditure on research activities is recognised in the statement of profit and loss as incurred.

Development expenditure is capitalised as part of the 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 Group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in the statement of profit and loss as incurred.

Subsequent to initial recognition, the asset is measured at cost less accumulated amortisation and any accumulated impairment losses.

Other intangible assets

Other intangible assets that are acquired by the Group and that have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

Amortisation

Amortisation is calculated to amortise the cost of intangible assets over their estimated useful lives (6 years) using the straight-line method and is included in depreciation and Amortisation in the statement of profit and loss.

Particulars	Depreciation Method	Useful life
Computer Software	Straight Line Basis	3 years
Licenses	Straight Line Basis	6 years

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

h) Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16 requirements for cost model. Investment property includes freehold/leasehold land and building.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

Depreciation

Based on technical evaluation and consequent advice, the management believes a period of 25-60 years as representing the best estimate of the period over which investment properties (which are quite similar) are expected to be used. Accordingly, the Group depreciates investment properties over this period on a straight-line basis. This is different from the indicative useful life of relevant type of assets mentioned in Schedule II to the Companies Act 2013.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property is calculated as the difference between the net disposal proceeds and the carrying amount of the asset and included in the statement of profit or loss in the period in which the property is derecognised.

i) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on weighted average cost basis, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- **Raw materials:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on Weighted Average Cost 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, but

excluding borrowing costs. Cost is determined on Weighted Average Cost basis.

- **Stores and spares** (consisting of engineering spares, which are used in operating machines or consumed as indirect materials in the manufacturing process): cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on Weighted Average Cost basis.
- **Traded goods:** cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

The comparison of cost and net realisable value is made on an item-by-item basis.

The factors that the Company considers in determining the allowance for slow moving, obsolete and other non-saleable inventory include estimated shelf life, planned product discontinuances, price changes, ageing of inventory and introduction of competitive new products, to the extent each of these factors impact the Company's business and markets.

j) Impairment

Impairment of financial assets

The Group recognises loss allowances for expected credit losses on financial assets measured at amortised cost.

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

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:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being significantly past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise; or
- it is probable that the borrower will enter bankruptcy or other financial reorganisation.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract revenue receivables. Under the simplified approach, the Group is not required to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime Expected Credit Losses ('ECL') together with appropriate management estimates for credit loss at each reporting date, right from its initial recognition.

The Group uses a provision matrix to determine impairment loss allowance on the group of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable 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.

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 Group in accordance with the contract and the cash flows that the Group expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

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 Group 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 the Group's procedures for recovery of amounts due.

Impairment of non-financial assets

The Group's non-financial assets, other than inventories, deferred tax assets, investment properties and contract assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated to reduce the carrying amounts of the assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. Assets (other than goodwill) for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

k) Employee benefits

Short term employee benefits

All employee benefits payable within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, etc. and the expected cost of ex-gratia are recognised in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid when there is a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Group makes specified monthly contributions towards government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the statement of profit and loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Group determines the net interest expense/(income) on the net defined benefit liability/(asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

annual period to the then-net defined benefit liability/(asset), taking into account any changes in the net defined benefit liability/(asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in the statement of profit and loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Re-measurements gains or losses are recognised in the statement of profit and loss in the period in which they arise.

Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring.

l) Provisions (other than employee benefits)

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Warranties

A provision for warranties is recognised when the underlying products or services are sold. The provision is based on technical evaluation, historical warranty data and a weighing of all possible outcomes by their associated probabilities.

Onerous contracts

A contract is considered to be onerous when the expected economic benefits to be derived by the Group from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

Contingent Liabilities

Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by the future events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent Assets

Contingent assets are not recognised in the financial statements. A contingent asset is disclosed where an inflow of economic benefits is probable. Contingent assets are assessed continually and, if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

m) Revenue recognition

Sale of goods and services

Revenue is recognised upon transfer of control of promised goods to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those goods.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer, which generally coincides with the delivery of goods to customers, based on contracts with the customers.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions, incentives, and returns, if any, as specified in the contracts with the customers.

Revenue excludes taxes collected from customers on behalf of the government. Accruals for discounts/incentives and returns are estimated (using the most likely method) based on accumulated experience and underlying schemes and agreements with customers.

Revenue from services towards erection, commissioning and other services is recognised when services are rendered and there is certainty of the realisation.

Transaction Price

The Group is required to determine the transaction price in respect of each of its contracts with customers. Contract with customers for sale of goods or services are either on a fixed price or on variable price basis. For allocating the transaction price, the Group measures the revenue in respect of each performance obligation of contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. In making judgment about the standalone selling price, the Group also assesses the impact of any variable consideration in the contract, due to discounts or rebates.

Performance Obligations

If a contract contains more than one distinct goods and service, the transaction price is allocated to each performance obligation based on relative stand-alone selling prices.

Dividend and Interest income

Dividend income from investments is recognised when the Group's right to receive payment is established.

Interest income from financial assets is recognised when it is probable that economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Insurance claim

Insurance claims are recognised on the basis of claims admitted / expected to be admitted, to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

Other Income

Other income is comprised primarily of gain / loss on investments, exchange gain/loss on foreign currency transactions.

n) Government Grants

The export incentives received by the Group such as duty draw back, Remission of Duties or Taxes on Export Products Scheme (RoDTEP) and Export Promotions on Capital Goods (EPCG) scheme are treated as government grants.

o) Income taxes

Income tax expense comprises current and deferred tax. It is recognised in the statement of profit and loss except to the extent it relates to a business combination, or items recognised directly in equity or in OCI.

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

therefore accounted for them under Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets".

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. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits, if any.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences 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 recognises 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 realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/

reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

p) Borrowing cost

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense basis the Effective Interest Rate (EIR) method for non-current borrowings and for current borrowings the same are charged to the statement of profit and loss as and when incurred.

q) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Group. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Group. For the disclosure on reportable segments see Note 43.

r) Cash and cash equivalents

Cash and cash equivalents comprise cash and cheques in hand, bank balances, demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments.

s) Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

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 the operating, investing and financing activities of the Company are segregated. In the cash-flow statement, cash and cash equivalents are shown net of bank overdrafts, which are included as current borrowings in liabilities on the balance sheet.

t) **The Dividend Distribution to equity shareholders:**

The Holding Company recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Holding Company. A distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in other equity along with any tax thereon.

u) **Earnings per share**

Basic earnings per equity share are computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Holding Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

2.7 **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. For the year ended March 31, 2025, MCA has not notified Ind AS – 117 Insurance Contracts and amendments to Ind AS 116 – Leases, relating to sale and leaseback transactions, applicable to the Company w.e.f. April 01, 2024. The Holding Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

Rounding off

Amounts in these Financial Statements are rounded off to the nearest Lakhs except Earnings per share. The amount "0" (zero) represents value, which is less than ₹ 1 Lakh.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

3 (I) **PROPERTY, PLANT AND EQUIPMENTS**

Particulars	Freehold land	Buildings	Plant & equipments	Furniture & fixture	Vehicles	Office equipment	Electrical installations & fittings	Other equipments	Total	Capital work in progress (CWIP)
Cost										
As at April 1, 2023	27,434	7,687	46,958	408	390	815	702	1,186	85,580	12
Additions	336	1,277	771	1	291	13	230	12	2,931	3,010
Deductions	-	-	(485)	-	(6)	(1)	-	-	(492)	-
Recoupment/Adjustment	-	(59)	(803)	238	8	215	-	345	(56)	-
Exchange difference Capitalised	-	32	(28)	(0)	(9)	(18)	-	(37)	(60)	-
As at March 31, 2024	27,770	8,937	46,413	647	674	1,024	932	1,506	87,903	91
Additions	14	4,721	1,057	20	1,373	133	110	44	7,472	8,051
Deductions	-	-	(378)	-	(35)	-	-	-	(413)	-
Recoupment/Adjustment	-	-	-	-	-	-	-	-	-	-
Exchange difference Capitalised	-	62	200	36	6	35	-	155	494	-
As at March 31, 2025	27,784	13,720	47,292	703	2,018	1,192	1,042	1,705	95,456	670
Accumulated depreciation										
As at April 1, 2023	-	5,076	25,277	348	297	551	207	1,158	32,914	-
Depreciation for the year	-	382	3,121	24	54	132	218	36	3,967	-
Deductions	-	-	(388)	-	(13)	(1)	-	-	(402)	-
Recoupment/Adjustment	-	(50)	(775)	217	8	254	-	257	(89)	-
Exchange difference	-	(0)	(22)	(5)	(13)	(20)	-	(27)	(88)	-
As at March 31, 2024	-	5,408	27,213	584	333	916	425	1,424	36,302	-
Depreciation for the year	-	355	2,551	19	310	76	182	26	3,519	-
Deductions	-	-	(294)	-	(27)	-	-	-	(321)	-
Recoupment/Adjustment	-	-	-	-	-	-	(11)	-	(11)	-
Exchange difference	-	53	192	37	15	36	-	156	489	-
As at March 31, 2025	-	5,816	29,662	640	631	1,028	596	1,606	39,978	-
Carrying value (net)										
As at March 31, 2025	27,784	7,904	17,630	63	1,387	164	446	99	55,479	-
As at March 31, 2024	27,770	3,529	19,200	63	341	108	507	82	51,601	-

Notes:-

- 1) Refer to Note 18.1 for information on property, plant and equipment pledged as security by the Group.
- 2) For commitments on capital account refer note 42 (b).
- 3) The Holding Company has not revalued any of its Property, plant & equipments during the years.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

3 (II) THE FOLLOWING IS THE MOVEMENT IN RIGHT OF USE ASSETS (ROU) DURING THE YEAR ENDED MARCH 31, 2025

(₹ in Lakhs)					
Particulars	Leasehold land	Building	Vehicles	Plant & Equipments	Total
Cost					
As at April 1, 2023	5,594	4,664	456	71	10,785
Additions	29	43	119	2,930	3,121
Remeasurement due to lease modification	-	(39)	(9)	-	(48)
Deductions	-	(57)	(182)	(20)	(259)
Recoupment/Adjustment	-	-	-	-	-
Exchange difference	1	53	16	1	71
As at March 31, 2024	5,624	4,664	400	2,982	13,670
Additions	981	862	165	15,231	17,239
Remeasurement due to lease modification	-	(38)	12	(2)	(28)
Deductions	-	(1,311)	(4)	(5,010)	(6,325)
Recoupment/Adjustment	-	-	36	-	36
Exchange difference	-	283	(50)	2	235
As at March 31, 2025	6,605	4,460	559	13,203	24,827
Accumulated Depreciation					
As at April 1, 2023	338	2,017	220	38	2,613
Depreciation for the year	136	629	90	18	873
Deductions	-	(49)	(181)	(20)	(250)
Recoupment/Adjustment	-	(111)	4	-	(107)
Exchange difference	(0)	(22)	(6)	(1)	(30)
As at March 31, 2024	474	2,464	127	35	3,100
Depreciation for the year	152	650	121	1,336	2,259
Deductions	-	(1,311)	(4)	(215)	(1,530)
Recoupment/Adjustment	-	-	-	(1)	(1)
Exchange difference	0	111	9	3	124
As at March 31, 2025	626	1,914	253	1,158	3,952
Carrying value (net) as at March 31, 2025	5,979	2,546	306	12,045	20,875
Carrying value (net) as at March 31, 2024	5,150	2,201	273	2,947	10,570

3 (III) CAPITAL WORK IN PROGRESS (CWIP) AGEING SCHEDULE

(₹ in Lakhs)					
CWIP	Amount in CWIP for the period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2024					
Projects in progress	91	-	-	-	91
As at March 31, 2025					
Projects in progress	670	-	-	-	670

Note: There are no projects whose completion is overdue or has exceeded its cost as at Balance Sheet date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

4 INVESTMENT PROPERTY

(₹ in Lakhs)			
Particulars	Land	Office Building	Total
Cost			
As at April 1, 2023	2,300	336	2,636
Additions	-	-	-
As at March 31, 2024	2,300	336	2,636
Additions	-	-	-
As at March 31, 2025	2,300	336	2,636
Depreciation and Impairment			
As at April 1, 2023	-	113	113
Depreciation for the year	-	11	11
As at March 31, 2024	-	124	124
Depreciation for the year	-	11	11
As at March 31, 2025	-	135	135
Carrying value (net)			
As at March 31, 2025	2,300	201	2,501
As at March 31, 2024	2,300	212	2,512

Information regarding income and expenditure of Investment property

(₹ in Lakhs)		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Rental income derived from Investment property	16	14
Less : Direct operating expenses (including repairs and maintenance) generating rental income	4	2
Profit arising from Investment property before depreciation and indirect expenses	12	12
Less : Depreciation	11	11
Profit arising from Investment property before indirect expenses	1	1

Notes :

- The Group has no restrictions on the realisability of its investment property and no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance and enhancements.

Fair value of the Investment property is as under:

(₹ in Lakhs)		
Fair value	Land	Office Building
Balance as at April 1, 2023	2,888	663
Fair value Increase/(Decrease) for the year	166	9
Balance as at March 31, 2024	3,054	672
Fair value Increase/(Decrease) for the year	33	35
Balance as at March 31, 2025	3,087	707

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

Estimation of fair value

As at March 31, 2025 and March 31, 2024 the fair values of the property are based on valuations performed by Registered Valuer as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules 2017.

Valuation model used in determination of investment property' fair values is in accordance with the recommended valuation techniques by the International Valuation Standards Committee.

The Group obtains independent valuations for its investment property at least annually. The best evidence of fair value is current prices in an active market for similar properties.

The valuation of investment property as at March 31, 2025 and March 31, 2024 is done based on market feedback on values of similar properties and hence considered under "Level 2" of fair value measurement.

5 OTHER INTANGIBLE ASSETS

					(₹ in Lakhs)
Particulars	Intangible assets				Goodwill
	Computer Software	Technical Knowhow -Acquired	Licenses	Total	
Cost					
As at April 1, 2023	731	2,670	40	3,442	10,282
Additions	36	-	107	143	-
Recoupment / Adjustment	-	-	-	-	-
Deductions	-	-	-	-	-
Exchange rate movement	-	247	-	247	(105)
As at March 31, 2024	767	2,917	148	3,831	10,177
Additions	219	-	-	219	-
Deductions	-	-	-	-	-
Exchange rate movement	-	278	-	278	-
As at March 31, 2025	986	3,195	148	4,329	10,177
Accumulated amortisation					
As at April 1, 2023	587	1,069	31	1,687	-
Amortisation for the year	63	150	31	244	-
Recoupment / Adjustment	-	-	-	-	-
Deductions	-	-	-	-	-
Exchange rate movement	-	(95)	-	(95)	-
As at March 31, 2024	650	1,124	62	1,836	-
Amortisation for the year	92	156	39	287	-
Deductions	-	-	-	-	-
Exchange rate movement	-	(154)	-	(154)	-
As at March 31, 2025	742	1,126	101	1,969	-
Carrying value (net)					
As at March 31, 2025	244	2,069	47	2,360	10,177
As at March 31, 2024	117	1,793	86	1,995	10,177

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

Notes:-

The carrying value of goodwill predominantly relates to the goodwill that arose on the acquisition of Radicon Transmission Limited group (BR Group) and has been tested in both periods against the recoverable amount of BR Group cash generating unit (CGU), by the Group. This goodwill relates to expected synergies from combining BR Group's activities with those of the Group and to assets, which could not be recognised as separately identifiable intangible assets. The goodwill is tested annually for impairment or more frequently if there are any indications that the goodwill may be impaired.

The recoverable amount of BR Group CGU has been determined from a value in use calculation. The calculation uses cash flow forecasts based on the most recently approved financial budgets and strategic forecasts and future projections taking the analysis out to 5 years. Key assumptions includes discount rate of 13.19% p.a. (March 31, 2024: 13.02% p.a.). Changes in selling prices and raw material costs are based on expectations of future changes in the market based on external market sources. Terminal growth rate of 0.50% p.a. (March 31, 2024: 0.50% p.a.) is used in the cash flow projections. The post-tax discount rate is mainly derived from the main entities operating out of the USA, UK and Sweden's weighted average cost of capital (WACC). The outcome of the Group's goodwill impairment testing as at March 31, 2025 for the BR Group CGU resulted in no impairment of goodwill (March 31, 2024: Nil).

The management believes that there is no reasonably possible change in any of the key assumptions used in the value in use calculation that would cause the carrying value of the CGU to materially exceed its value in use.

