

Craftsman AUTOMATION

CRAFTSMAN AUTOMATION LIMITED

Craftsman Automation Limited ("Company") was originally incorporated as Craftsman Automation Private Limited on July 18, 1986, as a private limited company under the Companies Act 1956, pursuant to a certificate of incorporation granted by the Registrar of Companies, Tamil Nadu at Madras. Pursuant to the conversion of our Company to a public limited company and as approved by the Shareholders pursuant to a resolution dated April 30, 2018, the name of our Company was changed to "Craftsman Automation Limited" and the Registrar of Companies, Coimbatore, Tamil Nadu ("RoC") issued a fresh certificate of incorporation dated May 4, 2018. For further details, see "General Information" beginning on page 190.

Registered Office: 123/4, Sangothipalayam Road, Arasur Post, Coimbatore 641 407, Tamil Nadu, India;
Corporate Office: Krishna Towers, 4th and 5th floor, 1087, Avinashi Road, Coimbatore 641 037, Tamil Nadu, India;
Tel: +91 422 716 5000; **Website:** www.craftsmanautomation.com; **Email:** investor@craftsmanautomation.com;
Contact Person: Shainshad Aduvanni, Company Secretary and Compliance Officer;
Corporate Identity Number: L28991TZ1986PLC001816

Issue of up to [●] equity shares of face value of ₹5 each ("Equity Shares") at a price of ₹[●] per Equity Share ("Issue Price"), including a premium of ₹[●] per Equity Share, aggregating up to ₹[●] lakhs ("Issue"). For further details, see "Summary of the Issue" beginning on page 29.

THE ISSUE IS BEING UNDERTAKEN IN RELIANCE UPON CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED ("SEBI ICDR REGULATIONS"), SECTION 42 OF THE COMPANIES ACT, 2013, AS AMENDED, READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED ("PAS RULES"), AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013 AND THE RULES MADE THEREUNDER, EACH AS AMENDED ("COMPANIES ACT, 2013").

Our Equity Shares are listed on National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE"), and together with NSE, the "Stock Exchanges". The closing prices of the Equity Shares on NSE and BSE as on June 12, 2026 were ₹ 8,917.50 and ₹ 8,887.35 per Equity Share, respectively. Our Company has received in-principle approvals pursuant to Regulation 28(1)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI Listing Regulations") for listing of the Equity Shares to be issued pursuant to the Issue, from NSE and BSE, each dated June 15, 2026. Our Company shall make applications to the Stock Exchanges to obtain the final listing and trading approvals for the Equity Shares to be issued pursuant to the Issue. The Stock Exchanges assume no responsibility for the correctness of any statements made, opinions expressed, or reports contained herein. Admission of the Equity Shares to be issued pursuant to the Issue for trading on the Stock Exchanges should not be taken as an indication of the merits of our Company or of the Equity Shares.

OUR COMPANY HAS PREPARED THIS PRELIMINARY PLACEMENT DOCUMENT SOLELY FOR PROVIDING INFORMATION IN CONNECTION WITH THE PROPOSED ISSUE. THE ISSUE AND THE DISTRIBUTION OF THIS PRELIMINARY PLACEMENT DOCUMENT IS BEING MADE TO ELIGIBLE QIBs (AS DEFINED BELOW) IN RELIANCE UPON CHAPTER VI OF THE SEBI ICDR REGULATIONS, SECTION 42 OF THE COMPANIES ACT, 2013 READ WITH RULE 14 OF THE PAS RULES AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013. THIS PRELIMINARY PLACEMENT DOCUMENT IS PERSONAL TO EACH PROSPECTIVE INVESTOR AND DOES NOT CONSTITUTE AN OFFER OR INVITATION TO OFFER OR SOLICITATION OF AN OFFER TO THE PUBLIC OR ANY OTHER PERSON OR CLASS OF INVESTORS WITHIN OR OUTSIDE INDIA OTHER THAN TO ELIGIBLE QIBs. THIS PRELIMINARY PLACEMENT DOCUMENT SHALL BE CIRCULATED TO ONLY SUCH ELIGIBLE QIBs WHOSE NAMES ARE RECORDED BY OUR COMPANY, PRIOR TO MAKING AN INVITATION TO SUBSCRIBE TO THE EQUITY SHARES.

YOU ARE NOT AUTHORISED TO AND MAY NOT (1) DELIVER THIS PRELIMINARY PLACEMENT DOCUMENT TO ANY OTHER PERSON; OR (2) REPRODUCE THIS PRELIMINARY PLACEMENT DOCUMENT, IN ANY MANNER WHATSOEVER; OR (3) RELEASE ANY PUBLIC ADVERTISEMENTS OR UTILIZE ANY MEDIA, MARKETING OR DISTRIBUTION CHANNELS OR AGENTS TO INFORM THE PUBLIC AT LARGE ABOUT THE ISSUE. ANY DISTRIBUTION OR REPRODUCTION OF THIS PRELIMINARY PLACEMENT DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS INSTRUCTION MAY RESULT IN A VIOLATION OF THE SEBI ICDR REGULATIONS, THE COMPANIES ACT, 2013 OR OTHER APPLICABLE LAWS OF INDIA AND OF OTHER JURISDICTIONS.

INVESTMENT IN EQUITY SHARES INVOLVES A HIGH DEGREE OF RISK AND PROSPECTIVE INVESTORS SHOULD NOT INVEST IN THE ISSUE UNLESS THEY ARE PREPARED TO TAKE THE RISK OF LOSING ALL OR PART OF THEIR INVESTMENT. PROSPECTIVE INVESTORS ARE ADVISED TO CAREFULLY READ "RISK FACTORS" BEGINNING ON PAGE 38 BEFORE MAKING AN INVESTMENT DECISION RELATING TO THE ISSUE. EACH PROSPECTIVE INVESTOR IS ADVISED TO CONDUCT ITS OWN DUE DILIGENCE ON US AND THE EQUITY SHARES AND CONSULT ITS OWN ADVISORS ABOUT THE PARTICULAR CONSEQUENCES OF AN INVESTMENT IN THE EQUITY SHARES BEING ISSUED PURSUANT TO THIS PRELIMINARY PLACEMENT DOCUMENT AND THE PLACEMENT DOCUMENT. IF YOU DO NOT UNDERSTAND THE CONTENTS OF THIS PRELIMINARY PLACEMENT DOCUMENT AND/OR THE PLACEMENT DOCUMENT, YOU SHOULD CONSULT AN AUTHORISED FINANCIAL ADVISOR AND/OR LEGAL ADVISOR.

A copy of this Preliminary Placement Document, which includes disclosures prescribed under Form PAS-4 has been delivered to the Stock Exchanges and a copy of the Placement Document (which will include disclosures prescribed under Form PAS-4) will be delivered to the Stock Exchanges in due course. Our Company shall also make the requisite filings with the RoC, within the stipulated period as required under the Companies Act, 2013 and PAS Rules. This Preliminary Placement Document has not been reviewed by the Securities and Exchange Board of India ("SEBI"), the Stock Exchanges, RoC or any other listing or regulatory authority and is intended only for use by Eligible QIBs. This Preliminary Placement Document has not been and will not be filed as a prospectus with the RoC, will not be circulated or distributed to the public in India or any other jurisdiction, and the Issue will not constitute a public offer in India or any other jurisdiction. The placement of Equity Shares proposed to be made pursuant to this Preliminary Placement Document is meant solely for Eligible QIBs on a private placement basis and is not an offer to the public or to any other class of investors.

Invitations, offers and sales of the Equity Shares to be issued pursuant to the Issue shall only be made pursuant to this Preliminary Placement Document together with the Application Form, the Placement Document and the Confirmation of Allocation Note (each as defined hereinafter). For further details, please see "Issue Procedure" beginning on page 144. The distribution of this Preliminary Placement Document or the disclosure of its contents without the prior consent of our Company to any person, other than Eligible QIBs, to whom this Preliminary Placement Document is specifically addressed, and persons retained by such Eligible QIBs to advise them with respect to their purchase of Equity Shares, is unauthorised and prohibited. Each prospective investor, by accepting delivery of this Preliminary Placement Document, agrees to observe the foregoing restrictions and make no copies of this Preliminary Placement Document or any documents referred to in this Preliminary Placement Document.

The Equity Shares offered in the Issue have not been and will not be registered under the United States Securities Act of 1933, as amended ("U.S. Securities Act"), or the securities laws of any state of the United States and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable state securities laws. Accordingly, the Equity Shares offered in the Issue are being offered and sold only outside the United States in "offshore transactions", as defined in and in reliance on Regulation S under the U.S. Securities Act ("Regulation S") and the applicable laws of the jurisdictions where such offers and sales are made. See "Selling Restrictions" on page 160 for information about eligible offerees for the Issue and "Transfer Restrictions and Purchaser Representations" on page 168 for information about transfer restrictions that apply to the Equity Shares sold in the Issue.

Any information on the websites of our Company, our Subsidiaries or Joint Venture, as applicable, or any other website directly or indirectly linked to such websites, or the websites of the Lead Manager (as defined hereinafter) or any of their respective affiliates, does not constitute nor form part of this Preliminary Placement Document and prospective investors should not rely on such information contained in, or available through, any such websites for their investment in the Issue.

This Preliminary Placement Document is dated June 15, 2026.

LEAD MANAGER

AXIS CAPITAL LIMITED

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NOTICE TO INVESTORS

Our Company has furnished and accepts full responsibility for all of the information contained in this Preliminary Placement Document and confirms that to the best of our knowledge and belief, having made all reasonable enquiries, this Preliminary Placement Document contains information with respect to us and the Equity Shares which our Company considers material in the context of the Issue. The statements contained in this Preliminary Placement Document relating to our Company, our Subsidiaries and our Joint Venture, and the Equity Shares are, in every material respect, true, accurate and not misleading. The opinions and intentions expressed in this Preliminary Placement Document with regard to our Company, our Subsidiaries and our Joint Venture, and the Equity Shares to be issued pursuant to the Issue are honestly held, have been reached after considering all relevant circumstances and are based on reasonable assumptions and information presently available to our Company, our Subsidiaries and our Joint Venture. There are no other facts in relation to our Company, our Subsidiaries and our Joint Venture, and the Equity Shares to be issued pursuant to the Issue, the omission of which would, in the context of the Issue, make any statement in this Preliminary Placement Document misleading in any material respect. Further, our Company has made all reasonable enquiries to ascertain such facts and to verify the accuracy of all such information and statements. Unless otherwise stated, all information in this Preliminary Placement Document is provided as on the date of this Preliminary Placement Document and neither our Company nor the Lead Manager has any obligation to update such information to a later date.

This Preliminary Placement Document is being furnished on a confidential basis solely for the purpose of enabling a prospective investor to consider subscribing for the particular securities described herein. Distribution of this Preliminary Placement Document to any person other than the Eligible QIBs specified by the Lead Manager or its representatives, and those persons, if any, retained to advise such investor with respect thereto, is unauthorised, and any disclosure of its contents, without prior written consent of our Company, is prohibited. Any reproduction or distribution of this Preliminary Placement Document, in whole or in part, and any disclosure of its contents to any other person is prohibited. Each prospective investor, by accepting delivery of this Preliminary Placement Document, agrees to observe the foregoing restrictions and make no copies of this Preliminary Placement Document or any offering material in connection with the Equity Shares.

The information contained in this Preliminary Placement Document has been provided by our Company and from other sources identified herein. The Lead Manager has not separately verified all the information contained in this Preliminary Placement Document (financial, legal or otherwise). Accordingly, neither the Lead Manager nor its shareholders, employees, counsel, officers, directors, representatives, agents, associates or other affiliates makes any express or implied representation, warranty or undertaking, and no responsibility or liability is accepted by the Lead Manager or by its shareholders, employees, counsels, officers, directors, representatives, agents, associates or other affiliates as to the accuracy or completeness of the information contained in this Preliminary Placement Document or any other information supplied in connection with us and the Equity Shares or the Issue or distribution of this Preliminary Placement Document. Each person receiving this Preliminary Placement Document acknowledges that such person has not relied on either the Lead Manager or on its shareholders, employees, counsels, officers, directors, representatives, agents, associates or affiliates in connection with such person's investigation of the accuracy of such information or such person's investment decision, and each such person must rely on its own examination of our Company, Subsidiaries and Joint Venture and the merits and risks involved in investing in the Equity Shares issued pursuant to the Issue.

No person is authorised to give any information or to make any representation not contained in this Preliminary Placement Document and any information or representation not so contained must not be relied upon as having been authorised by or on behalf of our Company or the Lead Manager. The delivery of this Preliminary Placement Document at any time does not imply that the information contained in it is correct as on any time subsequent to its date.

The Equity Shares offered in the Issue have not been approved, disapproved or recommended by any regulatory authority in any jurisdiction including SEBI, the United States Securities and Exchange Commission, any other federal or state authorities in the United States, the securities authorities of any non-United States jurisdiction or any other United States or non-United States regulatory authority. No authority has passed on or endorsed the merits of the Issue or the accuracy or adequacy of this Preliminary Placement Document. Any representation to the contrary may be a criminal offence in certain jurisdictions, including in the United States.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act, or the securities laws of any state of the United States and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S.

Securities Act and any applicable state securities laws. Accordingly, the Equity Shares offered in the Issue are being offered and sold only outside the United States in “offshore transactions”, as defined in and in reliance on Regulation S and the applicable laws of the jurisdictions where such offers and sales are made.

Subscribers and purchasers of the Equity Shares offered in the Issue will be deemed to have made the representations, warranties, acknowledgments and agreements set forth in the sections “**Representations by Investors**” and “**Selling Restrictions**” and “**Transfer Restrictions and Purchaser Representations**” beginning on pages 4, 160 and 168, respectively, of this Preliminary Placement Document.

The distribution of this Preliminary Placement Document and the issue of the Equity Shares may be restricted by applicable laws in certain countries or jurisdictions. As such, this Preliminary Placement Document does not constitute, and may not be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised, or to any person to whom it is unlawful to make such offer or solicitation. In particular, no action has been taken by our Company and the Lead Manager which would permit an offering of the Equity Shares or distribution of this Preliminary Placement Document in any country or jurisdiction, other than India, where action for that purpose is required. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither this Preliminary Placement Document nor any offering material in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. For further details, see “**Selling Restrictions**” beginning on page 160.

In making an investment decision, prospective investors must rely on their own examination of our Company, Subsidiaries and Joint Venture, the Equity Shares and the terms of the Issue, including the merits and risks involved. Prospective investors should not construe the contents of this Preliminary Placement Document or the Placement Document as legal, tax, accounting or investment advice. Investors should consult their own counsels and advisors as to business, legal, tax, accounting and related matters concerning the Issue. In addition, neither our Company nor the Lead Manager is making any representation to any investor, subscriber, offeree or purchaser of the Equity Shares regarding the legality or suitability of an investment in the Equity Shares by such investor, subscriber, offeree or purchaser under applicable laws or regulations. Prospective investors should conduct their own due diligence on the Equity Shares and our Company. If you do not understand the contents of this Preliminary Placement Document, you should consult an authorised financial advisor and/or legal advisor.

Each Bidder, investor, subscriber or purchaser of the Equity Shares in the Issue is deemed to have acknowledged, represented and agreed that it is an Eligible QIB and it is eligible to invest in India and in our Company under applicable law, including Chapter VI of the SEBI ICDR Regulations, Section 42 of the Companies Act, 2013 and Rule 14 of the PAS Rules and other applicable provisions of the Companies Act, 2013, and is not prohibited by SEBI or any other statutory, regulatory or judicial authority from buying, selling or dealing in securities, including the Equity Shares or otherwise accessing the capital markets in India. Each subscriber of the Equity Shares in the Issue also acknowledges that it has been afforded an opportunity to request from our Company and review information relating to our Company and the Equity Shares.

This Preliminary Placement Document does not purport to contain all the information that any Eligible QIB may require. Further, this Preliminary Placement Document has been prepared for information purposes only and upon the express understanding that it will be used for the purposes set forth herein.

Neither our Company nor the Lead Manager undertakes to update the Placement Document to reflect subsequent events after the date of the Placement Document and thus it should not be relied upon with respect to such subsequent events without first confirming the accuracy or completeness with our Company. Neither the delivery of this Preliminary Placement Document nor any issue of Equity Shares made hereunder shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of our Company since the date hereof.

Our Company and the Lead Manager are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of the Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Eligible QIBs are advised to ensure that any single application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Preliminary Placement Document. Further, Eligible QIBs are required to satisfy themselves that their Bids would not ultimately result in triggering a tender offer under the SEBI Takeover Regulations and the Eligible QIB shall be solely responsible for compliance with the provisions of the SEBI Takeover Regulations, SEBI Insider Trading

Regulations and other applicable laws, rules, regulations, guidelines and circulars.

The information available on or through our Company's website (www.craftsmanautomation.com), or any website directly or indirectly linked to the website of our Company, Subsidiaries and Joint Venture or the website of the Lead Manager, or their respective affiliates, does not constitute or form part of this Preliminary Placement Document and prospective investors should not rely on the information contained in or available through any such websites. This Preliminary Placement Document contains summaries of certain terms of certain documents, which are qualified in their entirety by the terms and conditions of such documents.

NOTICE TO INVESTORS IN CERTAIN OTHER JURISDICTIONS

This Preliminary Placement Document is not an offer to sell securities and is not soliciting an offer to subscribe to or buy securities in any jurisdiction where such offer, solicitation, sale or subscription is not permitted. For information relating to investors in certain other jurisdictions, see the sections “***Selling Restrictions***” and “***Transfer Restrictions and Purchaser Representations***” beginning on pages 160 and 168, respectively.

REPRESENTATIONS BY INVESTORS

All references to “you” and “your” in this section are to the Bidders in the Issue. By Bidding and/ or subscribing to any Equity Shares under the Issue, you are deemed to have made the representations, warranties, acknowledgements and agreements set forth in the sections “*Notice to Investors*”, “*Selling Restrictions*” and “*Transfer Restrictions and Purchaser Representations*” beginning on pages 1, 160 and 168, respectively, and to have represented, warranted and acknowledged to and agreed with our Company and the Lead Manager as follows:

1. Your decision to subscribe to the Equity Shares to be issued pursuant to the Issue has not been made based on any information relating to our Company or our Subsidiaries or our Joint Venture which is not set forth in this Preliminary Placement Document;
2. You are a “Qualified Institutional Buyer” as defined in Regulation 2(1)(ss) of the SEBI ICDR Regulations and not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, having a valid and existing registration under applicable laws and regulations of India, and undertake to (i) acquire, hold, manage or dispose of any Equity Shares that are Allotted (as defined hereafter) to you in accordance with Chapter VI of the SEBI ICDR Regulations, the Companies Act, and all other applicable laws; and (ii) comply with the SEBI ICDR Regulations, the Companies Act and all other applicable laws, including any reporting obligations, making necessary filings, if any, in connection with the Issue or otherwise accessing capital markets;
3. You are eligible to invest in India under applicable law, including the FEMA Rules (as defined hereinafter) and any notifications, circulars or clarifications issued thereunder, and have not been prohibited by SEBI, RBI or any other regulatory authority, statutory authority or otherwise, from buying, selling, or dealing in securities or otherwise accessing capital markets in India;
4. If you are not a resident of India, but are an Eligible QIB, (i) you are a foreign portfolio investor, and you confirm that you are an Eligible FPI as defined in this Preliminary Placement Document and have a valid and existing registration with SEBI under the applicable laws in India, or (ii) a multilateral or bilateral development financial institution and can participate in the Issue only under Schedule II of FEMA Rules and you are eligible to invest in India under applicable law, including FEMA Rules, and any other notifications, circulars or clarifications issued thereunder. You will make all necessary filings with appropriate regulatory authorities, including RBI, as required pursuant to applicable laws. You are eligible to invest in India under applicable law, including the FEMA Rules, and any notifications, circulars or clarifications issued thereunder and have not been prohibited by SEBI or any other regulatory authority, from buying, selling or dealing in securities or otherwise accessing the capital markets;
5. You are aware that in terms of the SEBI FPI Regulations and the FEMA Rules, the total holding by each FPI (as defined hereinafter) including its investor group (which means multiple entities registered as FPIs and directly or indirectly having common ownership of more than 50.00% or common control) shall be below 10.00% of the total paid-up Equity Share capital of our Company on a fully diluted basis and the total holdings of all FPIs put together shall not exceed the sectoral cap applicable to the sector in which our Company operates. In terms of the FEMA Rules, for calculating the total holding of FPIs in a company, holding of all registered FPIs shall be included. Hence, Eligible FPIs may invest in such number of Equity Shares in the Issue such that (i) the individual investment of the FPI in our Company does not exceed 10.00% of the post-Issue paid-up Equity Share capital of our Company on a fully diluted basis, and (ii) the aggregate investment by FPIs in our Company does not exceed the sectoral cap applicable to our Company. In case the holding of an FPI together with its investor group increases to 10.00% or more of the total paid-up Equity Share capital, on a fully diluted basis, such FPI together with its investor group shall divest the excess holding within a period of five trading days from the date of settlement of the trades resulting in the breach. If however, such excess holding has not been divested within the specified period of five trading days, the entire shareholding of such FPI together with its investor group will be re-classified as FDI, subject to the conditions as specified by SEBI and the RBI in this regard and compliance by our Company and the investor with applicable reporting requirements and the FPI and its investor group will be prohibited from making any further portfolio investment in our Company under the SEBI FPI Regulations. Since FVCIs are not permitted to participate in the Issue, you confirm that you are not an FVCI;
6. You will provide the information as required under the provisions of the Companies Act, the PAS Rules, the applicable provisions of the SEBI ICDR Regulations and any other applicable rules for record

keeping by our Company, including your name, nationality, complete address, phone number, e-mail address, permanent account number (if applicable) and bank account details and such other details as may be prescribed or otherwise required even after the closure of the Issue and the list of Eligible QIBs including the aforementioned details shall be filed with the RoC and SEBI, as may be required under the Companies Act and other applicable laws;

7. If you are Allotted Equity Shares, you shall not, for a period of one year from the date of Allotment, sell the Equity Shares so acquired except on the floor of the Stock Exchanges and in accordance with any other resale restrictions applicable to you. For more information, please see the sections “**Selling Restrictions**” and “**Transfer Restrictions and Purchaser Representations**” beginning on pages 160 and 168, respectively;
8. You are aware that this Preliminary Placement Document and the Placement Document have not been and will not be filed as a prospectus with the RoC under the Companies Act, the SEBI ICDR Regulations or under any other law in force in India and, no Equity Shares will be offered in India or overseas to the public or any members of the public in India or any other class of investors, other than Eligible QIBs. This Preliminary Placement Document (which includes disclosures prescribed under Form PAS-4) has not been reviewed or affirmed by the RBI, SEBI, the Stock Exchanges, the RoC or any other regulatory or listing authority and is intended only for use by Eligible QIBs;
9. You confirm that neither is your investment as an entity of a country which shares land border with India nor is the beneficial owner of your investment situated in or a citizen of such country (in each of which case, investment can only be through the Government approval route), and that your investment is in accordance with the Consolidated FDI Policy (as defined hereinafter) and Press Note No. 2 (2026 Series), dated March 15, 2026, issued by the Department for Promotion of Industry and Internal Trade, Government of India, and Rule 6 of the FEMA Rules;
10. This Preliminary Placement Document has been filed, and the Placement Document will be filed, with the Stock Exchanges for record purposes only and this Preliminary Placement Document and the Placement Document will be displayed on the websites of our Company and the Stock Exchanges;
11. You are permitted to subscribe for and acquire the Equity Shares under the laws of all relevant jurisdictions that apply to you and that you have fully observed such laws and you have necessary capacity, have obtained all necessary consents, governmental or otherwise, and authorisations, as may be required and complied and shall comply with all necessary formalities, to enable you to participate in the Issue and to perform your obligations in relation thereto (including, without limitation, in the case of any person on whose behalf you are acting, all necessary consents and authorisations to agree to the terms set out or referred to in this Preliminary Placement Document), and will honour such obligations;
12. You are aware that, our Company, the Lead Manager or any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates are not making any recommendations to you or advising you regarding the suitability of any transactions it may enter into in connection with the Issue and your participation in the Issue is on the basis that you are not, and will not, up to the Allotment, be a client of the Lead Manager. The Lead Manager or any of its shareholders, directors, officers, employees, counsels, representatives, agents or affiliates do not have any duties or responsibilities to you for providing the protection afforded to their clients or customers or for providing advice in relation to the Issue and are not in any way acting in any fiduciary capacity;
13. You confirm that, either: (i) you have not participated in or attended any investor meetings or presentations by our Company or its agents (the “**Company Presentations**”) with regard to our Company or the Issue; or (ii) if you have participated in or attended any Company Presentations: (a) you understand and acknowledge that the Lead Manager may not have knowledge of all the statements that our Company or its agents may have made at such Company Presentations and is therefore unable to determine whether the information provided to you at such Company Presentations may have included any material misstatements or omissions, and, accordingly you acknowledge that the Lead Manager has advised you not to rely in any way on any information that was provided to you at such Company Presentations, and (b) you confirm that you have not been provided any material or price sensitive information relating to our Company and the Issue that was not publicly available;
14. You are subscribing to the Equity Shares to be issued pursuant to the Issue in accordance with applicable laws and by participating in the Issue, you are not in violation of any applicable law, including but not

limited to the SEBI Insider Trading Regulations, the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003, as amended, and the Companies Act;

15. You understand that the Equity Shares issued pursuant to the Issue shall be subject to the provisions of the Memorandum of Association (as defined hereinafter) and Articles of Association (as defined hereinafter) and will be credited as fully paid and will rank pari passu in all respects with the existing Equity Shares including the right to receive dividend and other distributions declared;
16. All statements other than statements of historical fact included in this Preliminary Placement Document, including, without limitation, those regarding our financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to our Company's business), are forward-looking statements. You are aware that, such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause actual results to be materially different from future results, performance or achievements expressed or implied by such forward looking statements. Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and environment in which we will operate in the future. You should not place undue reliance on forward-looking statements, which speak only as at the date of this Preliminary Placement Document. Neither our Company nor the Lead Manager or any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates assume any responsibility to update any of the forward-looking statements contained in this Preliminary Placement Document;
17. You are aware and understand that the Equity Shares are being offered only to Eligible QIBs on a private placement basis and are not being offered to the general public or any other category of investors other than Eligible QIBs, and the Allotment of such Equity Shares shall be at the discretion of our Company, in consultation with the Lead Manager;
18. You are aware that in terms of the requirements of the Companies Act, upon Allocation, our Company will be required to disclose names and percentage of post-Issue shareholding of the proposed Allottees in the Placement Document. However, disclosure of such details in relation to the proposed Allottees in the Placement Document will not guarantee Allotment to them, as Allotment in the Issue shall continue to be at the sole discretion of our Company, in consultation with the Lead Manager;
19. You are aware that if you are Allotted more than 5.00% of the Equity Shares in the Issue, our Company shall be required to disclose your name and the number of the Equity Shares Allotted to you to the Stock Exchanges and the Stock Exchanges will make the same available on their respective websites and you consent to such disclosures;
20. You have been provided a serially numbered copy of this Preliminary Placement Document and have read it in its entirety, including in particular, "**Risk Factors**" beginning on page 38;
21. In making your investment decision, you have (i) relied on your own examination of us, the Equity Shares and the terms of the Issue, including the merits and risks involved, (ii) made and continue to make your own assessment of us and the Equity Shares and the terms of the Issue based solely on and in reliance of the information contained in this Preliminary Placement Document and no other disclosure or representation by our Company or any other party, (iii) consulted your own independent counsels and advisors or otherwise have satisfied yourself concerning, without limitation, the effects of local laws (including tax laws), (iv) received all information that you believe is necessary or appropriate in order to make an investment decision in respect of us and the Equity Shares, and (v) relied upon your own investigation and resources in deciding to invest in the Issue;
22. Neither our Company, the Lead Manager nor any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates have provided you with any tax advice or otherwise made any representations regarding the tax consequences of purchase, ownership and disposal of the Equity Shares (including but not limited to the Issue and the use of the proceeds from the Equity Shares). You will obtain your own independent tax advice from a reputable service provider and will not rely on the Lead Manager or any of its shareholders, directors, officers, employees, counsels, representatives, agents or affiliates, when evaluating the tax consequences in relation to the Equity Shares (including, in relation to the Issue and the use of proceeds from the Equity Shares). You waive, and agree not to assert any claim against, our Company, the Lead Manager or any of their respective shareholders,

- directors, officers, employees, counsels, representatives, agents or affiliates, with respect to the tax aspects of the Equity Shares or as a result of any tax audits by tax authorities, wherever situated;
23. You are a sophisticated investor and have such knowledge and experience in financial, business and investment matters as to be capable of evaluating the merits and risks of an investment in the Equity Shares.
 24. You are experienced in investing in private placement transactions of securities of companies in a similar nature of business, similar stage of development and in similar jurisdictions. You and any managed accounts for which you are subscribing for the Equity Shares (i) are each able to bear the economic risk of your investment in the Equity Shares, (ii) will not look to our Company and/or the Lead Manager or any of their respective shareholders, directors, officers, employees, counsels, advisors, representatives, agents or affiliates for all or part of any such loss or losses that may be suffered in connection with the Issue, including losses arising out of non-performance by our Company of any of its obligations or any breach of any representations and warranties by our Company, whether to you or otherwise, (iii) are able to sustain a complete loss on the investment in the Equity Shares, (iv) have no need for liquidity with respect to the investment in the Equity Shares, (v) have no reason to anticipate any change in your or their circumstances, financial or otherwise, which may cause or require any sale or distribution by you or them of all or any part of the Equity Shares; and (vi) are seeking to subscribe to the Equity Shares in the Issue for your own investment and not with a view to resell or distribute. You are aware that investment in equity shares involves a high degree of risk and that the Equity Shares are, therefore a speculative investment;
 25. If you are acquiring the Equity Shares to be issued pursuant to the Issue for one or more managed accounts, you represent and warrant that you are authorised in writing, by each such managed account to acquire such Equity Shares for each managed account and hereby make the representations, warranties, acknowledgements, undertakings and agreements herein for and on behalf of each such account, reading the reference to “you” to include such accounts;
 26. You are not a ‘promoter’ (as defined under the Companies Act, 2013 and the SEBI ICDR Regulations) of our Company and are not a person related to our Promoter, either directly or indirectly and your Bid does not directly or indirectly represent our ‘Promoter’, or ‘Promoter Group’ (as defined under the SEBI ICDR Regulations) of our Company or persons or entities related thereto;
 27. You have no rights under a shareholders’ agreement or voting agreement entered into with our Promoter or members of the Promoter Group or persons related to the Promoter, no veto rights or right to appoint any nominee director on our Board (as defined hereinafter), other than the rights acquired, if any, in the capacity of a lender not holding any Equity Shares (a QIB who does not hold any Equity Shares and who has acquired the said rights in the capacity of a lender shall not be deemed to be a person related to our Promoter);
 28. You agree in terms of Section 42 of the Companies Act and Rule 14 of the PAS Rules, that our Company shall make necessary filings with the RoC as may be required under the Companies Act;
 29. You will have no right to withdraw your Application Form or revise your Bid downwards after the Bid / Issue Closing Date (as defined hereinafter);
 30. You are eligible to Bid for and hold the Equity Shares so Allotted, together with any Equity Shares held by you prior to the Issue. Further, you confirm that your aggregate holding after the Allotment of the Equity Shares shall not exceed the level permissible as per any applicable law;
 31. The Bid made by you would not result in triggering a tender offer under the SEBI Takeover Regulations and you shall be solely responsible for compliance with all other applicable provisions of the SEBI Takeover Regulations;
 32. The aggregate number of Equity Shares Allotted to you under the Issue, together with other Allottees that belong to the same group or are under common control as you, pursuant to the Allotment under the Issue shall not exceed 50.00% of the Issue Size. For the purposes of this representation:
 - (a) Eligible QIBs “belonging to the same group” shall mean entities where (a) any of them controls, directly or indirectly, through our subsidiary or holding company, not less than 15.00% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination

with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and independent directors, amongst Eligible QIBs, its subsidiary or holding company and any other Eligible QIB; and