- There are no Intangible Assets under development as on March 31, 2025 and March 31, 2024

6 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

Particulars	(₹ in Lakhs)	
	March 31, 2025	March 31, 2024
(i) Investment in associates (Fully paid-up) (equity method - note 48)		
Investment in Eimco Elecon (India) Limited		
Cost of investments (958,426 equity shares (March 31, 2024 : 958,426 equity shares) of ₹ 10 each of Eimco Elecon (India) Limited)	217	217
Add : Share of post acquisition profit (net of accumulated losses and dividends received)	6,834	6,073
Total Investment in associate (equity method)	7,051	6,290

7 NON-CURRENT FINANCIAL ASSETS - INVESTMENTS

Particulars	(₹ in Lakhs)	
	March 31, 2025	March 31, 2024
Investments carried at fair value through profit and loss:		
Investment in equity shares		
(i) Unquoted		
(a) 30 equity shares (March 31, 2024: 30 equity shares) of ₹ 500 each of Charotar Gas Sahakari Mandali Limited #	0	0
(A)	0	0
Investment in Mutual Fund		
(i) Quoted		
18,000 units (March 31, 2024 : 36,500 units) of SBI Magnum Ultra SD Fund ##	1,074	2,023
(B)	1,074	2,023
Total Investments (A + B)	1,074	2,023

The Company's investments on disposal will fetch only the principal amount invested and hence the Company considers cost and fair value to be the same.

Pledged with State Bank of India as margin for availing Non-Fund Based limits.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

8 FINANCIAL ASSET - OTHER FINANCIAL ASSETS

Particulars	March 31, 2025		March 31, 2024	
	Current	Non-current	Current	Non-current
Unsecured, considered good				
Deposits with banks earmarked as margin money	-	6	-	456
Deposits with banks having original maturity of more than 12 months	354	1	4,845	97
Accrued Interest on fixed deposits	89	-	346	-
Accrued Interest on investments	703	-	195	-
Security deposit #	283	-	227	-
Total other financial assets	1,429	7	5,613	553

Security deposits are primarily in relation to public utility services, tender deposits and rental properties.

9 INCOME TAX ASSETS (NET)

Particulars	March 31, 2025	March 31, 2024
Income tax assets (net)	1,253	1,046
Total income tax assets (net)	1,253	1,046

10 OTHER NON-CURRENT ASSETS

Particulars	March 31, 2025	March 31, 2024
Unsecured, considered good		
Capital advances	1,311	2,981
Expenses paid in advance	47	80
Balances with government authorities (including amount paid under protest)	515	496
Total other non-current assets	1,873	3,557

11 INVENTORIES

Particulars	March 31, 2025	March 31, 2024
(At lower of cost and net realisable value)#		
Raw materials [(includes goods in transit ₹ 631 Lakhs (March 31, 2024: ₹ 15 Lakhs)]	10,499	8,141
Work-in-progress	7,402	5,812
Finished goods	4,670	4,875
Goods in transit	1,389	3,989
Stores and spares	336	157
Total inventories	24,296	22,974
Carrying amount of inventories pledged as security for liabilities	16,557	15,413

Net of inventory allowance aggregating to ₹ 2,920 Lakhs (March 31, 2024: ₹ 3,140 Lakhs)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

12 CURRENT FINANCIAL ASSETS - INVESTMENTS

Particulars	March 31, 2025	March 31, 2024
Investment at FVTPL		
Exchange Traded Funds : Quoted	955	552
Infrastructure Investment Trust (InvITs): Quoted	-	830
Non Convertible Market Linked Debentures : Quoted	25,933	12,464
Mutual Funds : Quoted	15,641	8,505
Less: Amount pledged disclosed as Non current Investment	(1,074)	(2,023)
Total Current Financial assets - Investments	41,455	20,328

13 TRADE RECEIVABLES

Particulars	March 31, 2025	March 31, 2024
Trade receivables		
Secured, considered good	-	-
Unsecured, considered good	63,772	46,283
Unsecured which have significant increase in credit risk	55	68
	63,827	46,351
Less : Allowance for expected credit loss#	(2,440)	(1,841)
Total Trade receivables	61,387	44,510
Receivable from third parties (net of allowance)	60,832	43,518
Receivables from related parties (Refer note 40)	555	992
Total	61,387	44,510

Allowance for Expected Credit Loss (ECL)

Allowance for expected credit loss is calculated based on the ECL model as described under Ind AS 109. Refer Note 2.6 and Note 38(b) for the Group's accounting policy and basis of calculating ECL allowance.

Movement in allowance for expected credit loss :

Particulars	March 31, 2025	March 31, 2024
Balance at the beginning of the year	1,841	1,081
Add : Allowance for the year	1,278	971
Less : Reversal of allowance	(679)	(211)
Balance at the end of the year	2,440	1,841
Trade receivables written off	-	-
Total charges to Statement of Profit and Loss	599	760

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

13 TRADE RECEIVABLES

(i) For the year ending March 31, 2025

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	35,866	24,441	1,419	279	226	121	62,352
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	7	7
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	2	-	5	163	17	220	407
(vi) Disputed Trade Receivables – credit impaired	-	-	-	154	-	908	1,062
Less: ECL Provision	-	-	-	-	-	-	(2,440)
Total	35,868	24,441	1,424	596	243	1,256	61,387

Includes retention money receivable amounting to ₹ 4,536 Lakhs

(ii) For the year ending March 31, 2024.

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	21,567	20,520	1,510	639	197	321	44,754
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	32	146	-	-	-	15	193
(iii) Undisputed Trade Receivables – credit impaired	-	-	3	-	-	-	3
(iv) Disputed Trade Receivables– considered good	18	106	56	67	115	1,029	1,391
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	11	-	-	11
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Less: ECL Provision	-	-	-	-	-	-	(1,841)
Total	21,617	20,772	1,569	717	312	1,365	44,510

Includes retention money receivable amounting to ₹ 3,706 Lakhs

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

14 CASH AND BANK BALANCES

Particulars	March 31, 2025	March 31, 2024
(a) Cash and cash equivalents		
Balances with bank		
Current accounts and debit balance in cash credit accounts	7,038	8,233
Remittance in transit	11	-
Deposits with bank (with maturity up to 3 months)	8,836	2,736
Total cash and cash equivalents	15,885	10,969
(b) Bank balances other than above		
Deposits with bank earmarked as margin money #	5,109	3,633
Deposits with original maturity of more than 3 months but less than 12 months	14,776	11,669
Unpaid dividend accounts	74	60
Total other bank balances	19,959	15,362
Total cash and bank balances	35,844	26,331

includes advance bank guarantee given to customer for Nil (March 31, 2024 : ₹ 98 Lakhs) which will be released by the bank upon delivery of the goods.

15 OTHER CURRENT ASSETS

Particulars	March 31, 2025	March 31, 2024
Unsecured, considered good		
Advance to suppliers	2,173	281
Receivable from government authorities	526	364
Less : Provision for doubtful balances	-	(246)
	526	118
Expenses paid in advance	1,831	1,330
Other receivables	103	217
Gratuity paid in advance	14	-
Contract assets	434	31
Export Incentive receivable	135	160
Total other current assets	5,216	2,137

16 EQUITY SHARE CAPITAL

Particulars	March 31, 2025		March 31, 2024	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
Authorised share capital				
Equity shares of ₹ 1 each (previous year ₹ 2 each)	45,50,00,000	4,550	22,75,00,000	4,550
Cumulative Redeemable Preference Shares of ₹ 2 each	2,50,00,000	500	2,50,00,000	500
Non-cumulative non-convertible Redeemable Preference Shares of ₹ 100 each	1,27,50,000	12,750	1,27,50,000	12,750
	49,27,50,000	17,800	26,52,50,000	17,800
Issued, subscribed and fully paid up				
Equity shares of ₹ 1 each (previous year ₹ 2 each)	22,43,99,930	2,244	11,21,99,965	2,244
Total equity share capital	22,43,99,930	2,244	11,21,99,965	2,244

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

16.1. Reconciliation of shares outstanding at the beginning and at the end of the reporting year

Particulars	March 31, 2025		March 31, 2024	
	No. of shares	₹ in Lakhs	No. of shares	₹ in Lakhs
At the beginning of the year	11,21,99,965	2,244	11,21,99,965	2,244
Increase in the number of shares on account of sub-division of equity shares (refer note below)	11,21,99,965	-	-	-
At the end of the year	22,43,99,930	2,244	11,21,99,965	2,244

Note : The Board of Directors at their Meeting held on April 19, 2024 approved the sub-division of each equity share of face value of ₹ 2 each fully paid up into 2 equity shares of face value of ₹ 1 each fully paid up. The same has been approved by the Members at its Annual General Meeting held on June 25, 2024. The effective date for the sub-division was July 19, 2024 ("Record Date").

16.2. Rights, preferences and restrictions attached to the equity shares

The Holding Company has only one class of Equity shares having a par value of ₹ 1 per share (previous year ₹ 2 per share). Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend which is approved by the Board of Directors.

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Holding Company after distribution of all preferential amounts, in proportion to their shareholding.

16.3. Number of shares held by each shareholder holding more than 5% Shares in the Holding Company

Name of the shareholder	March 31, 2025		March 31, 2024	
	No. of shares	% of shareholding	No. of shares	% of shareholding
Equity shares of ₹ 1 each fully paid held by (previous year ₹ 2 each):				
Aakaaish Investments Private Limited	10,46,04,474	46.62	5,23,02,237	46.62
K. B. Investments Private. Limited	1,94,47,548	8.67	97,23,774	8.67

16.4 Number of shares held by Promoters/Promoter Group

(₹ in Lakhs)						
Sr. No.	Name of the Promoters/ Promoter Group	No. of Shares held at the end of the year [As on March 31, 2025]		No. of Shares held at the end of the year [As on March 31, 2024]		% Change during the year
		No. of Shares	% of Total Shares	No. of Shares	% of Total Shares	
1	Prayasvin Bhanubhai Patel	39,25,864	1.75%	19,62,932	1.75%	0.00%
2	Trupti Pradip Patel	28,62,116	1.28%	14,31,058	1.28%	0.00%
3	B I Patel-HUF (Bhanubhai Patel-Karta)	4,54,980	0.20%	2,27,490	0.20%	0.00%
4	Taruna Patel	4,37,834	0.20%	2,18,917	0.20%	0.00%
5	Aishwarya P. Patel	10,440	0.00%	5,220	0.00%	0.00%
6	Akansha P. Patel	12,36,940	0.55%	6,18,470	0.55%	0.00%
7	Aakaaish Investments Private Limited	10,46,04,474	46.62%	5,23,02,237	46.62%	0.00%
8	K B Investments Private Limited	1,94,47,548	8.67%	97,23,774	8.67%	0.00%
9	Power Build Private Limited	31,920	0.01%	15,960	0.01%	0.00%

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

						(₹ in Lakhs)
Sr. No.	Name of the Promoters/ Promoter Group	No. of Shares held at the end of the year [As on March 31, 2025]		No. of Shares held at the end of the year [As on March 31, 2024]		% Change during the year
		No. of Shares	% of Total Shares	No. of Shares	% of Total Shares	
10	Emtici Engineering Limited	-	0.00%	-	0.00%	0.00%
11	Prayas Engineering Limited	-	0.00%	-	0.00%	0.00%
12	Elecon Information Technology Limited	-	0.00%	-	0.00%	0.00%
13	Akaaish Mechatronics Limited	-	0.00%	-	0.00%	0.00%
14	Akaaish Printing Press Private Limited (formerly known as Speciality Woodpack Private Limited)	-	0.00%	-	0.00%	0.00%
15	Aisho Tours and Travels Limited (Formerly known as Wizard Fincap Limited) #	-	0.00%	-	0.00%	0.00%
16	Lotus Trust \$	-	0.00%	-	0.00%	0.00%
	Total holding of Promoters and Promoter Group	13,30,12,116	59.27%	6,65,06,058	59.27%	0.00%

Note : The Board of Directors at their Meeting held on April 19, 2024 approved the sub-division of each equity share of face value of ₹ 2 each fully paid up into 2 equity shares of face value of ₹ 1 each fully paid up. The same has been approved by the Members at its Annual General Meeting held on June 25, 2024. The effective date for the sub-division was July 19, 2024 ("Record Date").

Reclassified under Public category of shareholders w.e.f. October 23, 2024.

\$ Ultimate beneficiary.

17 OTHER EQUITY

17.1 Other reserves

Balance	Other reserves				Component of other comprehensive income	Total
	General reserve	Securities premium	Capital reserve	Retained earnings	Exchange difference on translating the financial statement	
As at April 1, 2023	44,324	2,878	247	76,623	1,594	1,25,667
Profit for the year	-	-	-	35,558	-	35,558
Remeasurements of post-employment benefit obligation, (net of tax) accounted through other comprehensive income	-	-	-	88	-	88

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

(₹ in Lakhs)						
Balance	Other reserves				Component of other comprehensive income	Total
	General reserve	Securities premium	Capital reserve	Retained earnings	Exchange difference on translating the financial statement	
Foreign currency translation	-	-	-	-	212	212
Balance available for appropriation	44,324	2,878	247	1,12,269	1,807	1,61,525
Appropriations						
Dividend paid	-	-	-	(3,366)	-	(3,366)
As at March 31, 2024	44,324	2,878	247	1,08,903	1,807	1,58,159
Profit for the year	-	-	-	41,510	-	41,510
Remeasurements of post-employment benefit obligation, (net of tax) accounted through other comprehensive income	-	-	-	194	-	194
Foreign currency translation	-	-	-	-	1,127	1,127
Balance available for appropriation	44,324	2,878	247	1,50,608	2,934	2,00,991
Appropriations						
Issue of shares	-	-	-	(3,366)	-	(3,366)
As at March 31, 2025	44,324	2,878	247	1,47,242	2,934	1,97,625

17.2 Dividend distribution made and proposed

(₹ in Lakhs)		
Particulars	March 31, 2025	March 31, 2024
Dividend on equity shares declared and paid		
Final dividend for year ended March 31, 2024: ₹ 2 per share (March 31, 2023: ₹ 2 per share)	2,244	2,244
Interim dividend for the FY 2024-25: ₹ 0.50 per share (FY 2023-24 : ₹ 1 per share)	1,122	1,122
	3,366	3,366
Proposed dividend on Equity shares		
Final dividend proposed for the year ended March 31, 2025: ₹ 1.50 per share (March 31, 2024: ₹ 2 per share)	3,366	2,244
	3,366	2,244

Proposed dividend on equity shares is subject to approval at the ensuing Annual General Meeting and is not recognised as a liability as at March 31, 2025.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

17.3 Description of Reserves

General Reserve

General Reserve represents appropriation of retained earnings and are available for distribution to shareholders.

Securities Premium

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

Capital Reserve

Capital reserve is recorded in bargain purchase transaction of business combination in which the fair value of acquired net assets exceeded the purchase consideration. Capital reserve is not available for dividend distribution.

Retained Earnings

Retained earnings represents surplus/accumulated earnings of the Group and are available for distribution to shareholders.

Exchange difference on translation

Exchange differences arising on translation of assets, liabilities, income and expenses of the Group's foreign subsidiaries and associates are recognised in other comprehensive income and accumulated separately in foreign currency translation reserve. The amounts recognised are transferred to the consolidated statement of profit and loss on disposal of the related foreign subsidiaries and associates.

18 BORROWINGS

(₹ in Lakhs)		
Particulars	March 31, 2025	March 31, 2024
Working capital loans (at amortised cost)		
From bank (Refer note 18.1)	331	-
Less : Accrued interest	-	-
Total current borrowings	331	-
Total borrowings	331	-

18.1 Nature of Securities {Loans repayable on demand}

- Working Capital Loans from banks granted by Consortium of Banks consisting of State Bank of India (As Lead Bank), Axis Bank, IDBI Bank and HDFC Bank (Including guarantees issued by them in favour of various clients of the Company) are secured by:-
 - First pari passu hypothecation charge over all the current assets of the Company, present and future.
 - Omnibus Counter Guarantee of the Company for consortium BG limits
 - Extension of first pari passu hypothecation charge over property, plant and equipment (movable and immovable) present and future, excluding certain assets.
 - Undertaking for non disposal of various land parcels of the Company as per loan sanction letter.
- Securities released by consortium of banks during the current year:**
 - Registered mortgage on factory land and building as per NOC.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

f) Rate of Interest for Loan from banks during the year ended:

Name of the Bank	Interest Rate %	
	March 31, 2025	March 31, 2024
State Bank of India	8.70% to 9.05%	8.60% to 8.70%
IDBI Bank Ltd.	8.90% to 9.30%	8.00% to 8.90%
Axis Bank Ltd.	8.75% to 9.10%	5.45% to 9.10%
Bank of Baroda	-	#
HDFC Bank Ltd.	9.20% to 9.45%	6.75% to 9.20%

Ceased to be a lender under consortium w.e.f. November 1, 2023

19 LEASE LIABILITIES

Particulars	March 31, 2025		March 31, 2024	
	Current	Non-current	Current	Non-current
Lease liabilities (Refer note 45)	3,138	14,654	1,105	5,941
Total lease liabilities	3,138	14,654	1,105	5,941

20 NON-CURRENT PROVISIONS

Particulars	March 31, 2025	March 31, 2024
Provision for employee benefits (Refer note 41)		
- Provision for gratuity and pension #	-	1,150
- Provision for compensated absences	8	1
Other Provisions		
- Provision for warranties	266	574
Total non-current provisions	274	1,725

Corporate Guarantee by Intermediate Holding Company, is provided against a pension liability of Nil (March 31, 2024 : ₹ 1,058 Lakhs), issued to Swedish Pension Authority. The said pension liability has been repaid during the year and the Corporate Guarantee has been released by the Swedish Pension Authority.