- (b) 'Control' shall have the same meaning as is assigned to it under Regulation 2(1)(e) of the SEBI Takeover Regulations;
33. You shall not undertake any trade in the Equity Shares credited to your beneficiary account until such time that the final listing and trading approvals for such Equity Shares are issued by the Stock Exchanges;
34. You are aware that (i) applications for in-principle approval, in terms of Regulation 28(1)(a) of the SEBI Listing Regulations, for listing and admission of the Equity Shares to be issued pursuant to the Issue and for trading on the Stock Exchanges, were made and an in-principle approval has been received by our Company from each of the Stock Exchanges, and (ii) the application for the final listing and trading approval will be made only after Allotment. There can be no assurance that the final listing and trading approvals for listing of the Equity Shares to be issued pursuant to the Issue will be obtained in time or at all. Neither our Company nor the Lead Manager nor any of their respective shareholders, directors, officers, employees, counsels, representatives, agents or affiliates shall be responsible for any delay or non-receipt of such final listing and trading approvals or any loss arising from such delay or non-receipt;
35. You are aware and understand that the Lead Manager has entered into a Placement Agreement with our Company whereby the Lead Manager has, subject to the satisfaction of certain conditions set out therein, undertaken to use reasonable efforts to procure subscription for the Equity Shares on the terms and conditions set forth therein;
36. You understand that the contents of this Preliminary Placement Document are exclusively the responsibility of our Company, and that neither the Lead Manager nor any person acting on its behalf or any of the counsels or advisors to the Issue has or shall have any liability for any information, representation or statement contained in this Preliminary Placement Document or any information previously published by or on behalf of our Company and will not be liable for your decision to participate in the Issue based on any information, representation or statement contained in this Preliminary Placement Document or otherwise. By accepting a participation in the Issue, you agree to the same and confirm that the only information you are entitled to rely on, and which you have relied in committing yourself to acquire the Equity Shares is contained in this Preliminary Placement Document, such information being all that you deem necessary to make an investment decision in respect of the Equity Shares, you have neither received nor relied on any other information, representation, warranty or statement made by or on behalf of the Lead Manager or our Company or any other person, and the Lead Manager or our Company or any of their respective affiliates, including any view, statement, opinion or representation expressed in any research published or distributed by them, the Lead Manager and its respective affiliates will not be liable for your decision to accept an invitation to participate in the Issue based on any other information, representation, warranty, statement or opinion;
37. You understand that the Lead Manager or any of its shareholders, directors, officers, employees, counsels, representatives, agents or affiliates do not have any obligation to purchase or acquire all or any part of the Equity Shares purchased by you in the Issue or to support any losses directly or indirectly sustained or incurred by you for any reason whatsoever in connection with the Issue, including the non performance by our Company or any of its obligations or any breach of any representations or warranties by our Company, whether to you or otherwise;
38. You are able to purchase the Equity Shares in accordance with the restrictions described in "***Selling Restrictions***" beginning on page 160 and you have made, or are deemed to have made, as applicable, the representations, warranties, acknowledgements, undertakings and agreements in "***Selling Restrictions***" beginning on page 160;
39. You understand and agree that the Equity Shares are transferable only in accordance with the restrictions described in "***Transfer Restrictions and Purchaser Representations***" beginning on page 168 and you have made, or are deemed to have made, as applicable, the representations, warranties, acknowledgements, undertakings and agreements in "***Transfer Restrictions and Purchaser Representations***" beginning on page 168;

40. You agree that any dispute arising in connection with the Issue will be governed by and construed in accordance with the laws of Republic of India, and the court(s) in Coimbatore, India shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Preliminary Placement Document and the Placement Document;
41. Each of the representations, warranties, acknowledgements and agreements set out above shall continue to be true and accurate at all times up to and including the Allotment, listing and trading of the Equity Shares in the Issue;
42. You agree to indemnify and hold our Company, the Lead Manager and their respective directors, officers, employees, affiliates, associates, controlling persons and representatives harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the foregoing representations, warranties, acknowledgements, agreements and undertakings made by you in this Preliminary Placement Document. You agree that the indemnity set out in this paragraph shall survive the resale of the Equity Shares by, or on behalf of, the managed accounts;
43. You will make the payment for subscription to the Equity Shares pursuant to the Issue from your own bank account. In case of joint holders, the monies shall be paid from the bank account of the person whose name appears first in the application;
44. You acknowledge that this Preliminary Placement Document does not, and the Placement Document shall not confer upon or provide you with any right of renunciation of the Equity Shares offered through the Issue in favour of any person;
45. You are aware and understand that you are allowed to place a Bid for Equity Shares. Please note that submitting a Bid for Equity Shares should not be taken to be indicative of the number of Equity Shares that will be Allotted to a successful Bidder. Allotment of Equity Shares will be undertaken by our Company, in its absolute discretion, in consultation with the Lead Manager;
46. You represent that you are not an affiliate of our Company or the Lead Manager or a person acting on behalf of such affiliate. However, affiliates of the Lead Manager, which are Eligible FPIs, may purchase, to the extent permissible under law, the Equity Shares in the Issue, and may issue Offshore Derivative Instruments in respect thereof. For further details, please see “**Offshore Derivative Instruments**” beginning on page 11;
47. You are outside the United States, and are purchasing the Equity Shares in an “offshore transaction”, as defined in and in reliance on Regulation S under the U.S. Securities Act and in compliance with the laws of all jurisdictions applicable to you;
48. you are not acquiring or subscribing for the Equity Shares as a result of any “directed selling efforts” (as defined in Regulation S of the U.S. Securities Act) and you understand and agree that offers and sales are being made only outside the United States in “offshore transactions” as defined in and in reliance on Regulation S and the applicable laws of the jurisdiction where those offers and sales are made;
49. You are able to purchase the Equity Shares in accordance with the restrictions described in “**Selling Restrictions**” on page 160 and you have made, or are deemed to have made, as applicable, the representations, warranties, acknowledgements, undertakings and agreements in “**Selling Restrictions**” on page 160 and you warrant that you will comply with such representations, warranties, acknowledgments and undertakings;
50. You understand and agree that the Equity Shares are transferable only in accordance with the restrictions described in “**Transfer Restrictions and Purchaser Representations**” on page 168 and you have made, or are deemed to have made, as applicable, the representations, warranties, acknowledgements, undertakings and agreements in “**Transfer Restrictions and Purchaser Representations**” on page 168;
51. You understand and agree that the Equity Shares are transferable only in accordance with the restrictions described under the sections “**Selling Restrictions**” beginning on page 160 and you have made, or are deemed to have made, as applicable, the representations, warranties, acknowledgements, undertakings and agreements in “**Transfer Restrictions and Purchaser Representations**” beginning on page 168, and you warrant that you will comply with such representations, warranties, acknowledgments and undertakings;

52. You understand that the Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws of the United States and unless so registered, may not be offered, sold or delivered within the United States, except in reliance on an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws;
53. Our Company, the Lead Manager, their respective affiliates, directors, counsels, officers, employees, shareholders, representatives, agents, controlling persons and others will rely on the truth and accuracy of the foregoing representations, warranties, acknowledgements and undertakings, and are irrevocable. It is agreed that if any of such representations, warranties, acknowledgements and undertakings are no longer accurate, you will promptly notify our Company and the Lead Manager; and
54. You will make all necessary filings with appropriate regulatory authorities, including the RBI, as required pursuant to applicable laws.

OFFSHORE DERIVATIVE INSTRUMENTS

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, Eligible FPIs (including affiliates of the Lead Manager) who are registered as a Category I FPI, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it in India, as its underlying, and all such offshore derivative instruments are referred to herein as “**Offshore Derivative Instruments**”) and persons who are eligible for registration as Category I FPIs can subscribe to or deal in such Offshore Derivative Instruments provided that in the case of an entity that has an investment manager who is from the Financial Action Task Force member country, such investment manager shall not be required to be registered as a Category I FPI. The above-mentioned Category I FPIs may receive compensation from the purchasers of such instruments. In terms of Regulation 21 of SEBI FPI Regulations, such Offshore Derivative Instruments may be issued only by such persons who are registered as Category I FPIs and they may be issued only to persons eligible for registration as Category I FPIs subject to exceptions provided in the SEBI FPI Regulations and compliance with ‘know your client’ requirements, as specified by SEBI and subject to compliance with such other conditions as may be specified by SEBI from time to time. An Eligible FPI shall also ensure that no transfer of any instrument referred to above is made to any person unless such FPIs are registered as Category I FPIs and such instrument is being transferred only to person eligible for registration as Category I FPIs subject to requisite consents being obtained in terms of Regulation 21 of SEBI FPI Regulations. Offshore Derivative Instruments have not been, and are not being offered, or sold pursuant to this Preliminary Placement Document and the Placement Document. This Preliminary Placement Document does not contain any information concerning Offshore Derivative Instruments or the issuer(s) of any Offshore Derivative Instruments, including any information regarding any risk factors relating thereto.

Subject to certain relaxations provided under Regulation 22(4) of the SEBI FPI Regulations, investment by a single FPI including its investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than 50.00% or common control,) is not permitted to be 10.00% or above of our post-Issue Equity Share capital on a fully diluted basis. SEBI *vide* master circular dated May 30, 2024, issued guidance for FPIs, designated depository participants and eligible foreign investors, to facilitate implementation of the SEBI FPI Regulations. In terms of such guidance, the above-mentioned restrictions shall also apply to subscribers of Offshore Derivative Instruments and two or more subscribers of Offshore Derivative Instruments having common ownership, directly or indirectly, of more than 50.00% or common control shall be considered together as a single subscriber of the Offshore Derivative Instruments. Further, in the event a prospective investor has investments as an FPI and as a subscriber of Offshore Derivative Instruments, these investment restrictions shall apply on the aggregate of the FPI investments and Offshore Derivative Instruments position held in the underlying company.

Further, in accordance with the Consolidated FDI Policy read with the Press Note No. 2 (2026 Series), dated March 15, 2026, issued by the Department for Promotion of Industry and Internal Trade, Government of India, investments where the entity is of a country which shares land border with India or where the beneficial owner of the Equity Shares is situated in or is a citizen of a country which shares land border with India, or where the beneficial owner of an investment into India is a citizen of any such country, can only be made through the Government approval route, as prescribed in the Consolidated FDI Policy and FEMA Rules. These investment restrictions shall also apply to subscribers of Offshore Derivative Instruments. Affiliates of the Lead Manager which are Eligible FPIs may purchase, to the extent permissible under law, the Equity Shares in the Issue, and may issue Offshore Derivative Instruments in respect thereof. Any Offshore Derivative Instruments that may be issued are not securities of our Company and do not constitute any obligation of, claims on or interests in our Company. Our Company has not participated in any offer of any Offshore Derivative Instruments, or in the establishment of the terms of any Offshore Derivative Instruments, or in the preparation of any disclosure related to any Offshore Derivative Instruments. Any Offshore Derivative Instruments that may be offered are issued by, and are the sole obligations of, third parties that are unrelated to our Company. Our Company and the Lead Manager do not make any recommendation as to any investment in Offshore Derivative Instruments and do not accept any responsibility whatsoever in connection with any Offshore Derivative Instruments. Any Offshore Derivative Instruments that may be issued are not securities of the Lead Manager and does not constitute any obligations of or claims on the Lead Manager.

Prospective investors interested in purchasing any Offshore Derivative Instruments have the responsibility to obtain adequate disclosures from the issuer(s) of such Offshore Derivative Instruments and the terms and conditions of any such Offshore Derivative Instruments from the issuer(s) of such Offshore Derivative Instruments. Neither SEBI nor any other regulatory authority has reviewed or approved any Offshore Derivative Instruments or any disclosure related thereto. Prospective investors are urged to consult their own financial, legal, accounting and tax advisors regarding any contemplated investment in Offshore

Derivative Instruments, including whether Offshore Derivative Instruments are issued in compliance with applicable laws and regulations. Please also see the “*Selling Restrictions*” and “*Transfer Restrictions and Purchaser Representations*” beginning on pages 160 and 168, respectively.

DISCLAIMERS

As required, a copy of this Preliminary Placement Document has been submitted to each of the Stock Exchanges.

The Stock Exchanges do not in any manner:

1. warrant, certify or endorse the correctness or completeness of the contents of this Preliminary Placement Document; or
2. warrant that the Equity Shares to be issued pursuant to the Issue will be listed or will continue to be listed on the Stock Exchanges; or
3. take any responsibility for the financial or other soundness of our Company, our Subsidiaries, our Joint Venture, our Promoter, our management or any scheme or project of our Company.

It should not for any reason be deemed or construed to mean that this Preliminary Placement Document has been cleared or approved by the Stock Exchanges. Every person who desires to apply for or otherwise acquires any Equity Shares may do so pursuant to an independent inquiry, investigation and analysis and shall not have any claim against the Stock Exchanges whatsoever, by reason of any loss which may be suffered by such person consequent to or in connection with, such subscription/ acquisition, whether by reason of anything stated or omitted to be stated herein, or for any other reason whatsoever.

PRESENTATION OF FINANCIAL INFORMATION AND OTHER CONVENTIONS

Certain Conventions

In this Preliminary Placement Document, unless otherwise specified or the context otherwise indicates or implies, references to ‘you’, ‘your’, ‘offeree’, ‘purchaser’, ‘subscriber’, ‘recipient’, ‘investor(s)’, ‘prospective investor(s)’ and ‘potential investor(s)’ are to the Eligible QIBs who are the prospective investors in the Equity Shares issued pursuant to the Issue, references to ‘Craftsman’, the ‘Company’, ‘our Company’, the ‘Issuer’ are to Craftsman Automation Limited, on a standalone basis, and references to ‘we’, ‘our’ or ‘us’ are to Craftsman Automation Limited, together with our Subsidiaries and Joint Venture on a consolidated basis.

Unless otherwise specified or the context otherwise requires, all references in this Preliminary Placement Document to:

- “Rupee(s)”, “Rs.” Or “₹” or “INR” are to Indian Rupees, the legal currency of the Republic of India;
- “India” are to the Republic of India and its territories and possessions and the ‘Government’ or ‘GoI’ or the ‘Central Government’ or the ‘State Government’ are to the Government of India, central or state, as applicable;
- the ‘US’ or ‘U.S.’ or the ‘United States’ or the ‘U.S.A’ are to the United States of America and its territories and possessions; and
- “EUR” or “€” are to Euro, the official currency of the European Union.

References to the singular also refer to the plural and one gender also refers to any other gender, wherever applicable. Our Company has presented certain numerical information in this Preliminary Placement Document in “lakh” units. One lakh represents 1,00,000. Our Company reports its financial statements in Indian Rupees.

Unless otherwise specified, all financial numbers in parenthesis represent negative figures.

Page Numbers

Unless otherwise stated, all references to page numbers in this Preliminary Placement Document are to page numbers of this Preliminary Placement Document.

Financial and other information

The financial year of our Company commences on April 1 of each calendar year and ends on March 31 of the succeeding calendar year, so, unless otherwise specified or if the context requires otherwise, all references to a particular ‘Financial Year’, or ‘Fiscal’ or ‘FY’ are to the twelve months period ended on March 31 of that year and references to a particular ‘year’ are to the calendar year ending on December 31 of that year.

In this Preliminary Placement Document, we have included the following financial statements of our Company prepared in accordance with Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended read with Section 133 of the Companies Act, 2013 (“**Ind AS**”):

- (i) The audited consolidated financial statements of our Company, which comprise the consolidated balance sheet as at March 31, 2024, and the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended March 31, 2024, and the notes to consolidated financial statements, including a summary of significant accounting policies and other explanatory information (“**Fiscal 2024 Audited Consolidated Financial Statements**”);
- (ii) The audited consolidated financial statements of our Company, which comprise the consolidated balance sheet as at March 31, 2025, and the consolidated statement of profit and loss (including other comprehensive income and group’s share of profit in joint venture), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended March 31, 2025, and the notes to consolidated financial statements, including a summary of significant accounting policies and other explanatory information (“**Fiscal 2025 Audited Consolidated Financial Statements**”); and
- (iii) The audited consolidated financial statements of our Company, which comprise the consolidated balance

sheet as at March 31, 2026, and the consolidated statement of profit and loss (including other comprehensive income and group's share of profit in joint venture), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended March 31, 2026, and the notes to consolidated financial statements, including a summary of significant accounting policies and other explanatory information ("**Fiscal 2026 Audited Consolidated Financial Statements**", and together with Fiscal 2025 Audited Consolidated Financial Statements and Fiscal 2024 Audited Consolidated Financial Statements, the "**Audited Consolidated Financial Statements**").

The Audited Consolidated Financial Statements have been audited by our Statutory Auditors, Sharp & Tannan, Chartered Accountants, who have been re-appointed as our Statutory Auditors in accordance with Section 139 of the Companies Act, 2013, pursuant to a shareholders' resolution dated July 21, 2025, for a period of five years. For details, see "**Our Statutory Auditors**" beginning on page 188.

The Audited Consolidated Financial Statements should be read along with the respective audit reports thereon. Our Statutory Auditors have issued audit reports dated May 7, 2026, May 7, 2025 and April 27, 2024, on our Audited Consolidated Financial Statements as at and for Fiscals 2026, 2025 and 2024, respectively. For further details, see "**Financial Information**" beginning on page 189. The Audited Consolidated Financial Statements have been subjected to audit that has been performed in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act.

Except as specifically indicated otherwise and unless the context requires otherwise, all the consolidated financial information as at and for Fiscals 2026, 2025 and 2024 included in this Preliminary Placement Document have been derived from the Audited Consolidated Financial Statements.

Our Company prepares its financial statements in accordance with Ind AS. Ind AS differs from accounting principles with which prospective investors may be familiar in other countries, including generally accepted accounting principles followed in the U.S. ("**U.S. GAAP**") or International Financial Reporting Standards ("**IFRS**"). Our Company does not attempt to quantify the impact of U.S. GAAP or IFRS on the financial data included in this Preliminary Placement Document, nor does our Company provide a reconciliation of its Audited Consolidated Financial Statements to IFRS or U.S. GAAP. Accordingly, the degree to which the Audited Consolidated Financial Statements, as included in this Preliminary Placement Document, prepared in accordance with Ind AS, will provide meaningful information is entirely dependent on the reader's familiarity with the respective Indian accounting policies and practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Preliminary Placement Document should accordingly be limited.

All numerical and financial information as set out and presented in this Preliminary Placement Document, except for the information in the section titled "**Industry Overview**" beginning on page 88, for the sake of consistency and convenience have been rounded off or expressed in two decimal places in ₹ lakhs. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them and the sum or percentage change of such numbers may not conform exactly to the total figure given.

Non-GAAP financial measures

Certain non-GAAP Measures and certain other statistical information relating to our operations and financial performance including EBITDA, EBITDA Margin, Return on Average Capital Employed, Net worth, Return on Equity, Net Debt to EBITDA and Debt to Equity Ratio, ("**Non-GAAP Financial Measures**") have been included in this Preliminary Placement Document. These Non-GAAP Financial Measures are not defined under Ind AS and are not presented in accordance with Ind AS. We compute and disclose such Non-GAAP Financial Measures relating to our financial performance as we consider such information to be useful measures of our business and financial performance. These Non-GAAP Financial Measures and other statistical and other information relating to our operations and financial performance may not be computed on the basis of any methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies. The presentation of these Non-GAAP Financial Measures is not intended to be considered in isolation or as a substitute for the financial statements included in this Preliminary Placement Document. Prospective investors should read this information in conjunction with the financial statements included in "**Financial Information**" and "**Risk Factors – Certain non-GAAP measures and certain other statistical information relating to our operations and financial performance have been included in this**

Preliminary Placement Document. These non-GAAP measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable.” beginning on pages 189 and 59, respectively.

INDUSTRY AND MARKET DATA

Information regarding market size, market share, market position, growth rates, other industry data and certain industry forecasts pertaining to our business contained in this Preliminary Placement Document consists of estimates based on data reports compiled by government bodies, professional organizations and industry publications, data from other external sources and knowledge of the markets in which we compete.

Unless stated otherwise, statistical information, industry and market data used throughout this Preliminary Placement Document has been obtained from the report titled “***Studying the Automobile and Automotive Component business in India***” dated June 2026, prepared by Crisil Intelligence (“**CRISIL Report**”), which is a report exclusively commissioned and paid for by our Company and prepared and issued by Crisil Intelligence pursuant to an engagement letter dated May 22, 2026, in connection with the Issue. Crisil Intelligence is not related in any manner to our Company, our Promoter, our Directors or Key Managerial Personnel or members of the Senior Management, our Subsidiaries, our Joint Venture or the Lead Manager.

Further, information regarding market position, growth rates, other industry data and certain industry forecasts pertaining to our business contained in this Preliminary Placement Document consists of estimates based on data reports compiled by government bodies, data from other external sources and knowledge of the markets in which we compete. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, neither the accuracy nor completeness of information contained in the CRISIL Report is guaranteed. The opinions expressed are not recommendation to buy, sell or hold an instrument. This data is subject to change and cannot be verified with complete certainty due to limitations on the availability and reliability of the raw data and other limitations and uncertainties inherent in any statistical survey.

While we have taken reasonable care in the reproduction of the information from the CRISIL Report, neither we nor the Lead Manager have independently verified this market and industry data, nor do we or the Lead Manager make any representation regarding the accuracy or completeness of such data. In many cases, there is no readily available external information (whether from trade or industry associations, government bodies or other organisations) to validate market-related analysis and estimates, so we have relied on internally developed estimates. Similarly, while we believe our internal estimates to be reasonable, such estimates have not been verified by any independent sources, and neither we nor the Lead Manager can assure potential investors as to their accuracy.

The extent to which the market and industry data used in this Preliminary Placement Document is meaningful depends solely on the reader’s familiarity with and understanding of the methodologies used in compiling such data. Further, the calculation of certain statistical and/ or financial information/ ratios specified in the sections titled “***Summary of Business***” and “***Risk Factors***” on pages 115 and 38, respectively, and otherwise in this Preliminary Placement Document may vary from the manner such information is calculated under and for purposes of, and as specified in, the CRISIL Report. Data from these sources may also not be comparable.

Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “***Risk Factors – Certain sections of this Preliminary Placement Document disclose information from the CRISIL Report which is a paid report and commissioned and paid for by us exclusively in connection with the Issue and any reliance on such information for making an investment decision in the Issue is subject to inherent risks.***” beginning on page 60.

Disclaimer of the CRISIL Report

The CRISIL Report is subject to the following disclaimer:

“Crisil Intelligence, a division of Crisil Limited, provides independent research, consulting, risk solutions, and data & analytics to its clients. Crisil Intelligence operates independently of Crisil’s other divisions and subsidiaries, including, Crisil Ratings Limited. Crisil Intelligence’s informed insights and opinions on the economy, industry, capital markets and companies drive impactful decisions for clients across diverse sectors and geographies. Crisil Intelligence’s strong benchmarking capabilities, granular grasp of sectors, proprietary analytical frameworks and risk management solutions backed by deep understanding of technology integration,

makes it the partner of choice for public & private organisations, multi-lateral agencies, investors and governments for over three decades.

For the preparation of this report, Crisil Intelligence has relied on third party data and information obtained from sources which in its opinion are considered reliable. Any forward-looking statements contained in this report are based on certain assumptions, which in its opinion are true as on the date of this report and could fluctuate due to changes in factors underlying such assumptions or events that cannot be reasonably foreseen. This report does not consist of any investment advice and nothing contained in this report should be construed as a recommendation to invest/disinvest in any entity. This industry report is intended for use only within India. The Company will be responsible for ensuring compliance and for any consequence of non-compliance for use of the Report outside India.”

FORWARD-LOOKING STATEMENTS

Certain statements contained in this Preliminary Placement Document that are not statements of historical fact constitute 'forward-looking statements'. Prospective investors can generally identify forward-looking statements by terminology such as 'aim', 'anticipate', 'believe', 'continue', 'could', 'can', 'estimate', 'expect', 'intend', 'likely', 'may', 'objective', 'plan', 'potential', 'project', 'pursue', 'seek', 'shall', 'should', 'will', 'would', 'will likely result', 'is likely', 'are likely', 'expected to', 'will continue', 'will achieve' or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. However, these are not the exclusive means of identifying forward-looking statements.

All statements regarding our expected financial conditions, results of operations, business plans and prospects are forward-looking statements. The forward-looking statements appear in a number of places throughout this Preliminary Placement Document and include statements regarding the intentions, beliefs or current expectations of our Company concerning, amongst other things, the expected results of operations, financial condition, liquidity, prospects, growth, strategies and dividend policy of our Company and the industry in which we operate.

These forward-looking statements include statements as to our business strategy, planned projects, revenue and profitability (including, any financial or operating projections or forecasts), new business and other matters discussed in this Preliminary Placement Document that are not historical facts. These forward-looking statements in this Preliminary Placement Document (whether made by our Company or any third party), are predictions and involve known and unknown risks, uncertainties, assumptions and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. In addition, even if the result of operations, financial conditions, liquidity and dividend policy of our Company, and the development of the industry in which we operate, are consistent with the forward-looking statements contained in this Preliminary Placement Document, those results or developments may not be indicative of results or developments in subsequent periods.

All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. By their nature, market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains, losses or impact on net interest income and net income could materially differ from those that have been estimated, expressed or implied by such forward-looking statements or other projections.

Important factors that could cause our actual results, performance or achievements to differ materially from any of the forward-looking statements include, among others:

- we derive a significant portion of our revenue from our top 10 customers. The loss of one or more such customers, the deterioration of their financial condition or prospects, or a reduction in their demand for our products could adversely affect our business, results of operations, financial condition and cash flows;
- we have not entered into any long-term contracts with our suppliers from whom we procure materials consumed by us for our manufacturing process. Further, we depend on a select few suppliers for sourcing our raw materials and any delay, interruption or reduction in the supply of raw materials to manufacture our products or volatility in the prices of raw materials, may adversely affect our business, results of operations, financial condition and cash flows;
- our plan to set up certain manufacturing facilities is subject to the risk of unanticipated delays in implementation and cost overruns and such capital expenditure may not yield the benefits we anticipate;
- a slowdown or shutdown in our manufacturing operations or the under-utilization of our manufacturing facilities could have an adverse effect on our business, results of operations, financial condition and cash flows;
- we have substantial capital expenditure and working capital requirements and may require additional capital to meet those requirements, which could have an adverse effect on our business, results of operations, financial condition and cash flows;

- we operate in a competitive business environment. If we cannot respond adequately to the increased competition and consequent pricing pressures that we expect to face from existing players and new entrants, we will lose market share and our profits will decline, which will adversely affect our business, results of operations and financial condition;
- we have undertaken acquisitions, mergers, business transfer and strategic investments in the past and may continue to undertake such acquisitions, joint ventures, strategic investments, alliances, in the future, which may be difficult to integrate and manage. These may expose us to uncertainties and risks, any of which could adversely affect our business, financial conditions and result of operations;
- our inability to meet our obligations under our debt financing arrangements could adversely affect our business, results of operations and cash flows;
- we are subject to risks arising from fluctuations in interest rate and foreign currency exchange rates, which could adversely affect our results of operations planned expenditures and cash flows; and
- we export our products to various countries. Any adverse events affecting these countries could have an adverse impact on our results from operations.

Additional factors that could cause our actual results, performance or achievements to differ materially include but are not limited to, those discussed under the sections titled “**Risk Factors**”, “**Industry Overview**” and “**Summary of Business**” beginning on pages 38, 88 and 115, respectively.

The forward-looking statements contained in this Preliminary Placement Document are based on the beliefs of, as well as the assumptions made by, and information currently available to, our Company and management. Although we believe that the expectations reflected in such forward-looking statements are reasonable at this time, we cannot assure investors that such expectations will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materialize, or if any of our underlying assumptions prove to be incorrect, our actual results of operations, cash flows or financial condition could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent written and oral forward-looking statements attributable to us are expressly qualified in their entirety by reference to these cautionary statements.

In any event, these statements included herein speak only as of the date of this Preliminary Placement Document or the respective dates indicated in this Preliminary Placement Document. Our Company and the Lead Manager expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any changes whether as a result of new information, future events, changes in assumptions or changes in factors affecting these forward-looking statements or otherwise in our Company’s expectations with regard thereto.

ENFORCEMENT OF CIVIL LIABILITIES

Our Company is a public limited liability company, limited by shares incorporated under the laws of India. All of our Directors, Key Managerial Personnel and members of Senior Management named herein are residents of India. A significant portion of our assets are located in India. As a result, it may be difficult for the investors outside India to affect service of process upon our Company or such persons in India, or to enforce judgments obtained against such parties outside India.

India is not a signatory to any international treaty in relation to the recognition or enforcement of foreign judgments. However, recognition and enforcement of foreign judgments and execution of a foreign judgment is provided for under Sections 13 and 44A respectively, of the Code of Civil Procedure, 1908, as amended (“**Civil Procedure Code**”). Section 13 of the Civil Procedure Code provides that a foreign judgment shall be conclusive regarding any matter directly adjudicated upon between the same parties or between parties litigating under the same title, except:

- (i) where the judgment has not been pronounced by a court of competent jurisdiction;
- (ii) where the judgment has not been given on the merits of the case;
- (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognize the law of India in cases in which such law is applicable;
- (iv) where the proceedings in which the judgment was obtained were opposed to natural justice;
- (v) where the judgment has been obtained by fraud, or
- (vi) where the judgment sustains a claim founded on a breach of any law in force in India.

A foreign judgment which is conclusive under Section 13 of the Civil Procedure Code may be enforced either by a fresh suit upon the judgment or by proceedings in execution. Section 44A of the Civil Procedure Code provides that a foreign judgment rendered by a superior court (within the meaning of that section) in any jurisdiction outside India which the Government has by notification declared to be a reciprocating territory, may be enforced in India by proceedings in execution as if the judgment had been rendered by a district court in India. However, Section 44A of the Civil Procedure Code is applicable only to monetary decrees not being in the nature of any amounts payable in respect of taxes or other charges of a like nature or in respect of a fine or other penalties and does not include arbitration awards.

Under Section 14 of the Civil Procedure Code, a court in India will, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the foreign judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record but such presumption may be displaced by proving want of jurisdiction.

Each of the United Kingdom of Great Britain and Northern Ireland, Republic of Singapore, Hong Kong and United Arab Emirates, amongst others, has been declared by the Government to be a reciprocating territory for the purposes of Section 44A of the Civil Procedure Code, but the United States of America has not been so declared. A foreign judgment of a court in a jurisdiction which is not a reciprocating territory may be enforced only by a new suit upon the foreign judgment and not by proceedings in execution. The suit must be brought in India within three years from the date of the foreign judgment in the same manner as any other suit filed to enforce a civil liability in India. Accordingly, a judgment of a court in the United States may be enforced only by a fresh suit upon the foreign judgment and not by proceedings in execution.

It is unlikely that a court in India would award damages on the same basis as a foreign court if an action is brought in India. Furthermore, it is unlikely that an Indian court would enforce foreign judgments if it viewed the amount of damages awarded as excessive or inconsistent with public policy of India, and it is uncertain whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. Further, any judgment or award denominated in a foreign currency would be converted into Rupees on the date of such judgment or award and not on the date of payment. A party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI to repatriate outside India any amount recovered, pursuant to the execution of such foreign judgment, and we cannot assure that such approval will be forthcoming within a reasonable period of time, or at all, or that conditions of such approvals would be acceptable and additionally any such amount may be subject to income tax in accordance with applicable laws. Our Company and the Lead Manager cannot predict whether a suit brought in an Indian court will be disposed of in a timely manner or be subject to considerable delays.

EXCHANGE RATES

Fluctuations in the exchange rate between the Rupee and foreign currencies will affect the foreign currency equivalent of the Rupee price of the Equity Shares traded on the Stock Exchanges. These fluctuations will also affect the conversion into foreign currencies of any cash dividends paid in Rupees on the Equity Shares.

The following table sets forth, for the periods indicated, information with respect to the exchange rates between the Rupee and the US Dollar, Euro and JPY (*in ₹*) based on the reference rates which are available on the website of www.fbil.org.in. No representation is made that any Rupee amounts, could have been, or could be, converted into USD, Euro and JPY at any particular rate, the rates stated below, or at all.

Currency	Exchange rate as on		
	March 31, 2026	March 31, 2025	March 31, 2024
1 USD	94.65	85.58	83.37
1 Euro	109	92.32	90.22
100 JPY	59.25	56.75	55.09

Note: If the reference rate is not available on a particular date due to a public holiday, exchange rates of the previous Working Day has been disclosed. The reference rates are rounded off to two decimal places.

DEFINITIONS AND ABBREVIATIONS

Our Company has prepared this Preliminary Placement Document using certain definitions and abbreviations which you should consider while reading the information contained herein. The following list of certain capitalized terms used in this Preliminary Placement Document is intended for the convenience of the reader/prospective investor only and is not exhaustive.

The terms defined in this Preliminary Placement Document shall have the meaning set out herein, unless specified otherwise in the context thereof, and references to any statute or regulations or policies shall include amendments, rules, guidelines, circulars, clarifications, and notifications issued thereto, from time to time.

The words and expressions used in this Preliminary Placement Document but not defined herein, shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, 2013, the SEBI ICDR Regulations, the SCRA, the Depositories Act or the rules and regulations made thereunder.

Unless the context otherwise indicates, all references to “**Craftsman**”, “**the Issuer**”, “**the Company**”, and “**our Company**”, are references to Craftsman Automation Limited, on a standalone basis, a public limited company incorporated in India under the Companies Act, 1956 having its Registered Office at 123/4, Sangothipalayam Road, Arasur Post, Coimbatore 641 407, Tamil Nadu, India. Furthermore, unless the context otherwise indicates, all references to the terms “**we**”, “**us**” and “**our**” are to our Company, our Subsidiaries and Joint Venture (*as defined below*) on a consolidated basis.

Notwithstanding the foregoing, terms used in the sections “**Industry Overview**”, “**Taxation**”, “**Legal Proceedings**” and “**Financial Information**” beginning on pages 88, 179, 185 and 189, respectively, shall have the meaning given to such terms in such sections.

Company related terms

Term	Description
Articles/ Articles of Association/ AoA	Articles of association of our Company, as amended
Audit Committee	The audit committee of our Board comprising Tamraparni Srinivasan Venkata Rajagopal (<i>Chairperson</i>), Sundararaman Kalyanaraman (<i>Member</i>), Vijaya Sampath (<i>Member</i>) and Rajeswari Karthigeyan (<i>Member</i>)
Audited Consolidated Financial Statements	Collectively, Fiscal 2026 Audited Consolidated Financial Statements, Fiscal 2025 Audited Consolidated Financial Statements and Fiscal 2024 Audited Consolidated Financial Statements
Auditors/Statutory Auditors	The current statutory auditors of our Company, namely, Sharp & Tannan, Chartered Accountants
Board/Board of Directors	The board of directors of our Company or a duly constituted committee thereof
Corporate Office	Krishna Towers, 4 th and 5 th Floor, 1087, Avinashi Road, Coimbatore 641 037, Tamil Nadu, India
Chief Financial Officer	The chief financial officer of our Company, C.B.Chandrasekar
Company Secretary and Compliance Officer	The company secretary and compliance officer of our Company, Shainshad Aduvanni
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board comprising Vijaya Sampath (<i>Chairperson</i>), Sundararaman Kalyanaraman (<i>Member</i>) and Tamraparni Srinivasan Venkata Rajagopal (<i>Member</i>)
Corporate Social Responsibility Committee	The corporate social responsibility committee of our Board comprising Srinivasan Ravi (<i>Chairperson</i>), Tamraparni Srinivasan Venkata Rajagopal (<i>Member</i>) and Vijaya Sampath (<i>Member</i>)
Crisil Intelligence	Crisil Intelligence – a division of CRISIL Limited
CRISIL Report	The report titled Studying the Automobile and Automotive Component business in India dated June 2026 prepared by Crisil Intelligence
Director(s)	The director(s) on the Board of our Company
DR Axion	DR Axion India Limited
Equity Shares	Equity shares of our Company of face value of ₹5 each
Fiscal 2024 Audited Consolidated Financial Statements	The audited consolidated financial statements of our Company, which comprise the consolidated balance sheet as at March 31, 2024, and the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended March 31, 2024, and the notes to consolidated financial statements, including a summary of significant accounting policies and other explanatory information

Term	Description
Fiscal 2025 Audited Consolidated Financial Statements	The audited consolidated financial statements of our Company, which comprise the consolidated balance sheet as at March 31, 2025, and the consolidated statement of profit and loss (including other comprehensive income and group's share of profit in joint venture), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended March 31, 2025, and the notes to consolidated financial statements, including a summary of significant accounting policies and other explanatory information
Fiscal 2026 Audited Consolidated Financial Statements	The audited consolidated financial statements of our Company, which comprise the consolidated balance sheet as at March 31, 2026, and the consolidated statement of profit and loss (including other comprehensive income and group's share of profit in joint venture), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended March 31, 2026, and the notes to consolidated financial statements, including a summary of significant accounting policies and other explanatory information
Independent Director(s)	Independent director(s) on our Board. For details, see “Board of Directors and Senior Management” beginning on page 128
Joint Venture	The joint venture entered into by our Company, namely, Carl Stahl Craftsman Enterprises Private Limited as disclosed in the section titled “Organizational Structure – Joint Venture” beginning on page 136
Key Managerial Personnel / KMP	Key managerial personnel of our Company in terms of Regulation 2(1)(bb) of the SEBI ICDR Regulations. For details, see “Board of Directors and Senior Management” beginning on page 128
Chairman and Managing Director	The chairman and managing director of our Company, Srinivasan Ravi
Memorandum/Memorandum of Association/MoA	Memorandum of association of our Company, as amended from time to time
Promoter Group	The persons and entities constituting our promoter group pursuant to Regulation 2(1)(pp) of the SEBI ICDR Regulations
Promoter	The promoter of our Company in terms of SEBI ICDR Regulations and the Companies Act, 2013, namely, Srinivasan Ravi
Fund Raising Committee	The fund raising committee of our Board, comprising Srinivasan Ravi, Ravi Gauthamram and Sundararaman Kalyanaraman
Registered Office	123/4, Sangothipalayam Road, Arasur Post, Coimbatore 641 407, Tamil Nadu, India
Registrar of Companies/ RoC	The Registrar of Companies, Coimbatore
Risk Management Committee	The risk management committee of our Board comprising Srinivasan Ravi (<i>Chairperson</i>), Ravi Gauthamram (<i>Member</i>), Sundararaman Kalyanaraman (<i>Member</i>), CB Chandrasekar (<i>Member</i>), D Thiyagaraj (<i>Permanent invitee</i>), Srivardhan Krishnakumar (<i>Permanent invitee</i>), V Kumaravel (<i>Permanent invitee</i>) and V Ravi Shankar (<i>Permanent invitee</i>)
Senior Management	Members of the senior management of our Company in terms of Regulation 2(1)(bbbb) of the SEBI ICDR Regulations. For details, see “Board of Directors and Senior Management” beginning on page 128
Shareholders	The holders of the Equity Shares, from time to time
Stakeholders' Relationship Committee	The stakeholders' relationship committee of our Board comprising Sundararaman Kalyanaraman (<i>Chairperson</i>), Srinivasan Ravi (<i>Member</i>) and Rajeswari Karthigeyan (<i>Member</i>)
Subsidiaries	Collectively, DR Axion India Limited, Craftsman Europe B.V., Sunbeam Lightweighting Solutions Limited, Craftsman Germany GmbH, Suprash Developers Private Limited, Srikara Technologies Private Limited, Craftsman Fronberg Guss GmbH and Craftsman Fronberg Guss Immobilien GmbH
Whole Time Director	Whole time director on our Board. For details, see “Board of Directors and Senior Management” beginning on page 128

Issue Related Terms

Term	Description
Allocated/ Allocation	Allocation of Equity Shares in connection with the Issue, in consultation with the Lead Manager, following the determination of the Issue Price to Eligible QIBs on the basis of Application Forms and Application Amount submitted by them, in compliance with Chapter VI of the SEBI ICDR Regulations
Allot/ Allotment/ Allotted	Allotment and issue of Equity Shares pursuant to the Issue
Allottees	Eligible QIBs to whom Equity Shares are issued pursuant to the Issue
Application Amount	With respect to a Bidder shall mean the aggregate amount paid by such Bidder at the time of submitting a Bid in the Issue and determined by multiplying the price per Equity

Term	Description
	Share indicated in the Bid by the number of Equity Shares Bid for by Eligible QIBs and payable by the Eligible QIBs in the Issue on submission of the Application Form or such amount transferred/ paid to the Escrow Bank Account, as application, including any revisions thereof
Application Form	Form (including any revisions thereof) which will be submitted by the Eligible QIBs for registering a Bid in the Issue
Bid(s)	Indication of an Eligible QIB's interest, including all revisions and modifications of interest, as provided in the Application Form, to subscribe for the Equity Shares pursuant to the Issue. The term "Bidding" shall be construed accordingly
Bid Amount	The price per Equity Share indicated in the Bid multiplied by the number of Equity Shares Bid for by a Bidder and payable by the Bidder in the Issue on submission of the Application Form
Bid/ Issue Closing Date	June [●], 2026, the date after which our Company (or the Lead Manager on behalf of our Company) shall cease acceptance of Application Forms and the Application Amount
Bid/ Issue Opening Date	June 15, 2026, the date on which our Company (or the Lead Manager on behalf of our Company) shall commence acceptance of the Application Forms and the Application Amount
Bid/ Issue Period	Period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date, inclusive of both days during which Eligible QIBs can submit their Bids along with the Application Amount
Bidder(s)	Any prospective investor, being an Eligible QIB, who makes a Bid pursuant to the terms of this Preliminary Placement Document and the Application Form
Lead Manager	Axis Capital Limited
CAN/ Confirmation of Allocation Note	Note, advice or intimation to Successful Bidders confirming the Allocation of Equity Shares to such Successful Bidders after determination of the Issue Price
Closing Date	The date on which Allotment of Equity Shares pursuant to the Issue shall be made, i.e., on or about June [●], 2026
Designated Date	The date of credit of Equity Shares pursuant to the Issue to the Allottees' demat accounts, as applicable to the relevant Allottees
Eligible FPIs	FPIs that are eligible to participate in the Issue in terms of applicable laws, other than individuals, corporate bodies and family offices
Eligible QIBs	QIBs which are eligible to participate in the Issue and which are (i) not, (a) excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations or (b) restricted from participating in the Issue under the applicable laws. FVCIs are not permitted to participate in the Issue.
Escrow Account	Non-interest bearing, no-lien, current bank account without any cheques or overdraft facilities, opened in the name and style "Craftsman Automation Limited – QIP Escrow Account 2026" with the Escrow Bank, subject to the terms of the Escrow Agreement into which the Application Amount payable by the Bidders in connection with the subscription to the Equity Shares pursuant to the Issue shall be deposited by the Eligible QIBs and from which refunds, if any, shall be remitted, as set out in the Application Form
Escrow Agreement	Agreement dated June 15, 2026 entered into by and amongst our Company, the Escrow Bank and the Lead Manager for collection of the Application Amounts and remitting refunds, if any, of the amounts collected, to the Bidders
Escrow Bank	Federal Bank Limited
Floor Price	Floor price of ₹ 8,966.13 for each Equity Share, calculated in accordance with Chapter VI of the SEBI ICDR Regulations. Our Company may offer a discount of not more than 5% on the Floor Price in accordance with the approval of the Shareholders accorded through a special resolution dated June 13, 2026 and in terms of Regulation 176(1) of the SEBI ICDR Regulations
Gross Proceeds	The gross proceeds of the Issue that will be available to our Company
Issue	The offer, issue and Allotment of up to [●] Equity Shares each at a price of ₹[●] per Equity Share, including a premium of ₹[●] per Equity Share, aggregating up to ₹[●] lakhs to Eligible QIBs, pursuant to Chapter VI of the SEBI ICDR Regulations and the applicable provisions of the Companies Act, 2013 and the rules made thereunder
Issue Price	A price per Equity Share of ₹[●], including a premium of ₹[●] per Equity Share
Issue Size	The aggregate size of the Issue, up to [●] Equity Shares aggregating up to ₹[●] lakhs
Monitoring Agency	CRISIL Ratings Limited
Monitoring Agency Agreement	The agreement dated June 15, 2026 entered into between our Company and the Monitoring Agency
Net Proceeds	The net proceeds from the Issue, after deducting fees, commissions and estimated expenses of the Issue
Placement Agreement	Placement agreement dated June 15, 2026 entered into between our Company and the Lead Manager
Placement Document	Placement document to be issued in accordance with Chapter VI of the SEBI ICDR

Term	Description
	Regulations and applicable provisions of the Companies Act, 2013 and the rules made thereunder
Preliminary Placement Document	This preliminary placement document cum application form, dated June 15, 2026 issued in accordance with Chapter VI of the SEBI ICDR Regulations and applicable provisions of the Companies Act, 2013 and the rules made thereunder
QIB/ Qualified Institutional Buyer	Qualified institutional buyer, as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations
QIP	Qualified institutions placement, being a private placement to Eligible QIBs under Chapter VI of the SEBI ICDR Regulations and applicable provisions of the Companies Act, 2013 read with the PAS Rules
Refund Amount	The aggregate amount to be returned to the Bidders who have not been Allocated Equity Shares for all or part of the Application Amount submitted by such Bidder pursuant to the Issue
Refund Intimation Letter	The letter from the Company to relevant Bidders intimating them of the Refund Amount, if any, to be refunded to their respective bank accounts on the date of issuance of CAN
Relevant Date	June 15, 2026 which is the date of the meeting in which the Board or any authorised committee of our Board decided to open the Issue
Stock Exchanges	Together, NSE and BSE
Successful Bidders	The Bidders who have Bid at or above the Issue Price, duly paid the Application Amount along with the Application Form and who will be Allocated Equity Shares pursuant to the Issue
Working Day	Any day other than second and fourth Saturday of the relevant month or a Sunday or a public holiday or a day on which scheduled commercial banks are authorised or obligated by law to remain closed in Mumbai, India

Conventional and General Terms/ Abbreviations

Term	Description
AGM/ Annual General Meeting	Annual general meeting
AIF(s)	Alternative investment funds, as defined and registered with SEBI under the SEBI AIF Regulations
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
Category I FPI	FPIs who are registered with SEBI as “Category I foreign portfolio investors” under the SEBI FPI Regulations
Category II FPI	FPIs who are registered with SEBI as “Category II foreign portfolio investors” under the SEBI FPI Regulations
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identification Number
Companies Act, 1956	The erstwhile Companies Act, 1956 and the rules made thereunder
Companies Act, 2013/ Companies Act	The Companies Act, 2013 read with the rules, regulations, circulars, clarifications and modifications thereunder
Consolidated FDI Policy	The consolidated FDI Policy, effective from October 15, 2020, issued by the DPIIT, and any modifications thereto or substitutions thereof, issued from time to time
Civil Procedure Code	The Code of Civil Procedure, 1908
CSR	Corporate social responsibility
Depositories Act	The Depositories Act, 1996, as amended
Depository	A depository registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, as amended
Depository Participant	A depository participant as defined under the Depositories Act
DIN	Director Identification Number
DPIIT	Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry (<i>formerly Department of Industrial Policy and Promotion</i>), GoI
EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortization which is calculated as profit before tax plus finance costs and depreciation, amortization and impairment expense
EGM	Extraordinary general meeting
Euro	Euro, the official single currency of the participating member states of the European Economic and Monetary Union of the Treaty establishing the European Community
FBIL	Financial Benchmark India Private Limited
FDI	Foreign direct investment
FEMA	The Foreign Exchange Management Act, 1999 read with rules and regulations thereunder
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019, as amended and any notifications, circulars or clarifications issued thereunder

Term	Description
Financial Year/Fiscal Year/FY/Fiscal	The period of 12 months commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year
Form PAS-4	Form PAS-4 as prescribed under the Companies (Prospectus and Allotment of Securities) Rules, 2014
FPIs	A foreign portfolio investor who has been registered under Chapter II of the SEBI FPI Regulations and shall be deemed to be an intermediary in terms of the provisions of the Securities and Exchange Board of India Act, 1992
Fraudulent Borrower	An entity or person categorised as a fraudulent borrower by any bank or financial institution or consortium thereof, in terms of Regulation 2(1)(III) of the SEBI ICDR Regulations
Fugitive Economic Offender	An individual who is declared a fugitive economic offender under Section 12 of the Fugitive Economic Offenders Act, 2018
FVCI	Foreign Venture Capital Investors (as defined and registered with SEBI under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended) registered with SEBI
GAAP	Generally accepted accounting principles
GDP	Gross Domestic Product
GoI or Government or Government of India	The Government of India
GST	Goods and Services Tax
ICAI	Institute of Chartered Accountants of India
IFC	International Finance Corporation
IFRS	International Financial Reporting Standards as issued by the International Accounting Standards Board
IMF	International Monetary Fund
Income Tax Act	Income-tax Act, 2025
Ind AS	The Indian Accounting Standards, notified by the MCA under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standard) Rules, 2015, as amended along with other relevant provisions of the Companies Act 2013
Ind As Rules	Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016
Indian GAAP	Generally Accepted Accounting Principles in India
INR or ₹ or Rs. or Indian Rupees	Indian Rupee, the official currency of the Republic of India
IT	Information Technology
JPY	Japanese Yen, the official currency of Japan
MCA	The Ministry of Corporate Affairs, GoI
MoU	Memorandum of understanding
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N.A. or NA	Not Applicable
NEAT	National Exchange for Automated Trading
NR/ Non-resident	A person resident outside India, as defined under the FEMA and includes an NRI
NRI	Non-Resident Indian
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
p.a.	Per annum
P-Notes/ PNs	Participatory Notes
PAN	Permanent account number
PAS Rules	The Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended
PAT	Profit after tax
PML Act	Prevention of Money Laundering Act, 2002, as amended
Offshore Derivative Instruments	Offshore derivative instruments, by whatever name called, which are issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India or unlisted debt securities or securitized debt instruments, as its underlying
RBI	The Reserve Bank of India
Regulation S	Regulation S under the U.S. Securities Act
Rs/Rupees/Indian Rupees/₹	The legal currency of India
SCR (SECC) Regulations	The Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018
SCRA	The Securities Contract (Regulation) Act, 1956
SCRR	The Securities Contracts (Regulation) Rules, 1957
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act

Term	Description
SEBI Act	The Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	The Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
SEBI FPI Regulations	The Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019
SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018
SEBI Insider Trading Regulations	The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
SEBI Listing Regulations	The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
SEBI Takeover Regulations	The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
U.S. Securities Act	The United States Securities Act of 1933, as amended
UPSI	Unpublished price sensitive information
US\$/ USD/ US Dollar	United States Dollar, the official currency of the United States of America
USA/ U.S./ US	United States of America
VCF	Venture capital fund as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 or the SEBI AIF Regulations, as the case may be
Wilful Defaulter	An entity or person categorised as a wilful defaulter by any bank or financial institution or consortium thereof, in terms of Regulation 2(1)(III) of the SEBI ICDR Regulations

Industry Related Terms

Term	Description
ASRS	Automated Storage and Retrieval Systems
BMS	Battery Management System
CAD	Computer Aided Design
CE	Construction Equipment
CNC	Computer Numerical Control
CTRs	Commercial Tool Rooms
CV	Commercial Vehicle
DC	Direct Current
EPC	Engineering, Procurement and Construction
EVs	Electric Vehicles
FMCG	Fast Moving Consumer Goods
HMCs	Horizontal Machining Centres
ICE	Internal Combustion Engine
LCV	Light Commercial Vehicle
MHCV	Medium and Heavy Commercial Vehicle
MHE	Material handling equipment
OMEs	Original Equipment Manufacturers
PV	Passenger Vehicle
SPMs	Special Purpose Machines
SUVs	Sports Utility Vehicles
ULCVs	Upper-end Light Commercial Vehicle
VMCs	Vertical Machining Centres
3PL	Third-Party Logistics

SUMMARY OF THE ISSUE

The following is a general summary of the terms of the Issue. This summary should be read in conjunction with, and is qualified in its entirety by, the more detailed information appearing elsewhere in this Preliminary Placement Document, including “*Risk Factors*”, “*Objects of the Issue and Use of Issue Proceeds*”, “*Issue Procedure*”, “*Placement and Lock-up*” and “*Description of the Equity Shares*” beginning on pages 38, 74, 144, 158 and 175, respectively.

Issuer	Craftsman Automation Limited
Face Value	₹5 per Equity Share
Issue Size	Aggregating up to ₹[●] lakhs, comprising [●] Equity Shares A minimum of 10% of the Issue Size, i.e. at least [●] Equity Shares, shall be available for Allocation to Mutual Funds only, and the balance [●] Equity Shares shall be available for Allocation to all Eligible QIBs, including Mutual Funds. In case of under-subscription or no subscription in the portion available for Allocation only to Mutual Funds, such portion or part thereof may be Allotted to other Eligible QIBs.
Floor Price	₹ 8,966.13 per Equity Share which has been calculated in accordance with Regulation 176 of the Chapter VI of the SEBI ICDR Regulations. In terms of the SEBI ICDR Regulations, the Issue Price cannot be lower than the Floor Price. However, our Company may offer a discount of up to 5% on the Floor Price in accordance with the approval of the Shareholders accorded by way of a special resolution dated June 13, 2026, and in terms of Regulation 176(1) of the SEBI ICDR Regulations.
Issue Price	₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share)
Eligible Investors	Eligible QIBs who are eligible to participate in the Issue and not excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations or restricted from participating in the Issue under the applicable laws including the SEBI ICDR Regulations. For further details, see “<i>Issue Procedure – Eligible QIBs</i>”, “<i>Selling Restrictions</i>” and “<i>Transfer Restrictions and Purchaser Representations</i>” on pages 149, 160 and 168, respectively. The list of Eligible QIBs to whom this Preliminary Placement Document and Application Form is delivered will be determined by our Company in consultation with our Lead Manager, at its discretion.
Date of Board Resolution approving the Issue	May 16, 2026
Date of Shareholders’ Resolution approving the Issue	June 13, 2026
Issue Procedure	The Issue is being made only to Eligible QIBs in reliance of Section 42 of the Companies Act, 2013, read with Rule 14 of the PAS Rules, and other provisions of the Companies Act, 2013 and Chapter VI of the SEBI ICDR Regulations. For further details, see “ <i>Issue Procedure</i> ” beginning on page 144.
Dividend	For details on dividend, see section “ <i>Dividends</i> ” and “ <i>Description of the Equity Shares</i> ” beginning on pages 87 and 175, respectively.
Taxation	For details on taxation, see “ <i>Taxation</i> ” beginning on page 179
Equity Shares issued and outstanding prior to the Issue	2,38,55,583 Equity Shares
Subscribed and paid-up share capital prior to the Issue	₹11,92,77,915
Equity Shares issued and outstanding immediately after the Issue	[●] Equity Shares
Listing	Our Company has obtained in-principle approvals from NSE and BSE, each dated June 15, 2026 under Regulation 28(1)(a) of the SEBI Listing Regulations for listing of the Equity Shares to be issued pursuant to the Issue.
Trading	The trading of the Equity Shares would be in dematerialized form and only in the cash segment of each of the Stock Exchanges. Our Company will make applications to the respective Stock Exchanges to obtain final listing and trading approvals for the Equity Shares, to be issued pursuant to the Issue, after the

	Allotment and the credit of Equity Shares to the beneficiary account with the Depository Participant, respectively.
Lock-up	For details of the lock-up, see “ Placement and Lock-up ” beginning on page 158.
Proposed Allottees	See “ Details of Proposed Allottees ” on page 192 for names of the proposed Allottees and the percentage of post-Issue capital that may be held by them in our Company
Transferability restrictions	Equity Shares being Allotted pursuant to the Issue shall not be sold for a period of one year from the date of Allotment, except on the floor of the Stock Exchanges. Allotments made to VCFs, and AIFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. For further details, see, “ Issue Procedure ”, “ Selling Restrictions ” and “ Transfer Restrictions and Purchaser Representations ” beginning on pages 144, 160 and 168, respectively.
Use of proceeds	The gross proceeds of the Issue will aggregate to approximately ₹ [●] lakhs. The Net Proceeds of the Issue, after deducting fees, commissions and expenses of the Issue, is expected to be approximately ₹[●] lakhs which is proposed to be utilized for (i) repayment /pre-payment, in full or in part, of certain outstanding borrowings availed by our Company; and (ii) general corporate purposes. For further details regarding the use of Net Proceeds, see “Objects of the Issue and Use of Issue Proceeds” beginning on page 74.
Risk Factors	Please see “ Risk Factors ” beginning on page 38 for a discussion of risks you should consider before deciding whether to subscribe to Equity Shares pursuant to the Issue.
Closing Date	The Allotment of the Equity Shares offered pursuant to the Issue is expected to be made on or about June [●], 2026.
Status, ranking and Dividend	Equity Shares being issued pursuant to the Issue shall be subject to the provisions of our Memorandum of Association and Articles of Association and shall rank <i>pari passu</i> in all respects with the existing Equity Shares, including rights in respect of voting rights, dividends and other distributions declared. Our Shareholders (as on record date) will be entitled to participate in dividends and other corporate benefits, if any, declared by our Company after the Closing Date, in compliance with the Companies Act, 2013, SEBI Listing Regulations and other applicable laws and regulations. Our Shareholders may attend and vote in Shareholders’ meetings on the basis of one vote for every Equity Share held in accordance with the Companies Act, 2013. For further details, see “Dividends” and “Description of the Equity Shares” beginning on pages 87 and 175, respectively
Security codes for the Equity Shares	ISIN: INE00LO01017 BSE Code: 543276 NSE Code: CRAFTSMAN

SELECTED FINANCIAL INFORMATION

The following tables set forth our selected financial information and our summary financial information, and should be read together with the more detailed financial information contained in the Audited Consolidated Financial Statements included in “**Financial Information**” beginning on page 189.

<i>(in ₹ lakhs, except per share data)</i>			
Particulars	As at and for the Fiscal 2026	As at and for the Fiscal 2025	As at and for the Fiscal 2024
Revenue from operations	8,06,927	5,69,048	4,45,173
Net profit before tax (and extraordinary items)	54,725	29,512	44,469
Net profit after tax (and extraordinary items)	38,399	20,087	33,733
Equity Share capital	1,193	1,193	1,056
Other equity [#]	3,25,213	2,84,481	1,74,110
Net Worth ⁽¹⁾	3,26,406	2,85,674	1,75,166
Earnings per Equity Share ⁽²⁾	160.96	83.68	144.11
- Basic(in ₹)	160.96	83.68	144.11
- Diluted(in ₹)	160.96	83.68	144.11
Return on Equity ⁽³⁾	12.55%	8.72%	21.15%
Net Asset Value per Equity Share ⁽⁴⁾	1,368.26	1,197.51	829.06

[#]Includes non-controlling interest in Fiscal 2024.

⁽¹⁾Net worth is calculated as total assets minus total liabilities.

⁽²⁾Earnings per Equity share is calculated as profit after tax attributable to equity shareholders divided by number of Equity Shares.

⁽³⁾Return on Equity is calculated as profit for the year divided by average shareholder's equity.

⁽⁴⁾Net asset value per Equity Share is calculated as net worth divided by the total number of Equity Shares.