21 OTHER NON-CURRENT LIABILITIES

Particulars	March 31, 2025	March 31, 2024
Deferred government grant (refer note 21.1) :		
- EPCG Obligation	299	-
Amount received under Protest #	1,845	1,845
Total non-current provisions	2,144	1,845

Amount received against arbitration award from customer pending disposal of the litigation with higher court.

Particulars	March 31, 2025	March 31, 2024
Opening balance at the beginning of the year	-	76
Received during the year	299	-
Released to the Statement of Profit and Loss	-	(76)
Closing balance at the end of the year	299	-

Government assistance in the form of duty benefit availed under Export Promotion Capital Goods (EPCG) Scheme on purchase of property, plant and equipments accounted for as government grant. These grants will be recognised in statement of profit and loss on the basis of fulfillment of export obligation.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

22 TRADE PAYABLES

Particulars	March 31, 2025	March 31, 2024
Total outstanding dues of micro and small enterprises	5,573	5,759
Total outstanding dues of creditors other than micro and small enterprises	22,441	13,032
Total trade payables	28,014	18,791
Dues to related parties (Refer note 40)	2,318	1,613
Dues to third parties	25,696	17,178
	28,014	18,791

Includes retention money payable to creditors amounting to ₹ 43 Lakhs (March 31, 2024 - ₹ 3 Lakhs)

(i) For the year ending March 31, 2025.

Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	4,579	997	3	-	-	5,579
(ii) Others	17,379	5,056	-	-	-	22,435
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-
Total	21,958	6,053	3	-	-	28,014

(ii) For the year ending March 31, 2024.

Particulars	Outstanding for following periods from due date of payment					
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	4,916	843	-	-	-	5,759
(ii) Others	11,185	1,627	13	-	207	13,032
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-
Total	16,101	2,470	13	-	207	18,791

23 OTHER FINANCIAL LIABILITIES - CURRENT

Particulars	March 31, 2025	March 31, 2024
Security deposits	204	200
Unpaid dividend #	74	60
Managerial Remuneration payable	1,725	1,500
Other Employee payables	2,534	2,133
Payable against capital goods	322	613
Total other financial liabilities - Current	4,859	4,506

There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at the year end.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

24 OTHER CURRENT LIABILITIES

(₹ in Lakhs)		
Particulars	March 31, 2025	March 31, 2024
Advance from customers #	8,215	10,478
Statutory dues	3,783	2,527
Billing in excess of revenue - Contract liability	2,294	-
Total other current liabilities	14,292	13,005

includes advance received from customer Nil (March 31, 2024 : ₹ 98 Lakhs) which is secured by bank guarantees

25 CURRENT PROVISIONS

(₹ in Lakhs)		
Particulars	March 31, 2025	March 31, 2024
Provision for employee benefits (Refer note 41)		
- Provision for compensated absences	5	28
Other Provisions		
- Provision for contract liabilities	226	-
- Provision for warranties	2,116	1,708
Total provisions	2,347	1,736

Movement in Provisions

(₹ in Lakhs)			
Particulars	Provision for contract liabilities	Provision for warranties	Provision for onerous contracts
Carrying amount as at April 1, 2023	142	1,897	72
Provision made / increase in provision	-	2,282	-
Provision amount used during the year	(142)	(1,897)	(72)
Carrying amount as at March 31, 2024	-	2,282	-
Provision made / increase in provision	-	2,382	-
Provision amount used during the year	226	(2,282)	-
Carrying amount as at March 31, 2025	226	2,382	-

Refer 2.6 of material accounting policies.

Provision for contract liabilities - It includes provision for possible levy of liquidated damages and other estimated costs expected to be incurred by the Group on account of potential delays in meeting the contractual obligations of the Group with regard to agreed deliveries/commissioning.

Provision for warranties - A provision for warranties relates mainly to standard warranty on sale of the products manufactured by the Company. The provision is based on technical evaluation, historical warranty data and a weighting of all possible outcomes by their associated probabilities. The timing of the outflows is expected to be within a period of one year from the date of balance sheet.

Provision for onerous contracts - The Group has entered into various contracts primarily into material handling. Provision for onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. The movement of provision for onerous contracts is recognised in cost of material consumed (Refer note 29)

26 CURRENT TAX LIABILITIES (NET)

(₹ in Lakhs)		
Particulars	March 31, 2025	March 31, 2024
Provision for tax (net of taxes paid in advance)	731	788
Total current tax liabilities (net)	731	788

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

27 REVENUE FROM OPERATIONS

(₹ in Lakhs)		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Sale of products (Refer note 44)		
<u>Transmission equipment sales</u>		
Local	1,26,382	1,37,553
Export sales	27,864	20,432
<u>Material handling equipment</u>		
Local	45,588	27,754
Export sales	307	2
	2,00,141	1,85,741
Sale of services		
Erection, commissioning and service charges	4,235	2,653
	4,235	2,653
Sale - others	15,324	2,259
Other operating revenue		
Sale of scrap	1,450	1,249
Income from generation of electricity from renewable sources	1,165	1,426
Export incentives	374	414
Others	7	-
	2,996	3,089
Total revenue from operations	2,22,696	1,93,742

28 OTHER INCOME

(₹ in Lakhs)		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest income (measured at amortised cost) :		
- on deposits	784	1,176
- on income tax	-	-
- on investments	1,697	424
- on others	841	270
Dividend income	15	39
Gain on sale of Property, plant and equipment (net)	81	272
Foreign exchange gain (net)	288	445
Gain on sale of Investments (net)	104	90
Gain arising on financial assets at FVTPL (net)	1,002	66
Rent income	393	337
Liabilities no longer payable written-back	178	553
Trade receivables previously written off, now recovered / advance written back	524	327
Insurance claims	-	372
Miscellaneous income	98	35
Total other income	6,005	4,406

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

29 COST OF MATERIALS CONSUMED

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Inventory at the beginning of the year	8,141	10,146
Add : Purchases during the year (See Note)	1,03,945	82,017
	1,12,086	92,163
Less : Inventory at the end of the year	10,499	8,141
Cost of material consumed	1,01,587	84,022
Total cost of material consumed	1,01,587	84,022

Note :

- (i) includes ₹ 15,324 Lakhs of items Traded during the current year (March 31, 2024: ₹ 2,259 Lakhs)

30 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
(Increase) / decrease in inventories		
Opening work-in-progress	5,812	6,955
Closing work-in-progress	(7,402)	(5,812)
Exchange difference	1	4
	(1,589)	1,147
Opening finished goods (including goods in transit)	8,864	9,630
Closing finished goods (including goods in transit)	(6,059)	(8,864)
Exchange difference	69	281
	2,874	1,047
Total changes in inventories of finished goods and work-in-progress	1,285	2,194

31 MANUFACTURING EXPENSE AND ERECTION CHARGES

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Stores, tools and spares consumed	4,536	5,167
Sub-contracting charges	5,210	3,983
Power and fuel	2,715	2,696
Erection and other charges	772	1,651
Other manufacturing expenses	2,630	2,114
Total manufacturing expense and erection charges	15,863	15,611

32 EMPLOYEE BENEFITS EXPENSE

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Salaries, wages and bonus	17,657	15,954
Contribution to provident fund and other funds (Refer note 41)	684	586
Employee welfare expenses	2,515	2,308
Total employee benefits expense	20,856	18,848

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

33 FINANCE COSTS

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Interest expenses #		
Interest on working capital	292	207
Interest on lease	789	268
Interest - others	8	157
Other borrowing costs (including guarantee charges)	215	232
Total finance costs	1,304	864

Interest expenses are calculated under the Effective Interest Method and measured at amortized cost.

34 OTHER EXPENSES

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Rent (Refer note 45)	1,560	1,640
Rates and taxes	396	504
Duties & Fees	110	224
Insurance expense	381	487
<u>Repairs and maintenance :</u>		
- Building	1,920	948
- Machinery	3,066	2,576
- Others	91	132
Computer software maintainence charges	2,173	1,818
Payment to auditors (Refer note 35)	138	116
Legal and professional fees	1,215	1,070
Directors sitting fees	15	14
Commission to non-executive directors	88	70
Travelling, conveyance and communication expenses	1,613	1,642
Bank charges	29	25
Packing, forwarding and distribution expenses (net of recoveries)	4,208	3,414
Commission and brokerage	7,542	5,571
Advertisements and business promotion expenses	708	338
Warranty claims (Refer note 25)	346	901
Business support services	166	408
Doubtful trade receivables written off	361	867
Allowance for Expected Credit loss recognised/(reversed) (Refer note 13)	620	809
Donations	-	8
Expenditure on corporate social responsibility	524	292
Miscellaneous expenses	1,576	1,746
Total	28,846	25,620

- (i) Research and development expenditure accounted through Consolidated Statement of Profit and Loss aggregates ₹ 601 Lakhs (March 31, 2024: ₹ 375 Lakhs).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

35 PAYMENT TO AUDITORS

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
(a) As auditors-audit fees	104	94
(b) For other services (limited review, certification etc.)	21	16
(c) Tax Audit	4	4
(d) Other Services (Assurance for BRSR)	6	-
(e) Out of pocket expenses	2	2
Total payment to auditors	138	116

36 EARNINGS PER SHARE

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Basic and Diluted Earning Per Share (EPS)		
a) Profit attributable to equity shareholders of the Group (₹ in Lakhs)	41,510	35,558
b) Weighted average number of equity shares outstanding during the year #	22,43,99,930	11,21,99,965
c) Earning per share (Basic and Diluted) (₹ in)	18.50	15.85
d) Face value per share (₹ in)	1	2

The Company has sub-divided its 11,21,99,965 Equity Shares having face value of ₹ 2 (Two) per share into 22,43,99,930 Equity Shares having face value of ₹ 1 (One) per share effective from July 19, 2024 ("Record Date"). Accordingly, earnings per share of comparative periods presented is calculated based on number of shares outstanding in respective periods, as increased due to sub-division of its equity shares.

37 TAX EXPENSES

The major components of income tax expense for the year ended March 31, 2025 and March 31, 2024 are :

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Statement of Profit and Loss		
Current tax		
Current tax expense for current year	12,433	10,838
Current tax expense/(income) pertaining to prior years	(16)	176
(A)	12,417	11,014
Deferred tax		
Deferred tax expense/(income) for current year	(245)	153
Deferred tax benefits pertaining to prior years	15	(187)
(B)	(230)	(34)
Income tax expense reported in the Statement of Profit and Loss (A+B)	12,187	10,980
Other comprehensive income		
Deferred tax charge / (credit) on remeasurements losses of defined benefit plans #	(22)	(47)
(C)		
Total tax expense (A+B+C)	12,165	10,933

Considered in tax reconciliation A) below

Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate for the year ended March 31, 2025 and March 31, 2024

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

A) Current tax

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Profit before tax	53,697	46,538
Statutory income tax rate	25.168%	25.168%
Tax using the Company's statutory tax rate	13,514	11,713
Tax effects of :		
Income exempt from tax	(736)	(477)
Deferred tax not recognised	(17)	-
Tax at special rate	(10)	-
Share of profit from associate	(205)	(161)
Disallowable expenses	214	97
Adjustment of tax expense relating to earlier periods	(36)	(11)
Different tax rates of foreign subsidiaries	298	(110)
Tax pertaining to prior years	(1)	133
Reversal of deferred liability on indexation of land (Refer note (i) below)	(74)	(20)
Past losses utilised	(403)	(337)
Goodwill amortization allowable under UK GAAP. GBP 222,639 @ 25%	(62)	(59)
Group intercompany eliminations (profit in inventory)	(323)	163
Others	5	2
	(1,349)	(780)
Income tax expense	12,165	10,933

(i) At the time of transition to Indian Accounting Standards (Ind AS) with effect from April 01, 2015, the Holding Company had recognised the fair value of its land parcels in the books of account and had also recognised corresponding deferred tax liability considering the future tax obligation that would arise upon sale of land in the expected manner in future (sale of land parcels on a piecemeal basis, delinked from the business).

B) Deferred tax

Particulars	(₹ in Lakhs)				
	Balance as at April 1, 2023	Accounted through Statement of Profit and loss and OCI	Balance as at March 31, 2024	Accounted through Statement of Profit and loss and OCI	Balance as on March 31, 2025
Depreciation for tax purposes	(2,503)	127	(2,376)	131	(2,245)
Impact of fair valuation of financial assets	(741)	20	(721)	91	(630)
Deferred tax on fair value of investments/derivatives	(13)	(3)	(16)	(244)	(260)
Provision for Impairment loss recognised	447	68	515	95	610
Provision for pension liability	209	(117)	92	-	92
Expenditure allowable on payment basis	(54)	(87)	(141)	244	103
Expenditure allowable on realised basis	19	(18)	1	(1)	-
Deferred tax on unabsorbed depreciation	-	-	-	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

(₹ in Lakhs)					
Particulars	Balance as at April 1, 2023	Accounted through Statement of Profit and loss and OCI	Balance as at March 31, 2024	Accounted through Statement of Profit and loss and OCI	Balance as on March 31, 2025
Deferred tax on long term capital loss	7	2	9	(9)	-
Deferred tax on other financing arrangement	110	(107)	3	131	134
Deferred tax expense/(income) accounted through OCI	344	9	353	(171)	182
Exchange difference directly recognised in equity	(251)	69	(182)	(98)	(280)
Total deferred tax (expense) / income	-	(37)	-	169	-
Net deferred tax assets/(liabilities)	(2,426)	-	(2,463)	-	(2,294)
Reflected in the balance sheet are as follows:					
Deferred tax assets	209		92		-
Deferred tax liabilities	(2,635)		(2,555)		(2,294)
Deferred tax liabilities (net)	(2,426)		(2,463)		(2,294)

(₹ in Lakhs)		
Reconciliation of deferred tax assets / (liabilities), net	March 31, 2025	March 31, 2024
Balance at the beginning of the year	(2,463)	(2,426)
Tax income/(expense) during the period recognised in profit or loss	245	(153)
Tax income/(expense) during the period recognised in OCI	22	47
Exchange difference directly recognised in equity	(98)	69
Balance at the end of the year	(2,294)	(2,463)

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Unused tax losses on which no deferred tax asset is recognised

The subsidiaries have the following unused tax losses which arose on incurrance of business losses under the Income tax for which no deferred tax asset have been recognized in the balance sheet. The losses can be carried forward for a period of 20 years.

(₹ in Lakhs)	
Financial year	March 31, 2025
2010-11	448
2011-12	363
2012-13	1,344
2013-14	1,304
2014-15	-
2015-16	-
2016-17	-
2017-18	23
2018-19	-
2019-20	-
2020-21	58

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

(₹ in Lakhs)	
Financial year	March 31, 2025
2021-22	-
2022-23	-
2023-24	-

38 FINANCIAL INSTRUMENTS RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's financial liabilities comprise mainly of borrowings, trade and other payables. The Group's financial assets comprise mainly of investments, cash and cash equivalents, other balances with banks, loans, trade receivables and other receivables.

The Group is exposed to Market risk, Credit risk and Liquidity risk. The Board of the Group has constituted a Risk Management Committee to frame, implement and monitor the risk management plan for the Group. The said Committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls. It also covers policies on specific risk areas such as currency risk, interest rate risk, credit risk and investment of surplus funds.

The following disclosures summarize the Group's exposure to financial risks and information regarding use of derivatives employed to manage exposures to such risks. Quantitative sensitivity analysis have been provided to reflect the impact of reasonably possible changes in market rates on the financial results, cash flows and financial position of the Group.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk includes borrowings, investments, trade payables, trade receivables and loans.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group seeks to mitigate such risk by maintaining an adequate proportion of floating and fixed interest rate borrowings. As at March 31, 2025, approximately 100% of the Group's borrowings which consist of cash credits for working capital are at fixed rate (March 31, 2024 : 100%). Summary of financial assets and financial liabilities has been provided below:

Exposure to interest rate risk

The interest rate profile of the Group's interest - bearing financial instrument as reported to management is as follows:

(₹ in Lakhs)		
Particulars	March 31, 2025	March 31, 2024
Fixed-rate instruments		
Financial Assets	55,015	35,900
Financial Liabilities	-	-
Variable-rate instruments		
Financial Assets	-	-
Financial Liabilities	331	-

Interest rate sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of change in interest rates. The following table demonstrates the sensitivity of floating rate financial instruments to a reasonably possible change in interest rates. The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

(₹ in Lakhs)	
Particulars	Impact on Profit / (loss) after tax
March 31, 2025	
Increase in 100 basis points	2
Decrease in 100 basis points	(2)
March 31, 2024	
Increase in 100 basis points	-
Decrease in 100 basis points	-

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 transacts business in foreign currencies (primarily USD, EUR and GBP). Consequently, the Group has foreign currency trade payables and receivables and is therefore exposed to foreign exchange risk. The Group manages its foreign currency risk by following policies approved by board as per established risk management policy. The carrying amounts of the Group's foreign currency denominated monetary items are as follows:

Exposure to Currency Risk:-

The summary quantitative data about the Group's exposure to currency risk (based on notional amounts) is as follows:

(₹ in Lakhs)						
Particulars	March 31, 2025			March 31, 2024		
	USD	GBP	EUR	USD	GBP	EUR
Financial Assets						
Trade receivables	4,571	2,329	1,695	2,463	2,793	2,644
Cash and cash equivalents	928	394	2,506	145	1,349	1,454
Other financial assets	-	-	-	-	-	-
Loans	-	-	-	-	-	-
Total A	5,499	2,723	4,201	2,608	4,142	4,098
Financial Liabilities						
Trade payables	884	543	2,621	134	784	1,619
Other financial Liabilities						
Borrowings	-	-	-	-	-	-
Total B	884	543	2,621	134	784	1,619
Net exposure to foreign currency (A-B)	4,615	2,180	1,580	2,474	3,358	2,479

The Group is exposed to foreign currency risk on account of its receivables and payables. The functional currency of the Group is Indian Rupee. The Group has exposure to GBP, USD, EUR and other currencies. The Group has not hedged this foreign currency exposure as the Group has natural hedge for payables against receivables.