Summary of consolidated balance sheet as at the Fiscals ended March 31, 2026, March 31, 2025 and March 31, 2024

(₹ in lakhs)

Particulars	As at March 31		
	2026	2025	2024
Non-current assets			
Property, Plant and Equipment	3,98,074	3,06,351	2,13,344
Capital Work in progress	38,233	34,526	17,861
Intangible assets	3,508	3,156	432
Right-of-use Asset	47,044	38,520	23,896
Goodwill on Consolidation	19,006	19,006	18,999
Investments accounted for using equity method	578	467	368
Financial assets			
Investments	776	594	79
Security Deposits	7,277	6,033	4,919
Other Financial assets	10	27	94
Current tax assets (Net)	769	1,552	828
Other non-current assets	20,380	11,586	11,456
	5,35,655	4,21,818	2,92,276
Current assets			
Inventories	1,74,541	1,33,205	1,04,082
Financial assets			
Trade receivables	1,11,054	92,059	57,663
Cash and cash equivalents	14,483	9,742	6,349
Other bank balances	3,395	2,581	1,953
Security Deposits	100	90	97
Other Financial assets	1,496	2,386	961
Other Current assets	22,108	14,830	7,193
	3,27,177	2,54,893	1,78,298
Assets classified as held for sale	34,998	34,933	-
Total Assets	8,97,830	7,11,644	4,70,574
EQUITY AND LIABILITIES			
EQUITY			
Equity Share capital	1,193	1,193	1,056
Other Equity	3,25,213	2,84,481	1,64,742
Equity attributable to owners	3,26,406	2,85,674	1,65,798
Non-controlling interest	-	-	9,368
	3,26,406	2,85,674	1,75,166
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	2,41,098	1,65,186	1,12,484
Lease Liabilities	20,778	20,306	16,486
Other Non-Current Financial Liabilities	826	763	211
Provisions	-	336	-
Deferred tax liabilities (Net)	2,233	606	13,148
	2,64,935	1,87,197	1,42,329
Current liabilities			
Financial Liabilities			
Borrowings	92,965	40,240	42,159
Lease Liabilities	7,507	10,086	4,353
Trade payables			
(a) total outstanding dues of micro enterprises & small enterprises	4,726	4,449	1,178
(b) total outstanding dues of creditors other than micro enterprises & small enterprises	1,41,282	1,28,984	78,886
Other current Financial Liabilities	32,038	33,652	14,595
Current tax liabilities (Net)	4,862	1,162	912
Other current liabilities	20,497	18,040	9,875
Provisions	2,612	2,160	1,121
	3,06,489	2,38,773	1,53,079
Total Equity and Liabilities	8,97,830	7,11,644	4,70,574

Summary of consolidated statement of profit and loss for the Fiscals ended March 31, 2026, March 31, 2025 and March 31, 2024

Particulars	For the year ended March 31		
	2026	2025	2024
<i>(₹ in lakhs)</i>			
INCOME			
Revenue From Operations	8,06,927	5,69,048	4,45,173
Other Income	6,136	2,507	1,724
Total Income (A)	8,13,063	5,71,555	4,46,897
EXPENSES			
Cost of materials consumed	4,52,539	3,29,673	2,52,153
Changes in inventories of finished goods and work-in-progress	(12,343)	(19,466)	(15,022)
Employee benefits expense	58,728	43,626	28,846
Depreciation, amortization and impairment expense	44,385	34,702	27,769
Other expenses	1,84,244	1,31,944	91,313
Finance costs	30,897	21,664	17,454
Total expenses (B)	7,58,450	5,42,143	4,02,513
Profit before share of profit from JV (C = A-B)	54,613	29,412	44,384
Share of profit from JV (D)	112	100	85
Profit before exceptional items (E=C+D)	54,725	29,512	44,469
Exceptional items (F)	(1,295)	(2,547)	-
Profit before tax (G=E+F)	53,430	26,965	44,469
Tax expense:			
(1) Current Tax	13,489	7,697	11,702
(2) Deferred tax	1,542	(819)	(966)
	15,031	6,878	10,736
Profit for the year (H)	38,399	20,087	33,733
<i>attributable to owners</i>	<i>38,399</i>	<i>19,457</i>	<i>30,447</i>
<i>attributable to non-controlling Interest</i>	<i>0</i>	<i>630</i>	<i>3,286</i>
Other Comprehensive Income ('OCI')			
A (i) Items that will not be reclassified to profit or loss			
- Remeasurement of defined benefit plans	73	(755)	(316)
- Share of OCI of Joint Venture accounted for using equity method	0	(2)	1
(ii) Income tax relating to items that will not be reclassified to profit or loss	(47)	70	79
B (i) Items that will be reclassified to profit or loss			
- Exchange differences in translating the financial statements of foreign operations	3,378	(122)	16
- The effective portion of gains or loss on hedging instruments in a cash flow hedge	162	675	321
(ii) Income tax relating to items that will be reclassified to profit or loss	(41)	(170)	(81)
Other Comprehensive Income for the year, net of tax (I)	3,525	(304)	20
<i>attributable to owners</i>	<i>3,525</i>	<i>(301)</i>	<i>38</i>
<i>attributable to non-controlling Interest</i>	<i>0</i>	<i>(3)</i>	<i>(18)</i>
Total Comprehensive Income for the year (Comprising Profit for the year and Other Comprehensive Income for the year) (H+I)	41,924	19,783	33,753
<i>attributable to owners</i>	<i>41,924</i>	<i>19,156</i>	<i>30,485</i>
<i>attributable to non-controlling Interest</i>	<i>0</i>	<i>627</i>	<i>3,268</i>

Particulars	For the year ended March 31		
	2026	2025	2024
Earnings per equity share Basic & Diluted (Face value of ₹. 5/-)	160.96	83.68	144.11

Summary of consolidated statement of cashflow for the Fiscals ended March 31, 2026, March 31, 2025 and March 31, 2024

(₹ in lakhs)

Particulars	For the year ended March 31		
	2026	2025	2024
Cash flows from operating activities			
Profit before taxation ('PBT')	53,430	26,965	44,469
<i>Adjustments to reconcile PBT to net cash flows:</i>			
Depreciation, amortization and impairment expense	44,385	34,745	27,769
Gain on sale of assets	(1,425)	(7)	(107)
Exchange difference on transaction/translation (loss/(gain))	(1,239)	(827)	(1,042)
Share of Profit of Joint Venture	(112)	(100)	(85)
Provision for:			
Doubtful debts	221	943	(94)
Warranty & Rejection	1,129	390	88
Slow moving inventory	932	447	393
Interest income (including fair value changes in financial instruments)	(205)	(1,000)	(299)
Government grant income	(6,034)	(4,421)	(3,120)
Liabilities no longer required written back	-	(68)	-
Assets no longer receivable written off	-	45	-
Interest expense (including fair value changes in financial instruments)	30,056	21,353	17,349
Operating cash flow before changes in working capital	1,21,138	78,465	85,321
Adjustments for:			
Increase/ (Decrease) in provisions	(1,485)	(897)	8
Increase/ (Decrease) in other financial liabilities	(6,027)	(16,608)	(867)
Increase/ (Decrease) in other current liabilities	1,952	1,851	(1,251)
Increase/ (Decrease) in Trade Payables and other Payables	11,804	10,152	9,074
(Increase)/ Decrease in other financial assets	(852)	713	(1,661)
(Increase)/ Decrease in other current assets	(6,616)	(7,464)	(568)
(Increase)/ Decrease in trade and other receivables	(17,555)	(16,171)	(3,095)
(Increase)/ Decrease in inventories	(41,055)	(14,346)	(20,876)
Cash generated from operations	61,304	35,695	66,085
Income taxes paid	(9,136)	(7,362)	(14,754)
Net cash from operating activities - A	52,168	28,333	51,331
Cash flows from investing activities			
Purchase of property, plant and equipment	(1,18,101)	(98,878)	(62,905)
Purchase of Intangible Assets	(735)	(282)	(195)
Proceeds from sale of equipment	1,981	230	292
Consideration paid towards business combination	(14,585)	(43,624)	-
Purchase of investment in Equity Shares	(357)	(542)	(18)
Acquisition of Minority Interest	-	(25,000)	-
Interest received	481	1,271	233
Net cash used in investing activities - B	(1,31,316)	(1,66,825)	(62,593)
Cash flows from financing activities			
Proceeds from issue of shares	-	1,18,023	-
Proceeds from long-term borrowings	1,25,641	1,29,119	47,716
Repayment of long term borrowings	(42,396)	(71,992)	(23,296)
Net proceeds from / (repayments of) short-term borrowings	45,398	(6,431)	14,955
Principal payments towards lease liability	(13,537)	(5,609)	(4,995)
Interest paid (incl. interest on lease liability)	(31,167)	(21,391)	(17,180)
Dividend Paid	(1,193)	(2,377)	(2,377)
Net cash from/ (used in) financing activities- C	82,746	1,39,342	14,823

Particulars	For the year ended March 31		
	2026	2025	2024
Net increase / (decrease) in cash and cash equivalents - (A+B+C)	3,598	850	3,561
Cash and cash equivalents at beginning of year	9,742	6,349	2,732
Cash and cash equivalents acquired through business combination	-	2,520	-
Effect of exchange rate changes on cash and cash equivalents	1,143	23	56
Cash and cash equivalents at end of year	14,483	9,742	6,349

RELATED PARTY TRANSACTIONS

For details of the related party transactions during: (i) Fiscal 2026; (ii) Fiscal 2025; and (iii) Fiscal 2024, as per the requirements in accordance with Ind AS notified under the Ind AS Rules read with Section 133 of the Companies Act, 2013, read with Companies (Indian Accounting Standard) Rules 2015, as amended and as reported, see “***Financial Information – 2026 Audited Consolidated Financial Statements – 3.7 Related party disclosure***”, “***Financial Information – 2025 Audited Consolidated Financial Statements – 3.7 Related party disclosure***”, and “***Financial Information – 2024 Audited Consolidated Financial Statements – 3.7 Related party disclosure***” on pages F - 71, F - 157, and F - 237, respectively.

RISK FACTORS

This Issue and an investment in the Equity Shares involve a certain degree of risk. You should carefully consider all the risks and uncertainties described below as well as other information contained in this Preliminary Placement Document before making an investment in the Equity Shares. If any particular risk or some combination of the risks described below actually occurs, our business, results of operation, financial condition and cash flows could be adversely affected, the trading price of the Equity Shares could decline and you may lose all or part of your investment. Unless specified in the risk factors below, we are not in a position to quantify the financial implications of any of the risks mentioned below. We have described the risks and uncertainties that we currently believe to be material, but the risks set out in this Preliminary Placement Document may not be exhaustive or complete, and additional risks and uncertainties not presently known to us, or which we currently deem to be immaterial, may arise or become material in the future. This section should be read together with “Industry Overview”, “Summary of Business” and “Legal Proceedings” on pages 88, 115 and 185, respectively, as well as the financial statements, including the notes thereto, and other financial information included in “Financial Information” on page 189.

Our fiscal year ends on March 31 of each year. Accordingly, references to a “Fiscal” year are to the 12-month period ended March 31 of the relevant year. Unless otherwise indicated or the context otherwise requires, the financial information included in this section for as at and for the year ended March 31, 2026, 2025 and 2024 has been derived from our respective Fiscal 2026 Audited Consolidated Financial Statements, Fiscal 2025 Audited Consolidated Financial Statements and Fiscal 2024 Audited Consolidated Financial Statements. On account of acquisition of certain entities during Fiscal 2025, the Audited Consolidated Financial Statements for Fiscals 2026, 2025 and 2024 are not strictly comparable to each other. See “- In this Preliminary Placement Document, we have presented financial information for the years ended March 31, 2026, March 31, 2025 and March 31, 2024. These periods are not strictly comparable to each other.” on page 60. Also, See, “Financial Information” beginning on page 189. Unless the context otherwise requires, references to “our Company” are to Craftsman Automation Limited on a standalone basis, while references to “we”, “us” or “our” (including in the context of any financial or operational information) are to Craftsman Automation Limited, its Subsidiaries and Joint Venture on a consolidated basis. Also, see “Definitions and Abbreviations” on page 23 for certain terms used in this section.

This Preliminary Placement Document contains forward-looking statements that involve risks and uncertainties. Our results could differ from such forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Preliminary Placement Document. For further details, see “Forward-Looking Statements” on page 19. Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled “Studying the Automobile and Automotive Component business in India” dated June 2026 (the “CRISIL Report”) prepared and issued by Crisil Intelligence and exclusively commissioned and paid for by us to enable the investors to understand the industry in which we operate in connection with the Issue. The data included herein, and in the section “Industry Overview” includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the Issue), that has been left out or changed in any manner in the section “Industry Overview”. Unless otherwise indicated, financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular calendar year or Fiscal refers to such information for the relevant calendar year or Fiscal. For further information, see “Industry Overview” on page 88.

Internal Risk Factors

Risks relating to business and operations

1. ***We derive a significant portion of our revenue from our top 10 customers. The loss of one or more such customers, the deterioration of their financial condition or prospects, or a reduction in their demand for our products could adversely affect our business, results of operations, financial condition and cash flows.***

We derive a significant portion of our revenue from our top 10 customers. The loss of all or a significant portion of sales to any of our top 10 customers, for any reason (including the loss of contracts or inability to negotiate favourable terms, failure to meet their quality specification, technological changes, a decline in market share of these customers in their respective industries or high growth segments, disputes with these customers, adverse changes in their financial condition, insolvency or bankruptcy of these customers, decrease in their sales, facility closures, any action undertaken by the government affecting business of these customers, or labour strikes

affecting their production), could have an adverse impact on our business, financial condition, results of operations, and cash flows.

The following table set forth revenue from our top customer and top ten customers for the Fiscals indicated:

Customers	Fiscal 2026	Fiscal 2025	Fiscal 2024
	Percentage of Revenue from Operations	Percentage of Revenue from Operations	Percentage of Revenue from Operations
Top Customer	13.16%	15.61%	19.42%
Top 10 Customers	54.38%	64.48%	67.42%

We cannot assure you that we will be able to maintain historic levels of business from our top 10 customers, or that we will be able to significantly reduce customer concentration in the future. While we have not lost any of our major customers in the last three Fiscals in a manner that has had a material adverse impact on our business or results of operations, we cannot assure you that such instances will not arise in the future.

Further, the volume and timing of sales to our top 10 customers may vary due to variations in demand for such customers' products or on account of their manufacturing and growth strategy. Thus, any decrease in the demand for our products from our top 10 customers could adversely impact our business, results of operations, financial condition and cash flow. These customers may change their outsourcing strategy by moving more work in-house, replacing us with our competitors, or replacing their existing products with alternative products which we do not supply. Also, these customers may demand price reductions and we cannot assure you that we will be able to offset any reduction of prices to these customers with reductions in our costs.

As our orders are linked to specific vehicles/models and are not generally interchangeable with other models/vehicles, therefore, the discontinuation of, loss of business with respect to, or a lack of commercial success of, a particular vehicle model for which we are a significant supplier could lead to cancellation of orders or loss of business and consequently reduce our sales and affect our estimates of anticipated sales, which could have an adverse effect on our business, results of operations, financial condition and cash flows.

2. ***We have not entered into any long-term contracts with our suppliers from whom we procure materials consumed by us for our manufacturing process. Further, we depend on a select few suppliers for sourcing our raw materials and any delay, interruption or reduction in the supply of raw materials to manufacture our products or volatility in the prices of raw materials, may adversely affect our business, results of operations, financial condition and cash flows.***

We depend on a select few suppliers, with whom we do not have long-term contracts for the purchase of raw materials. We typically source such raw materials by placing purchase orders from time to time. The primary raw materials that we use to manufacture our products are aluminium ingots, ferrous castings, steel and steel metal parts. In the absence of long-term contracts, we cannot assure you that we will be able to continue to obtain adequate or continuous supplies of our raw materials, in a timely manner or at all, in the future. In Fiscal 2026, 2025 and 2024, the cost of raw materials purchased from our top five suppliers, who supplied aluminium and casting, accounted for 45.17%, 32.65% and 43.18% of the total cost of raw materials purchases, respectively.

Any reductions or interruptions in the supply of raw materials, and any inability on our part to find alternate sources for the procurement of such raw materials, may have an adverse effect on our ability to manufacture our products in a timely or cost-effective manner. While we have not experienced any interruptions in the supply of raw materials in the last three Fiscals, we cannot assure you that such instance will not arise in the future. We may also be required to replace a supplier if its products do not meet our quality standards or if a supplier unexpectedly discontinues operations due to reasons beyond its or our control, including financing constraints caused by credit market conditions.

Prices of certain raw materials we rely on, such as aluminium, are linked to commodity markets and thus subject to fluctuation. We cannot assure you that the prices for these raw materials will not be volatile in the future. While in practice we have passed the increase in the cost of raw materials consumed onto our domestic customers, our cash flows may still be adversely affected due to any gap in time between the date of procurement of those raw materials and the date on which we can reset the component prices for our customers so as to account for the increase in the prices of such raw materials.

With respect to our exports, the exchange rates for some of our contracts are periodically re-negotiated for fluctuations. While sourcing of a majority of our raw materials is domestic, some of export contracts may link the

raw material prices to overseas commodity exchange rates. For such contracts, any difference in domestic prices for raw materials vis-à-vis the prevailing prices on overseas commodity exchange are absorbed by us.

3. *Our plan to set up certain manufacturing facilities is subject to the risk of unanticipated delays in implementation and cost overruns and such capital expenditure may not yield the benefits we anticipate.*

Our manufacturing footprint has expanded over time as part of our growth strategy. For details on our past expansion of manufacturing facilities, see “**Summary of Business - Setting up of new manufacturing facilities**” on page 122. We are also in the process of setting up a new manufacturing facility at Nagpur, Maharashtra, Sriperumbudur, Tamil Nadu and Ludhiana, Punjab, to enhance operational convenience and ensure the timely and efficient delivery of services to customers in the region.

The construction of the aforesaid proposed manufacturing facilities may encounter regulatory, personnel, cost overruns and other difficulties that could potentially delay construction and result in an increase in capital expenditure. These difficulties may relate to labour shortages, accidents, construction being affected by adverse weather conditions, satisfactory and timely performance by construction contractors, issues with procurement of equipment, increase in cost of equipment or manpower, as well as defects in design or construction of such proposed manufacturing facilities, the possibility of unanticipated future regulatory restrictions, delays in receiving governmental, statutory and other regulatory approvals, increase in pre-operating expenses, taxes and duties, increase in interest and finance charges, working capital margin, environment and ecology costs, and other factors beyond our control. There can be no assurance that the construction of the proposed new manufacturing facilities will be completed in a timely manner, or within our budgeted capital expenditure and other costs.

We cannot assure you that we will be able to fully utilize the new manufacturing facilities. Our projected requirements for infrastructure investments may also vary from actual levels if anticipated sales growth does not materialize or varies significantly from our projections. Such investments are generally long term in nature and it is possible that investments may not generate the expected returns due to changes in the marketplace. Consequently, we cannot assure you that the construction of new manufacturing facilities, will be completed as planned or on schedule, or that we will achieve our increased planned output capacity or operational efficiency. In addition, we may not be able to achieve the intended economic benefits of such proposed new manufacturing facility, which in turn may materially and adversely affect our financial condition, results of operations, cash flows, and prospects.

4. *A slowdown or shutdown in our manufacturing operations or the under-utilization of our manufacturing facilities could have an adverse effect on our business, results of operations, financial condition and cash flows.*

We operated 28 strategically located manufacturing facilities across 9 states in India and one manufacturing facility in Germany during Fiscal 2026. For further details on our manufacturing facilities, see “**Summary of Business – Manufacturing Facilities**” on page 126. Our business is dependent upon our ability to operate our manufacturing facilities at certain utilisation levels, which are subject to various operating risks, including productivity of our workforce, labour disputes, shortage of workforce, compliance with regulatory requirements and those beyond our control, such as the breakdown and failure of equipment, disruption in electric power or water resources, fire or industrial accidents and severe weather conditions and natural disasters. Any such events may cause an unplanned shutdown or temporary or sustained slowdown in our production, or may require us to incur significant compliance or remediation costs, which we may not be able to completely or sufficiently or at all pass on to customers or recover through insurance in all events. While there has not been any instance where any of our manufacturing facilities was shut down in the last three Fiscals, we cannot assure you that such instance will not arise in the future. Further, under-utilization of our existing manufacturing facilities may arise due to various reasons such as changes in demand for our products and supply chain disruptions, which could have a material adverse effect on our business, financial condition, results of operations, and cash flows. For details relating to our installed capacity, actual production and capacity utilization of our manufacturing facilities for our business segments, see “**Summary of Business – Our Business Segments**” on page 123.

Our inability to effectively respond to any shutdown or slowdown and rectify any disruption, in a timely manner and at an acceptable cost, could lead to under-utilization of our manufacturing facilities or may lead to an inability to comply with our customers’ requirements and result in us breaching our contractual obligations and may lead to loss of any of our customers or a significant reduction in demand from such customers.

Further, the assembly lines of our customers rely significantly on the timely delivery of our components and our ability to provide an uninterrupted supply of our products is critical to our business. Certain of our key customers may terminate their relationships with us or seek to impose penalties on component manufacturers like us, or may initiate arbitration or legal proceedings against us, for stoppage in any of their critical operations or assembly lines and damages sought, potentially or allegedly on account of delayed delivery or a defect or deficiency in the products or services delivered by us.

5. *We have substantial capital expenditure and working capital requirements and may require additional capital to meet those requirements, which could have an adverse effect on our business, results of operations, financial condition and cash flows.*

Our business is capital intensive. We have expanded and upgraded our existing manufacturing facilities in the last three Fiscals and we intend to continue to expand our manufacturing capabilities in the future. In Fiscal 2026, 2025 and 2024, our capital expenditure (*calculated as property, plant and equipment additions plus other intangible assets additions and capital work in progress additions less capital work in progress disposals*) was ₹ 1,23,230 lakhs, ₹ 1,08,757 lakhs and ₹ 63,302 lakhs, respectively. To compete effectively, we need to develop and produce new products to meet our customers' demand, which requires a significant capital expenditure. We may also be required to make substantial investments to adapt to the expansions plans made by our existing OEM customers to ensure continuity in business from such OEM customers, however there is no assurance that such investments will be as profitable as our existing business and investments, or at all. Further, we may incur significant costs in supplying OEM products from such locations to other customers. We cannot assure you that we will be able to generate adequate returns from, or otherwise realise the anticipated benefits of, these capital expenditures in the future. Our sources of additional capital, required to meet our capital expenditure plans, may include the incurrence of debt or the issue of equity or debt securities or a combination of both. Our ability to obtain external financing is subject to a variety of uncertainties and our loan agreements may contain restrictive operating and financial covenants that restrict our ability to incur additional indebtedness without the lenders' consent. Further, financing may not be available in a timely manner or on terms acceptable to us, or at all. Further, our budgeted resources may prove insufficient to meet our requirements which could drain our internal accruals or compel us to raise additional capital. Any issuance of equity could result in a dilution of the shareholding. If we are required to raise additional funds through the incurrence of debt, our interest and debt repayment obligations will increase, and could have a significant effect on our profitability and cash flows and we may be subject to additional covenants, which could limit our ability to access cash flows from operations.

We also require a significant amount of working capital to finance the purchase of materials and the performance of manufacturing and other work before payment is received from customers. In Fiscal 2026, 2025 and 2024, our working capital utilisation was ₹ 61,755 lakhs, ₹ 21,678 lakhs and ₹ 28,021 lakhs, respectively. Our working capital requirements may increase if the payment terms in our agreements include reduced advance payments or longer payment schedules for our customers or increased advance payments or shorter credit period from our suppliers. These factors may result, or have resulted, in increases in the amount of, our receivables, short-term borrowings and the cost of availing such working capital funding. Additionally, our inability to obtain adequate amount of working capital at such terms which are favourable to us and in a timely manner or at all may also have an adverse effect on our financial condition. Continued increases in our working capital requirements may have an adverse effect on our business, results of operations, financial condition and cash flows.

6. *We operate in a competitive business environment. If we cannot respond adequately to the increased competition and consequent pricing pressures that we expect to face from existing players and new entrants, we will lose market share and our profits will decline, which will adversely affect our business, results of operations and financial condition.*

We operate in a competitive business environment. Growing competition in the domestic and/or international markets may subject us to pricing pressures and require us to reduce the prices of our products in order to retain or attract customers, which may have an adverse effect on our revenues and margins. While we are focused on the development of customer-centric products, and to broaden our product range, in the event our competitors harness better process technology or improved process yield or are able to source raw materials at more competitive prices, we may not be able to maintain our growth rate and our revenues and profitability may decline.

Some of our competitors may be increasing their capacities and targeting the same products as us. Some of our competitors are global companies that have larger technical and financial resources and broad customer bases needed to bring competitive solutions to the market. Such companies may use these advantages to offer solutions that are perceived to be as effective or more effective as ours at the same or at a lower price. They may also develop different products to compete with our current solutions and respond more quickly and effectively than we do to

new or changing opportunities, applications, technologies, standards, or client requirements. Our competitors may also adopt competitive strategies for various products which may have a corresponding adverse impact on our revenues and margins. There can be no assurance that we can continue to effectively compete with our competitors in the future, and failure to compete effectively may have an adverse effect on our business, financial condition and results of operations.

7. *We have undertaken acquisitions, mergers, business transfer and strategic investments in the past and may continue to undertake such acquisitions, joint ventures, strategic investments, alliances, in the future, which may be difficult to integrate and manage. These may expose us to uncertainties and risks, any of which could adversely affect our business, financial conditions and result of operations.*

We have pursued and may continue to pursue acquisitions, joint ventures, strategic investments and alliances in India as well as overseas as a mode of expanding our operations. For example, we have undertaken strategic acquisitions and investments in the past as part of our growth strategy to expand our capabilities, geographic presence and product offerings, the details of which are set out below.

- We acquired 76.00% of the equity share capital of DR Axion India Limited (“**DR Axion**”) (*formerly known as DR Axion India Private Limited*) with effect from February 1, 2023, which manufactures aluminium cylinder heads and blocks for passenger vehicles through gravity and low-pressure die castings. This acquisition has helped us strengthen our presence in the passenger vehicle segment, provide process synergies, access the customer base of DR Axion and provide opportunities for us to enter the e-mobility solutions market for passenger vehicles. Further, we acquired the remaining 24% of the equity share capital of DR Axion on June 29, 2024, and consequently, it became our wholly owned Subsidiary with effect from July 1, 2024.
- We acquired 100% of the share capital of Craftsman Germany GmbH, Germany along with its subsidiary, Craftsman Fronberg Guss GmbH, Germany, and consequently both the entities became our wholly owned subsidiaries with effect from July 22, 2024. Further, on October 1, 2024, Craftsman Fronberg Guss GmbH acquired the assets of Fronberg Guss GmbH and commenced operations as a manufacturing entity engaged in design, development and manufacturing of metal products including iron castings for internal combustion engines, drive engineering and mechanical engineering. In addition, Craftsman Germany GmbH had acquired 100% of the equity stake of Craftsman Fronberg Guss Immobilien GmbH, which consequently became our Subsidiary with effect from October 1, 2024. The object of the aforesaid acquisition was to expand our business presence and operations in the European market.
- We acquired 100% of the legal and beneficial interest of the total securities of Sunbeam Lightweighting Solutions Limited (*formerly known as Sunbeam Lightweighting Solutions Private Limited*), pursuant to which it became a wholly owned Subsidiary with effect from October 9, 2024. This acquisition has enabled us to diversify and enhance our product portfolio, customer base and geographic presence in the aluminium die-casting and machining markets in Northern and Western India and establish new customer relationships for aluminium based lightweighting components, including export customers in USA, France, Germany and Poland.
- Through our Subsidiary DR Axion, on December 20, 2025, we acquired 100% of the paid-up equity shares of Suprash Developers Private Limited (“**Suprash**”) and its subsidiary Srikara Technologies Private Limited (“**Srikara**”). Suprash and Srikara collectively own 52.83 acres of land at Araneri Village, Sriperumbudur Taluk, Kancheepuram District and are primarily engaged, *inter alia*, in the business of designing, developing, building, constructing, leasing/licensing and/or disposing of industrial projects and own land in Sriperumbudur Taluk, Kancheepuram District, Tamil Nadu. The land owned by Suprash and Srikara will be used for setting up DR Axion’s new facility.

Going forward, we may consider opportunities for inorganic growth, such as through mergers and acquisitions, business transfer or strategic investments, to acquire new customers, enter new markets, strengthen our position in our existing products and current markets, diversify our product portfolio, improve operational efficiency, and enhance our expertise and knowledge. For further information, see “**Summary of Business – Inorganically grow our business offerings**” on page 122. However, we cannot assure you that we will be able to identify suitable entities on commercially reasonable terms or be able to raise sufficient funds to finance such strategies for growth. Such initiatives may require us to incur or assume new debt or integration risks and we cannot assure you that such initiatives will contribute to our profitability.

Certain of our recently acquired businesses, including Sunbeam Lightweighting Solutions Limited, may require operational restructuring, customer rationalisation, cost optimisation measures and management attention to improve profitability and operational performance. We cannot assure you that such measures will be successful or that such acquired businesses will achieve the anticipated levels of profitability, operational efficiency or financial performance within the expected timeframe or at all. Any failure to realise the anticipated benefits from such acquisitions could adversely affect our business, financial condition, cash flows and results of operations.

We cannot guarantee that we will be able to successfully integrate any companies or assets we acquire, or that we will realize the strategic and/or operational benefits that we expect. Moreover, we may expend significant management attention trying to do so, but may not see the desired results. In addition, there can be no assurance that we will be able to consummate our expansions, acquisitions, mergers or alliances in the future on terms acceptable to us, or at all or be able to raise sufficient funds to finance such acquisitions, joint ventures and strategic investments. Further, in the future if such arrangements are severed or disrupted, it would impair our investments and would have an adverse impact on our business, financial condition and results of operations.

8. *Our inability to meet our obligations under our debt financing arrangements could adversely affect our business, results of operations and cash flows.*

We have entered into various financing arrangements with various lenders for short-term and long term facilities. As of March 31, 2026, our total borrowings amounted to ₹ 334,063 lakhs. Our ability to pay interest and repay the principal for our indebtedness is dependent upon our ability to generate sufficient cash flows to service such debt. Any additional indebtedness we incur may have significant consequences, including, requiring us to use a significant portion of our cash flow from operations and other available cash to service our indebtedness, thereby reducing the funds available for other purposes, including capital expenditure and reducing our flexibility in planning for or reacting to changes in our business, competition pressures and market conditions.

Our financing arrangements include conditions that require us to obtain respective lenders' consent prior to carrying out certain activities and entering into certain transactions including making investments and giving loans and advances to subsidiaries/ associates, declare or pay any dividend or any other distribution, except out of profits of the current year and subject to no default in payment or repayment obligations to bank, to any of the Shareholders, effect a merger, amalgamation, reconstruction or scheme of arrangement or compromise, amend our Memorandum of Association and Articles of Association, opening new current account or other accounts with banks outside the lending arrangement, incur further indebtedness of any nature and create any charge, mortgage, pledge, hypothecation, lien or other encumbrance over assets constituting security, undertake any new project, diversify, modernise or substantially expand our projects, change our management, transfer or dispose of the Equity Shares held by our Promoter leading to change in control, change our capital structure and shareholding pattern. Failure to meet these conditions or obtain these consents could have significant consequences on our business and operations. As of the date of this Preliminary Placement Document, we have received all consents required from our lenders in connection with the Issue.

Additionally, these financing agreements also require us to maintain certain financial ratio such as current ratio, fixed asset coverage ratio, interest coverage ratio, Debt to EBITDA and debt service coverage ratio. Further, while there has been no breach of such covenants in the last three Fiscals, we cannot assure you that we will be able to comply with these financial or other covenants at all times or that we will be able to obtain the consent necessary to take the actions that we believe are required to operate and grow our business. Further, there has not been any instance of re-scheduling/ re-structuring in relation to borrowings availed by us from any financial institutions or banks in the last three Fiscals.

Further, fluctuations in market interest rates may also affect the cost of our borrowings. Since the interest rates on certain of our borrowings may be subject to changes based on the prime lending rate of the respective bank lenders, such borrowings may be subject to renegotiation and/or escalation on a periodic basis and may not be covered by interest rate hedge agreements. Further, we have granted security interests over certain of our assets in order to secure our borrowings, and any failure to satisfy our obligations under such borrowings could lead to the forced sale and seizure of such assets, which may adversely affect our business, financial condition and results of operations.

Further, our borrowings are secured, *inter alia*, through a charge by way of hypothecation on our present and future current assets and fixed assets as well as through mortgage on our land and building in favour of the lenders. As these assets are hypothecated or mortgaged in favour of lenders, our rights in respect of transferring or disposing of these assets are restricted. Further, in the event we fail to service our debt obligations, the lenders have the right to enforce the security created in respect of our secured borrowings. If the lenders choose to enforce

security and dispose our assets to recover the amounts due from us, our business, financial condition and results of operations may be adversely affected.

9. *We are subject to risks arising from fluctuations in interest rate and foreign currency exchange rates, which could adversely affect our results of operations planned expenditures and cash flows.*

The majority of our indebtedness was at floating interest rates, while a small portion was at fixed interest rates. If the interest rates of our existing or future borrowings increase significantly, our cost of funds will increase. A further increase in interest rates may have an adverse effect on our results of operations and financial condition. While we could consider refinancing the loan or hedging interest rate risks in appropriate cases, there can be no assurance that we will be able to do so on commercially reasonable terms or at all, that our counterparties will perform their obligations, or that these agreements, if entered into, will protect us adequately against interest rate risks. Further, if such arrangements do not protect us adequately against interest rate risks, they would result in higher costs.

Further, some of our indebtedness that we have availed are in foreign currencies and are therefore, exposed to foreign exchange risk between the Indian Rupee and U.S. Dollars and other foreign currencies. As at March 31, 2026, our borrowings availed in foreign currency amounted to USD 56 lakhs or ₹ 5,325 lakhs. Any appreciation of the relevant foreign currencies against the Indian Rupee may increase our repayment and debt servicing obligations in respect of such foreign currency borrowings and may adversely affect our cash flows, financial condition and results of operations. We cannot assure you that we will be able to adequately mitigate the impact of such fluctuations.

While we have not experienced any material adverse impact from interest rate or foreign exchange fluctuations in the last three Fiscals, we cannot assure you that such instances will not arise in the future.

10. *We export our products to various countries. Any adverse events affecting these countries could have an adverse impact on our results from operations.*

In Fiscal 2026, 2025 and 2024, our revenue from operations outside India was ₹ 62,902 lakhs, ₹ 39,494 lakhs and ₹ 19,786 lakhs, respectively, which represented 7.80%, 6.94% and 4.44% of our total revenue from operations for the respective periods. During such periods, we exported our products to several countries across North America, South America, Europe and Asia. These export destination countries impose varying duties on our products. There can be no assurance that the duties imposed by such countries will not increase. Any change or increase in such duties may adversely affect our business, financial condition and results of operations.

Additionally, export destination countries may also enter into free trade agreements or regional trade agreements with countries other than India. Such agreements and alteration of existing tax treaties may lead to increased competition or may even place us at a competitive disadvantage compared to manufacturers in other countries and could adversely affect our business, financial condition and results of operations. Further, changes in import policies or an economic slowdown in countries to which we export our products may have a significant adverse impact on our business, financial condition and results of operations. India is also a party to, and is currently negotiating, free trade agreements with several countries and if we export our products to such countries, any revocation or alteration of those bilateral agreements may also adversely affect our ability to export, and consequently, our business, financial condition and results of operations. Further, geopolitical tensions, armed conflicts, sanctions, trade restrictions, disruptions in international shipping routes, increases in freight and insurance costs, or other adverse developments affecting global trade may adversely impact demand for our products, disrupt our export operations or supply chains and adversely affect our business, financial condition and results of operations. While we have not experienced any material adverse impact on account of such trade restrictions, policy changes or geopolitical developments in the last three Fiscals, we cannot assure you that such instances will not arise in the future.

Additionally, we will be required to procure certifications in addition to other quality standards which could be necessary for the products to be accepted by customers and the markets in which we export our products. As such, we may need to obtain and maintain the relevant certifications so that our customers are able to sell their products, which include components that are manufactured by us, in these countries. Our inability to secure such license, or any other licenses, certification, registrations and permits in other jurisdictions in a timely manner or at all, could result in operational delays or suspensions and/or administrative fines and penalties, which could have a material adverse effect on the overall business, results of operations and financial condition.

11. *Discontinuance or non-availability of fiscal benefits we enjoy under certain schemes, or any inability to meet obligations under such schemes may have an adverse effect on our business, results of operations, financial condition and cash flows.*

We enjoy certain fiscal benefits on account of policies of the Government of India, including the Duty Drawback Scheme (“**DDS**”), where, in the case of our export products, with our current product mix, the rate of DDS ranges from 1% to 2% of free on board (“**FOB**”) value of exports. In Fiscal 2026, 2025 and 2024, we received ₹ 684 lakhs, ₹ 395 lakhs and ₹ 333 lakhs under the DDS.

We also import capital goods under the Export Promotion Capital Goods Scheme instituted by the Government of India (the “**EPCG Scheme**”). The EPCG scheme allows imports at concession rates of custom duty and requires the importer to export a specified value of goods over a period of six years from the licence date. A 50% export obligation is required to be fulfilled within first four years with the remaining 50% within the next two years. Non-fulfilment of such obligations may result in confiscation of imported capital goods and other penalties under the EPCG Scheme. In Fiscal 2026, 2025 and 2024, our EPCG income on fulfilling obligation was ₹ 4,880 lakhs, ₹ 3,662 lakhs and ₹ 2,540 lakhs. We have not been subject to any penalties because of any failure to meet our export obligations in the last three Fiscals, since the value of exports undertaken by us has exceeded our export commitments. In case export or other obligations are not met under the EPCG Scheme or any other scheme, we may be required to pay, with interest, the proportionate duty saved for which export obligations were not met. Further, in the event the duty saved along with interest is not paid, the imported capital goods may also be confiscated. Further, we also avail a scheme for remission of duties and taxes on export products (“**RODTEP Scheme**”) for exporters, which was effective from January 1, 2021. In Fiscal 2026, 2025 and 2024, our export incentive under RODTEP Scheme was ₹ 928 lakhs, ₹ 505 lakhs and ₹ 247 lakhs, respectively.

Any discontinuance of, or inability to enjoy, benefits under schemes and subsidies could have an adverse effect on our business, results of operations, financial condition and cash flows.

12. *There are outstanding legal proceedings involving us. Any adverse outcome in such proceedings may have an adverse effect on our business, results of operations, financial condition and cash flows.*

We are contesting certain legal proceedings in various courts, including certain regulatory and statutory proceedings, civil and taxation cases that have been filed against us, which are pending at different levels of adjudication before various courts, tribunals and other authorities. For further details of the legal proceedings that we are subject to, see “**Legal Proceedings**” on page 185. We cannot assure you that the outcome of any of these legal proceedings will be favourable. Any adverse decision in any of these cases may adversely affect our business, results of operations, financial condition and cash flows. Such proceedings could divert our management’s time and attention and consume our financial resources in their defence or prosecution.

In addition, any adverse developments in such proceedings, including adverse rulings by regulators, appellate courts or tribunals, may require us to make provisions in our financial statements, which could increase our expenses and current liabilities. If we fail to successfully defend our claims or if our provisions prove to be inadequate, our business, results of operations, financial condition and cash flows could be adversely affected.

13. *If we are unable to accurately forecast demand for our products and plan production schedules in advance, our business, cash flows, financial condition, results of operations, and prospects may be adversely affected.*

Our inability to accurately forecast the level of customer demand for our products as well as our inability to accurately schedule our raw material purchases and production and manage our inventory may adversely affect our business and cash flows from operations. For some of our customers, we have long term purchase agreements with defined terms and conditions of purchases. These are supplemented by specific open purchase orders which do not have any validity in respect of time period and only specify the price at which the products are to be supplied with no mention of any specific quantity. The quantities supplied are typically based on monthly delivery schedules provided by the customers based on their own demand and supply situation. Although our customers provide us with forecasts of annual business volumes, which enable us to predict our income for a portion of our business, the actual orders are only placed by way of on-going purchase orders. Our customers do not provide a firm commitment for any specific product quantity and purchase orders may be amended or cancelled prior to finalization, as a result of which, we do not hold a significant order book at any time, making it difficult for us to forecast revenue, production or sales and plan our inventory in advance.

Actual production volumes may vary from these estimates due to variations in end consumer demand for the related vehicles leading to either underutilized capacity or incurring additional expenditure to deploy additional resources to meet expedited delivery timelines. Further, we have certain manufacturing facilities which are either dedicated, or predominantly catering to some of our OEM customers and are in such localities to serve such customers efficiently. Any reduction in forecasted volume from customers for whom we run dedicated facilities, would materially and adversely affect our business, results of operations and financial condition.

Many of our operating expenses are relatively fixed, an unanticipated change in customer demand may adversely affect our liquidity and financial condition. We typically commit to order raw materials and bought-out components from our own suppliers based on customer forecasts and orders. Cancellation by customers or delay or reduction in their orders or instances where anticipated orders fail to materialize can result in mismatch between our inventories of raw materials and bought-out components and of manufactured products, thereby increasing our costs relating to maintaining our inventory and reduction of our margins, which may adversely affect our profitability and liquidity.

14. *Our operational flexibility may be limited in certain respects on account of our obligations under some of our major long-term customer agreements.*

We have entered into long-term customer agreements with some of our customers. Our pricing terms, payment cycles and permitted adjustments are generally set out in advance in our customer contracts or purchase orders and only allow adjustments at specific intervals and in the event of significant unanticipated changes in, for instance, raw material prices or currency exchange rate fluctuation. Due to committed delivery schedules at a pre-agreed price, we may not be able to adequately adjust our inventory and raw material costs in the event of an unanticipated change or cancellation in orders from our customers and we may, therefore, in certain events, incur additional costs that we are unable to pass through to our customers or be required to write off certain expenses.

While various terms of our long-term customer agreements with customers generally allow us a right of consultation as to difficulties faced by us or provide for certain decisions or adjustments to be made as per mutual agreement, our customers are generally permitted under the terms of such agreements to exercise a high level of discretion. For instance, our customers reserve the right at any time to direct changes, or cause us to make changes, to drawings and specifications of the goods or to otherwise change the scope of the work covered by our long-term contract. Price and time for performance resulting from such changes are equitably adjusted by our customers based on supply of documentation in such form and detail as required by our customer. Consequently, we are exposed to the risk that our submissions or requests as to price adjustments or delivery schedules or otherwise may not be agreed to by our customers or our customers may not accede to provide consents sought by us. Any such significant operational constraint may adversely affect our business, financial condition, results of operations and cash flows.

15. *We extend significant credit terms to our customers and are subject to counterparty credit risk. Any deterioration in such customers' financial position and their ability to pay or our inability to extend credit in line with market practice may adversely impact business, results of operations, financial condition and cash flows.*

Due to the nature of agreements and arrangements that we enter into, we are subject to counterparty credit risk and any delay in receiving payments or non-receipt of payments may adversely impact our results of operations. Our operations involve extending credit, ranging typically from 15 to 90 days, to our customers in respect of our products and services. Consequently, we face the risk of the uncertainty regarding the receipt of these outstanding amounts. We cannot guarantee that we will be able to accurately assess the creditworthiness of our customers. Macroeconomic conditions, such as a potential credit crisis in the global financial system, could also result in financial difficulties for our customers, including limited access to the credit markets. Such conditions could cause our customers to delay payment, request modifications of their payment terms, or default on their payment obligations to us, all of which could increase our receivables. Timely collection of dues from customers also depends on our ability to complete our contractual commitments and subsequently bill for and collect from our clients. If we are unable to meet our contractual obligations, we might experience delays in the collection of, or be unable to collect, our customer balances, and if this occurs, our results of operations and cash flows could be adversely affected. We have experienced delays in collection of receivables for our products and services in the last three Fiscals and we cannot assure you that we will not experience any such delays in the future. If we experience delays in billing and collection for our products and services, our cash flows could be adversely affected.

Accordingly, we had and may continue to have high levels of outstanding receivables. The following table sets forth details of our credit cycle, as well as our trade receivables, for the Fiscals indicated:

Particular	As of/ for the year ended March 31,		
	2026	2025	2024
Trade Receivable Days*	50.23	59.05	47.41
Trade Receivables (₹ lakhs)	1,11,054	92,059	57,663

*Trade Receivable Days are calculated as Trade Receivables divided by Revenue from Operations multiplied by the number of days in the respective year.

Any significant delay in receiving payment or non-receipt of payments from our customers may adversely affect our business, results of operations, financial condition and cash flows.

Also, see “- *We have substantial capital expenditure and working capital requirements and may require additional capital to meet those requirements, which could have an adverse effect on our business, results of operations, financial condition and cash flows.*” on page 41.

16. Our contingent liabilities could adversely affect our financial condition if they materialise.

As at March 31, 2026, our contingent liabilities, as per Ind AS 37 - provisions, contingent liabilities and contingent assets, that have not been provided for are as set out in the table below:

Particulars	As at March 31, 2026 (in ₹ lakhs)
a. Claims against the Company not acknowledged as debt	
Excise Duty	35
Value Added Tax	315
Service Tax	67
Goods and Service Tax	2,400
Income Tax	494
Custom	4
b. Sales Bills Discounted	15,670

Our contingent liabilities may become actual liabilities. There can be no assurance that our contingent liabilities will not increase in the future or that similar claims and proceedings will not arise. If any of these contingent liabilities materialise or are determined against us, we may be required to make significant payments and incur additional expenses, which could adversely affect our business, results of operations, cash flows and financial condition. For further information, see “*Financial Information*” on page 189.

17. Our operations involve activities and materials which are hazardous in nature and could result in a suspension of operations and the imposition of civil or criminal liabilities which could adversely affect our business, results of operations, financial condition and cash flow.

Our operations are subject to operating risks associated with forged products manufacturing. Certain operations at our manufacturing facilities involve handling hazardous chemicals and gases such as enamel paint, feedol, argon and such operations can cause accidents during the manufacturing process resulting in serious injuries or death of employees or other persons, if improperly handled, and cause damage to our properties or equipment and the properties of others or to the environment. While we have not experienced any incidents of the aforesaid nature in the last three Fiscals, we cannot assure that such incidents will not occur in the future. Further, our operations are subject to significant hazards, including explosions, fires, mechanical failures and other operational problems, weather and natural disasters, discharges or releases of hazardous substances, chemicals or gases; and other environmental risks. The occurrence of any of these hazards could result in a suspension of operations and the imposition of civil or criminal liabilities. We may also face claims and litigation, filed on behalf of persons alleging injury predominantly as a result of occupational exposure to hazards at our manufacturing facilities. If these claims and lawsuits, individually or in the aggregate, are resolved against us, our business, results of operations, financial condition and cash flows could be adversely affected.

18. Our historical profitability may not be indicative of our future performance, and our profitability may fluctuate in future periods.

Our profitability has been subject to variations in the past and may continue to be affected by a number of factors, including the relative contribution of different business segments, changes in product mix and customer requirements, and fluctuations in input costs. For example, while our revenue from operations has increased from ₹ 4,45,173 lakhs in Fiscal 2024 to ₹ 5,69,048 lakhs in Fiscal 2025, our profit for the year decreased from ₹ 33,733 lakhs in Fiscal 2024 to ₹ 20,087 lakhs in Fiscal 2025. The reduction in profit during this period was primarily attributable to a combination of factors, including a decline in demand from the commercial vehicle segment,

initial operating costs associated with greenfield projects, one-time costs relating to acquisitions, and higher petroleum, power and interest costs driven by inflationary trends. Accordingly, our overall profitability may vary from period to period, and our historical financial performance may not be indicative of future results. We may not be able to improve or sustain our profitability or successfully execute our growth strategies, which could have an adverse effect on our business, results of operations and financial condition.

19. *We are exposed to foreign currency exchange rate fluctuations, which may adversely affect our results of operations, financial condition and cash flows.*

Our financial statements are presented in Indian Rupees. Our foreign currency exchange exposure relates primarily to the operating activities (when the revenue or expense is denominated in foreign currency) and borrowings in foreign currencies. Majority of our foreign currency transactions are in USD, Euro and JPY. As of March 31, 2026, 2025 and 2024, our net exposure to foreign currency risk (unhedged receivables minus unhedged payables) was ₹7,297 lakhs, (₹ 14,931 lakhs) and (₹ 11,085 lakhs), respectively. Our foreign currency exposures, exchange rate fluctuations between the Indian Rupee and foreign currencies, especially the USD, Euro and JPY, may have an impact on our results of operations, financial condition and cash flows.

We have a hedging policy and we manage our foreign currency exchange risk by using derivative instruments such as foreign currency forward contracts. We cannot assure you that our hedging measures will adequately protect our business operations, financial conditions, results of operations and cash flows from the full effects of exchange rate fluctuations.

20. *Our failure to identify and understand evolving industry trends and preferences to develop new products to meet our customers' demands may adversely affect our business.*

We expect to continue to dedicate significant financial and other resources to our product development efforts in order to maintain our competitive position. Investing in product development, including developing new products and enhancing existing products, is expensive and time consuming, and we cannot assure you that such activities will result in significant new marketable products or enhancements to our products, design improvements, cost savings, revenues or other expected benefits.

Changes in consumer preferences, regulatory or industry requirements or in competitive technologies may render certain of our products obsolete or less attractive. Our ability to anticipate changes in technology and regulatory standards and to successfully develop and introduce new and enhanced products on a timely basis is a significant factor in our ability to remain competitive. However, we cannot assure you that we will be able to develop or secure the necessary technological knowledge that will allow us to develop our product portfolio in this manner. If we are unable to obtain such knowledge in a timely manner, or at all, our business and results of operations may be adversely affected. We are also subject to the risks generally associated with new product introductions and applications, including lack of market acceptance, delays in product development and failure of products to operate properly. Our failure to successfully develop and produce new products, or a failure by our customers to successfully launch new programs, could materially adversely affect our prospects and results of operations.

21. *We have received a complaint through our whistleblower mechanism, and there can be no assurance that the outcome of such complaint or any investigation or action arising therefrom will not have a material adverse effect on our business, results of operations, financial condition or reputation.*

Our Company has adopted a vigil mechanism and whistleblower policy which lays down the framework and procedures for airing grievances and concerns of directors, employees and stakeholders and their representative bodies and for reporting or sharing information on any undesirable activities including any fraudulent, illegal, unethical or immoral activities or practices or any other wrongful conduct on the part of any director or employee acting for and on behalf of our Company. We ensure that any complaints received through such vigil mechanism are dealt with expeditiously, including ensuring complete confidentiality, not attempting to conceal evidence of any protected disclosure made through such complaints, taking disciplinary action if any person destroys or conceals evidence of any protected disclosures, and providing an opportunity of being heard to the persons involved.

We have received a complaint under the aforesaid whistleblower policy. The complaint is currently being reviewed and investigated in accordance with the procedures laid down under the policy and the findings of such review will be placed before the audit committee of our Company for further action and remediation. While our Company is committed to addressing all concerns raised through the vigil mechanism in a fair and transparent manner, there can be no assurance that the investigation will not reveal matters that could result in regulatory scrutiny, litigation, financial liability or reputational harm to our Company. Any adverse findings or regulatory action arising from such complaint could have a material adverse effect on our business, prospects, financial condition and results of operations. Further, we cannot assure you that additional complaints will not be received in the future under the whistleblower policy or otherwise, and any such complaints, whether or not substantiated, could result in diversion of management attention, legal costs and reputational damage.

22. *Changes in technology may render our current technologies obsolete or require us to make substantial capital investments. Further, our failure to keep our technical knowledge confidential could erode our competitive advantage.*

Our business is continually changing due to technological advances and scientific discoveries. These changes result in the frequent introduction of new products and services and significant price competition. If our products and technologies become obsolete for various factors, our business and results of operations could be adversely affected. Although we strive to maintain and upgrade our technologies, facilities and machinery consistent with current national and international standards, the technologies, facilities and machinery we currently use may become obsolete. The cost of implementing new technologies and upgrading our manufacturing facilities could be significant, which could adversely affect our business, results of operations and financial condition. Any failure on our part to effectively address such situations, innovate and keep up with technological advancements or to successfully introduce new products and services in these areas, in a timely and cost-effective manner, could adversely affect our business, results of operations, financial condition and cash flows.

Further, with the expected increase in growth of electric vehicles in future, we will need to adapt with the technological advances which will require us to make substantial capital investments. Our customers may shift to other manufacturers if we do not meet their changing needs as per the requirement of the automobile industry. Further, our already existing technologies may become redundant. All these factors could adversely affect our business, results of operations, financial condition and cash flows.

23. *We are susceptible to product liability claims that may not be adequately covered by our insurance coverage or by warranties and assurances from our equipment suppliers, and which, if successful, could require us to pay substantial sums, adversely affecting our business, results of operations and financial condition.*

We face an inherent business risk of exposure to product liability or recall claims, in the event that any of our products fail to perform as expected or such failure results or is alleged to result, in bodily injury or property damage or both. Consequently, we cannot assure you that we will not experience any material product liability losses in the future or that we will not incur significant costs to defend any such claims.

The provision for warranty and rejection is done based on past experiences, product lifecycle maturity, reprocessing or repair cost. The provisions for expected cost of warranty obligations are recognized based on our management's best estimate of the expenditure required to settle the obligation, which takes into account the empirical data on the nature frequency and average cost of warranty claims and regarding possible future incidences.

While we maintain insurance for product liability, as a result of product liability legislation, civil claims may be brought against our OEM customers, and we may be made parties to such claims where damages may have been caused by any faulty products that we produced. We cannot assure you that such claims will not be brought against us in the future, and any adverse determination may have an adverse effect on our business, results of operations and financial condition and reputation. While we have not experienced any instances wherein we were subject to product liability claims in the last three Fiscals, we cannot assure you that such instance will not arise in the future.

- 24. *If we are unable to continue to implement our brand building and marketing initiatives, for each of our brands, our business and prospects may be adversely affected. Moreover, any deterioration in the reputation and market perception of our brands may have an adverse effect on our sales, profitability and the implementation of our growth strategy.***

We operate under our brands “V-Store”, “Carl Stahl Craftsman”, “Craftsman Marine” and “Craftsman Storage Systems” in our Industrial & Engineering Segment and the “SUNBEAM” trademark for our Aluminium Products segment. Our brand and reputation are among our important assets. The performance and quality of products are critical to the success of our business. The success of these products depends significantly on the effectiveness of the product design, quality of the raw materials and bought out components, quality control systems, installation and after sales service, which in turn, depend on skills and experience of our personnel, the quality of our training program, and our ability to ensure that such personnel adhere to our policies and guidelines. Any adverse change in the quality of products rendered by us including due to reasons beyond our control, or allegations of defects, even when false, at any of our manufacturing facilities could tarnish the image of our brands, result in negative reviews and feedback from our customers.

Further, our brand building would also depend on the effectiveness of sales and promotional activities and choice of channel partners. There can be no assurance that our efforts in these areas would always be effective. Any adverse development or decline in our brand value and reputation may adversely affect our business, results of operations and financial condition.

- 25. *Some of our manufacturing facilities are operated on industrial land allotted to us by industrial development corporations. Failure to comply with the conditions of use of such land could result in an adverse impact on our business and financial condition.***

We operated 28 strategically located manufacturing facilities across 9 states in India and one manufacturing facility in Germany during Fiscal 2026, out of which 10 manufacturing facilities, are operated on industrial land allotted by the state-owned industrial development corporations (“IDCs”). In addition, we are in the process of setting up three manufacturing facilities and the land for one of these facilities is allotted by a state-owned industrial development corporations. Under the terms of allotment of such lands, we are required to comply with certain ongoing conditions, including but not limited to achieving the investment commitment set out in the project report, adhering to the timelines for completion of setting up of the manufacturing facility, and commencement of manufacturing activity. If we fail to meet any such conditions, we may be required to incur additional liability. Further, in the past, we may not have been in compliance with certain terms of allotments under some of our lease deeds entered into with the IDCs. While we have not been subjected to any penalty or adverse actions in this regard, we cannot assure you that no penalty or adverse action will be taken against such non-compliances in the future. Further, according to the statutory rules under which the IDCs function, IDCs also retain the power to cancel allotment of land in the event of breach of any rules of allotment. Though none of the leases that we have entered into with IDCs are expiring in the next five years from the date of this Preliminary Placement Document, we cannot assure you that we will be able to renew such leases as and when they expire.

As we are constantly looking to expand our business, we will be required to enter into arrangements with IDCs and other third parties to secure land for setting up new manufacturing facilities or expanding existing ones. However, there are several factors and variables such as delay in receipt of confirmed orders from our customers, inability to arrange for manpower, inability to raise debt for unforeseen increases in project outlays and delay in securing requisite licenses and approvals which could delay the completion of the manufacturing facility beyond the timeline agreed upon with the IDC or other third parties. In such an event, we are subject to the risk of paying a premium or, even, the cancellation of land allotment. Cancellation of land allotment could have an impact on our financial condition on account of the capital invested on a facility being blocked without any returns while we continue to service the cost of the capital raised which could adversely impact our results of operations and financial condition.

26. *Certain of our immovable properties, including our Corporate Office and where some of our manufacturing facilities are located, are leased. If we are unable to renew existing leases or relocate our operations on commercially reasonable terms, there may be an adverse effect on our business, financial condition and operations.*

Our Corporate Office and certain of our manufacturing facilities are on leasehold basis from certain third parties. The leases for some of these premises such as our satellite facilities located at Sriperumbudur, Pithampur, Bhiwadi, and Jamshedpur are long-term lease agreements ranging from 30 years to 99 years and provide us a substantial time period to ensure alternative arrangement for these facilities. However, the lease arrangements for our integrated facilities and our other satellite facilities at other locations are entered for a medium-term period ranging from 5 to 20 years. Further, the premises for our Corporate Office is leased by us for a period of 15 years. Further, we have marketing and product development offices at Chennai, Tamil Nadu, Mumbai, Maharashtra and Gurgaon, Haryana which are on a leasehold basis. In addition, our Subsidiary DR Axion India Limited has four warehouses, of which one has been leased by our Company to DR Axion, and the other three warehouses have been leased by third-parties. Further, our Subsidiary Sunbeam has two storage facilities, which have been leased by third-parties.

While we have, in the past, renewed such short-term and medium-term lease arrangements for our facilities and offices from time to time, if we are unable to renew certain or all of these leases on commercially reasonable terms, we may suffer a disruption in our operations or be unable to continue to operate from those locations in the future (and may, to that extent, need to revise our raw material sourcing, product manufacturing and raw material and product inventory schedules and/or incur significant costs to relocate or expand our operations elsewhere in order to continue to honour our commitments to our customers). In addition, the terms of certain of our leases require us to obtain the lessor's prior consent for certain actions (including making significant structural alterations to the factory building, which may be required if we were to undertake a significant expansion in the future, or for undertaking a corporate restructuring or to sublet, transfer, assign, charge or mortgage such properties). For instance, the leases of certain properties in Pune and Faridabad have expired and we are in process of renewing the same. In the event that any lease agreement is not renewed, we will be required to expend time and financial resources to locate suitable land or premises to set up new warehouses and offices, which may adversely affect our financial condition. Further, if the vacated property or premises is leased or sold to a competitor, we may also face increased competition in that geographic area which could adversely affect our market share and revenues.

27. *We are dependent on third party transportation for the delivery of raw materials and finished products and any disruption in their operations or a decrease in the quality of their services could adversely affect our business and results of operations.*

Our success depends on the smooth supply and transportation of the various raw materials required for our various manufacturing facilities which is subject to various uncertainties and risks and finished products. We use third party transportation providers for the supply of most of our raw materials and finished products. Transportation strikes in the future could have an adverse effect on supplies from our suppliers. In addition, raw materials and finished products maybe lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. There may also be delay in delivery of raw materials and finished products which may also affect our business and results of operation negatively. A failure to maintain a continuous supply of raw materials could have a material and adverse effect on our business, financial condition and results of operations.

Additionally, if we lose one or more of our transportation providers, we may not be able to obtain terms as favourable as those we receive from the third-party transportation providers that we currently use, which in turn would increase our costs and thereby adversely affect our operating results. Further, if our transportation providers do not carry sufficient insurance coverage, any losses that may arise during the transportation process will have to be claimed under our insurance policies. There can be no assurance that we will receive compensation for any such claims in a timely manner or at all, and consequently, any such loss may adversely affect our business, financial condition, results of operations and cash flows.

Disruptions of transportation services because of weather-related problems, strikes, inadequacies in the road or rail infrastructure, or other events could impair the ability of the third-party transportation providers to deliver us the raw materials and our finished products to our customers in a timely manner or at all. As a result, in the event there is any disruption in the supply of our raw materials and our finished products, performance of our business, results of operations and cash flows may be adversely affected. We may also be affected by an increase in fuel costs, as it will have a corresponding impact on freight charges levied by our third-party transportation providers.

28. ***Our sustained growth depends on our ability to attract and retain skilled and qualified manpower. Failure to attract and retain skilled and qualified manpower or to effectively manage our growth could adversely affect our business, and increased employee compensation costs could adversely affect our financial condition. Our operations are labour intensive and our manufacturing operations may be materially adversely affected by strikes, work stoppages or increased wage demands by our employees or those of our suppliers.***

Our ability to provide high-quality products and services and to manage the complexity of our business depends, in part, on our ability to retain and attract semi-skilled and skilled and qualified manpower in the areas of management, product engineering, design, manufacture, servicing, sales, information technology, and finance. Competition for such personnel is intense and the cost of retaining or replacing such personnel may affect our profitability. In addition, our strategies for growth have placed, and are expected to continue to place, increased demands on our management's and employees' skills and resources.

Further, our manufacturing activities are labour intensive, requiring our management to undertake significant labour interface, and expose us to the risk of industrial action. As on March 31, 2026, we had a large workforce of 231 management staff (manager and above grade), 2809 permanent workmen, 183 apprentices and 2571 contract workmen.

As on the date of this Preliminary Placement Document, we have no labour unions in any of our manufacturing facilities. However, there is no assurance that our employees will not unionize in the future. Further, while we have not experienced any strikes or labour unrest at any of our manufacturing facilities in the last three Fiscals, we cannot assure you that we will not experience work disruptions in the future due to disputes or other problems with our work force. Additionally, we are subject to various ongoing proceedings initiated by certain of our former employees due to alleged wrongful termination of employment. Any such event, at our current facilities or at any new facilities that we may commission or acquire in the future, may adversely affect our ability to operate our business and serve our customers, and impair our relationships with key customers and suppliers, which may adversely impact our business and financial condition. Any changes in the existing labour laws of the countries in which we operate may increase our labour cost and may also increase time spent by our management in labour related matters, which could impact our business and results of operations. If labour laws become more stringent or are more strictly enforced, it may become difficult for us to maintain flexible human resource policies, discharge employees or downsize, any of which could have an adverse effect on our business, results of operations, financial condition and cash flows.