The following significant exchange rates have been applied during the year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

Rupees	Average rate		Year-end spot rate	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
USD 1	84.48	82.80	85.58	83.37
GBP 1	108.02	103.58	110.74	105.29
EUR 1	91.27	89.91	92.32	90.22

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD, EUR and GBP rates to the functional currency of respective entity, with all other variables held constant. The Group's exposure to foreign currency changes for all other currencies is not material. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities.

(₹ in Lakhs)						
Particular	USD			GBP		
	Change in exchange rate	Profit / (loss) before tax	Equity net of tax	Change in exchange rate	Profit / (loss) before tax	Equity net of tax
March 31, 2025						
Strengthening	1.00%	46	35	2.00%	44	33
Weakening		(46)	(35)		(44)	(33)
March 31, 2024						
Strengthening	1.00%	25	19	2.00%	67	50
Weakening		(25)	(19)		(67)	(50)

(b) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk primarily trade receivables and other financial assets including deposits with banks. The Group's exposure and credit ratings of its counterparties are continuously monitored and the aggregate value of transactions is reasonably spread amongst the counterparties. Security deposits mainly includes rental deposits, earnest money deposits which are given as per contractual agreement. Contract asset mainly pertains to contracts where there has been no delay or default in the past periods.

Other financial assets

This comprises mainly of deposits with banks, investments in mutual funds, market linked debentures, other quoted instruments and other group receivables. Credit risk arising from these financial assets is limited because the counterparties are group companies, banks and recognised financial institutions and other corporates with high ratings, assigned by recognised credit rating agencies. In case of mutual fund investments, since majority of the investemnts are in overnight or liquid funds, having limited risk.

Trade receivables

Customer credit risk is managed by each business unit subject to the Group's established policy and procedures. Trade receivables are non-interest bearing and generally have a credit period not exceeding 90 days. Credit limits are established for all customers based on internal rating criteria. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit. The Group has no concentration of credit risk as the customer base is widely distributed both economically and geographically.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

An impairment analysis is performed at each reporting date based on the facts and circumstances existing on that date to identify expected losses on account of time value of money and credit risk. For the purposes of this analysis, the receivables are categorised into groups based on types of receivables. Each group is then assessed for impairment using the Expected Credit Loss (ECL) model as per the provisions of Ind AS 109 - Financial instruments. The calculation is based on provision matrix which considers actual historical data adjusted appropriately for the future expectations and probabilities. Receivables from group companies and secured receivables are excluded for the purposes of this analysis since no credit risk is perceived on them. Proportion of expected credit loss provided for across the ageing buckets is summarised below:

Bucket	March 31, 2025	March 31, 2024
Not due#	2.92%	3.41%
0-1 year	1.09%	2.42%
1-3 years	26.73%	9.88%
Greater than 3 years	76.76%	39.02%
Expected Credit Losses rate	4.04%	4.24%
Amount of Expected credit loss provided (₹ in Lakhs)	(2,440)	(1,841)

Includes provision made for long outstanding retention money.

The loss rates are based on actual credit loss experience over past years. These loss rates are then adjusted appropriately to reflect differences between current and historical economic conditions and the Group's view of economic conditions over the expected lives of the receivables.

The following significant change in the carrying amounts of trade receivables contributed to change in the impairment loss allowance during year ended March 31, 2025:

Increase in credit impaired balances is due to additional impairment is considered for specific customers due to lapse of time in realising the receivable due.

Movement in provision of expected credit loss has been provided in note no. 13.

(c) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. The Group's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Group closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including bilateral loans, debt and overdraft from both domestic and international banks at an optimised cost.

The table below analysis non-derivative financial liabilities of the Group into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed under the ageing buckets are the contractual undiscounted cash flows and includes contractual interest payments.

Particular	Carrying amount	Less than 12 months	1-2 years	2-5 years	more than 5 years	Total
Year ended March 31, 2025						
Financial liabilities						
Borrowings	331	331	-	-	-	331
Trade payables	28,014	28,014	-	-	-	28,014
Other financial liabilities	4,859	4,859	-	-	-	4,859

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

Particular	Carrying amount	Less than 12 months	1-2 years	2-5 years	more than 5 years	Total
Lease liabilities	17,792	3,138	3,282	7,406	3,966	17,792
Total	50,996	36,342	3,282	7,406	3,966	50,996
Year ended March 31, 2024						
Financial liabilities						
Borrowings	-	-	-	-	-	-
Trade payables	18,791	18,791	-	-	-	18,791
Other financial liabilities	4,506	4,506	-	-	-	4,506
Lease liabilities	7,046	1,104	1,188	1,791	2,963	7,046
Total	30,343	24,401	1,188	1,791	2,963	30,343

(d) Commodity price risk

Commodity price risk arises due to fluctuation in prices of steel. The Group has a risk management framework aimed at prudently managing the risk arising from the volatility in the commodity prices and freight costs. The Group's commodity risk is managed through well-established control processes.

(e) Capital management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The Group has adequate cash and bank balances and no interest bearing liabilities. The Group monitors its capital by a careful scrutiny of the cash and bank balances, and a regular assessment of any debt requirements. In the absence of any interest bearing debt, the maintenance of debt equity ratio etc. is not of any relevance to the Group.

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interest-bearing loans and borrowings (Note 18 and 19)	331	-
Less: cash and cash equivalents (Note 14)	(15,885)	(10,969)
Adjusted net debt	(15,554)	(10,969)
Equity share capital (Note 16)	2,244	2,244
Other equity (Note 17)	1,97,625	1,58,159
Total equity	1,99,869	1,60,403
Adjusted net debt to total equity ratio	(0.08)	(0.07)

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2025 and March 31, 2024.

39 FAIR VALUE MEASUREMENTS

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

As at March 31, 2025

(₹ in Lakhs)

Particulars	Carrying amount					Fair Value			
	Cost	FVTPL	FVTOCI	Amortised cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Investments (Note 1 below)	-	42,529	-	-	42,529	42,529	-	0	42,529
Trade receivables	-	-	-	61,387	61,387	-	-	-	-
Cash and cash equivalents	-	-	-	15,885	15,885	-	-	-	-
Other bank balance	-	-	-	19,959	19,959	-	-	-	-
Other financial assets	-	-	-	1,436	1,436	-	-	-	-
Total Financial assets	-	42,529	-	98,667	1,41,196	42,529	-	0	42,529
Borrowings	-	-	-	331	331	-	-	-	-
Trade payables	-	-	-	28,014	28,014	-	-	-	-
Other financial liabilities	-	-	-	4,859	4,859	-	-	-	-
Lease liabilities	-	-	-	17,792	17,792	-	-	-	-
Total Financial liabilities	-	-	-	50,996	50,996	-	-	-	-

As at March 31, 2024

(₹ in Lakhs)

Particulars	Carrying amount					Fair Value			
	Cost	FVTPL	FVTOCI	Amortised cost	Total	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	Total
Investments (Note 1 below)	-	22,351	-	-	22,351	22,351	-	0	22,351
Trade receivables	-	-	-	44,510	44,510	-	-	-	-
Cash and cash equivalents	-	-	-	10,969	10,969	-	-	-	-
Other bank balance	-	-	-	15,362	15,362	-	-	-	-
Other financial assets	-	-	-	6,166	6,166	-	-	-	-
Total Financial assets	-	22,351	-	77,007	99,358	22,351	-	0	22,351
Borrowings	-	-	-	-	-	-	-	-	-
Trade payables	-	-	-	18,791	18,791	-	-	-	-
Other financial liabilities	-	-	-	4,506	4,506	-	-	-	-
Lease liabilities	-	-	-	7,046	7,046	-	-	-	-
Total Financial liabilities	-	-	-	30,343	30,343	-	-	-	-

Note-1: Investments in associate have been accounted at historical cost. Since these are scoped out of Ind AS 109 for the purposes of measurement, the same have not been disclosed in the tables above. Investments in unquoted equity shares of entities other than associates have been designated as FVTPL. However, investments in equity shares on disposal will fetch only the principal amount invested and hence the Group considers cost and fair value to be the same.

Fair value of financial assets and liabilities measured at amortised cost is not materially different from the amortised cost. Further, impact of time value of money is not significant for the financial classified as current. Accordingly, the fair value has not been disclosed separately.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

B. Measurement of fair values

i) Valuation techniques and significant unobservable inputs

The carrying amounts of financial assets and liabilities other than those valued at Level 1 and Level 2 are considered to be the same as their fair values due to the current and short term nature of such balances and no material differences in the values.

Fair value of borrowings is computed using the market comparison technique where information for the interest rate at which a borrowing can be availed by Company is used to arrive at fair value of borrowing. Further management measurement of fair value is not materially different from the amortised cost. In these cases, significant unobservable inputs and interrelationship between significant unobservable inputs and fair value measurement is not applicable.

The Group's investments on disposal will fetch only the principal amount invested and hence the Company considers cost and fair value to be the same for investments in equity shares of ₹ 0.15 Lakhs (March 31, 2024: ₹ 0.15 Lakhs).

ii) Levels 1, 2 and 3

Level 1 : It includes Investment in equity shares and mutual funds that have a quoted price and which are actively traded on the stock exchanges. It is valued using the closing price as at the reporting period on the stock exchanges.

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

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

C. Fair value through profit and loss - in unquoted equity shares:

i) Transfers between Levels 1 and 2

There have been no transfers between Level 1 and Level 2 during the reporting periods.

ii) Level 3 fair values

Movements in the values of unquoted equity instruments for the year ended March 31, 2025 and March 31, 2024 are as below:

(₹ in Lakhs)

Particulars	Amount
As at March 31, 2023	59
Acquisitions/ (disposals)	(51)
Gains/ (losses) recognised in other comprehensive income	-
Gains/ (losses) recognised in statement of profit or loss	(8)
As at March 31, 2024	-
Acquisitions/ (disposals)	-
Gains/ (losses) recognised in other comprehensive income	-
Gains/ (losses) recognised in statement of profit or loss	-
As at March 31, 2025	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

40. RELATED PARTY DISCLOSURES

As per the Ind AS - 24 Related Party Disclosures, the details are as under :

A) Name of the related parties and nature of relationships :

- a) **Ultimate Holding company** : Aakaaish Investments Private Limited
- b) **Entity with control over the group** : Lotus Trust
- c) **Associates**
 - (i) Eimco Elecon (India) Limited
 - (ii) Elecon Australia Pty. Limited (Refer note below)
 - (iii) Elecon Africa Pty. Limited (Refer note below)
 - (iv) Elecon Engineering (Suzhou) Co. Limited, China (Refer note below)

Note :

The Holding Company is in process of seeking RBI approval for liquidating its 3 associates namely Elecon Australia Pty. Limited, Elecon Africa Pty. Limited and Elecon Engineering (Suzhou) Co. Limited, China. There are no transactions in these 3 associate companies and there are no assets or liabilities pertaining to these associates.

d) Key managerial personnel

- (i) Mr. Prayasvin B. Patel - Chairman and Managing Director
- (ii) Mr. Prashant C. Amin - Non-Executive Director
- (iii) Mr. Aayush Shah - Non-Executive Director
- (iv) Mr. Pradip M. Patel - Director
- (v) Dr. Sonal V Ambani - Independent Director
- (vi) Mr. Pranav C. Amin - Independent Director
- (vii) Mr. Ashutosh Pednekar- Independent Director
- (viii) Mr. Nirmal P. Bhogilal - Independent Director(w.e.f. April 01, 2024)
- (ix) Mr. Narasimhan Raghunathan- Chief Financial Officer
- (x) Mrs. Bharti L Isarani- Company Secretary
- (xi) Mr. Rajen F. Kavani- Director of Elecon Middle East FZCO
- (xii) Mr. Vipul B. Shah- Director of Elecon Singapore Pte. Ltd.
- (xiii) Mr. Chandrakant B. Patel - Director of Benzlers-Radicon Group
- (xiv) Mr. Dineshkumar M. Patel - Director of Radicon Transmission UK Ltd. , Benzlers Systems AB, AB Benzlers, OY Benzler Ab, Benzler Transmission A/S
- (xv) Mr. Mark Cooper - Director of OY Benzler Ab

e) Relatives of Key managerial personnel

- (i) Mrs. Taruna Patel
- (ii) Ms. Akanksha Patel

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

(iii) Ms. Aishwarya Patel

(iv) B. I. Patel HUF (Karta)

(v) Mrs. Trupti Pardip Patel

f) Entities forming part of the same Group (with whom transactions undertaken during the current year or previous year)

- (i) Radicon Transmission FZE, Dubai
- (ii) Radicon Transmission (Thailand) Limited, Thailand
- (iii) Radicon Transmission (Australia) Pty Limited, Australia
- (iv) Prayas Engineering Limited
- (v) K. B. Investments Private Limited
- (vi) Elecon Information Technology Limited
- (vii) Tech Elecon Private Limited
- (viii) Emtici Engineering Limited
- (ix) Akaaish Printing Press Private Limited (formerly known as Speciality Woodpack Private Limited)
- (x) Power Build Private Limited
- (xi) Elecon Hydraulics Private Limited
- (xii) Akaaish Mechatronics Limited
- (xiii) Aisho Tours and Travels Limited (Formerly known as Wizard Fincap Limited) (upto October 22, 2024)
- (xiv) Eimco Elecon Electricals Limited
- (xv) Elecon Peripherals Limited
- (xvi) Emtici Marketing LLP
- (xvii) Modsonic Instruments Manufacturing Company Private Limited
- (xviii) Bipra Investments And Trusts Private Limited
- (xix) Vijay M. Mistry Construction Private Limited
- (xx) Naman Integrated Management Services Pvt. Ltd.
- (xxi) B.I. Patel Charitable Trust
- (xxii) Jamko Consultants Private Limited (upto September 24, 2024)

g) Other related parties:

(a) Post employment benefit plan

- (i) Elecon Engineering Company Limited Employees Group Gratuity Fund

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

(ii) Elecon Engineering Company Limited Employees Superannuation Scheme

(b) Directors and/or their relatives are interested:

- (i) Packme Industries Private Limited
- (ii) Darshan Chemicals
- (iii) United Marketing Company
- (iv) Desmin Agencies
- (v) Desai & Diwanji

B. Terms and conditions of transactions with related parties

Transaction entered into with related party are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances other than loan given and taken, at the year-end are unsecured and interest free and settlement occurs in cash other than for advance.

Transactions with key management personnel

Compensation of key management personnel of the Company

Particulars	(₹ in Lakhs)	
	Year Ended March 31, 2025	Year Ended March 31, 2024
Remuneration		
- Mr. Prayasvin B. Patel	2,261	1,937
- Mr. Narasimhan Raghunathan	67	57
- Mrs. Bharti Isarani	28	23
Commission and sitting fees to Independent directors and non-executive directors	102	84
Remuneration to directors #		
- Mr. Rajen F. Kavani	119	102
- Mr. Vipul B. Shah	143	126
Total compensation paid to key management personnel	2,720	2,329

Key Managerial Personnel who are under the employment of the Group are entitled to post employment benefits and other long term employee benefits recognised as per Ind AS 19 - Employee Benefits in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above.