29. ***We depend on our Senior Management, Key Managerial Personnel, persons with technical expertise and other permanent employees for our business and future growth. If we are unable to recruit and retain such qualified and skilled personnel, our business and our ability to operate or grow our business may be adversely affected.***

Our future performance would depend on the continued service of our Senior Management, Key Managerial Personnel, persons with technical expertise, and the loss of any senior employee and the inability to find an adequate replacement may impair our relationship with key customers and our level of technical expertise, which may adversely affect our business, financial condition, results of operations and prospects. In particular, we rely on the experience and business relationships of our Promoter, Chairman and Managing Director, Srinivasan Ravi, our Senior Management, Key Managerial Personnel, and other business heads, unit heads and functional heads. Should their involvement in our business reduce, or should our relationship with these persons deteriorate for any reason in the future, our business, financial condition, results of operations and prospects may be adversely affected. For further details see, “**Board of Directors and Senior Management**” on page 128. While there has been no instance in the last three Fiscals where the resignation of any Senior Management or Key Managerial Personnel had an adverse impact on our business, results of operations, financial condition and cash flows, we cannot assure you that such instance will not arise in the future.

The continued operations and growth of our business is also dependent upon our ability to attract and retain personnel who have the necessary and required experience and expertise. We cannot assure you that we will be able to retain these employees or find adequate replacements in a timely manner, or at all. Our performance depends largely on the efforts and abilities of these employees. The following table sets forth the attrition rate for the Fiscals indicated:

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
Number of Employees Resigned	418	402	559
Attrition Rate*	13.34%	13.83%	20.85%

*Attrition rate is calculated as overall exits including retired employees divided by average number of employees.

We may require a long period of time to hire and train replacement personnel when skilled personnel terminate their employment with us. We may also be required to increase our levels of employee compensation and benefits more rapidly than in the past to remain competitive in attracting skilled personnel, or to address any breaches on parts of our respective contractors and subcontractors, where we have been the principal employers. Loss of the services of our permanent employees could adversely affect our business, financial condition and results of operations.

30. *If we inadvertently infringe on the intellectual property rights of others, our business and results of operations may be adversely affected.*

While we take care to ensure that we comply with the intellectual property rights of others, we cannot determine with certainty as to whether we are infringing on any existing third-party intellectual property rights, which may force us to alter our technologies, obtain licences or cease some of our operations. We may also be susceptible to claims from third parties asserting infringement and other related claims. If claims or actions are asserted against us, we may be subject to costly litigation or may be required to obtain a licence, modify our existing technology or cease the use of such technology and design a new non-infringing technology. Such licences or design modifications can be extremely costly. Further, necessary licences may not be available to us on satisfactory terms, if at all. In addition, we may decide to settle a claim or action against us, which settlement could be costly. We may also be liable for any past infringement. Any of the foregoing could adversely affect our business, results of operations and financial condition. For instance, we received a cease and desist notice dated September 1, 2023 from an entity, alleging that our products multi-tier shelving and pallet racking infringed upon such entity's registered patent for an upright stiffener and required us to withdraw our said products from the market and refrain from its distribution or use without obtaining a license or written permission. Subsequently, we provided a detailed response by our letter dated September 28, 2023, denying the allegations of infringement. As on the date of this Preliminary Placement Document, we have not received any response to our letter. Further, we received a notice dated February 1, 2024 from an entity, alleging that our product "multi-deep shuttle automated storage and retrieval systems" infringed upon such entity's registered patents and required us to either discuss with them or cease the sale and manufacturing our product. This matter has since been mutually settled.

In addition, in certain cases, our customers share their intellectual property rights in the course of the product development process that we carry out for them. We are bound by confidentiality obligations under our non-disclosure agreements with our customers to protect their intellectual property, including in relation to technical data such as product designs and drawings that may have been shared with us by our customers. An inadvertent breach or any misuse of intellectual property or proprietary data by any of our employees or sub-contractors may expose us to expensive infringement claims and may diminish our goodwill and reputation among our customers, suppliers, lenders, investors and the public, making it difficult for us to operate our business and compete effectively.

31. *Any downgrade of our credit ratings may lead to an increase in our borrowing costs and constrain our access to borrowings.*

The cost and availability of borrowings is dependent, among other factors, on our short-term and long-term credit ratings. The following table sets forth our details of credit rating received in the last three Fiscals for our short-term and long-term bank loan facilities:

Rating Agency	Instruments	Credit Rating	Date
CRISIL Ratings Limited	Long Term Loan Facilities	CRISIL AA-/Stable (Reaffirmed)	March 20, 2026
	Short Term Loan Facilities	CRISIL A1+ (Reaffirmed)	
CRISIL Ratings Limited	Long Term Loan Facilities	CRISIL AA-/Stable (Reaffirmed)	December 12, 2025
	Short Term Loan Facilities	CRISIL A1+ (Reaffirmed)	
CRISIL Ratings Limited	Long Term Loan Facilities	CRISIL AA-/Stable (Reaffirmed)	October 16, 2024
	Short Term Loan Facilities	CRISIL A1+ (Reaffirmed)	
CRISIL Ratings Limited	Long Term Loan Facilities	CRISIL AA-/Stable (Reaffirmed)	August 13, 2024
	Short Term Loan Facilities	CRISIL A1+ (Reaffirmed)	
CRISIL Ratings Limited	Long Term Loan Facilities	CRISIL AA-/Stable (Reaffirmed)	May 10, 2024
	Short Term Loan Facilities	CRISIL A1+ (Reaffirmed)	
CRISIL Ratings Limited	Long Term Loan Facilities	CRISIL AA-/Stable (Upgraded from 'CRISIL A+/Positive')	July 20, 2023
	Short Term Loan Facilities	CRISIL A1+ (Upgraded from 'CRISIL A1')	

Any downgrade of our credit ratings may lead to an increase in our borrowing costs and constrain our access to borrowings. In addition, any downgrade of our credit ratings could result in a default under our financing arrangements or lenders imposing additional terms and conditions in any future financing or refinancing arrangements.

32. *Our manufacturing facilities are subject to disruptions in or lack of basic infrastructure such as fuel and electricity, which could increase our manufacturing costs or interrupt our operations, which in turn may adversely impact our results of operations.*

We operated 28 strategically located manufacturing facilities across 9 states in India and one manufacturing facility in Germany during Fiscal 2026. For a description of our manufacturing facilities, see “**Summary of Business - Manufacturing Facilities**” on page 126. Any disruptions at any or all of such manufacturing facilities would significantly impact our ability to manufacture certain products and may consequently delay production or require us to shut down our manufacturing facilities. We may be subject to manufacturing disruptions due to contraventions by us of any of the conditions of our regulatory approvals such as any norms prescribed by pollution control authorities. While we have not encountered any instance of regulatory non-compliance or experienced lack of basic infrastructure such as fuel and electricity which required us to shut down our manufacturing facilities in the last three Fiscals, we cannot assure you that such instance will not arise in the future.

We require substantial power and fuel for our manufacturing facilities, and energy costs represent a significant portion of the production costs for our operations. The following tables set forth below our power and fuel expenses for the Fiscals indicated:

Particulars	Power and Fuel Expenses (₹ lakhs)	Percentage of Revenue from Operations
Fiscal 2026	52,305	6.48%
Fiscal 2025	36,757	6.46%
Fiscal 2024	26,251	5.90%

If power or fuel costs were to rise, or if their supply arrangements were disrupted, our profitability could decline.

We source most of our electricity requirements for our manufacturing facilities from state electricity grids, power exchange, group captive power arrangements and diesel generating sets and natural gas generator sets for standby supply. If supply is not available for any reason, we will need to rely on diesel generating sets, which may not be able to consistently meet our requirements. The cost of electricity from diesel generating sets could be significantly higher, thereby adversely affecting our cost of production and profitability. Further, if for any reason such electricity is not available or we are unable to switch to alternate power source in a short time, we may need to shut down our plants until an adequate supply of electricity is restored. Interruptions of electricity supply can also result in production shutdowns, increased costs associated with restarting production, the loss of production in progress and delays in delivery schedules.

Further, the cost of fuel has fluctuated significantly in recent periods due to various factors beyond our control, including international prices of crude oil and petroleum products, global and regional demand and supply conditions, geopolitical uncertainties, including recent geopolitical tensions and conflicts in the Middle East involving the United States, Israel and Iran. Such geopolitical developments have contributed to volatility in global crude oil prices and fuel costs. Any significant increase in fuel costs, shortages, or supply disruptions could adversely affect our cost structure and margins, and our business, results of operations, financial condition and cash flows.

33. *We may incur costs on account of relocating our manufacturing facilities in close proximity to the facilities of our OEM customers*

To serve our OEM customers effectively, we have certain manufacturing facilities which are located in close proximity to our customers’ facilities. Each of these facilities is located near the plants of the respective OEM customers that it caters to. If any of our customers’ facilities are moved from their current locations or shut down, we would incur costs associated with relocating our manufacturing facilities. Our contracts with our customers do not provide for compensation upon the occurrence of such events. In addition, expansion to meet our growth requirements is limited by availability of land and other location issues in certain of our existing manufacturing facilities. We are, and will continue to evaluate various location options for our expansion plans. We may also

have to incur capital expenditure to meet such requirements. Costs associated with such changes may have an adverse effect on our business, cash flows, financial condition, and results of operations.

34. *We have in the past entered into related party transactions and may continue to do so in the future.*

We have entered into transactions with related parties in the past and from, time to time, we may enter into related party transactions in the future. These transactions include, among other things, the purchase of goods and services, sale of goods and services, remunerations to our Key Managerial Personnel, commission to executive and non-executive Directors and sitting fees to non-executive Directors. While all such transactions have been conducted on an arm's length basis, in accordance with the Companies Act and other applicable regulations pertaining to the evaluation and approval of such transaction, we cannot assure you that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties. Further, it is likely that we may enter into additional related party transactions in the future subject to compliance with the Companies Act, SEBI Listing Regulations and other statutory requirements. For further information on our related party transactions, see "***Related Party Transactions***" on page 37.

35. *Our insurance coverage may not be adequate or we may incur uninsured losses or losses in excess of our insurance coverage which may impact on our results of operations, financial condition and cash flows.*

We maintain insurance cover for our properties and assets, standard fire, stock fire, marine cargo, burglary, health, money insurance, accident, product recall liability, machinery breakdown, public liability, future service liabilities, employee compensation, group personal accident and group health insurance policies. We also maintain a directors' and officers' liability insurance policy for all our Directors.

We could face liabilities or otherwise suffer losses should any unforeseen incident such as fire, flood, and accidents affect our manufacturing facilities or corporate offices or in the regions or areas where our manufacturing facilities or corporate offices are located. Notwithstanding the insurance coverage that we carry, we may not be fully insured against certain types of risks. There are many events, other than the ones covered in the insurance policies specified above, that could significantly impact our operations, or expose us to third-party liabilities, for which we may not be adequately insured. We cannot assure you that any claim under the insurance policies maintained by us will be honoured fully, in part, on time, or at all. To the extent that we suffer any loss or damage that is not covered by insurance or exceeds our insurance coverage, our business, results of operations, financial condition and cash flows could be adversely affected. Any damage suffered by us in excess of such limited coverage amounts, or in respect of uninsured events, not covered by such insurance policies will have to be borne by us. While there has been no instance in the last three Fiscals where any event occurred where we experienced losses exceeding our insurance coverage, we cannot assure you that such instance will not arise in the future. Further, any damage or loss to our uninsured assets due to unforeseen events such as natural disasters, accidents, thefts, or other incidents may impact our results of operations, financial condition and cash flows and result in significant monetary losses.

36. *Our Subsidiaries and our Joint Venture have common pursuits with our Company as they are engaged in similar business or industry segments and may compete with us. Our Directors or Promoter may enter into ventures that may lead to conflicts of interest with our business.*

Our Subsidiaries and our Joint Venture are engaged in a business similar to ours. Therefore, there may be a conflict of interest in allocating business opportunities between us, our Subsidiaries and our Joint Venture. While we will adopt necessary procedures and practices as permitted by law to address any instances of conflict of interest, we cannot assure you that there will not be any conflict of interest between our Company, our Subsidiaries and our Joint Venture in the future or if such conflict of interest will be resolved in an impartial manner. We have not entered into any non-compete agreements with our Subsidiaries and our Joint Venture and there can be no assurance that such entities will not compete with our existing business or any future business that we might undertake or that we will be able to suitably resolve such a conflict without an adverse effect on our business and financial performance.

As of the date of this Preliminary Placement Document, our Promoter and certain of our Directors hold directorship in certain companies, including our Subsidiaries, which are in the same line of business as our Company. We cannot assure you that our Directors or Promoter will not provide comparable services, solicit our employees or acquire interests in competing ventures in the locations, sectors in which we operate, which could have an adverse effect on our business, results of operations, financial condition and cash flows.

37. *Fraud, theft, employee negligence or similar incidents may adversely affect our results of operations and financial condition.*

Our operations may be subject to incidents of theft or damage to inventory in transit and prior to or during godown stocking. The business may also encounter some inventory loss on account of employee theft, vendor fraud and general administrative error. While we have not experienced any such instance in the last three Fiscals which had a material adverse effect on our results of operations and financial condition, we cannot assure you that we will not experience any fraud, theft, employee negligence, security lapse, loss in transit or similar incidents in the future, which could adversely affect our results of operations and financial condition.

38. *Any failure to protect our intellectual property rights could adversely affect our competitive position, business, financial condition and results of operations.*

Our Company has registered “” under classes 6, 7 and 12. We own a registered trademark “” for our website under classes 6, 7 and 12. Also, our Company has registered “” under classes 6, 9, 20 and 22, and “” under class 6, 9, 20 and 22 as our trademarks in India. Further, our Company has registered a trademark on “” in Singapore and Thailand under classes 6 and 7, and in UAE under class 6. We also registered “” under classes 6 and 7 in Australia. We have also registered “” under classes 6, 8, 13 and 15. The use of our trademarks or logos by third parties could adversely affect our reputation, which could in turn adversely affect our business and results of operations. We may not be able to prevent infringement of our trademarks and a passing off action may not provide sufficient protection until such time that this registration is granted.

Further, we have applied for the registration of certain trademarks and patents. We cannot assure you that such registration of our trademarks and patents will be granted to us in a timely manner, or at all. As a result, we may not be able to prevent infringement of our trademarks and patents until such time that such registration is granted.

If our trademarks or other intellectual property are improperly used, the value and reputation of our brands could be harmed. The measures we take to protect our intellectual property may not be adequate to prevent unauthorized use of our intellectual property by third parties. Notwithstanding the precautions we take to protect our intellectual property rights, it is possible that third parties may copy or otherwise infringe upon our rights, which may have an adverse effect on our business, results of operations and financial condition.

39. *We may be unable to obtain, renew or maintain statutory and regulatory permits, licenses and approvals required to operate our business and operate our manufacturing facilities, which could have an adverse effect on our business, results of operations, financial condition and cash flows.*

We require certain statutory and regulatory permits, licenses and approvals to operate our business, such as consents to establish and operate from the state pollution control boards (where our manufacturing facilities are located), registration and licenses (including factory licenses and building stability certificates) issued under the Factories Act for our manufacturing facilities, license under the Legal Metrology Act, registration certificates issued under various labour laws, including contract labour registration certificates and licenses as well as various taxation related registrations, such as registrations for payment of GST, professional taxes and service taxes. While we have obtained all required approvals for our businesses, our licenses, permits and approvals impose certain terms and conditions that require us to incur significant costs and restrict certain of our business activities. We cannot assure you that our approvals, licenses, permits and registrations may not be revoked or suspended in the event of any non-compliance with any terms or conditions set forth thereof. Further, certain approvals, licenses and registrations may require amendment or updates from time to time, including pursuant to changes in name or status of our Subsidiaries. In the future, we will be required to regularly renew permits, licenses and approvals for our business, and to obtain new permits, licenses and approvals for any proposed expansion. For instance, in relation to the manufacturing facility of our Subsidiary, Sunbeam Lightweighting Solutions Limited, located at Tapukara, Bhiwadi, Rajasthan we have applied for renewal of registration under the Contract Labour (Regulation and Abolition) Act, 1970 and the same is pending. Further, we have made applications for renewal of fire NOCs from the relevant authorities in relation to eight manufacturing units located at Sriperumbudur, Pune, Jamshedpur and Bangalore and the same are pending. While we will endeavour to renew or obtain such permits, licenses and approvals as required, we cannot assure you that the relevant authorities will issue any such approvals within our anticipated timeframe or at all.

Further, we cannot assure you that the legal framework, licensing and other regulatory requirements or enforcement trends in the industries and jurisdictions in which we operate will not further change in a manner that makes it more costly or difficult to renew or obtain the statutory and regulatory permits, licenses and approvals we require to operate our business, or that we will be successful in responding to such changes. Moreover, as we grow our business, the requirements for obtaining new licenses, approvals and authorisations will also increase. If we lose or are otherwise unable to maintain any of our required

licenses, registrations, permits and approvals under the applicable laws and regulations, our business operations may be adversely affected which in turn could have an adverse effect on our results of operations, financial condition and cash flows.

40. *We are subject to various safety, health and environmental laws and labour, workplace and related laws and regulations which may increase our compliance costs and as such adversely affect our business, results of operations and financial condition.*

We are subject to a broad range of safety, health, environmental, labour, workplace and related laws and regulations in the jurisdictions in which we operate, which impose controls on the disposal and storage of raw materials, noise emissions, air and water discharges on the storage, handling, discharge and disposal of chemicals, employee exposure to hazardous substances and other aspects of our operations. For example, the laws in India limit the amount of hazardous and pollutant discharge that our manufacturing facilities may release into the air and water. The discharge of substances that are chemical in nature or of other hazardous substances into the air, soil or water beyond these limits may cause us to be liable to regulatory bodies and incur costs to remedy the damage caused by such discharges. Any of the foregoing could subject us to litigation, which may increase our expenses in the event we are found liable, and could adversely affect our reputation. We are also required to obtain and comply with environmental permits for certain of our operations. For instance, we require approvals under the Water (Prevention and Control of Pollution) Act, 1974, the Air (Prevention and Control of Pollution) Act, 1981 and the Hazardous and Other Waste (Management and Transboundary Movement) Rules, 2016, in order to establish and operate our manufacturing facilities in India and are subject to inspections from the relevant authorities in order to maintain such approvals.

A suspension, cancellation or refusal to extend our approvals and registrations may require us to cease production at some or all of our manufacturing facilities (or may affect other aspects of our operations), which may have an adverse effect on our business, financial condition, results of operations and prospects. There can be no assurance that we will be in complete compliance at all times with such laws, regulations and the terms and conditions of any consents or permits. If we violate or fail to comply adequately with these requirements, we could be fined or otherwise sanctioned by the relevant regulators. While we have not been fined or otherwise sanctioned in the last three Fiscals, any fines or sanctions in the future could adversely affect our business, reputation, financial condition or results of operations.

Furthermore, our approvals and registrations are subject to numerous conditions such as audit requirements. Complying with, and changes in, these regulations or terms of approval may increase our compliance costs and adversely affect our business, prospects, results of operations and financial condition.

41. *We are subject to stringent labour laws or other industry standards and any strike, work stoppage or increased wage demand by our employees or any other kind of disputes with our employees could adversely affect our business, financial condition, results of operations and cash flows.*

We are subject to a number of stringent labour laws. India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for dispute resolution and employee removal and legislation that imposes financial obligations on employers upon retrenchment. We are also subject to international, federal, state and local laws and regulations, in all jurisdictions where we have operations, governing our relationships with our employees, including those relating to minimum wage, overtime, working conditions, hiring and firing, non-discrimination, work permits and employee benefits. Further, in order to retain flexibility and control costs, we appoint independent contractors who, in turn, engage on-site contract labour to perform certain operations. Although we do not engage these labourers directly, in the event of default by any independent contractor, we may be held responsible for providing statutory benefits, including wages to these labourers if the independent contractors fail to do so. Any requirement to fund their wage requirements may have an adverse effect on our business, financial condition, results of operations and cash flows. In addition, under the Contract Labour (Regulation and Abolition) Act, 1970, as amended, we may be required to absorb a number of such contract labourers as permanent employees. Thus, any such order from a regulatory body or court may have an adverse effect on our business, results of operations, cash flows and financial condition. While we have not experienced any instance wherein we were required to pay the wages of our contract labourers in the last three Fiscals, we cannot assure you that such instance will not arise in the future.

Additionally, the Government of India has introduced the following codes, effective from November 21, 2025, which consolidate, subsume and replace numerous central labour legislations: (a) the Code on Wages, 2019 (“Wages Code”); (b) the Code on Social Security, 2020 (“Social Security Code”); (c) the Occupational Safety, Health and Working Conditions Code, 2020; and (d) the Industrial Relations Code, 2020. While the rules for implementation of such codes have not been notified in their entirety, as an immediate consequence, the coming

into force of these codes could increase our financial burden, which may adversely impact our profitability. For example, the Social Security Code aims to provide uniformity in providing social security benefits to the employees, which was earlier segregated under different acts and had different applicability and coverage. Furthermore, the Wages Code limits the amounts that may be excluded from being accounted toward employment benefits (such as gratuity and maternity benefits) to a maximum of 50.00% of the wages payable to employees. Further, these labour codes introduce enhanced compliance obligations relating to workplace safety, employee welfare, record-keeping and social security benefits, and uncertainty may continue regarding the interpretation and implementation of certain provisions. If there is any failure by us to comply with the new regime, we may incur increased costs, be subject to employee claims, regulatory proceedings, penalties and litigation, have our approvals and permits revoked or suffer a disruption in our operations, any of which could adversely affect our business.

Further, certain of our facilities are located near our OEM customers' plants. In the event of a shutdown of the OEM plants, our cost of relocation or establishing new supply lines may adversely impact our business, financial condition and results of operations.

42. *Failure or disruption of our IT systems may adversely affect our business, financial condition, results of operations and prospects.*

We have implemented various IT systems which covers key areas of our operations, procurement, inventory, sales and dispatch and accounting. Our ability to keep our business operating depends on the proper and efficient operation and functioning and upgradation of various IT systems, which are susceptible to malfunctions, disruptions and interruptions (including those due to equipment damage, power outages, computer viruses and a range of other hardware, software and network upgrade problems). Such malfunction or disruptions could cause economic losses for which we could be held liable. A failure of our information technology systems could also cause damage to our reputation which could harm our business. Any of these developments, alone or in combination, could have an adverse effect on our business, financial condition and results of operations. Further, a large-scale IT malfunction could lead to disclosure of, and unauthorised access to, our sensitive information.

Further, unavailability of, or failure to retain, well trained employees capable of constantly servicing our IT systems may lead to inefficiency or disruption of IT systems thereby adversely affecting our ability to operate efficiently. Any failure or disruption in the operation of these systems or the loss of data due to such failure or disruption (including due to human error or sabotage) may affect our ability to plan, track, record and analyse work in progress and sales, process financial information, meet business objectives based on IT initiatives such as product life cycle management, manage our creditors, debtors, manage payables and inventory or otherwise conduct our normal business operations, which may increase our costs and otherwise materially adversely affect our business, financial condition, results of operations and prospects.

43. *Our ability to pay dividends in the future will depend on our future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in our financing arrangements.*

The dividend distribution policy of our Company was approved and adopted by our Board on May 5, 2021. The dividend, if any, will depend on a number of factors, including but not limited to, our Company's profits after tax during a financial year as compared with previous years and internal budgets, cash flow position of our Company, accumulated reserves including the credit balance of profit and loss account, earnings stability, future cash requirements for organic growth or expansion and/ or for inorganic growth of our Company, current and future leverage, long term investments and capital expenditures. In addition, the dividend, if any, will also depend on a number of external factors including but not limited to business cycles, economic environment, cost of external financing, applicable taxes including tax on dividend, industry outlook for the future, inflation rates, changes in the government policies and business disruptions due to Acts of God.

We may retain all our future earnings, if any, for use in the operations and expansion of our business. The amounts declared as dividends in the past are not indicative of the dividend which may be declared by our Company, if any, in future. There is no guarantee that any dividends will be declared or paid in future. For details pertaining to the dividends declared and paid by our Company on the Equity Shares during Fiscal 2026, 2025 and 2024 and from April 1, 2026, till the date of this Preliminary Placement Document, see "**Dividends**" on page 87.

44. *Our Promoter and members of our Promoter Group will continue to hold a significant equity stake in our Company after the Issue and their interests may differ from those of the other shareholders.*

As of the date of this Preliminary Placement Document, our Promoter and Promoter Group beneficially held 48.70% of our total paid-up share capital prior to the Issue. After the completion of the Issue, our Promoter along with the members of Promoter Group will continue to collectively hold majority of the shareholding in our Company and will continue to exercise significant influence over our business policies and affairs and all matters requiring Shareholders' approval, including the composition of our Board, the adoption of amendments to our certificate of incorporation, the approval of mergers, strategic acquisitions or joint ventures or the sales of substantially all of our assets, and the policies for dividends, lending, investments and capital expenditure or any other matter requiring special resolution. This concentration of ownership also may delay, defer or even prevent a change in control of our Company and may make some transactions more difficult or impossible without the support of these stockholders. The interests of the Promoter as our controlling shareholders could conflict with our interests or the interests of our other shareholders. We cannot assure you that the Promoter will act to resolve any conflicts of interest in our favour and any such conflict may adversely affect our ability to execute our business strategy or to operate our business.

45. *Our Promoter, Chairman and Managing Director, Srinivasan Ravi, our Whole-time Director, Ravi Gauthamram, certain Key Managerial Personnel and members of Senior management hold Equity Shares in our Company and are therefore interested in our Company's performance in addition to their remuneration and reimbursement of expenses.*

Our Promoter, Chairman and Managing Director, Srinivasan Ravi and our Whole Time Director, Ravi Gauthamram, certain Key Managerial Personnel and members of the Senior Management are interested in our Company to the extent of their shareholding in our Company and the dividend entitlement received from our Company, in addition to the normal remuneration or benefits and reimbursement of expenses by our Company. For details regarding the Equity Shares held by our Promoter, Chairman and Managing Director, Srinivasan Ravi and our Whole Time Director, Ravi Gauthamram, Key Managerial Personnel and Senior Management, see, "**Board of Directors and Senior Management – Shareholding of our Directors**" and "**Board of Directors and Senior Management – Shareholding of Key Managerial Personnel and Senior Management**" on pages 130 and 133, respectively.

We cannot assure you that our Promoter, Chairman and Managing Director, Srinivasan Ravi, our Whole-time Director, Ravi Gauthamram or any other interested Director in the future, would always exercise their rights as Shareholders to the benefit and best interest of our Company. As a result, such Directors in the future may exercise significant control over our Company, including being able to control the composition of our Board of Directors and determine decisions requiring simple or special majority voting, and our other Shareholders may be unable to affect the outcome of such voting. Srinivasan Ravi or any other interested Director in the future may take or block actions with respect to our business, which may conflict with our best interests or the interests of other minority Shareholders, such as actions with respect to future capital raising or acquisitions. We cannot assure you that Srinivasan Ravi, Ravi Gauthamram or any other interested Director in the future will always act to resolve any conflicts of interest in our favour, thereby adversely affecting our business and results of operations and prospects.

46. *Certain non-GAAP measures and certain other statistical information relating to our operations and financial performance have been included in this Preliminary Placement Document. These non-GAAP measures are not measures of operating performance or liquidity defined by Ind AS and may not be comparable.*

Certain non-GAAP financial measures and certain other statistical information relating to our operations and financial performance such as Gross Profit, Gross Margin, EBITDA, EBITDA Margin, Average Capital Employed, Return on Average Capital Employed, Return on Equity, Net Debt, Net Debt to EBITDA, Debt to Equity Ratio, Net Worth and Interest Coverage Ratio have been included in this Preliminary Placement Document. We compute and disclose such non-GAAP financial measures and such other statistical information relating to our operations and financial performance as we consider such information to be useful measures of our business and financial performance and because such measures are frequently used by security analysts, investors and others to evaluate the operational performance of companies in our industry, many of which provide such non-GAAP.

These non-GAAP measures are not a measurement of our financial performance or liquidity under Ind AS and should not be considered in isolation or construed as an alternative to cash flows, profit/ (loss) for the years or any other measure of financial performance or as an indicator of our operating performance, liquidity, profitability or

cash flows generated by operating, investing or financing activities derived in accordance with Ind AS. In addition, these are not standardised terms, hence a direct comparison of these non-GAAP measures between companies may not be possible. Other companies may calculate these non-GAAP measures differently from us, limiting its usefulness as a comparative measure. These non-GAAP financial measures and other statistical and other information relating to our operations and financial performance may not be computed on the basis of any standard methodology that is applicable across the industry and therefore may not be comparable to financial measures and statistical information of similar nomenclature that may be computed and presented by other companies and are not measures of operating performance or liquidity defined by Ind AS and may not be comparable to similarly titled measures presented by other companies.

47. *In this Preliminary Placement Document, we have presented financial information for the years ended March 31, 2026, March 31, 2025 and March 31, 2024. These periods are not strictly comparable to each other.*

As part of our growth strategy, we completed a number of strategic acquisitions during Fiscal 2025, including:

- the acquisition of 76.00% of the equity share capital of DR Axion India Limited (“**DR Axion**”) *formerly known as DR Axion India Private Limited*) with effect from February 1, 2023, followed by the acquisition of the remaining 24.00% of its equity share capital on June 29, 2024, pursuant to which DR Axion became our wholly owned subsidiary with effect from July 1, 2024
- the acquisition of 100% of the share capital of Craftsman Germany GmbH, Germany along with its subsidiary, Craftsman Fronberg Guss GmbH, Germany, and consequently, both entities became our wholly owned subsidiaries with effect from July 22, 2024. On October 1, 2024, Craftsman Fronberg Guss GmbH acquired the assets of Fronberg Guss GmbH. In addition, Craftsman Germany GmbH acquired 100% of the equity stake of Craftsman Fronberg Guss Immobilien GmbH which became our Subsidiary with effect from October 1, 2024.
- the acquisition of 100% of the legal and beneficial interest of the total securities of Sunbeam Lightweighting Solutions Limited *(formerly known as Sunbeam Lightweighting Solutions Private Limited)*, pursuant to which it became our wholly owned Subsidiary with effect from October 9, 2024.
- the acquisition of 100% of the paid-up equity shares of Suprash Developers Private Limited and its wholly owned subsidiary Srikara Technologies Private Limited, through our Subsidiary DR Axion, on December 18, 2025.

As a result of the aforesaid, our audited consolidated financial statements as of and for the year ended March 31, 2026, March 31, 2025 and March 31, 2024 are not directly comparable with each other and therefore, the financial information included in this Preliminary Placement Document as at and for the year ended March 31, 2026, March 31, 2025 and March 31, 2024 is not comparable to each other. Investors should exercise caution while comparing our financial performance across these periods.