Key Managerial Personnel who are under the employment of the overseas subsidiaries are entitled to post employment benefits and other long term employee benefits recognised as per the laws of the respective countries and hence the same are not included above.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

Particulars	Holding Company		Associate		Key Managerial Personnel		Relatives of Key managerial personnel		Entities forming part of the same group		Other related parties		Total	
	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24	2024-25	2023-24
Income:														
Sale of goods and rendering of services	-	-	-	-	-	-	-	-	1,959	2,548	549	372	3,072	3,611
Sale of scrap	-	-	-	-	-	-	-	-	44	21	-	-	44	21
Sales of plant and equipment	-	-	-	-	-	-	-	-	12	10	-	-	12	10
Commission income	-	-	-	-	-	-	-	-	5	-	-	-	5	-
Dividend income	-	-	-	-	-	-	-	-	-	34	-	-	-	34
Reimbursement of Expenses	-	-	7	-	-	-	-	-	101	96	-	-	108	96
Rent Income	-	-	35	35	-	-	-	-	234	199	-	-	269	234
Expense:														
Purchase of goods and availment of services	-	-	86	115	-	-	-	-	18,526	12,173	72	47	18,684	12,335
Purchase of plant and equipment	-	-	8	-	-	-	-	-	542	1,908	-	-	550	1,908
Remuneration Expenses	-	-	-	-	-	2,329	-	-	-	-	-	-	2,720	2,329
Repairs & Maintenance Charges	-	-	-	-	-	-	-	-	1,928	1,828	-	-	1,928	1,828
Software Service Charges	-	-	-	-	-	-	-	-	1,711	1,243	-	-	1,711	1,243
Other Expenses	-	-	-	-	-	-	-	-	1,030	1,304	-	1	1,030	1,305
Rent Expenses	-	-	5	5	-	75	-	-	931	1,060	-	-	1,036	1,140
Commission expense on Sales	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend paid	1,569	1,569	-	-	-	47	75	91	291	293	-	-	1,997	2,000
Contribution made to post employment defined plans trust	-	-	-	-	-	-	-	-	-	-	388	404	388	404
Contribution made towards CSR activities	-	-	-	-	-	-	-	-	522	291	-	-	522	291
Other Transactions:														
Donation Paid	-	-	-	-	-	-	-	-	-	8	-	-	-	8
Deposit refund received	-	-	-	-	-	-	-	-	8	21	-	-	8	21
Rent deposit paid	-	-	-	-	-	-	-	-	-	50	-	-	-	50
Outstanding balances:														
Assets:														
Trade receivables	-	-	322	77	-	-	-	-	233	915	-	-	555	992
Loan receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Advance given	-	-	-	-	-	-	-	-	-	165	-	-	-	165
Liabilities:														
Trade payables	-	-	-	20	-	-	-	-	2,290	1,593	-	-	2,318	1,613
Advance received	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Guarantees:														
Guarantee taken	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Note :

All the above expenses reported here are net off GST.

The Company had written off Investments and loans outstanding from the 3 associates namely Elecon Australia Pty Limited, Elecon Africa Pty. Limited and Elecon Engineering (Suzhou) Co. Limited in the financial year 2011-2012 amounting to ₹ 1,071 Lakhs.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

41 DISCLOSURE PURSUANT TO EMPLOYEE BENEFITS

A. Defined contribution plans:

Amount of ₹ 684 Lakhs (March 31, 2024: ₹ 586 Lakhs) is recognised as expenses and included in note no. 32 "Employee benefits expense"

Particulars	(₹ in Lakhs)	
	As at March 31, 2025	As at March 31, 2024
Provident Fund and Pension scheme	680	580
Superannuation Fund	4	6
	684	586

B. Defined benefit plans:

The Group has the following post employment benefits which are in the nature of defined benefit plans:

(a) Gratuity and Pension

The Group operates gratuity plan wherein every employee is entitled to the benefit as per scheme of the Group, for each completed year of service. The same is payable on retirement or termination whichever is earlier. The benefit vests only after five years of continuous service.

March 31, 2025 : Changes in defined benefit obligation and plan assets

Particulars	April 1, 2024	Gratuity and Pension cost charged to statement of profit and loss			Transfer in/ Transfer Out liability/ asset and increase (decrease) in obligation due to fluctuation in exchange rate	Benefit paid	Remeasurement gains/(losses) in other comprehensive income					Contributions by employer	March 31, 2025
		Service cost	Net interest expense	Sub-total included in statement of profit and loss (Note 32)			Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI		
Gratuity													
Defined benefit obligation	1,517	120	109	229	(3)	(52)	-	-	45	26	71	-	1,762
Fair value of plan assets	(1,517)	-	(109)	(109)	-	52	9	-	-	-	9	(212)	(1,777)
Benefit liability/ (asset)	-	120	-	120	(3)	-	9	-	45	26	80	(212)	(15)
Pension, gratuity and medical plan													
Defined benefit obligation	1,151	-	31	31	(105)	(1,077)	-	-	-	-	-	-	-
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Benefit liability	1,151	-	31	31	(105)	(1,077)	-	-	-	-	-	-	-
Total benefit liability	1,151	120	31	151	(108)	(1,077)	9	-	45	26	80	(212)	(15)

March 31, 2024 : Changes in defined benefit obligation and plan assets

Particulars	April 1, 2023	Gratuity and Pension cost charged to statement of profit and loss			Transfer in/ Transfer Out liability/ asset and Increase (decrease) in obligation due to fluctuation in exchange rate	Benefit paid	Remeasurement gains/(losses) in other comprehensive income					Contributions by employer	March 31, 2024
		Service cost	Net interest expense	Sub-total included in statement of profit and loss (Note 32)			Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI		
Gratuity													
Defined benefit obligation	1,271	91	96	187	3	(75)	-	-	87	44	131	-	1,517
Fair value of plan assets	(1,287)	-	(97)	(97)	-	74	50	-	-	-	50	(257)	(1,517)
Benefit liability/(asset)	(16)	91	(1)	90	3	(1)	50	-	87	44	181	(257)	-
Pension, gratuity and medical plan													
Defined benefit obligation	2,414	-	63	63	(252)	(784)	-	-	(282)	(8)	(290)	-	1,151
Fair value of plan assets	-	-	-	-	-	-	-	-	-	-	-	-	-
Benefit liability	2,414	-	63	63	(252)	(784)	-	-	(282)	(8)	(290)	-	1,151
Total benefit liability	2,398	91	62	153	(249)	(785)	50	-	(195)	36	(109)	(257)	1,151

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

The major categories of plan assets of the fair value of the total plan assets of Gratuity and Pension are as follows:

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Insurance Fund for gratuity (% of total plan assets)	100%	100%

The principal assumptions used in determining above defined benefit obligations for the Group's plans are shown below:

a) For Gratuity (for Indian entities)

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Discount rate	6.84%	7.20%
Future salary increase		
For 1st year	9.00%	9.00%
For 2nd to 3rd year, starting from 3rd year	9.00%	9.00%
Starting from 3rd year	9.00%	9.00%
Expected rate of return on plan assets	6.84%	7.20%
Employee turnover rate	6.00%	6.00%
Mortality rate during employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)

b) For Pension (for overseas entities)

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Discount rate	0.00%	3.80%

A quantitative sensitivity analysis for significant assumption is as shown below:

a) For Gratuity (for Indian entities)

Particulars	Sensitivity level	(₹ in Lakhs)	
		(increase) / decrease in defined benefit obligation (Impact)	
		Year ended March 31, 2025	Year ended March 31, 2024
Discount rate	1% increase	(121)	(102)
	1% decrease	139	117
Salary Increase	1% increase	117	105
	1% decrease	(111)	(97)
Employee Turnover	1% increase	(18)	(13)
	1% decrease	20	15

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

b) For Pension (for overseas entities)

Particulars	Sensitivity level	(₹ in Lakhs)	
		(increase) / decrease in defined benefit obligation (Impact)	
		Year ended March 31, 2025	Year ended March 31, 2024
Discount rate	0.50% increase	-	(81)
	0.50% decrease	-	92
Inflation rate	0.50% increase	-	95
	0.50% decrease	-	(83)

(b) Leave obligations -Unfunded

The actuarial Liability towards leave obligations as at March 31, 2025 is ₹ 13 Lakhs (March 31, 2024 : ₹ 29 Lakhs). Current year charge is included in Employee benefit expense (Refer Note 32)

(c) Effect of Plan on Entity's Future Cash Flows

(i) Funding arrangements and Funding Policy

The Holding Company has purchase an insurance policy to provide for payment of gratuity to the employees. Every year, the insurance company carries out a funding valuation based on the latest employee data provided by the Company. Any deficit in the assets arising as a result of such valuation is funded by the Company.

(ii) Expected Contribution during the next annual reporting period for Gratuity (for Indian entities):

The Company's best estimate of contribution during the next year is ₹ 131 Lakhs (March 31 2024 : ₹ 120 Lakhs)

(iii) Maturity profile of Defined Benefit Obligations for Gratuity (for Indian entities):

Weighted average duration (based on discounted cash flows) - 9 years (March 31 2024 :8 years)

(a) Expected cash flows over the next years (valued on undiscounted basis) for Gratuity (for Indian entities):

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
1 year	232	187
2 to 5 years	563	516
6 to 10 years	670	571
More than 10 years	1,835	1,649

(iv) Expected Contribution during the next annual reporting period for Pension (for overseas entities) :

The Company's best estimate of contribution during the next year is Nil (March 31 2024 : ₹ 29 Lakhs)

(v) Maturity profile of Defined Benefit Obligations for Pension (for overseas entities) :

Weighted average duration (based on discounted cash flows) - Nil (March 31 2024 : 23 years)

(a) Expected cash flows over the next (valued on undiscounted basis) for Pension (for overseas entities) :

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
1 year	-	-
2 to 5 years	-	-
6 to 10 years	-	64
More than 10 years	-	1,879

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

42 CONTINGENT LIABILITIES AND COMMITMENTS

(₹ in Lakhs)		
Particulars	March 31, 2025	March 31, 2024
(a) Contingent liabilities:		
Claims against the Holding Company not acknowledged as debt #		
(i) Disputed with Excise and Service tax authority [FY 2024-25 : Amount deposited : 249 Lakhs, Net 4,681 Lakhs] [FY 2023-24 : Amount deposited : 317 Lakhs, Net 4,688 Lakhs]	4,930	5,005
(ii) Disputed with Sales tax authority [FY 2024-25 : Amount deposited : NIL Lakhs, Net 12 Lakhs] [FY 2023-24 : Amount deposited : NIL Lakhs, Net 12 Lakhs]	12	12
(iii) Disputed with GST tax Authority [FY 2024-25 : Amount deposited : 94 Lakhs, Net 947 Lakhs] [FY 2023-24 : Amount deposited : 93 Lakhs, Net 952 Lakhs]	1,041	1,045
(iv) Disputed with Income tax authority [FY 2024-25 : Amount deposited : 1,174 Lakhs, Net 2,518 Lakhs] [FY 2023-24 : Amount deposited : 1,174 Lakhs, Net 2,959 Lakhs]	3,692	4,133
(v) Dispute raised by Income Tax Department against the Company with the higher authorities	1,021	961
Guarantees		
(i) Guarantee with customs for import of goods for AB Benzlers (Sweden) SEK 400,000 (March 2024 : SEK 400,000) # Future cash outflows are determinable only on receipt of judgements/ decisions pending with various forums/ authorities. It is not practicable to disclose possibility of any reimbursement.	34	31
(b) Commitments:		
(i) Estimated amount of contracts remaining to be executed on account of capital goods and not provided for (net of capital advance)	7,315	15,764

43 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. All operating segments' operating results are reviewed regularly by the Group's Chairman and Managing Director (CMD) to make decisions about resources to be allocated to the segments and assess their performance.

The Group has two reportable segments, as described below, which are the Group's strategic business units. These business units offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the business units, the Group's Chairman & Managing Director reviews internal Group management reports periodically. The CMD is designated as the Chief Operating Decision Maker (CODM).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

Reportable Segment	Description of products/services
Transmission equipment	Manufacturing of material transmission equipments like gearboxes, couplings and elevator traction machines.
Material handling equipment	The segment is engaged in manufacturing of material handling equipments like raw material handling system, stackers, reclaimers, bagging and weighing machines, wagon & truck loaders, crushers, wagon tipplers, feeders and port equipments. It is also engaged in executing projects on these material handling equipments.

Information about reportable segments

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit (before tax), as included in the internal Group management reports that are reviewed by the CODM. Segment profit is used to measure performance as Group management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

(₹ in Lakhs)		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Segment revenue from operations :		
(a) Transmission equipment	1,76,258	1,66,866
(b) Material handling equipment	49,349	29,299
Total	2,25,606	1,96,165
Less : Elimination of Inter division sales	(2,910)	(2,423)
Net Sales / Income from Operations including intersegment revenue	2,22,696	1,93,742
Segment profit/(loss) before tax and interest		
(a) Transmission equipment	43,493	43,910
(b) Material handling equipment	14,489	6,837
Net segment profit before tax and interest	57,982	50,747
Less : Elimination of Inter division profit	(1,321)	(998)
Net segment profit/(loss) before tax & interest	56,661	49,749
Reconciliation of segment profit with profit before tax		
i) Finance cost	1,304	864
ii) Other unallocated corporate expenses net off	6,361	5,035
iii) Unallocable income	(4,701)	(2,688)
Profit before tax as per statement of profit and loss	53,697	46,538

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

Other information

(₹ in Lakhs)		
Particulars	March 31, 2025	March 31, 2024
Segment assets		
(a) Transmission Equipment	1,56,850	1,35,895
(b) Material Handling Equipment	29,623	18,054
Total segment assets	1,86,473	1,53,949
(c) Unallocable	86,473	58,451
Total assets	2,72,946	2,12,400
Segment liabilities		
(a) Transmission Equipment	50,228	36,073
(b) Material Handling Equipment	16,683	10,350
Total segment liabilities	66,911	46,423
(c) Unallocable	6,166	5,574
Total liabilities	73,077	51,997

Geographical information

(₹ in Lakhs)		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Segment revenue from external customers		
India	1,71,026	1,47,929
Outside India :		
- USA	11,525	9,213
- Europe	17,754	22,640
- Asia Pacific	2,964	2,875
- United Arab Emirates	11,636	7,492
- Others	7,791	3,593
	51,670	45,813
Total segment revenue	2,22,696	1,93,742

(₹ in Lakhs)		
Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Non-current assets		
India	87,168	74,172
Outside India	16,152	16,335
Total non-current assets	1,03,320	90,507

There is no single external customer which exceeds 10% of the Group's revenue.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

44 DISCLOSURES PURSUANT TO INDIAN ACCOUNTING STANDARD (IND AS) 115, REVENUE FROM CONTRACTS WITH CUSTOMERS :

a Disaggregation of revenue

(₹ in Lakhs)		
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue from long-term construction contracts (A) (revenue recognised over time)	23,753	560
Revenue other than considered in (A) above (revenue recognised at point in time)	1,95,947	1,90,093
Revenue from operations (excluding other Operating Revenue) (Refer note 27)	2,19,700	1,90,653

The Group believes that the information provided under Note 27 and Note 44, is sufficient to meet the disclosure requirements with respect to disaggregation of revenue under Ind AS 115, Revenue from Contracts with Customers.

b Reconciliation the amount of revenue recognised in the consolidated statement of profit and loss with the contracted price :

(₹ in Lakhs)		
Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue as per contracted price	2,18,852	1,91,140
Adjustments		
Variable consideration (deducted)/recovered on account of liquidated damages	848	(487)
Revenue from contract with customers (excluding other Operating Revenue) (Refer Notes 27)	2,19,700	1,90,653

c Contract balances :

The following table provides information about receivables, contract assets and contract liabilities from the contracts with customers.

(₹ in Lakhs)		
Particulars	As at March 31, 2025	As at March 31, 2024
Trade receivables	61,387	44,510
Contract assets		
Contract asset	434	31
Contract liabilities		
Billing in excess of revenue	2,294	-
Advance from customers	8,215	10,478
Revenue recognised from opening balance of contract liability (net)	-	-
Revenue recognised in the reporting year from performance obligations satisfied (or partially satisfied) in previous years	-	-

Note: Number of customers individually accounted for more than 10% of the revenue in the year ended March 31, 2025: Nil (March 31, 2024: Nil)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

d Unsatisfied performance obligations

The Group applies the practical expedient in Paragraph 121 of Ind AS 115 and does not disclose information about remaining performance obligations where the Group has a right to consideration from the customer in an amount that corresponds directly with the value to the customer of the Group's performance completed to date. Accordingly, the Group recognises revenue by an amount to which the Group has a right to invoice.

45 LEASE TRANSACTIONS

The Group has elected below practical expedients while applying Ind AS 116:

- Applied a single discount rate to a portfolio of leases with reasonably similar characteristics.
- Applied the exemption not to recognise right of use assets and lease liabilities with less than 12 months of lease term on the date of initial application.
- Excluded the initial direct costs from the measurement of right of use asset at the date of initial application.

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified assets for a period of time in exchange for consideration.

The Group has elected not to apply the requirements of Ind AS 116 to short term leases of all the assets that have a lease term of twelve months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight line basis over the lease term.

The incremental borrowing rate applied to lease liabilities as at April 1, 2024 is 4.00%, 5.00%, 8.00% , 8.50% and 14.50% for Lease Arrangements of current year.

45.1 As a Lessee - Movement in Lease liabilities

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Balance as at April 1, 2023	7,046	4,727
New lease contracts entered during the year	17,017	3,077
Remeasurement due to lease modification	32	-
Recoupment / Adjustment	13	128
Finance costs incurred during the year	789	268
Lease contracts terminated during the year	(4,842)	(13)
Payments of Lease Liabilities	(2,398)	(1,191)
Exchange differences	135	50
Balance as at March 31, 2025 (Refer Note 19)	17,792	7,046
Maturity analysis - Undiscounted cash flows		
Less than one year	4,282	1,512
1-2 years	4,235	1,517
2-5 years	8,969	3,175
More than five years	8,049	4,907

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

45.2 Amounts recognised in Statement of Profit and Loss

Particulars	(₹ in Lakhs)	
	As at March 31, 2025	As at March 31, 2024
Interest on lease liabilities	789	268
Expenses relating to short-term leases	1,433	1,584
Expenses relating to leases of low-value assets	127	56

45.3 As a Lessor

Lease income from lease contracts in which the Group acts as a lessor is as below :

Particulars	(₹ in Lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Operating Lease	385	329
Maturity analysis - Undiscounted cash flows		
Less than one year	159	132
1-2 years	119	92
2-5 years	398	316
More than five years	256	375

The Group has classified these leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets.