48. *Certain sections of this Preliminary Placement Document disclose information from the CRISIL Report which is a paid report and commissioned and paid for by us exclusively in connection with the Issue and any reliance on such information for making an investment decision in the Issue is subject to inherent risks.*

We have availed the services of an independent third-party research agency, Crisil Intelligence, appointed by our Company to prepare an industry report titled “**Studying the Automobile and Automotive Component business in India**” dated June 2026, for purposes of inclusion of such information in this Preliminary Placement Document to understand the industry in which we operate. Our Company, our Subsidiaries, our Promoter, and our Directors are not related to Crisil Intelligence. This Report has been commissioned by our Company exclusively in connection with the Issue for a fee. This CRISIL Report is subject to various limitations and based upon certain assumptions that are subjective in nature. Further the commissioned report is not a recommendation to invest or divest in our Company. The data included in the section “**Industry Overview**” on page 88 includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the Issue), that has been left out or changed in any manner. Prospective investors are advised not to unduly rely on the commissioned report or extracts thereof as included in this Preliminary Placement Document, when making their investment decisions.

49. *If we fail to maintain an effective system of internal controls, we may not be able to successfully manage or accurately report our financial risk.*

Effective internal controls are necessary for us to prepare reliable financial reports and effectively avoid fraud. Moreover, any internal controls that we may implement, or our level of compliance with such controls, may deteriorate over time, due to evolving business conditions. If internal control weaknesses are identified, our actions may not be sufficient to correct such internal control weakness. We cannot assure you that deficiencies in our internal controls will not arise in the future, or that we will be able to implement and continue to maintain adequate measures to rectify or mitigate any such deficiencies in our internal controls. Such instances may also adversely affect our reputation, thereby adversely impacting our business, cash flows, results of operations and financial condition.

50. *We propose to utilize the Net Proceeds to repay or prepay all or a portion of certain of our outstanding borrowings and towards general corporate purposes.*

We intend to use the net proceeds of the Issue, after meeting the expenditures of and related to the Issue, primarily for the repayment / pre-payment, in part or in full, of certain outstanding borrowings availed by our Company; and (ii) general corporate purposes. For further details, see “*Objects of the Issue and Use of Issue Proceeds*” on page 74. Further, the fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein in this Preliminary Placement Document are based on our current business plan, management estimates, prevailing market conditions and other commercial and technical factors, which are subject to change in the future. The fund requirement and deployment are based on internal management estimates and have not been appraised by any bank or financial institution. For details, see “*Objects of the Issue and Use of Issue Proceeds*” on page 74. Furthermore, as per the provisions of the SEBI ICDR Regulations, we are required to appoint a monitoring agency and therefore CRISIL Ratings Limited has been appointed as monitoring agency for the Issue. Various risks and uncertainties, such as economic trends and business requirements, competitive landscape, as well as general factors affecting our results of operations, financial condition and access to capital and including those set forth in this section, may limit or delay our efforts to use the net proceeds from the Issue.

51. *Our Company intends to utilize a portion of the Net Proceeds for prepayment or repayment of loans from an entity related to the Lead Manager.*

Axis Capital Limited is appointed as the Lead Manager to the Issue and is a wholly-owned subsidiary of our lender, Axis Bank Limited. We intend to utilize a portion of the Net Proceeds for prepayment of certain borrowings availed from Axis Bank Limited, which had a total outstanding amount of ₹ 36,264 lakhs as of May 31, 2026. Further, the loans sanctioned by Axis Bank Limited to our Company, is part of their ordinary course of lending business. However, on account of this relationship, Axis Capital Limited does not qualify as associate of our Company in terms of Regulations 21(A)(1) of the SEBI Merchant Bankers Regulations and read with Regulation 23(3) of the SEBI ICDR Regulations. Accordingly, we do not believe that there is any conflict of interest in terms of the SEBI Merchant Bankers Regulations, or any other applicable SEBI regulations. For further details, see “*Objects of the Issue and Use of Issue Proceeds – Repayment / pre-payment, in full or in part, of certain outstanding borrowings availed by our Company*” on page 75.

52. *Our Company may incur penalties or liabilities for non-compliance with certain provisions of the SEBI Listing Regulations.*

The Equity Shares of our Company are listed on BSE and NSE, therefore we are subject to the obligations and reporting requirements prescribed under the SEBI Listing Regulations. In the past, our Company failed to comply with the requirements of the SEBI Listing Regulations in a timely manner. For instance, our Company received an email dated November 21, 2022 from the BSE (“**Notice**”) alleging non-compliance with certain provisions of the SEBI Listing Regulations in relation to non-submission of the corporate governance report within the time period specified in the SEBI Listing Regulations and imposing a penalty of ₹1.60 lakhs (“**Penalty**”) on our Company. Our Company, pursuant to its letter dated November 30, 2022 and subsequent correspondence had requested the BSE and NSE to grant a waiver from payment of the Penalty. While our Company has been provided a waiver from payment of such Penalty pursuant to the e-mail correspondence dated May 22, 2024 and April 5, 2023 issued by BSE and NSE, respectively and our Company endeavours to comply with obligations and reporting requirements under the SEBI Listing Regulations going forward, there may be non-disclosures or delayed or erroneous disclosures or any other non-compliance in the future and the same may result in Stock Exchanges or SEBI imposing penalties, issuing warnings and show cause notices against us or taking actions as provided under the SEBI Act and rules and regulations made there under. Any such adverse regulatory action or development

could affect our business reputation, divert management attention, and result in an adverse effect on our business, results of operations, financial conditions and cash flows.

53. *Our funding requirements and the proposed deployment of Net Proceeds have not been appraised by any bank or financial institution or any other independent agency.*

We propose to utilise the Net Proceeds for the purposes described in “*Objects of the Issue and Use of Issue Proceeds*” on page 74. The funding requirements are based on internal management estimates and current conditions which are subject to changes due to external circumstances, costs, other financial conditions or business strategies. As a consequence of any increased costs, our actual deployment of funds may be higher than our management estimates and may place a burden on our finance plans. We may also face delays or incur additional costs due to failure to receive regulatory approvals, technical difficulties, human resource, technological or other resource constraints, or for other unforeseen reasons, events or circumstances. We may also use funds for future businesses which may have risks significantly different from what we currently face or may expect. Our proposed deployment of Net Proceeds has not been appraised by any bank or financial institution or any other independent agency and is based on management estimates. Various risks and uncertainties, including those set forth in this section, may limit or delay our efforts to use the Net Proceeds. Based on the competitive nature of our industry, we may have to revise our business plan and/ or management estimates from time to time and consequently our funding requirements may also change. Our internal management estimates may differ from the value that would have been determined by third party appraisals, which may require us to reschedule or reallocate our expenditure, subject to applicable laws. In case of increase in actual expenses or shortfall in requisite funds, additional funds for a particular activity will be met by any means available to us, including internal accruals and additional equity and/or debt arrangements, and may have an adverse impact on our business, financial condition, results of operations and cash flows. Further, the application of the Net Proceeds in our business may not lead to an increase in the value of your investment. Various risks and uncertainties, including those set forth in this section, may limit or delay our efforts to use the Net Proceeds to achieve profitable growth in our business.

54. *We have been unable to locate certain of our corporate records.*

We are unable to locate certain of our corporate records with respect to certain transfer of equity shares to our Promoter in the past, and certain forms filed with the RoC, in respect of increase in the authorized share capital of our Company. While we have conducted a search of our records, at our Company’s offices as well as that of the RoC, we have not been able to trace the aforementioned corporate records. Owing to the absence of such corporate records, we cannot assure that we will not be subject to risks arising from the unavailability of such corporate records. Although no legal proceedings or regulatory actions have been initiated or pending against us in relation to such untraceable secretarial and other corporate records and documents, we cannot assure you that such legal proceedings or regulatory actions will not be initiated against our Company in the future or we will not be subject to penalties imposed by regulatory authorities in this respect.

55. *The Fiscal 2026 Audited Consolidated Financial Statements are subject to shareholders’ approval.*

Pursuant to a resolution dated May 7, 2026, our Board approved the Fiscal 2026 Audited Consolidated Financial Statements. In terms of section 134(3) of the Companies Act, 2013, as amended, read with Rule 8 of the Companies (Accounts) Rules, 2014, as amended, a board report shall be prepared based on the reporting period which shall be placed before our Shareholders in a general meeting. Our Company, in due course, will hold its annual general meeting for the year ended March 31, 2026 and place the Fiscal 2026 Audited Consolidated Financial Statements before the Shareholders. The Fiscal 2026 Audited Consolidated Financial Statements, included in this Preliminary Placement Document shall be placed by the Board in the annual general meeting for adoption by the Shareholders.

External Risk Factors

56. *The cyclical and seasonal nature of automotive sales and production can adversely affect our business.*

The automobile industry has witnessed substantial changes in recent years, including, among others, continued consolidation, outsourcing, decreasing profit margins in certain segments, regulatory, shifts in production to low-cost manufacturing centres and technological changes.

Our Powertrain and Aluminium Products segments are directly related to our customers’ vehicle sales and production levels across various segments. Automotive sales and production are highly cyclical and depend on general economic conditions and other factors, including consumer spending and preferences as well as changes in interest rate levels, consumer confidence and fuel costs. For example, the recent growth in sales of electric

vehicles, which is currently more prevalent for personal vehicles, may shift towards commercial vehicles as well, thereby directly impacting our Powertrain and Aluminium Products segments. Our sales are also affected by inventory levels and production levels of automotive manufacturers. We cannot predict when manufacturers will decide to either build or reduce inventory levels or whether new inventory levels will approximate historical inventory levels. This may result in variability in our sales and financial condition. Uncertainty regarding inventory levels may be exacerbated by favourable consumer financing programs initiated by manufacturers, which may accelerate sales that would otherwise occur in future periods. In the past, we have experienced sales declines during the manufacturers' scheduled shutdowns or shutdowns resulting from unforeseen events. As we have high fixed production costs, even relatively modest declines in our customers' production levels and thus, our production volumes, can have a significant adverse impact on our profitability. In addition, lower global automotive sales during the global financial crisis resulted in substantially all automotive manufacturers lowering vehicle production schedules. There is no assurance that global automotive sales will continue to recover or not decrease further. Continued uncertainty and other unexpected fluctuations could have an adverse effect on our business, results of operations and financial condition.

The automobile industry is also subject to seasonal characteristics. Generally, demand for our products and aftermarket services increases during the automotive industry's spring selling season and decreases during the third quarter of each year due to the impact of scheduled OEM customer plant shutdowns in the summer for vacations and changeovers in production lines for new model years. Our customers may also suddenly increase their request for component volumes, which could cause lead time problems and lead to loss of revenue for our customers if we are unable to meet their demands. As a result our relationship with our customers may be impacted and our projects' sales may be adversely affected and result in loss of revenue and reduced margins. Any cancellation or delay in production could have an adverse effect on our sales projections and profitability.

In addition, the automotive component industry is sensitive to other factors beyond our control such as technological changes, cyclicalities and unforeseen events, including political instability, recession, inflation, further volatility in fuel prices and other adverse occurrences. Any such event that results in decreased demand in the automotive industry, or increased pressure on automobile manufacturers to develop, implement and maintain in-house automotive component facilities, could have an adverse effect on our business, results of operations and financial condition.

57. *Political, economic or other factors including but not limited to any changes in laws, rules and regulations and legal uncertainties that are beyond our control may have an adverse impact on our business, financial condition, results of operations and cash flows.*

The following external risks may have an adverse impact on our business, financial condition, results of operations and cash flows, should any of them materialize:

- increase in interest rates may adversely impact our access to capital and increase our borrowing costs, which may constrain our ability to grow our business and operate profitably;
- High rates of inflation may increase our employee costs and decrease demand for our products and services, which may have an adverse effect on our profitability and competitive advantage, to the extent that we are unable to pass on increased employee costs by increasing cost of our products and services;
- a downgrade of India's sovereign rating by international credit rating agencies may adversely impact our access to capital and increase our borrowing costs, which may constrain our ability to grow our business and operate profitably;
- a change in the trade policies, in terms of tariff and non-tariff barriers, in the countries from which we import raw materials and to which we export our products, may have an adverse effect on our profitability;
- a decline in India's foreign exchange reserves may affect liquidity and interest rates in the Indian economy as well as the valuation of the Indian Rupee, which may adversely impact our financial condition;
- political instability, resulting from a change in government or in economic and fiscal policies, may adversely affect economic conditions in India;
- the occurrence of natural or man-made disaster or epidemic or pandemic such as COVID-19 may

adversely affect economic conditions in India; and

- civil unrest, acts of violence, terrorist attacks, regional conflicts or situations or war, including recent geopolitical tensions and conflicts in the Middle East involving the United States, Israel and Iran, as well as disruptions to key global shipping routes such as the Strait of Hormuz, may adversely affect the financial markets, which may impact our business, financial condition, results of operations and cash flows;

Further, the Indian economy and financial markets are influenced by economic developments, market conditions and investor sentiment in other countries. Adverse economic developments, financial instability, market disruptions, geopolitical conflicts or liquidity constraints in global credit and capital markets may result in increased volatility in Indian financial markets, reduce the availability of capital and adversely affect investor confidence. Any such developments could adversely affect our business, financial condition, results of operations, cash flows and the market price of the Equity Shares.

Lastly, changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, which may adversely affect our business, results of operations, financial condition and prospects. Furthermore, recently, the Government of India has notified the Income-tax Act, 2025 (“ITA 2025”) to repeal and replace the erstwhile Income-tax Act, 1961 with effect from April 1, 2026. While the Government of India has stated that ITA 2025 does not introduce any policy changes and has primarily been enacted as a simplified, concise, and reader-friendly legislation, we cannot predict whether such simplification or changes in legislative language may give rise to interpretational issues. The Government of India enacted the Finance Act, 2026 with effect from April 1, 2026. We cannot predict whether the enactment of the ITA 2025, Finance Bill, 2026 or any future amendments to tax laws, rules, regulations or governmental policies therefrom may result in increased tax liabilities, compliance costs or other obligations, or otherwise have a bearing on our business, financial condition, results of operations or on the industry in which we operate. Investors are advised to consult their own tax advisors and to carefully consider the potential tax consequences of owning, investing or trading in the Equity Shares. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may affect the viability of our current business or restrict our ability to grow our business in the future.

58. *Significant differences exist between Ind AS and other accounting principles, such as U.S. GAAP and IFRS, which investors outside India may be more familiar with and may consider material to their assessment of our results of operations, financial condition and cash flows.*

Our Company prepares its annual financial statements in accordance with Ind AS, which differs in certain important aspects from U.S. GAAP, IFRS and other accounting principles with which prospective investors may be familiar in other countries. If our financial statements were to be prepared in accordance with such other accounting principles, our results of operations, financial condition and cash flows could be substantially different. Accordingly, the degree to which the financial statements prepared in accordance with Ind AS included in this Preliminary Placement Document will provide meaningful information is entirely dependent on the reader’s level of familiarity with Ind AS. Prospective investors should review the accounting policies applied in the preparation of the financial statements included in this Preliminary Placement Document and consult their own professional advisers for an understanding of the differences between these accounting policies and those with which they may be more familiar. Any reliance by persons not familiar with Ind AS on the financial information presented in this Preliminary Placement Document should accordingly be limited.

59. *If inflation were to rise in India, we might not be able to increase the prices of our products at a proportional rate in order to pass costs on to our customers thereby reducing our margins.*

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of wages and other expenses relevant to our business. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to adequately pass on to our customers, whether entirely or in part, and may adversely affect our business, results of operations, financial condition and cash flows. In particular, we might not be able to reduce our costs or increase the price of our products to pass the increase in costs on to our consumers. In such case, our business, results of operations, financial condition and cash flows may be adversely affected. Further, the GoI has previously initiated economic measures to combat high inflation rates, and it is unclear

whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

60. *Any downgrade of India's debt rating by international rating agencies could adversely affect our business.*

Our borrowing costs and our access to the debt capital markets depend significantly on the credit ratings of India. Any adverse revisions to credit ratings for India and other jurisdictions we operate in by international rating agencies may adversely impact our ability to raise additional financing. This could have an adverse effect on our ability to fund our growth on favourable terms and consequently adversely affect our business and financial performance and the price of the Equity Shares.

61. *Rights of shareholders of companies under Indian laws may be more limited than under the laws of other jurisdictions.*

Our Articles of Association, composition of our Board, Indian laws governing our corporate affairs, the validity of corporate procedures, directors' fiduciary duties, responsibilities and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights under Indian law may not be as extensive and wide-spread as shareholders' rights under the laws of other countries or jurisdictions. Investors may face challenges in asserting their rights as shareholder of our Company than as a shareholder of an entity in another jurisdiction.

62. *We may be subject to pre-emptive surveillance measures like Additional Surveillance Measure (ASM) and Graded Surveillance Measures (GSM) by the Stock Exchanges in order to enhance market integrity and safeguard the interest of investors.*

SEBI and Stock Exchanges in order to enhance market integrity and safeguard interest of investors, have been introducing various enhanced pre-emptive surveillance measures. The main objective of these measures is to alert and advice investors to be extra cautious while dealing in these securities and advice market participants to carry out necessary due diligence while dealing in these securities. Accordingly, SEBI and Stock Exchanges have provided for (a) GSM on securities where such trading price of such securities does not commensurate with financial health and fundamentals such as earnings, book value, fixed assets, net-worth, price per equity multiple and market capitalization; and (b) ASM on securities with surveillance concerns based on objective parameters such as price and volume variation and volatility.

We may be subject to general market conditions which may include significant price and volume fluctuations. The price of our Equity Shares may also fluctuate after the Issue due to several factors such as volatility in the Indian and global securities market, our profitability and performance, performance of our competitors, changes in the estimates of our performance or any other political or economic factor. The occurrence of any of the abovementioned factors may trigger the parameters identified by SEBI and the Stock Exchanges for placing securities under the GSM or ASM framework such as net worth and net fixed assets of securities, high low variation in securities, client concentration and close to close price variation.

In the event our Equity Shares are covered under such pre-emptive surveillance measures implemented by SEBI and the Stock Exchanges, we may be subject to certain additional restrictions in relation to trading of our Equity Shares such as limiting trading frequency (for example, trading either allowed once in a week or a month) or freezing of price on upper side of trading which may have an adverse effect on the market price of our Equity Shares or may in general cause disruptions in the development of an active market for and trading of our Equity Shares.

63. *We may be affected by competition laws in India, the adverse application or interpretation of which could adversely affect our business.*

The Competition Act, 2002, of India, as amended ("**Indian Competition Act**") regulates, inter alia, practices that are likely to have an appreciable adverse effect on competition ("**AAEC**") in the relevant market in India. Further, the Competition Commission of India has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an AAEC in India. Under the Indian Competition Act, any formal or informal arrangement, understanding or action in concert, which causes or is likely to cause an AAEC is considered void and may result in the imposition of substantial penalties. The Indian Competition Act also prohibits abuse of a dominant position by any enterprise. The Competition (Amendment) Act, 2023, passed by the Government of India on April 11, 2023, included several amendments to

the Indian Competition Act, such as introduction of deal value thresholds for assessing whether a merger or acquisition qualifies as a “combination,” expedited merger review timelines, codification of the lowest standard of “control” and enhanced penalties for providing false information or a failure to provide material information. Further, any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment or the provision of services or shares the market or source of production or provision of services in any manner, including by way of allocation of geographical area or number of consumers in the relevant market or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an AAEC and is considered void. The Competition Act also prohibits abuse of a dominant position by any enterprise. If it is proved that the contravention committed by a company took place with the consent or connivance or is attributable to any neglect on the part of, any director, manager, secretary or other officer of such company, that person shall be also guilty of the contravention and may be punished.

Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an AAEC in India. However, the impact of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage. In the event we pursue an acquisition in the future, we may be affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business, results of operations, cash flows and prospects. The manner in which the Competition Act and the CCI affect the business environment in India may also adversely affect our business, results of operations, financial condition and cash flows.

The Competition (Amendment) Act, 2023 (“**Competition Amendment Act**”) was recently notified. The Competition Amendment Act amends the Competition Act and gives the CCI additional powers to prevent practices that harm competition and the interests of consumers. The Competition Amendment Act, *inter alia*, modifies the scope of certain factors used to determine AAEC, reduces the overall time limit for the assessment of combinations by the CCI from 210 days to 150 days and empowers the CCI to impose penalties based on the global turnover of entities, for anti-competitive agreements and abuse of dominant position. The interpretation and application of the Competition Act, as amended, including the Competition Amendment Act and regulations framed thereunder, may continue to evolve. Any adverse application or interpretation of such laws, or any investigation, inquiry, enforcement action, penalty or other proceeding initiated by the CCI or any other competent authority, could adversely affect our business, results of operations, financial condition, cash flows and prospects.

64. *Investors may not be able to enforce a judgment of a foreign court against us, our Directors, the Lead Manager or any of their directors and executive officers in India respectively, except by way of a lawsuit in India.*

Our Company is a company incorporated under the laws of India and all of our Directors are located in India. A majority of our fixed assets and all of our Directors, Key Managerial Personnel and Senior Management are also located in India. As a result, it may not be possible for investors to effect service of process upon our Company or such persons in jurisdictions outside India, or to enforce judgments obtained against such parties outside India.

India has reciprocal recognition and enforcement of judgments in civil and commercial matters with a limited number of jurisdictions, which includes, the United Kingdom, Singapore and Hong Kong. A judgment from certain specified courts located in a jurisdiction with reciprocity must meet certain requirements of the Civil Code. The United States and India do not currently have a treaty providing for reciprocal recognition and enforcement of judgments in civil and commercial matters. Therefore, a final judgment for the payment of money rendered by any federal or state court in a non-reciprocating territory, such as the United States, for civil liability, whether or not predicated solely upon the general securities laws of the United States, would not be enforceable in India under the Civil Code as a decree of an Indian court. The United Kingdom, Singapore and Hong Kong have been declared by the Government of India to be reciprocating territories for purposes of Section 44A of the Civil Code. A judgment of a court of a country which is not a reciprocating territory may be enforced in India only by a suit on the judgment under Section 13 of the Civil Code, and not by proceedings in execution. Section 13 of the Civil Code provides that foreign judgments shall be conclusive regarding any matter directly adjudicated on except (i) where the judgment has not been pronounced by a court of competent jurisdiction, (ii) where the judgment has not been given on the merits of the case, (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or refusal to recognize the law of India in cases to which such law is applicable, (iv) where the proceedings in which the judgment was obtained were opposed to natural justice, (v) where the judgment has been obtained by fraud or (vi) where the judgment sustains a claim founded on a

breach of any law then in force in India. Under the Civil Code, a court in India shall, on the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record. The Civil Code only permits the enforcement of monetary decrees, not being in the nature of any amounts payable in respect of taxes, other charges, fines or penalties. Judgments or decrees from jurisdictions which do not have reciprocal recognition with India cannot be enforced by proceedings in execution in India. Therefore, a final judgment for the payment of money rendered by any court in a non-reciprocating territory for civil liability, whether or not predicated solely upon the general laws of the non-reciprocating territory, would not be enforceable in India. Even if an investor obtained a judgment in such a jurisdiction against us, our officers or directors, it may be required to institute a new proceeding in India and obtain a decree from an Indian court. However, the party in whose favor such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in the United States or other such jurisdiction within three years of obtaining such final judgment. It is unlikely that an Indian court would award damages on the same basis as a foreign court if an action is brought in India. Moreover, it is unlikely that an Indian court would award damages to the extent awarded in a final judgment rendered outside India if it believes that the amount of damages awarded were excessive or inconsistent with Indian practice. In addition, any person seeking to enforce a foreign judgment in India is required to obtain the prior approval of the RBI to repatriate any amount recovered. For details on recognition and enforcement of foreign judgments in India, see “*Enforcement of Civil Liabilities*” on page 21.

Risks in Relation to the Equity Shares and the Issue

65. *We cannot guarantee that the Equity Shares issued pursuant to the Issue will be listed on the Stock Exchanges in a timely manner, or at all.*

In accordance with Indian law and practice, after our Board or committee passes the resolution to allot the Equity Shares but prior to crediting such Equity Shares into the Depository Participant accounts of the QIBs, we are required to apply to the Stock Exchanges for listing and trading approvals. After receiving the listing and trading approvals from the Stock Exchanges, our Company shall credit the Equity Shares into the Depository Participant accounts of the respective QIBs and apply for the final listing and trading approvals from the Stock Exchanges. Approval for listing and trading will require all relevant documents authorising the issuing of Equity Shares to be submitted. There could be a failure or delay in obtaining these approvals from the Stock Exchanges, which in turn could delay the listing of the Equity Shares on the Stock Exchanges. Any failure or delay in obtaining these approvals would restrict an investor’s ability to dispose of their Equity Shares.

Investors can start trading the Equity Shares allotted to them in the Issue only after they have been credited to an investor’s demat account, are listed and are permitted to trade. Since the Equity Shares are currently traded on the Stock Exchanges, investors will be subject to market risk from the date they pay for the Equity Shares to the date when trading approval is granted for the same.

Further, we cannot assure you that the Equity Shares allocated to an investor will be credited to the investor’s demat account, that listing and trading approvals will be issued by the Stock Exchanges in a timely manner, or at all, or that trading in the Equity Shares will commence in a timely manner, or at all. In accordance with applicable Indian laws and regulations and the requirements of the Stock Exchanges, in principle and final approvals for the listing and trading of the Equity Shares to be issued pursuant to the Issue will not be applied for by us or granted by the Stock Exchanges until after such Equity Shares have been issued and allotted by us on the Closing Date. If there is a failure or a delay in obtaining such approvals, we may not be able to credit the Equity Shares allotted to you to your Depository Participant account or assure ownership of such Equity Shares by you in any manner promptly after the Closing Date or at all. In any such event, your ownership over the Equity Shares allotted to you and your ability to dispose of any such Equity Shares may be restricted. For further information on issue procedure, see “*Issue Procedure*” on page 144.

66. *Your ability to acquire and sell Equity Shares offered in the Issue is restricted by the distribution, solicitation and transfer restrictions set forth in this Preliminary Placement Document; you will be prohibited from selling any of the Equity Shares subscribed in this Issue other than on a recognised Indian stock exchange for a period of one year from the date of the allotment of the Equity Shares.*

No actions have been taken to permit an offering of the Equity Shares offered in the Issue in any jurisdiction, except for India. As such, your ability to acquire Equity Shares offered in the Issue is restricted by the distribution and solicitation restrictions set forth in “*Selling Restrictions*” on page 160. Further, the Equity Shares offered in the Issue are subject to restrictions on transferability and resale. Pursuant to the SEBI ICDR Regulations, QIBs will be prohibited from selling any of the Equity Shares subscribed in this Issue other than on a recognised Indian

stock exchange for a period of one year from the date of the allotment of the Equity Shares. For further information, see “**Transfer Restrictions and Purchaser Representations**” on page 168. You are required to inform yourself on, and observe, these restrictions. Our Company and its representatives and agents will not be obligated to recognise any acquisition, transfer or resale of the Equity Shares offered in the Issue made other than in compliance with applicable law.

67. *Any future issuance of Equity Shares could dilute the holdings of investors and could adversely affect the market price of the Equity Shares.*

Our Company may be required to finance our future growth through additional equity offerings. Any future issuance of Equity Shares by our Company could dilute investors’ holdings and could adversely affect the market price of the Equity Shares. In addition, any future issuances of Equity Shares, sales by any significant shareholder or a perception in the market that such issuance or sale may occur, could adversely affect the trading price of the Equity Shares. Such securities may also be issued at a price below the then current trading price of the Equity Shares. These sales could also impair our Company’s ability to raise additional capital from the sale of Equity Shares. Our Company cannot assure you that it will not issue further Equity Shares or that the shareholders will not dispose of, pledge or otherwise encumber their Equity Shares.

68. *After this Issue, the price of the Equity Shares may be volatile, which could result in substantial losses for investors acquiring the Equity Shares in this Issue.*

The Issue Price will be determined by our Company, in consultation with the Lead Manager, based on Bids received in compliance with Chapter VI of the SEBI ICDR Regulations, and it may not necessarily be indicative of the market price of the Equity Shares after this Issue is completed. The price at which the Equity Shares will trade at after the Issue will be determined by the marketplace and may be influenced by many factors, including:

- our results of operations, financial condition and cash flows;
- the history of and prospects for our business;
- an assessment of our management, our past and present operations and the prospects for, as well as timing of, our future revenues and cost structures;
- the valuation of publicly traded companies that are engaged in business activities similar to ours;
- quarterly variations in our results of operations;
- results of operations that vary from the expectations of securities analysts and investors;
- results of operations that vary from those of our competitors;
- changes in expectations as to our future financial condition, including financial estimates by research analysts and investors;
- a change in research analysts’ recommendations;
- announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments;
- announcements of significant claims or proceedings against us;
- new laws and government regulations that directly or indirectly affect our business;
- changes in interest rates;
- fluctuations in stock market prices and volume; and
- general economic conditions.

The Indian stock markets have, from time to time, experienced significant price and volume fluctuations that have affected market prices for the securities of Indian companies. As a result, investors in the Equity Shares may

experience a decrease in the value of the Equity Shares regardless of our results of operations, financial condition or cash flows.

69. *Foreign investors are subject to certain investment restrictions under Indian law, which may adversely impact the trading price of the Equity Shares.*

A company based in India may issue equity instruments to a person resident outside India subject to entry routes, sectoral caps and attendant conditions prescribed in the FEMA Rules. Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the requirements specified by the RBI. If the transfer of shares is not in compliance with such requirements or falls under any of the specified exceptions, then prior approval of the RBI will be required.

Further, in accordance with the Consolidated FDI Policy dated October 15, 2020 and the Press Note No. 2 (2026 Series), dated March 15, 2026, issued by the Department for Promotion of Industry and Internal Trade, Government of India, investments where the beneficial owner of the equity shares is situated in or is a citizen of a country which shares land border with India, or where the beneficial owner of an investment into India is a citizen of any such country, can only be made through the Government approval route. These investment restrictions shall also apply to subscribers of offshore derivative instruments. In addition, shareholders who seek to convert the Indian Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no-objection or tax clearance certificate from the income tax authority. Additionally, the Indian government may impose foreign exchange restrictions in certain emergency situations, including situations where there are sudden fluctuations in interest rates or exchange rates, where the Indian government experiences extreme difficulty in stabilizing the balance of payments or where there are substantial disturbances in the financial and capital markets in India.

These restrictions may require foreign investors to obtain the Indian government's approval before acquiring Indian securities or repatriating the interest or dividends from those securities or the proceeds from the sale of those securities. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

70. *There are restrictions on daily movements in the price of the Equity Shares, which may adversely affect a Shareholder's ability to sell, or the price at which a Shareholder can sell, the Equity Shares at a particular point in time.*

The Equity Shares are subject to a daily circuit breaker imposed on listed companies by the Stock Exchanges in India, which does not allow transactions beyond a certain level of volatility in the price of the Equity Shares. This circuit breaker operates independently of the index-based, market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on our Company's circuit breaker applicable to the Equity Shares is set by the Stock Exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The Stock Exchanges may change the percentage limit of the circuit breaker from time to time without our Company's knowledge. This circuit breaker would effectively limit the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, we cannot assure you regarding the ability of Shareholders to sell the Equity Shares or the price at which Shareholders may be able to sell their Equity Shares - which may be adversely affected at a particular point in time. For further details, see "*The Securities Market of India*" on page 170.