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 March 31, 2025

Name of the entity in the group	(₹ in Lakhs)							
	Net assets, i.e., total assets minus total liabilities		Share of profit or loss		Share of Other comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
Parent								
1. Elecon Engineering Company Limited	82.61%	1,65,112	81.92%	34,003	102.31%	1,352	82.54%	35,355
Subsidiaries								
Foreign								
1. Radicon Transmission UK Limited, United Kingdom	12.27%	24,521	9.98%	4,142	(1.93%)	(26)	9.61%	4,116
2. Elecon Middle East FZCO, Middle East	5.74%	11,480	6.62%	2,746	-	-	6.41%	2,746
3. Elecon Singapore Pte. Limited, Singapore	0.65%	1,292	0.64%	264	-	-	0.62%	264
Associates(Investment as per equity method)								
Indian								

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

(₹ in Lakhs)

Name of the entity in the group	Net assets, i.e., total assets minus total liabilities		Share of profit or loss		Share of Other comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
1. Eimco Elecon (India) Limited	3.53%	7,051	1.96%	813	(0.35%)	(5)	1.89%	808
Adjustments arising out of consolidation	(4.80%)	(9,587)	(1.10%)	(458)	-	-	(1.07%)	(458)
Total	100.00%	1,99,869	100.00%	41,510	100.00%	1,321	100.00%	42,831

for the year ended March 31, 2024

(₹ in Lakhs)

Name of the entity in the group	Net assets, i.e., total assets minus total liabilities		Share of profit or loss		Share of Other comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
Parent								
1. Elecon Engineering Company Limited	83.87%	1,34,534	85.26%	30,316	25.67%	566	84.76%	30,882
Subsidiaries								
Foreign								
1. Radicon Transmission UK Limited, United Kingdom								
2. Elecon Middle East FZCO, Middle East	12.03%	19,298	9.75%	3,466	75.67%	(262)	10.30%	3,204
3. Elecon Singapore Pte. Limited, Singapore	5.29%	8,492	4.70%	1,670	-	-	4.66%	1,670
Minority Interests in all subsidiaries	0.62%	998	0.31%	112	0.00%	-	0.31%	112
Associates(Investment as per equity method)								
Indian								
1. Eimco Elecon (India) Limited	3.92%	6,290	1.80%	641	(1.25%)	(4)	1.78%	637
Adjustments arising out of consolidation	(5.74%)	(9,209)	(1.82%)	(647)	0.00%	-	(1.80%)	(647)
Total	100.00%	1,60,403	100.00%	35,558	100.00%	300	100.00%	35,858

Note:

The consolidated financial statements also include the Group's share of net profit (and other comprehensive income) and net assets of ₹ Nil for the year ended 31 March 2024 in respect of 3 associates.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

47 DESCRIPTION OF THE GROUP

The Consolidated financial statements comprise the financial statements of the Holding Company, its subsidiaries, step-down subsidiaries and associates :

(₹ in Lakhs)

Name of the Company	Country of Incorporation	% of Holding either directly or indirectly through a subsidiary	
		March 31, 2025	March 31, 2024
(a) Subsidiaries			
Radicon Transmission UK Limited	United Kingdom	100.00	100.00
Elecon Singapore Pte. Limited	Singapore	100.00	100.00
Elecon Middle East FZCO	UAE	100.00	100.00
(b) Step-down subsidiaries			
Benzlers Systems AB	Sweden	100.00	100.00
AB Benzlers	Sweden	100.00	100.00
Radicon Drive Systems Inc.	USA	100.00	100.00
Benzlers Transmission A.S.	Denmark	100.00	100.00
Benzlers Antriebstechnik G.m.b.h	Germany	100.00	100.00
Benzlers TBA B.V.	Netherlands	100.00	100.00
OY Benzlers AB	Finland	100.00	100.00
Benzlers Italia s.r.l.	Italy	100.00	100.00
Elecon Radicon Africa Pty. Limited	South Africa	100.00	100.00
(c) Associates			
Eimco Elecon (India) Limited	India	16.62	16.62
Elecon Engineering (Suzhou) Co. Limited*	China	50.00	50.00
Elecon Africa Pty. Limited*	South Africa	50.00	50.00
Elecon Australia Pty. Limited*	Australia	50.00	50.00

Note :

All the above entities followed accounting period of April 24 to March 25.

* These companies are in the process of obtaining approval from Reserve Bank of India for their liquidation.

48 EQUITY ACCOUNTED INVESTEEES

Associates - Eimco Elecon (India) Limited

The Group holds 16.62% interest in Eimco Elecon (India) Limited, which is engaged in manufacturing of equipments for mining and construction sector. Eimco Elecon (India) Limited is a listed company in India. For Eimco Elecon (India) Limited the Group's share is less than 20% equity interest, however the group has determined that it has significant influence because it has representation on the board of the investee. The Group's interest in Eimco Elecon (India) Limited is accounted by using the equity method in the consolidated financial statements. The following table shows the summarised financial information of the Group's investment in Eimco Elecon (India) Limited.

(₹ in Lakhs)

Percentage ownership interest	March 31, 2025	March 31, 2024
Non-current assets	26,429	24,812
Current assets	22,368	20,225
Non-current liabilities	(769)	(549)
Current liabilities	(4,834)	(5,871)
Net Assets	43,194	38,617
Group's share of net assets (16.62%)	7,179	6,418
Less: Elimination of proportionate share in profit on sale of fixed assets by Holding Company (net of deferred tax)	(128)	(128)
Carrying amount of interest in associates	7,051	6,290

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2025 (CONTD.)

(₹ in Lakhs)		
Particulars	March 31, 2025	March 31, 2024
Revenue	24,647	22,750
Profit after tax	4,891	3,855
Other comprehensive income	(25)	(22)
Total comprehensive income	4,866	3,833
Group's share of Profit (16.62%)	813	641
Group's share of OCI (16.62%)	(4)	(4)
Group's share of the total comprehensive income (16.62%)	809	637

The associate had the following contingent liabilities and capital commitments

(₹ in Lakhs)		
Particulars	March 31, 2025	March 31, 2024
a. Income tax demands disputed	12	26
b. Excise & Service tax demands disputed	560	560
Note: All the above figures are excluding unquantified interest payable wherever applicable and outflow of funds, if any, would depend upon the outcome of the dispute / contingency.		
c. Capital Commitments	461	239

49 OTHER DISCLOSURES WITH RESPECT TO SCHEDULE III

- a) There is no scheme of arrangements approved by the competent authority in terms of sections 230 to 237 of the Companies' Act, 2013.
- b) The Group has no such transactions which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessment under the Income Tax Act, 1961 (such as search or survey or any other relevant provision of the Income Tax Act, 1961)
- c) The Group have not traded or invested in crypto currency or virtual currency during the year.

- 50 The Consolidated financial statements were authorised for issue by the Holding Company's Board of Directors at their meeting held on April 24, 2025.

As per our report of even date attached

For **C N K & Associates LLP**

Chartered Accountants

Firm's Registration No : 101961 W/W - 100036

Himanshu Kishnadwala

Partner

Membership No: 037391

For and on behalf of the Board of Directors

Elecon Engineering Company Limited

CIN: L29100GJ1960PLC001082

Prayasvin Patel

Chairman & Managing Director

DIN : 00037394

Narasimhan Raghunathan

Chief Financial Officer

Ashutosh Pednekar

Director

DIN : 00026049

Bharti Isarani

Company Secretary

Place : Vallabh Vidyanagar

Date : April 24, 2025

Place : Vallabh Vidyanagar

Date : April 24 , 2025

ANNEXURE-A

Salient features of the financial statements of subsidiaries as per Companies Act, 2013 - Part A

Part A: Subsidiaries

Sr. No.	Name of the Subsidiary	Currency	Paid up Capital	Reserves & Surplus	Total Assets (including investments in subsidiary)	Total Liability	Investments (excluding investments in subsidiary)	Turnover	(Foreign Currencies in Lakhs)		
									Profit/(Loss) before tax	Provision for taxation	Profit/(Loss) after tax
1	Radicon Transmission UK Limited	₹	13,147	13,687	30,512	2,998	-	9,559	808	131	677
2	Elecon Singapore Pte. Limited	₹	125	124	276	27	-	89	7	1	6
3	Elecon Middle East FZCO	USD	536	742	1,959	667	-	2,755	279	14	264
4	Elecon Radicon Africa Pty. Limited	₹	6	9	23	8	-	33	3	0	3
5	Benzlers Systems AB	₹	136	11,333	14,307	2,834	-	11,695	2,742	-	2,742
6	AB Benzlers	AED	6	487	615	122	-	508	119	-	119
7	Radicon Drive Systems Inc.	₹	0	8	59	50	-	144	10	7	4
8	Benzlers Transmission A.S.	ZAR	0	2	13	11	-	32	2	2	1
9	Benzlers Antriebstechnik G.m.b.h	SEK	8	4,369	4,378	-	-	-	-	-	-
10	Benzlers TBA B.V.	₹	1	513	514	-	-	-	-	-	-
11	OY Benzlers AB	₹	1,017	5,194	7,719	1,419	-	9,273	(26)	-	(26)
12	Benzlers Italia s.r.l.	SEK	130	610	907	167	-	1,167	(3)	-	(3)
		₹	664	817	5,448	3,950	-	10,072	1,543	367	1,177
		USD	8	10	64	46	-	119	18	4	14
		₹	181	45	339	108	-	431	54	12	42
		DKK	15	4	27	9	-	35	4	1	3
		₹	92	459	622	68	-	1,131	30	10	20
		EUR	1	5	7	1	-	12	0	0	0
		₹	184	977	3,823	2,657	-	4,031	182	34	147
		EUR	2	11	41	29	-	44	2	0	2
		₹	137	49	500	312	-	874	52	10	42
		EUR	2	1	5	3	-	10	1	0	0
		₹	9	146	313	158	-	946	12	11	1
		EUR	0	2	3	2	-	10	0	0	0

As on 31.03.25: 1 GBP = 110.74 ₹, 1 USD = 85.58 ₹, 1 EURO = 92.32 ₹, 1 DKK = 12.38 ₹, 1 AED = 23.26 ₹, 1 SEK = 8.51 ₹, 1 ZAR = 4.67 ₹

ANNEXURE - B

Following are the Related Party Transactions as required to be disclosed in compliance of clause 2A of Part A of Schedule V of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015:

Sr. No.	Particulars	(₹ in Lakhs)	
		2024-25	2023-24
1	Dividend paid	1,569	1,569

Promoter/Promoter Group having 10% or more shareholding
Akaash Investments Private Limited

NOTICE

NOTICE IS HEREBY GIVEN THAT the 65th Annual General Meeting of Members of Elecon Engineering Company Limited ("the Company") will be convened on **Wednesday, the 25th day of June, 2025 at 3:00 p.m. IST** through Video Conferencing (VC)/Other Audio Visual Means (OAVM) facility, to transact the following business. The venue of the meeting shall be deemed to be the Registered Office of the Company at Anand – Sojitra Road, Vallabh Vidyanagar – 388 120, Gujarat, India.

ORDINARY BUSINESS

1. To consider and adopt the Standalone and Consolidated Audited Financial Statements of the Company for the financial year ended on March 31, 2025 and the Reports of Auditors and the Board of Directors ("the Board") thereon.

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

"RESOLVED THAT the Standalone and Consolidated Audited Financial Statements of the Company for the Financial Year ended on March 31, 2025 and the Reports of Auditors and the Board of Directors thereon, be and are hereby received, approved and adopted."

2. To declare a final dividend of ₹ 1.50 (i.e. 150%) per equity share for the financial year ended on March 31, 2025.

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

"RESOLVED THAT a final dividend of ₹ 1.50/- (i.e. 150%) per equity share of ₹ 1/- each be and is hereby declared for the Financial Year ended on March 31, 2025.

RESOLVED FURTHER THAT the dividend be distributed on the paid-up equity share capital to those shareholders whose names appear in the Register of Members of the Company as on June 13, 2025 or to their mandates and in respect of dematerialised shares, the dividend be paid based on the beneficial ownership as per the details furnished by the depositories for this purpose at the end of business hours on June 13, 2025."

3. To appoint a Director in place of Mr. Aayush A. Shah (DIN: 07140517), who retires by rotation and being eligible, offers himself for re-appointment.

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

"RESOLVED THAT pursuant to Section 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Mr. Aayush A. Shah (DIN: 07140517), who retires by rotation at this Annual General Meeting, being eligible has offered himself for re-appointment and approval of the members be and is hereby accorded for continuation of Mr. Aayush A. Shah (DIN: 07140517), as a Non-executive Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof), be and is, hereby authorised to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

SPECIAL BUSINESS

4. To approve the appointment of Mrs. Natasha K. Treasurywala (DIN: 07049212) as a Non-Executive Independent Woman Director.

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 ('the Act') read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') including any statutory modification(s) or re-enactment(s) thereof, for the time being in force and in accordance with the Articles of Association of the Company, on the basis of recommendations of the Nomination and Remuneration Committee, Mrs. Natasha K. Treasurywala (DIN: 07049212), who was appointed as an Additional Director (Non-Executive Independent Woman Director) of the Company with effect from April 24, 2025, in terms of Section 161 of the Companies Act, 2013 and who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations, be and is hereby appointed as a Non-Executive Independent Woman Director of the Company to hold office for five (5) consecutive years with effect from April 24, 2025 and shall not be liable

to retire by rotation hereinafter in accordance with the provisions of the Act.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and to take all such steps as may be necessary, proper and expedient to give effect to this resolution."

5. To approve the payment of Commission to Non-Executive Directors.

To consider and if thought fit, to pass, with or without modification(s), the following Resolution as a **Special Resolution**:

"RESOLVED THAT in accordance with the provisions of Sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013, ('the Act') read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 17(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') including any statutory modification(s) or re-enactment(s) thereof, for the time being in force and subject to all applicable approval(s) as may be required, consent of the Members, be and is, hereby accorded for payment of commission to the Non-Executive Directors of the Company for a period of five (5) years commencing from April 01, 2025 in addition to sitting fees being paid to them for attending the meeting of the Board and its Committees, provided that the total commission payable to the Non-Executive Directors per annum shall not exceed 1% (one percent) of the Net Profits of the Company for that year as computed in the manner specified under Section 198 of the Act, with authority to the Board to determine the manner and proportion in which the amount be distributed among Non-Executive Directors of the Company."

6. To appoint the Secretarial Auditor and fix their remuneration.

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

"RESOLVED THAT pursuant to Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') including any statutory modification(s) or re-enactment(s) thereof, for the time being in force and as per the recommendation of the Board of

Directors of the Company, consent of the Members, be and is, hereby accorded for the appointment of M/s. Samdani Shah & Kabra, Company Secretary in Practice in Vadodara having Firm Registration Number P2008GJ016300, as the Secretarial Auditor of the Company for conducting Secretarial Audit for a term of 5 (five) consecutive years from the financial year 2025-26 till the financial year 2029-30 on such remuneration as may be determined by the Audit Committee/Board of Directors of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is, hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

7. To ratify the remuneration payable to the Cost Auditors i.e. M/s. Ketki D. Visariya Co., Cost & Management Accountants of the Company for the Financial Year 2025-26.

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

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 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 remuneration payable to M/s. Ketki D. Visariya & Co., Cost & Management Accountants having Firm Registration No. 000362 appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the Financial Year 2025-26 amounting to ₹ 1,70,000/- Plus Govt. Levies/Taxes as applicable and out-of-pocket expenses incurred by them in connection with the aforesaid audit at actual, be and is, hereby ratified and confirmed.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is, hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By Order of Board of Directors,

Bharti L. Isarani
Company Secretary

Registered Office:

Anand–Sojitra Road
Vallabh Vidyanagar –388 120
Gujarat.
Date: April 24, 2025

NOTES:

1. The Explanatory Statement as required under Section 102(1) of the Companies Act, 2013 ('the Act') relating to the Special Business to be transacted at the Annual General Meeting (AGM) is annexed hereto and forms part of this notice.
2. The Government of India, Ministry of Corporate Affairs has allowed conducting Annual General Meeting through Video Conferencing (VC) or Other Audio Visual Means (OAVM) and dispensed with the personal presence of the members at the general meeting. Accordingly, the Ministry of Corporate Affairs issued Circular No. 14/2020 dated April 08, 2020, Circular No. 17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and Circular No. 21/2021 dated December 14, 2021 and 02/2022 dated May 05, 2022, 10/2022 dated December 28, 2022, 09/2023 dated September 25, 2023 and latest being Circular No. 09/2024 dated September 19, 2024 ("MCA Circulars") and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and Circular No. SEBI/ HO/ DDHS/P/CIR/2022/0063 dated May 13, 2022, SEBI/ HO/CRD/PoD-2/P/CIR/2023/4 dated January 05, 2023, Circular No. SEBI/HO/CFD/ CFD-PoD-2/P/ CIR/2023/167 dated October 07, 2023 and Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 03, 2024 issued by the Securities Exchange Board of India ("SEBI Circulars") prescribing the procedures and manner of conducting the Annual General Meeting through VC/OAVM. In terms of the said circulars, the 65th Annual General Meeting will be held through VC/OAVM. Hence, Members can attend and participate in the AGM through VC/OAVM only. Notice of the AGM alongwith the Annual Report is being sent online through electronic mode to those Members whose email addresses are registered with the Company/Depositories. A letter containing the web link, alongwith the exact path to access the complete details of the Annual Report, is being sent to members who have not registered their email address with Company/Depositories. Members may note that the Notice and Annual Report will also be available on the Company's website www.elecon.com, website of Stock Exchanges i.e. BSE Limited at www.bseindia.com and National Stock Exchange of India Limited at www.nseindia.com.
3. The details required under Regulation 36(3) of the Listing Regulations and Secretarial Standard on General Meetings (SS- 2) issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment / re-appointment at this AGM form part as **Annexure-A** of the Notice.
4. Since this AGM is being held through VC/OAVM, pursuant to MCA Circulars, physical attendance of the Members has been dispensed with. **Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM. Hence, the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.**
5. Participation of members through VC/ OAVM will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Act.
6. Facility of joining the AGM through VC / OAVM shall open 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
7. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC/OAVM. Corporate members intending to authorise their representatives to participate and vote at the meeting, are requested to send a certified copy of the Board Resolution/ authorisation letter to the Company or upload on the VC/OAVM portal/e-voting portal.
8. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM, based on the request being received on investor.relations@elecon.com.
9. All documents referred to in the Notice and Explanatory Statement will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice upto the date of AGM. Members seeking to inspect such documents can send an email to investor.relations@elecon.com.
10. The Register of Members and Share Transfer books of the Company will remain closed from Saturday, June 14, 2025 to Wednesday, June 25, 2025 (both days inclusive).
11. Members holding shares in demat form are hereby informed that bank particulars registered with their respective Depository Participants, with whom they maintain their demat accounts. The Company or its Registrar cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the Depository Participant(s) of the Members. Members holding shares in demat form are requested to intimate any change in their address and / or bank mandate immediately to their Depository Participants.
12. Members holding shares in physical form are requested to intimate any change of address and / or bank mandate to MUFG Intime India Pvt. Limited (previously known as 'Link Intime India Private Limited'), Registrar and Share Transfer Agent of the Company or Investor Service Department of the Company immediately by sending a request on email at vadodara@in.mpms.mufig.com or investor.relations@elecon.com.
13. The Annual Listing Fees for the Financial Year 2025-26 have been paid to the Stock Exchanges where Company's securities are listed.
14. Process for registration of Email Id for obtaining Annual Report, User ID and password for e-voting:
 - i. In case shares are held in physical mode, members are requested to visit on the website of Company's Registrar & Share Transfer Agent namely MUFG Intime India Private Limited at https://web.in.mpms.mufig.com/EmailReg/Email_Register.html and upload the documents required therein.
 - ii. In case shares are held in demat mode, members are requested to update Email Id and bank account details with their respective Depository Participants.
15. Members holding the shares in physical mode are requested to notify immediately for change of their address and bank particulars to the R&T Agent of the Company.

In case the shares are held in dematerialised form, then information should be furnished directly to their respective Depository Participant (DP) only.
16. The Company has a designated email ID for Redressal of Shareholders'/Investors' Complaints/Grievances. Hence, please write to us at investor.relations@elecon.com.
17. Pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013 which have come into force from September 07, 2016, the Company has transferred, on due dates, the unclaimed final dividend

for the Financial Year 2016-17 to the Investor Education and Protection Fund (IEPF) established by the Central Government.

Further in terms of Section 124(6) of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and amendments thereto and notifications issued by the Ministry of Corporate Affairs from time to time, the Company has transferred during the year, the required number of shares in respect of which dividends had remained unpaid or unclaimed for a period of seven consecutive years or more, to the IEPF Suspense Account.

The details of the shareholders whose equity share had been transferred to the IEPF Suspense Account and dividends which remain with the Company as unclaimed is available on the website of the Company at www.elecon.com. Shareholders may claim the same by making an application to the IEPF Authority in E-Form No. IEPF-5 available on www.iepf.gov.in. For details, please refer to corporate governance report which is a part of this Annual Report.

18. Dividend Related Information:

Subject to approval of the Members at the said AGM, the dividend will be paid on/after Monday, June 30, 2025 to the Members whose names appear on the Company's Register of Members as on the Record Date i.e. closure of business hours on Friday, June 13, 2025 (Record date for dividend payment) and in respect of the shares held in dematerialised mode, to the Members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date.

Payment of dividend shall be made through electronic mode to the Members who have updated their bank account details. Dividend warrants / demand drafts will be dispatched to the registered address of the Members who have not updated their bank account details.

Members are requested to register / update their complete bank details:

- (a) with their Depository Participant(s) with which they maintain their demat accounts, if shares are held in dematerialised mode, by submitting forms and documents as may be required by the Depository Participant(s); and
- (b) with the Company / MUFG Intime India Private Limited by clicking on https://web.in.mpms.mufig.com/EmailReg/Email_Register.html or by emailing at investor.relations@elecon.com or vadodara@in.mpms.mufig.com, if shares are held in physical mode, by submitting:

- (i) Scanned copy of the signed request letter which shall contain Member's name, folio number, bank details (Bank account number, Bank and Branch Name and address, IFSC, MICR details),

- (ii) Self-attested copy of the PAN card, and

- (iii) Cancelled cheque leaf.

Tax Deductible at Source / Withholding tax:

Pursuant to the requirement of Income Tax Act, 1961, the Company will be required to withhold taxes at the prescribed rates on the dividend paid to its shareholders. The withholding tax rate would vary depending on the residential status of the shareholder and documents submitted by shareholder with the Company/MUFG Intime India Private Limited/ Depository Participant.

19. Other information relating to Remote E-Voting are as under:

- (i) In compliance with Section 108 of the Act, read with the corresponding rules, and Regulation 44 of the Listing Regulations, the Company has provided a facility to its members to exercise their votes electronically through the electronic voting ("e-voting") facility provided by MUFG Intime India Private Limited ("MIPL"). Shareholders who have cast their votes by remote e-voting prior to the AGM may participate in the AGM but shall not be entitled to cast their votes again. The manner of voting remotely by shareholders holding shares in dematerialised mode, physical mode and for members who have not registered their email addresses is provided in the instructions for e-voting section which forms part of this Notice.
- (ii) The e-voting period begins on Sunday, June 22, 2025 at 9:00 a.m. and ends on Tuesday, June 24, 2025 at 5:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date of Wednesday, June 18, 2025 ("cut-off date for e-voting"), may cast their vote electronically. The e-voting module shall be disabled by MIPL for voting thereafter.
- (iii) The facility for voting during the AGM will also be made available. Members present in the AGM through VC and who have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system during the AGM.
- (iv) Any person who acquires shares of the Company and becomes a shareholder of the Company after sending of the Notice and holding shares

as on the cut-off date of e-voting, may obtain the login ID and password by sending a request at instameet@in.mpms.mufg.co.in. However, if he/she has already registered with MIPL for remote e-voting, then he/she can use his/her existing user ID and password for casting the vote.

- (v) Mr. S. Samdani (FCS: 3677) Partner of M/s. Samdani Shah and Kabra, Practicing Company Secretaries has been appointed as the Scrutiniser to scrutinise the e-voting at the meeting and remote e-voting process in a fair and transparent manner.
- (vi) The Scrutiniser will submit his report to the Chairman of the Company or to any other person authorised by the Chairman after the completion of the scrutiny of the e-voting (votes casted during the AGM and votes casted through remote e-voting), not later than two working days from the conclusion of the AGM. The results declared alongwith the Scrutiniser's Report shall be communicated to the stock exchanges, MIPL and will also be displayed on the Company's website.
- (vii) Securities and Exchange Board of India ("SEBI") has mandated that securities of listed companies can be transferred only in dematerialised form w.e.f. April 01, 2019. Accordingly, the Company / MIPL has stopped accepting any fresh lodgement of transfer of shares in physical form. Members holding shares in physical form are advised to avail of the facility of dematerialisation.
- (viii) Members holding shares in physical mode are:
- a) required to submit their Permanent Account Number (PAN) and bank account details to the Company/ MIPL, if not registered with the Company/MIPL, as mandated by SEBI by writing to the Company at investor.relations@elecon.com or to MIPL at vadodara@in.mpms.mufg.com alongwith the details of folio no., self-attested copy of PAN card, bank details (Bank account number, Bank and Branch Name and address, IFSC, MICR details) and cancelled cheque.
- (ix) Pursuant to Section 72 of the Companies Act, 2013, Members holding shares in physical form may file their nomination in the prescribed Form SH-13 with the Company's Registrar and Share Transfer Agent i.e. MIPL. In respect of shares held in electric/demat form, the nomination form may be filed with the respective Depository Participant.
- (x) Non-Resident Indian members are requested to inform MIPL / respective DPs, immediately of:
- a) Change in their residential status on return

to India for permanent settlement b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.

Members are requested to send all their documents and communications pertaining to shares to the Registrar & Transfer (R & T) Agent of the Company – MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited), at their address at Geetakunj, 1 Bhakti Nagar Society, Behind ABS Tower, Old Padra Road, Vadodara, Gujarat - 390 015, Telephone No. +91 265 3566768, for both physical and demat segments of Equity Shares.

Please quote on all such correspondence – "Unit – Elecon Engineering Company Limited." **For Shareholders queries – Telephone No. +91 265 3566768 Email ID vadodara@in.mpms.mufg.com Website <https://in.mpms.mufg.com/>**

20. The Instructions of Remote E-Voting for Shareholders are as under:

In terms of SEBI circular no. SEBI/HO/CFD/PoD2/ CIR/P/2023/120 dated July 11, 2023, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants.

Shareholders are advised to update their mobile number and email Id correctly in their demat accounts to access e-Voting facility.

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

1. Individual Shareholders holding securities in demat mode with NSDL:

METHOD 1 - Individual Shareholders registered with NSDL IDeAS facility:

Shareholders who have registered for NSDL IDeAS facility:

- a) Visit URL: <https://eservices.nsdl.com> and click on "Beneficial Owner" icon under "Login".
- b) Enter User ID and Password. Click on "Login"
- c) 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.
- d) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

OR

Shareholders who have not registered for IDeAS facility:

- a) To register, visit URL: <https://eservices.nsdl.com> and select "Register Online for IDeAS Portal" or click on <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>
- b) Proceed with updating the required fields.
- c) Post successful registration, user will be provided with Login ID and password.
- d) After successful login, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services.
- e) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - Individual Shareholders directly visiting the e-voting website of NSDL:

- a) Visit URL: <https://www.evoting.nsdl.com>
- b) Click on the "Login" tab available under 'Shareholder/Member' section.
- c) Enter User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.
- d) Post successful authentication, you will be redirected to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services.
- e) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

2. Individual Shareholders holding securities in demat mode with CDSL:

METHOD 1 – Individual Shareholders registered with CDSL Easi/ Easiest facility:

Shareholders who have registered/ opted for CDSL Easi/ Easiest facility:

- a) Visit URL: <https://web.cdslindia.com/myeasitoken/Home/Login> or www.cdslindia.com.
- b) Click on New System Myeasi Tab
- c) Login with existing my easi username and password

- d) After successful login, user will be able to see e-voting option. The evoting option will have links of e-voting service providers i.e., MUFG InTime, for voting during the remote e-voting period.
- e) Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

OR

Shareholders who have not registered for CDSL Easi/ Easiest facility:

- a) To register, visit URL:
<https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration/https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration>
- b) Proceed with updating the required fields.
- c) Post registration, user will be provided username and password.
- d) After successful login, user able to see e-voting menu.
- e) Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - Individual Shareholders directly visiting the e-voting website of CDSL:

- a) Visit URL: <https://www.cdslindia.com>
- b) Go to e-voting tab.
- c) Enter Demat Account Number (BO ID) and PAN No. and click on “Submit”.
- d) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account
- e) After successful authentication, click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

3. Individual Shareholders holding securities in demat mode with depository participants

Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL / CDSL for e-voting facility.

- a) Login to DP website
- b) After Successful login, user shall navigate through “e-voting” option.

- c) Click on e-voting option, user will be redirected to NSDL / CDSL Depository website after successful authentication, wherein user can see e-voting feature.
- d) After successful authentication, click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Login method for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode is given below:

Shareholders holding shares in physical form / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for InstaVote as under:

1. Visit URL: <https://instavote.linkintime.co.in>

Shareholders who have not registered for INSTAVOTE facility:

2. Click on “Sign Up” under ‘SHARE HOLDER’ tab and register with your following details: -

A. User ID:

NSDL demat account – User ID is 8 Character DP ID followed by 8 Digit Client ID.

CDSL demat account – User ID is 16 Digit Beneficiary ID.

Shareholders holding shares in physical form – User ID is Event No + Folio Number registered with the Company.

B. PAN:

Enter your 10-digit Permanent Account Number (PAN)

(Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

C. DOB/DOI:

Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

D. Bank Account Number:

Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

**Shareholders holding shares in NSDL form, shall provide ‘D’ above*

***Shareholders holding shares in physical form but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above*

- Set the password of your choice
(The password should contain minimum 8 characters, at least one special Character (!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).
- Enter Image Verification (CAPTCHA) Code
- Click “Submit” (You have now registered on InstaVote).

Shareholders who have registered for INSTAVOTE facility:

3. Click on “Login” under ‘SHARE HOLDER’ tab.
 - A. User ID: Enter your User ID
 - B. Password: Enter your Password
 - C. Enter Image Verification (CAPTCHA) Code
 - D. Click “Submit”
4. Cast your vote electronically:
 - A. After successful login, you will be able to see the “Notification for e-voting”.
 - B. Select ‘View’ icon.
 - C. E-voting page will appear.
 - D. Refer the Resolution description and cast your vote by selecting your desired option ‘Favour / Against’ (If you wish to view the entire Resolution details, click on the ‘View Resolution’ file link).
 - E. After selecting the desired option i.e. Favour / Against, click on ‘Submit’.

A confirmation box will be displayed. If you wish to confirm your vote, click on ‘Yes’, else to change your vote, click on ‘No’ and accordingly modify your vote.

Guidelines for Institutional shareholders (“Custodian / Corporate Body/ Mutual Fund”):

STEP 1 – Custodian / Corporate Body/ Mutual Fund Registration

- a) Visit URL: <https://instavote.linkintime.co.in>
- b) Click on “Sign Up” under “Custodian / Corporate Body/ Mutual Fund”
- c) Fill up your entity details and submit the form.
- d) A declaration form and organisation ID is generated and sent to the Primary contact person email ID (which

is filled at the time of sign up). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to insta.vote@linkintime.co.in.

- e) Thereafter, Login credentials (User ID; Organisation ID; Password) is sent to Primary contact person’s email ID. (You have now registered on InstaVote)

STEP 2 –Investor Mapping

- a) Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.
- b) Click on “Investor Mapping” tab under the Menu Section
- c) Map the Investor with the following details:
 - a. ‘Investor ID’ -
 - i. NSDL demat account – User ID is 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678
 - ii. CDSL demat account – User ID is 16 Digit Beneficiary ID.
 - b. ‘Investor’s Name - Enter Investor’s Name as updated with DP.
 - c. ‘Investor PAN’ - Enter your 10-digit PAN.
 - d. ‘Power of Attorney’ - Attach Board resolution or Power of Attorney.

*File Name for the Board resolution/Power of Attorney shall be – DP ID and Client ID or 16 Digit Beneficiary ID. Further, Custodians and Mutual Funds shall also upload specimen signatures.
- d) Click on Submit button. (The investor is now mapped with the Custodian / Corporate Body/ Mutual Fund Entity). The same can be viewed under the “Report Section”.

STEP 3 – Voting through remote e-voting.

The corporate shareholder can vote by two methods, during the remote e-voting period:

METHOD 1 - VOTES ENTRY

- a) Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.
- b) Click on “Votes Entry” tab under the Menu section.
- c) Enter the “Event No.” for which you want to cast vote.
- d) Event No. can be viewed on the home page of InstaVote under “On-going Events”.
- e) Enter “16-digit Demat Account No.” for which you want to cast vote.

- f) Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).
- g) After selecting the desired option i.e. Favour / Against, click on 'Submit'.
- h) A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

OR

METHOD 2 - VOTES UPLOAD:

- a) Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.
- b) After successful login, you will be able to see the "Notification for e-voting".
- c) Select "View" icon for "Company's Name / Event number".
- d) E-voting page will appear.
- e) Download sample vote file from "Download Sample Vote File" tab.

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.co.in or call at : 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

Forgot Password:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on: <https://instavote.linkintime.co.in>

- Click on 'Login' under 'SHARE HOLDER' tab.
- Click 'forgot password?'
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA).
- Click on "SUBMIT".

In case shareholders have a valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. The password should contain

- f) Cast your vote by selecting your desired option 'Favour / Against' in the sample vote file and upload the same under "Upload Vote File" option.
- g) Click on 'Submit'. 'Data uploaded successfully' message will be displayed.
- (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

Helpdesk:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode facing any technical issue in login may contact INSTAVOTE helpdesk by sending a request at enotices@in.mpms.mufg.com or contact on: - Tel: 022 – 4918 6000.

Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e., NSDL and CDSL.

a minimum of 8 characters, at least one special character (!#\$%), at least one numeral, at least one alphabet and at least one capital letter.*

User ID:

NSDL demat account – User ID is 8 Character DP ID followed by 8 Digit Client ID.

CDSL demat account – User ID is 16 Digit Beneficiary ID.

Shareholders holding shares in physical form – User ID is Event No + Folio Number registered with the Company.

In case Custodian / Corporate Body/ Mutual Fund has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on: <https://instavote.linkintime.co.in>

- Click on 'Login' under "Custodian / Corporate Body/ Mutual Fund" tab
- Click "forgot password?"
- Enter User ID, Organisation ID and Enter Image Verification code (CAPTCHA).
- Click on "SUBMIT".

In case shareholders have a valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing information about the particulars of the Security Question and Answer, PAN, DOB/DOI etc. The password should contain a minimum of 8 characters, at least one special character (!#\$%), at least one numeral, at least one alphabet and at least one capital letter.*

Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both,

INSTAMEET VC INSTRUCTIONS FOR SHAREHOLDERS:

In terms of Ministry of Corporate Affairs (MCA) General Circular No. 09/2024 dated 19.09.2024, the Companies can conduct their AGMs/ EGMs on or before September 30, 2025 by means of Video Conference (VC) or other audio-visual means (OAVM).

Shareholders are advised to update their mobile number and email Id correctly in their demat accounts to access InstaMeet facility.

► **Login method for shareholders to attend the General Meeting through InstaMeet:**

- a) Visit URL: <https://instameet.in.mpms.mufg.com> & click on "Login".
- b) Select the "Company" and 'Event Date' and register with your following details:

A. Demat Account No. or Folio No:

Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID.

Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

Shareholders holding shares in physical form – shall provide Folio Number.

B. PAN:

Enter your 10-digit Permanent Account Number (PAN)

(Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable).

C. Mobile No: Enter your Mobile No.

D. Email ID: Enter your email Id as recorded with your DP/ Company.

- c) Click "Go to Meeting"

You are now registered for InstaMeet, and your attendance is marked for the meeting.

Instructions for shareholders to Speak during the General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request with the Company.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the Company.
3. Shareholders will receive "speaking serial number" once they mark attendance for the meeting. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.
4. Other shareholder who has not registered as "Speaker Shareholder" may still ask questions to the panellist via active chat-board during the meeting.

*Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for Shareholders to Vote during the General Meeting through InstaMeet:

Once the electronic voting is activated during the meeting, shareholders who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting “Cast your vote”
2. Enter your 16-digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET
3. Click on ‘Submit’.
4. After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.
5. Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘Favour/Against’.
6. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note:

Shareholders/ Members, who will be present in the General Meeting through InstaMeet 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 facility during the meeting.

Shareholders/ Members who have voted through Remote e-Voting prior to the General Meeting will be eligible to attend/ participate in the General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

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

Helpdesk:

Shareholders facing any technical issue in login may contact INSTAMEET helpdesk by sending a request at instameet@in.mpms.mufg.com or contact on: - Tel: 022 – 4918 6000 / 4918 6175.

By Order of Board of Directors,

Bharti L. Isarani
Company Secretary

Registered Office:

Anand-Sojitra Road
Vallabh Vidyanagar –388 120.
Gujarat.
Date: April 24, 2025

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

Item No. 4

Mrs. Natasha K. Treasurywala (DIN: 07049212) is an advocate and partner in M/s. Desai & Diwanji's corporate commercial practice group. Her practice includes a wide range of transactions including mergers and acquisitions, joint ventures, structured finance and general corporate law. She regularly advises on high value, cross border Mergers & Acquisitions. She also advises commercial and investment banks, financial institutions, private equity sponsors and borrowers in connection with secured and unsecured credit facilities, cross-border acquisition financings with a particular focus on non-convertible debenture and bond issuances.

She has been named as one of the India's lawyers by Forbes consistently in the year 2021, 2022 and 2023. She was also honoured as one of the India's top 50 super lawyers by Asian Legal Business in the year 2023.

On the basis of the recommendations of the Nomination and Remuneration Committee, in terms of Section 161 of the Act, the Board of Directors of the Company at its Meeting held on April 24, 2025, has approved the appointment of Mrs. Natasha K. Treasurywala (DIN: 07049212), as a Non-Executive Independent Woman Director as per the terms and conditions of her letter of appointment for a period of five (5) years with effect from April 24, 2025 subject to approval of members. The Draft letter of appointment will be available for inspection by the members electronically, members seeking to inspect the same can send an email to investor.relations@elecon.com.

Mrs. Natasha K. Treasurywala has given consent to act as a Director in terms of Section 152 of the Act and a declaration to the Board that she meets the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of Listing Regulations. She has also confirmed that she is not debarred from holding the office of a Director by virtue of order passed by SEBI or any other such authority. In the opinion of the Board, she fulfills the conditions specified in the Act and the Rules framed thereunder for appointment as a Non-Executive Independent Woman Director and she is independent of the Management. In terms of Section 160 of the Act, the Company has received a notice in writing from a Member signifying her candidature for the office of Director.

In compliance with the provisions of Section 149 of the Act read with Schedule IV thereto and Regulation 25 of the Listing Regulations, her appointment as a Non-Executive Independent Woman Director is now being placed before the Members for their approval. The terms and conditions of appointment of Independent Directors are available at the website of the Company.

She does not hold herself or for any other person on a beneficial basis, any shares in the Company.

Except Mrs. Natasha K. Treasurywala, being an appointee and her relatives; none of the Directors and Key Managerial

Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the Resolution set out at Item No. 4 of this Notice.

A brief profile of Mrs. Natasha K. Treasurywala alongwith other details is attached to the notice and is forming part of Explanatory Statement.

The Board of Directors recommends the Special Resolution as set out at Item No. 4 of this Notice for Members' approval.

Item No. 5

The Members, at the Annual General Meeting of the Company held on September 24, 2020, passed a Special Resolution under Sections 197, 198 of the Companies Act, 2013, approving the payment of commission to Non-Executive Directors of the Company, of a sum not exceeding one (1) percent per annum of the net profits of the Company, calculated in accordance with the provisions of the Companies Act, 2013. The approval is valid upto and including March 31, 2025.

The current competitive business environment, stringent Accounting Standards and corporate governance norms require considerably enhanced levels of involvement of the Directors in the decision making process. The responsibility of the Directors has become more onerous and the Directors are required to give more time and attention to the business of the Company. It is therefore proposed to continue the payment of commission to the Non-Executive Directors of the Company. The Board of Directors will determine each year, the specific amount to be paid as commission to the Non-Executive Directors which shall not exceed one (1) percent of the net profits of the Company for that year, as computed in the manner referred to in Section 198 of the Companies Act, 2013.

In view of the above, the Members approval is being sought pursuant to Sections 197, 198 and other applicable provisions of the Companies Act, 2013, if any, and Regulation 17(6) of the Listing Regulations, for the payment of Commission to the Non-Executive Directors of the Company for a period of five (5) years commencing from April 01, 2025. The payment of commission would be in addition to the sitting fees payable for attending Meetings of the Board and Committees thereof.

All the Non-Executive Directors of the Company are interested in the Resolution set out at Item No. 5 of the accompanying Notice, since it relates to their respective remuneration.

The Board of Directors recommends the Special Resolution as set out at Item No. 5 of this Notice for Members' approval.

Item No. 6

Pursuant to Regulation 24A(1) of the Listing Regulations, the Company may appoint an individual for not more than one term of five consecutive years and a Secretarial Audit Firm not more than two terms of five consecutive years as

Secretarial Auditors of the Company with the approval of its shareholders in its Annual General Meeting.

In view of the same, the Board of Directors, on the recommendation of the Audit Committee at its meeting held on April 24, 2025 recommends to the members of the Company for appointment of M/s. Samdani Shah & Kabra, Vadodara, Practicing Company Secretary having Firm Registration Number - P2008GJ016300, as the Secretarial Auditors of the Company, in accordance with the provisions of Section 204 of the Act and Regulation 24A of the Listing Regulations, for the first term of five consecutive years to carry out the Secretarial Audit of the Company from the financial year 2025-26 upto the financial year 2029-30 and to fix their remuneration.

M/s. Samdani Shah & Kabra is a reputed Company Secretary partnership firm specialising in corporate compliance and regulatory advisory services. The firm is spearheaded by Mr. Sushil Samdani, the Founder Partner, who brings over 31 years of extensive experience in the domain of corporate compliance, with a strong focus on SEBI Regulations and matters related to the Ministry of Corporate Affairs (MCA) and the Registrar of Companies (RoC). Under his leadership, the firm has built a strong reputation for delivering expert guidance and reliable solutions in the evolving landscape of corporate governance and regulatory frameworks.

The Firm holds Peer Review Certificate No. 1079/2021 issued by the Peer Review Board of the Institute of Company Secretaries of India. They have given their consent to act as Secretarial Auditors and confirmed that they are not disqualified to be appointed as Secretarial Auditors in terms of provisions of the Act & Rules made thereunder and Listing Regulations. The Board believes that their experience of conducting Secretarial Audit of

listed companies and large companies and knowledge of the legal and regulatory framework will be invaluable to the Company in ensuring continued adherence to compliance requirements under the applicable laws.

At the respective meetings held on April 24, 2025; on the recommendation of the Audit Committee, the Board also recommends the approval of the Members with respect to remuneration of ₹ 2,25,000/- plus applicable tax from time to time and actual out-of-pocket expenses to be payable to M/s. Samdani Shah & Kabra, to examine and conduct the secretarial audit of the Company for the financial year 2025-26 and also to give the powers to the Audit Committee/Board of Directors of the Company to alter and vary the terms and conditions of appointment including revision in the remuneration during their tenure, in such manner and to such extent as may be mutually agreed with the Auditors.

Accordingly, the members' approval for appointment of M/s. Samdani Shah & Kabra, Vadodara, Practicing Company Secretary, under Regulation 24A(1) of Listing Regulations has been sought. The Board of Directors recommends the Ordinary Resolution as set out at Item No. 6 of this Notice for Members' approval.

None of the Directors or Key Managerial Personnel of the Company and their relatives is, in any way, concerned or interested financially or otherwise in the resolution set out at Item No. 6.

Item No. 7

In accordance with the provisions of Companies (Cost Records and Audit) Rules, 2014, the Company is required to get its cost records audited from a qualified Cost Accountant.

The Board at its meeting held on April 24, 2025, on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company for the financial year 2025-26 as per the following details:

Sr. No.	Name of Cost Auditor	Industry	Audit Fees (₹)
1	M/s Ketki D. Visariya & Co.	Engineering	1,70,000/- plus Govt. Levies/Taxes as applicable and out-of-pocket expenses at actual.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014; the remuneration payable to the Cost Auditors has to be ratified by the Members of the Company. Accordingly, the members are requested to ratify the remuneration payable to the Cost Auditors of the Company for the financial year 2025-26 as set out in the resolution for aforesaid services to be rendered by them.

Accordingly, the Board of Directors recommends the resolution set forth at Item No. 7 of this Notice for your approval.

None of the Directors or Key Managerial Personnel of the Company and their relatives is, in any way, concerned or interested financially or otherwise in the resolution set out at Item No. 7.

By Order of Board of Directors,

Registered Office:

Anand-Sojitra Road
Vallabh Vidyanagar —388 120, Gujarat
Date: April 24, 2025

Bharti L. Isarani
Company Secretary

ANNEXURE-A

DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING PURSUANT TO REGULATION 36 OF THE LISTING REGULATIONS AND SECRETARIAL STANDARD ON GENERAL MEETINGS (SS2).

		
Name of Directors	Mr. Aayush A. Shah	Mrs. Natasha K. Treasurywala
Date of Birth	08-09-1994	10-11-1980
Date of Appointment	25-04-2023	24-04-2025
DIN	07140517	07049212
Qualifications	Mechanical Engineer from Georgia Institute of Technology, USA.	Solicitor, B.A. & LLB
Brief Resume & Expertise in specific Functional areas	He currently serves as the Chief Executive Officer and Executive Director of Power Build Private Limited (PBL). Under his leadership, PBL has reached significant milestones even during challenging times and its journey continues to thrive. With a solid foundation in operational management and extensive personal and social networking, Mr. Shah possesses a deep understanding of multicultural business challenges. He is known for his attention to detail, analytical thinking and practical approach. He is a firm believer in the power of technology, continuous improvement, customer engagement and innovation.	She is a partner in M/s. Desai & Diwanji's corporate commercial practice group. Her practice includes a wide range of transactions including mergers and acquisitions, joint ventures, structured finance and general corporate law. She regularly advises on high value, cross border Mergers & Acquisitions. She also advises commercial and investment banks, financial institutions, private equity sponsors and borrowers in connection with secured and unsecured credit facilities, cross-border acquisition financings with a particular focus on non-convertible debentures and bond issuances. She has named as one of the top 100 lawyers by Forbes consistently in the years 2021, 2022 and 2023. She was also honoured as one of the top 50 super lawyers by Asian Legal Business in the year 2023.

Skills and Capabilities required for the Role and the manner in which he/she meets such requirements	He has strong operational, personal and social networking, good understanding of multicultural business challenges, detailing, analytical and common sense approach. He is a strong believer in technology and continuous improvements, customer engagement and innovations.	Her capabilities include a wide range of transactions including mergers and acquisitions, joint ventures, structured finance and general corporate law. She regularly advises on high value, cross border Mergers & Acquisitions.
Terms and conditions of Appointment / Re-appointment	As per the resolution set out in the Notice.	As per the resolution set out in the Notice.
Details of remuneration sought to be paid	Sitting Fees, reimbursement of expenses for participation in the Board and its Committee meetings and Commission, if any, will be paid as approved by the Board of Directors of the Company or Members of the Company, as the case may be.	Sitting Fees, reimbursement of expenses for participation in the Board and its Committee meetings and Commission, if any, will be paid as approved by the Board of Directors of the Company or Members of the Company, as the case may be.
Details of remuneration last drawn	Refer Corporate Governance Report for the details.	Not applicable
No. of Board meetings attended	Refer Corporate Governance Report for the details.	Not applicable
List of Directorship held in other Companies (alongwith listed entities from which the person has resigned in the past three years)	- Power Build Private Limited - Modsonic Instruments Manufacturing Company Private Limited - Gold Star Corporate Solutions Private Limited	- Fej Facilities Management Private Limited
Chairman / Membership of Committees in other Companies (alongwith listed entities from which the person has resigned in the past three years)	Nil	Nil
No. of Shares held in the Company (including shares held as a beneficial owner)	Nil	Nil
Relationship with any Director, Manager and Key Managerial Personnel of the Company	Related to Mr. Prayasvin B. Patel (Chairman & Managing Director) as Son in law.	Not related to any of the Directors, Manager or Key Managerial Personnel of the Company.

COMPANY INFORMATION

BOARD OF DIRECTORS

Chairman & Managing Director (Executive Director)

Mr. Prayasvin B. Patel

Non-Executive Directors

Mr. Aayush A. Shah

Mr. Pradip M. Patel

Mr. Prashant C. Amin

Independent Directors

Mr. Ashutosh A. Pednekar

Mr. Nirmal P. Bhogilal

Mr. Pranav C. Amin

Dr. Sonal V. Ambani

CHIEF FINANCIAL OFFICER

Mr. Narasimhan Raghunathan

COMPANY SECRETARY & COMPLIANCE OFFICER

Mrs. Bharti L. Isarani

STATUTORY AUDITORS

M/s. CNK & Associates LLP

R & T AGENT

MUFG Intime India Private Limited

(formerly known "Link Intime India Private Limited")

Geetakunj, 1, Bhakti Nagar Society,

Behind ABS Tower, Old Padra Road,

Vadodara – 390 015, Gujarat India.

Website : www.elecon.com

E-mail : vadodara@in.mpms.mufig.com

Tel: +91 265 356 6768

BANKERS

State Bank of India

Axis Bank Limited

HDFC Bank Limited

IDBI Bank Limited

REGISTERED OFFICE

Elecon Engineering Company Limited

Anand-Sojitra Road,

Vallabh Vidhyanagar – 388 120

Gujarat, India.

Website : www.elecon.com

E-mail : investor.relations@elecon.com

Tel: +91 2692 238 701/702

NOTES



Inside view of BMCE plant



Outside view of BMCE plant



ELECON ENGINEERING COMPANY LIMITED

Anand - Sojitra Road, Vallabh Vidyanagar - 388 120, Gujarat, INDIA.

Tel: +91 2692 238 701/702

Website: www.elecon.com | CIN: L29100GJ1960PLC001082