71. *Fluctuations in the exchange rate between the Rupee and other currencies could have an adverse effect on the value of the Equity Shares in those currencies, independent of our operating results.*

The Equity Shares are quoted in Rupees on the Stock Exchanges. Any adverse movement in currency exchange rates during the time it takes to undertake such conversion may reduce the net dividends to investors. Fluctuations in the exchange rate between the foreign currencies with which an investor may have purchased Rupees may affect the value of the investment in the Equity Shares. Specifically, if there is a change in relative value of the Rupee to a foreign currency, each of the following values will also be affected:

- the foreign currency equivalent of the Rupee trading price of the Equity Shares in India;
- the foreign currency equivalent of the proceeds that you would receive upon the sale in India of any of the Equity Shares; and

- the foreign currency equivalent of cash dividends, if any, on the Equity Shares, which will be paid only in Rupees.

In addition, any adverse movement in currency exchange rates during a delay in repatriating the proceeds from a sale of Equity Shares outside India, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares, may reduce the net proceeds received by investors. The exchange rates between the Rupee and other currencies (including the U.S. dollar, the Euro, the pound sterling, the Hong Kong dollar and the Singapore dollar) have changed substantially in the last two decades and could fluctuate substantially in the future, which may have an adverse effect on the value of the Equity Shares and returns from the Equity Shares in foreign currency terms, independent of our operating results. You may be unable to convert Rupee proceeds into a foreign currency of your choice, or the rate at which any such conversion could occur could fluctuate. In addition, our Company's market valuation could be seriously harmed by a devaluation of the Rupee if investors in jurisdictions outside India analyses its value based on the relevant foreign currency equivalent of our Company's results of operations, financial condition and cash flows.

72. *Investors may be subject to Indian taxes arising out of capital gains and stamp duty on the sale of the Equity Shares.*

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company is generally taxable in India. A securities transaction tax ("STT") is levied on equity shares sold on an Indian stock exchange. Any capital gain exceeding ₹100,000, realized on the sale of listed equity shares on a recognised stock exchange, held for more than 12 months may be subject to long-term capital gains tax in India at the specified rates depending on certain factors, such as STT is paid, the quantum of gains and any available treaty exemptions. Accordingly, you may be subject to payment of long-term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India.

Capital gains arising from the sale of the Equity Shares will not be chargeable to tax in India in cases where relief from such taxation in India is provided under a treaty between India and the country of which the seller is resident read with the Multilateral Instrument, if and to the extent applicable, and the seller is entitled to avail benefits thereunder. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain realised upon the sale of the Equity Shares.

73. *Bidders are not allowed to withdraw their Bids or revise their Bids downwards after the Bid/ Issue Closing Date.*

In terms of the SEBI ICDR Regulations, Bidders are not allowed to withdraw their Bids or revise their Bids downwards after the Bid/ Issue Closing Date. The Allotment of Equity Shares in this Issue and the credit of such Equity Shares to an Allottee's demat account with the depository participant could take approximately seven to ten Working Days from the Bid/ Issue Closing Date. However, we cannot assure that adverse changes in the international or national monetary, financial, political or economic conditions or other events in the nature of force majeure, adverse changes in our business, results of operation, financial condition and cash flows, or other events affecting the Bidder's decision to invest in the Equity Shares would not arise between the Bid/ Issue Closing Date and the date of the Allotment of Equity Shares in the Issue. The occurrence of any such events after the Bid/ Issue Closing Date could also adversely impact the market price of the Equity Shares. Bidders shall not have the right to withdraw their Bids or revise their Bids downwards in the event of any such occurrence. Our Company may complete the Allotment of the Equity Shares even if such events may limit the Allottees' ability to sell the Equity Shares after the Issue or cause the trading price of the Equity Shares to decline.

74. *Holders of Equity Shares may be restricted in their ability to exercise pre-emptive rights under Indian law and could thereby suffer future dilution of their ownership position.*

Under the Companies Act, a company having share capital and incorporated in India must offer holders of its Equity Shares pre-emptive rights to subscribe and pay for a proportionate number of shares to maintain their existing ownership percentages prior to the issuance of any new Equity Shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the Equity Shares who have voted on such a resolution. If our Company offers to the Shareholders rights to subscribe for additional Equity Shares or any right of any other nature, our Company will have discretion as to the procedure to be followed in

making the rights available to our Shareholders or in disposing of the rights for the benefit of our Company's Shareholders and making the net proceeds available to the Shareholders. Our Company may choose not to offer the rights to Shareholders having an address outside India. Consequently, our Company cannot assure Shareholders that they will be able to maintain their proportional interests in the Equity Shares. Shareholders will be unable to exercise their pre-emptive rights if the law of the jurisdiction in which they are located prohibits the sale of the Equity Shares without first filing an offering document or registration statement, unless we make such a filing. We may elect not to file a registration statement in relation to pre-emptive rights otherwise available to Shareholders by Indian law. To the extent that Shareholders are unable to exercise the pre-emptive rights granted to them in respect to the Equity Shares, they may suffer future dilution of their ownership position and their proportional interests in us would be reduced.

MARKET PRICE INFORMATION

As on the date of this Preliminary Placement Document, 23,85,55,583 Equity Shares have been issued, subscribed and are fully paid up. The face value of our Equity Shares is ₹5 per equity share. The Equity Shares are listed and are available for trading on BSE and NSE.

On June 12, 2026, the closing price of the Equity Shares on BSE and NSE was ₹ 8,887.35 and ₹ 8,917.50 per Equity Share, respectively. The tables below set out, for the periods indicated, the high, low and average closing prices and the trading turnover on NSE and BSE for our Equity Shares.

- A.** The following tables set out the reported high, low and average of the closing prices of our Equity Shares on NSE and BSE and number of Equity Shares traded on the days on which such high and low prices were recorded and the total trading turnover for the Fiscals 2026, 2025 and 2024:

NSE

Fiscal	High (₹)	Date of high	No. of Equity Shares traded on date of high	Total Turnover of Equity Shares traded on date of high (₹ in lakhs)	Low (₹)	Date of low	No. of Equity Shares traded on date of low	Total Turnover of Equity Shares traded on date of low (₹ in lakhs)	Average price for the year (₹)	Total Volume of Equity Shares traded in the fiscal (in number)	Total Turnover of Equity Shares traded in the Fiscals (₹ in lakhs)
Fiscal 2026	8,119.00	February 11, 2026	119,344	9,594.54	4,290.50	April 09, 2025	19,157	822.29	6,516.03	12,924,206	8,45,907.94
Fiscal 2025	6,604.55	September 25, 2024	705,129	47,375.91	3,933.05	February 14, 2025	24,433	955.65	5,052.47	18,303,313	9,54,530.73
Fiscal 2024	5,429.15	December 22, 2023	27,398	1,492.67	3,014.75	April 10, 2023	42,450	1,281.97	4,380.93	10,657,781	4,67,799.09

(Source: www.nseindia.com)

1. High, low and average prices are based on the daily closing prices.
2. In the case of a year, average represents the average of the closing prices of all trading days of each year presented.
3. In case of two days with the same high or low price, the date with the higher volume has been chosen.

BSE

Fiscal	High (₹)	Date of high	No. of Equity Shares traded on date of high	Total Turnover of Equity Shares traded on date of high (₹ in lakhs)	Low (₹)	Date of low	No. of Equity Shares traded on date of low	Total Turnover of Equity Shares traded on date of low (₹ in lakhs)	Average price for the year (₹)	Total Volume of Equity Shares traded in the fiscals (in number)	Total Turnover of Equity Shares traded in the Fiscals (₹ in lakhs)
Fiscal 2026	8,119.25	February 11, 2026	53,179	4,259.31	4,292.75	April 09, 2025	1,246	53.39	6,514.06	1,050,959	73,417.39
Fiscal 2025	6,608.95	September 25, 2024	14,587	976.01	3,928.60	February 14, 2025	2,862	112.12	5,051.78	785,205	40,804.51
Fiscal 2024	5,423.00	December 22, 2023	2,430	132.18	3,016.35	April 10, 2023	1,981	59.73	4,381.34	594,421	25,996.60

(Source: www.bseindia.com)

1. High, low and average prices are based on the daily closing prices.
2. In the case of a year, average represents the average of the closing prices of all trading days of each year presented.
3. In case of two days with the same high or low price, the date with the higher volume has been chosen.

- B.** The following tables set out the reported high and low closing prices of our Equity Shares recorded on NSE and BSE and the number of Equity Shares traded on the days on which such high and low prices were recorded and the volume of Equity Shares traded in each of the last six months preceding this Preliminary Placement Document:

NSE

Month	High (₹)	Date of high	No. of Equity Shares traded on date of high	Total Turnover of Equity Shares traded on date of high (₹ in lakhs)	Low (₹)	Date of low	No. of Equity Shares traded on date of low	Total Turnover of Equity Shares traded on date of low (₹ in lakhs)	Average price for the month (₹)	Equity Shares traded in the month volume	Turnover (₹ in lakhs)
May, 2026	9,074.00	May 29, 2026	135,231	12,263.99	7,679.00	May 04, 2026	26,936	2,090.32	8,517.29	5,448,609	4,85,568.71
April 2026	7,750.50	April 29, 2026	33,814	2,595.06	6,744.50	April 07, 2026	15,096	1,014.44	7420.08	620,828	45,828.71
March 2026	7,667.50	March 02, 2026	67,491	5,090.68	6,546.50	March 23, 2026	33,079	2,173.39	7100.37	802,146	56,513.70
February 2026	8,119.00	February 11, 2026	119,344	9,594.54	7,397.50	February 01, 2026	16,048	1,179.22	7816.83	902,042	70,480.72

Month	High (₹)	Date of high	No. of Equity Shares traded on date of high	Total Turnover of Equity Shares traded on date of high (₹ in lakhs)	Low (₹)	Date of low	No. of Equity Shares traded on date of low	Total Turnover of Equity Shares traded on date of low (₹ in lakhs)	Average price for the month (₹)	Equity Shares traded in the month volume	Turnover (₹ in lakhs)
January 2026	8,021.50	January 06, 2026	47,112	3,773.20	7,198.50	January 23, 2026	20,339	1,489.90	7643.33	997,384	76,457.90
December 2025	7,689.50	December 31, 2025	433,578	33,275.52	6,909.00	December 08, 2025	33,936	2,388.22	7,086.73	1,254,497	91,576.53

(Source: www.nseindia.com)

1. High, low and average prices are based on the daily closing prices.
2. In the case of a year, average represents the average of the closing prices of all trading days of each month presented.
3. In case of two days with the same high or low price, the date with the higher volume has been chosen.

BSE

Month	High (₹)	Date of high	No. of Equity Shares traded on date of high	Total Turnover of Equity Shares traded on date of high (₹ in lakhs)	Low (₹)	Date of low	No. of Equity Shares traded on date of low	Total Turnover of Equity Shares traded on date of low (₹ in lakhs)	Average price for the month (₹)	Equity Shares traded in the month volume	Turnover (₹ in lakhs)
May, 2026	9,084.05	May 29, 2026	5,899	533.41	7,679.30	May 04, 2026	1,222	94.90	8,516.68	527,361	47,064.36
April 2026	7,756.70	April 23, 2026	11,677	893.48	6,737.80	April 07, 2026	539	36.23	7,417.45	113,828	8,696.30
March 2026	7,672.90	March 02, 2026	1,574	118.46	6,523.90	March 23, 2026	1,669	109.55	7,097.71	38,536	2,712.82
February 2026	8,119.25	February 11, 2026	53,179	4,259.31	7,428.55	February 01, 2026	3,493	258.54	7,813.20	112,005	8,685.52
January 2026	8,014.05	January 06, 2026	2,807	224.23	7,206.40	January 23, 2026	912	67.46	7,641.75	150,749	11,563.41
December 2025	7,655.35	December 31, 2025	80,584	6,129.58	6,901.50	December 08, 2025	1,043	73.25	7,082.83	255,542	18,574.76

(Source: www.bseindia.com)

1. High, low and average prices are based on the daily closing prices.
2. In the case of a year, average represents the average of the closing prices of all trading days of each month presented.
3. In case of two days with the same high or low price, the date with the higher volume has been chosen.

C. The following table sets forth the market price of our Equity Shares on NSE and BSE on May 18, 2026, the first working day following the approval of our Board for the Issue:

NSE						BSE					
Open (₹)	High (₹)	Low (₹)	Close (₹)	Number of Equity Shares traded	Turnover (₹ in lakhs)	Open (₹)	High (₹)	Low (₹)	Close (₹)	Number of Equity Shares traded	Turnover (₹ in lakhs)
8,472.50	8,499.00	8,242.50	8,428.50	38,689	3,247.48	8,411.55	8,499.95	8,250.00	8,424.95	28,798	2,410.42

(Source: www.nseindia.com and www.bseindia.com)

OBJECTS OF THE ISSUE AND USE OF ISSUE PROCEEDS

The Gross Proceeds from the Issue aggregate to ₹ [●] lakhs. Subject to compliance with applicable laws, the net proceeds from the Issue, after deducting fees, commissions, and the estimated expenses of the Issue of approximately ₹ [●] lakhs, shall be approximately ₹ [●] lakhs (the “**Net Proceeds**”).

Objects of the Issue

Subject to compliance with applicable laws and regulations, our Company intends to use the Net Proceeds to finance the following:

1. Repayment / pre-payment, in full or in part, of certain outstanding borrowings availed by our Company; and
2. General corporate purposes.

(collectively, referred to as the “**Objects**”).

Requirement of Fund

The Net Proceeds are proposed to be used in accordance with the details provided in the following table:

(in ₹ lakhs)		
S. No.	Particulars	Amount
1.	Repayment / pre-payment, in full or in part, of certain outstanding borrowings availed by our Company	Up to [●]
2.	General corporate purposes*^	Up to [●]
	Total^	[●]

* The amount to be utilised for general corporate purposes will not exceed 25% of the Gross Proceeds.

^ To be determined upon finalisation of the Issue Price and updated in the Placement Document.

The main objects and objects incidental and ancillary to the main objects of the memorandum of association of our Company enable us to undertake (i) existing activities, and (ii) the activities proposed to be funded from the Net Proceeds.

In the event of a change in the final Issue size, the amounts shown in the table above against each of the use of proceeds specified therein shall be modified basis the final Issue size in the Placement Document.

Proposed schedule of implementation and deployment of Net Proceeds

We propose to deploy the Net Proceeds towards the Objects in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below.

(in ₹ lakhs)			
Sr. No.	Particulars	Amount to be funded from Net Proceeds	Estimated amount to be deployed from the Net Proceeds in Fiscal 2027
1.	Repayment /pre-payment, in full or in part, of certain outstanding borrowings availed by our Company	Up to [●]	Up to [●]
2.	General corporate purposes *^	Up to [●]	Up to [●]
	Total Net Proceeds^	[●]	[●]

* The amount to be utilised for general corporate purposes will not exceed 25% of the Gross Proceeds.

^ To be determined upon finalisation of the Issue Price and updated in the Placement Document.

The fund requirements, the deployment of funds and the intended use of the Net Proceeds as described herein are based on our internal management estimates, prevailing market conditions, operating plans and the growth strategies of our Company and other commercial factors and other agreements entered into by our Company and our Subsidiaries, which are subject to change in the future. However, such fund requirements and deployment of funds have not been appraised by any bank, or financial institution. For details, see “**Risk Factors - Our funding requirements and the proposed deployment of Net Proceeds have not been appraised by any bank or financial institution or any other independent agency.**” on page 62.

We may have to revise our funding requirements and deployment on account of a variety of factors such as our financial and market condition, business and strategy, competition and other external factors such as changes in

the business environment and interest or exchange rate fluctuations, which may not be within the control of our management and obtaining necessary approvals/ consents, as applicable, in accordance with applicable law. This may entail rescheduling or revising the planned expenditure, implementation schedule and funding requirements, including the planned expenditure for a particular purpose, at the discretion of our management, subject to compliance with applicable law. Subject to applicable law, if the actual utilisation towards the Objects is lower than the proposed deployment, such balance will be utilised (in part or full) in subsequent periods, as determined by us, in accordance with applicable law.

In case of a shortfall in raising requisite capital from the Net Proceeds, business considerations may require us to explore a range of options including utilising our internal accruals and seeking additional debt from existing and future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls.

Details of Objects

1. Repayment / pre-payment, in full or in part, of certain outstanding borrowings availed by our Company

We avail fund-based and non-fund-based facilities in the ordinary course of business from various banks and financial institutions. The borrowing arrangements entered into by us include, *inter alia*, term loans and working capital facilities. As of May 31, 2026, our borrowings were ₹ 3,21,557 lakhs, on standalone basis. We propose to utilise a portion of the Net Proceeds aggregating up to ₹ [●] lakhs for repayment and / or pre-payment, in full or in part, of certain outstanding borrowings availed by our Company. The borrowings to be prepaid and/or repaid, will be selected based on a range of various factors, including (i) cost of the borrowing, including applicable interest rates, (ii) any conditions attached to the borrowings restricting our ability to repay and/or pre-pay the borrowings and time taken to fulfil, or obtain waivers for the fulfilment of, such conditions, (iii) levy of any prepayment penalties and the quantum thereof, (iv) provisions of any laws, rules and regulations governing such borrowings, and (v) other commercial considerations including, among others, the amount of the loan outstanding and the remaining tenor of the loan.

Further, the outstanding amounts under these borrowings as well as the sanctioned limits are dependent on several factors and may vary with our business cycle with multiple intermediate repayments, drawdowns and enhancement of sanctioned limits. Accordingly, we may utilise the Net Proceeds for part prepayment of any such facilities. Furthermore, pursuant to the terms of the borrowing arrangements, pre-payment of certain indebtedness may attract pre-payment charges as prescribed by the respective lender. Such pre-payment charges, as applicable, will also be funded out of the Net Proceeds and/or internal accruals.

We believe that such repayment and/or pre-payment of certain loans by utilizing the Net Proceeds will help reduce our outstanding indebtedness and our guarantee obligations. Further, it will reduce our debt-servicing costs and improve our debt equity ratio and credit ratings, and enable utilisation of our accruals for further investment in our business growth and expansion. Additionally, we believe that the since our debt-equity ratio and credit ratings will improve, it will enable us to raise further capital at competitive rates in the future to fund potential business development opportunities and plans to grow and expand our business in the future.

If any of the below mentioned loans are repaid or refinanced or if any additional credit facilities are availed or drawn down or further disbursements under the existing facilities that are availed by our Company, then our Company may utilise the Net Proceeds for prepayment / repayment of any such refinanced facilities or repayment of any additional facilities / disbursements obtained by our Company. However, the aggregate amount to be utilised from the Net Proceeds towards the repayment / prepayment, in part or in full, of certain of our outstanding loans will not exceed ₹ [●] lakhs.

To the extent required, our Company has obtained necessary consents from the lenders of these borrowings as per the requirements under the borrowing arrangements.

Details of utilization

Given the nature of these borrowings and the terms of repayment and/or pre-payment, the aggregate outstanding borrowing amounts may vary from time to time, however the aggregate amount to be utilised from the Net Proceeds towards repayment and/ or pre-payment of the borrowings in full or part shall not exceed ₹ [●] lakhs. The details of certain outstanding borrowings availed by our Company, proposed for repayment or pre-payment, in full or in part, from the Net Proceeds are set forth below:

S. No.	Name of the lender	Date of the sanction letter / Loan Agreement	Nature of the borrowing	Sanctioned amount (in ₹ lakhs)	Amount outstanding as at May 31, 2026 (in ₹ lakhs)	Interest rate % (p.a.) as at May 31, 2026	Tenor/ Repayment Schedule	Prepayment Penalty	Purpose
1	International Finance Corporation	May 29, 2018	Term loan	21,600 (USD 30 million)	4,385* (USD 4.62 million)	8.67%	13 half yearly instalments	A prepayment premium to be paid consisting of an amount in the loan currency equal to: (a) 2% of the amount to be prepaid if prepayment is made after the no prepayment period but or on before the third anniversary of the first disbursement and; (b) 1% of the amount to be prepaid if the prepayment is made after the third anniversary of the first disbursement and but on or before the fifth anniversary of the first disbursement and; (c) 0% if prepayment made after fifth anniversary of first disbursement	Capital expenditure
2	Export - Import Bank of India	August 29, 2022	Term loan	13,000	7,042	6.83%	24 quarterly instalments	Option to pre pay the loan in the event of non-acceptance of higher interest rate without any prepayment In other circumstance prepayment upon banks discretion including 1% premium payment.	Capital expenditure
3	Federal Bank Limited	October 21, 2022	Term loan	12,500	7,292	6.95%	24 quarterly instalments	As mutually agreed	Capital Expenditure
4	State Bank of India	November 12, 2023	Term Loan	10,000	6,098	8.25%	72 monthly instalments	No prepayment penalty if paid from internal accruals/ equity infusion, otherwise 2% of the prepaid amount to be paid.	Capital Expenditure
5	Indian Bank	January 24, 2024	Term Loan	10,000	4,259	8.30%	54 monthly instalments	Nil	Capital Expenditure
6	Axis Bank Limited [#]	May 15, 2024	Term Loan	10,000	4,641	6.90%	26 quarterly instalments	1. Prepayment after the Moratorium period of 6 months, if paid out of internal sources accepted without prepayment charges 2. The amount prepaid shall be adjusted as per	Capital Expenditure

S. No.	Name of the lender	Date of the sanction letter / Loan Agreement	Nature of the borrowing	Sanctioned amount (in ₹ lakhs)	Amount outstanding as at May 31, 2026 (in ₹ lakhs)	Interest rate % (p.a.) as at May 31, 2026	Tenor/ Repayment Schedule	Prepayment Penalty	Purpose
								request, not in the inverse order of maturity 3. Any amount prepaid shall not be redrawn	
7	HDFC Bank Limited	June 20, 2023	Term Loan	12,500	7,292	6.67%	24 quarterly instalments	As mutually agreed	Capital Expenditure
8	Bajaj Finance Limited	August 16, 2024	Term Loan	5,000	3,000	9.05%	20 quarterly instalments	No prepayment allowed during moratorium period. Nil charges if repaid after moratorium period. 30 days advance notice to be provided for any pre-payment	General purpose corporate loan
9	Indian Overseas Bank	March 6, 2024	Term Loan	10,000	6,631	8.00%	72 monthly instalments	Prepayment is subject to recovery of charges at the discretion of the Bank. However no prepayment penalty are levied in the past.	Capital Expenditure
10	Federal Bank Limited	June 21, 2024	Term Loan	20,000	13,421	7.05%	24 quarterly instalments	Nil if closed by own funds, 2% if closed by way of takeover	Capital Expenditure
11	Axis Bank Limited [#]	May 15, 2024	Term Loan	10,000	9,167	7.05%	26 quarterly instalments	1. Prepayment after the Moratorium period of 6 months, if paid out of internal sources accepted without prepayment charges 2. The amount prepaid shall be adjusted as per request, not in the inverse order of maturity 3. Any amount prepaid shall not be redrawn	Capital Expenditure
12	Kotak Mahindra Bank Limited	September 10, 2024	Term Loan	15,000	10,824	7.50%	72 monthly instalments	For floating rate loans: Charge of 2% p.a not exceeding 2% on the outstanding loan amount. Nil prepayment charges for term loans prepaid after the moratorium period of 12 months	For purchase of plant and machinery/ land and building/ capacity expansion/ reimbursement of capex for assets capitalized in the last 12 months from the date of sanction
13	Bajaj Finance Limited	August 16, 2024	Term Loan	15,000	10,500	8.60%	20 quarterly instalments	No prepayment allowed during moratorium period. Nil charges if repaid after moratorium period.	General purpose corporate loan

S. No.	Name of the lender	Date of the sanction letter / Loan Agreement	Nature of the borrowing	Sanctioned amount (in ₹ lakhs)	Amount outstanding as at May 31, 2026 (in ₹ lakhs)	Interest rate % (p.a.) as at May 31, 2026	Tenor/ Repayment Schedule	Prepayment Penalty	Purpose
								30 days advance notice to be provided for any pre-payment	
14	IndusInd Bank Limited	December 17, 2024	Term Loan	10,000	8,850	7.03%	24 quarterly instalments	Nil Charges if the proceeds for prepayment are from internal accruals/ fresh capital issue	Working Capital Term Loan
15	State Bank of India	October 4, 2024	Term Loan	20,000	16,300	7.90%	24 quarterly instalments	2.00% of the prepaid amount Levy of 1% Pre-payment charges on "Loans prepaid out of higher cash accruals from the project/ equity infusion by promoters". Exemptions: Pre-payment charges will not be levied on the following cases a) In case payment has been made out of cash sweep (cash accruals/ Insurance proceeds) b) Payment at instance of lenders	Capital Expenditure
16	HDFC Bank Limited	January 2, 2025	Term Loan	20,000	19,942	7.30%	20 quarterly instalments	1. Nil, if preclosed/ foreclosed with own accruals with 30 day prior notice 2. 2% if pre-closed/foreclosed by way of takeover by other banks and/or other scenarios 3. Pre-closure/foreclosure not allowed for initial 2 years of the loan	Capital Expenditure
17	Axis Bank Limited [#]	July 10, 2025	Term Loan	15,000	14,956	7.30%	24 Quarterly instalments	1. Prepayment after moratorium period of 12 months, if paid out of internal sources accepted without prepayment charges 2. The amount prepaid shall be adjusted as per the request, not in the inverse order of maturity	Capital Expenditure
18	IDBI Bank Limited	August 21, 2025	Term Loan	15,000	14,978	7.65%	24 Quarterly instalments	Nil if paid through internal accruals and as per bank guidelines if taken over by other banks	Capital Expenditure
19	Karnataka Bank Limited	September 24, 2025	Term Loan	15,000	13,496	7.55%	25 Quarterly instalments	Pre-Closure/Foreclosure charges of 2% shall be charged only in case takeover of liabilities by other banks. Such charge shall be calculated based on the balance outstanding	Capital Expenditure
20	Indian Bank	July 28, 2025	Term Loan	20,000	20,000	7.90%	72 monthly instalments	Nil	Capital Expenditure
21	State Bank of India	February 10, 2026	Term Loan	20,000	20,000	7.85%	24 Quarterly instalments	2.00% of the prepaid amount The prepayment charges are not applicable where the loans is prepaid by the borrowers from internal cash accruals/ equity infusions	Shoring up of net working capital.

S. No.	Name of the lender	Date of the sanction letter / Loan Agreement	Nature of the borrowing	Sanctioned amount (in ₹ lakhs)	Amount outstanding as at May 31, 2026 (in ₹ lakhs)	Interest rate % (p.a.) as at May 31, 2026	Tenor/ Repayment Schedule	Prepayment Penalty	Purpose
22	State Bank of India	September 15, 2025	Term Loan	10,000	6,452	7.90%	24 Quarterly instalments	2.00% of the prepaid amount Levy of 1% Pre-payment charges on "Loans prepaid out of higher cash accruals from the project/ equity infusion by promoters". Exemptions: Pre-payment charges will not be levied on the following cases a) In case payment has been made out of cash sweep (cash accruals/ Insurance proceeds) b) Payment at instance of lenders	Capital Expenditure
23	Yes Bank Limited	March 26, 2026	Term Loan	30,000	-	-	24 Quarterly instalments	2% if pre-paid from sources other than internal accruals/Grant. Nil, if prepaid from equity/internal accruals/subordinated debt.	Capital Expenditure
Total (A)				3,39,600	2,29,526				
24	RBL Bank Limited	March 10, 2026	Working Capital	10,000	9,950@	6.75%	Repayable on Demand	Nil	Working Capital Requirements
25	State Bank of India	September 15, 2025	Working Capital	26,500	20,000	6.50%	Repayable on Demand	2.00% of the pre-paid amount. Levy of 1% pre-payment charges on "Loans prepaid out of higher cash accruals from the project/equity infusion by promoters". 2% of the "Outstanding Amount" incase of being taken over. Exemptions: Pre-payment charges will not be levied in the following cases: a. In case payment has been made out of cash sweep (cash accruals)/Insurance proceeds. b. Payment at the instance of lenders.	Working Capital Requirements
26	Indian Bank	January 23, 2026	Working Capital	10,000	10,000	7.00%	Repayable on Demand	Nil	Working Capital Requirements
27	Yes Bank Limited	October 7, 2025	Working Capital	17,500	8,000	7.00%	Repayable on Demand	Nil	Working Capital Requirements
28	Kotak Mahindra Bank Limited	November 3, 2025	Working Capital	6,000	4,000	6.85%	Repayable on Demand	Nil	Working Capital Requirements

S. No.	Name of the lender	Date of the sanction letter / Loan Agreement	Nature of the borrowing	Sanctioned amount (in ₹ lakhs)	Amount outstanding as at May 31, 2026 (in ₹ lakhs)	Interest rate % (p.a.) as at May 31, 2026	Tenor/ Repayment Schedule	Prepayment Penalty	Purpose
29	Axis Bank Limited [#]	July 10, 2025	Working Capital	7,500	7,500	6.70%	Repayable on Demand	Nil	Working Capital Requirements
30	HDFC Bank Limited	August 26, 2025	Working Capital	20,000	9,581	6.95% to 8.25%	Repayable on Demand	NIL if prepaid from own accruals. 2% of amount prepaid if closed by way of takeover.	Working Capital Requirements
31	Federal Bank Limited	November 3, 2025	Working Capital	8,500	8,000	7.00%	Repayable on Demand	Nil in case of closed by internal accruals, 2% in case of limit taken over by other Banks/FLs	Working Capital Requirements
32	IDBI Bank Limited	August 21, 2025	Working Capital	10,000	10,000	6.80% to 8.05%	Repayable on Demand	Nil	Working Capital Requirements
33	Shinhan Bank	March 13, 2026	Working Capital	5,000	5,000	6.75%	Repayable on Demand	Nil	Working Capital Requirements
34	Standard Chartered Bank	October 17, 2025	Working Capital	6,000	-	-	Repayable on Demand	Break cost and prepayment fees of 2% on the amount to be prepaid.	Working Capital Requirements
35	IndusInd Bank Limited	February 20, 2026	Working Capital	4,000	-	-	Repayable on Demand	Nil	Working Capital Requirements
36	Mizuho Bank	December 22, 2025	Working Capital	6,500	-	-	Repayable on Demand	Nil	Working Capital Requirements
Total (B)				1,37,500	92,031				
Total (A+B)				4,77,100	3,21,557				

Notes:

*Exchange rate considered as on May 31, 2026 - USD 1 = ₹ 95.01

@Comprises ₹ 9,000 lakhs and USD 1 million. Exchange rate considered as on May 31, 2026 - USD 1 = ₹ 95.01

[#]Axis Capital Limited is appointed as the Lead Manager to the Issue and is a wholly-owned subsidiary of our lender, Axis Bank Limited. However, on account of this relationship, Axis Capital Limited does not qualify as associate of our Company in terms of Regulations 21(A)(1) of the SEBI Merchant Bankers Regulations and read with Regulation 23(3) of the SEBI ICDR Regulations. Further, the loans sanctioned by Axis Bank Limited to our Company, are a part of their ordinary course of lending business. Accordingly, we do not believe that there is any conflict of interest in terms of the SEBI Merchant Bankers Regulations or any other applicable SEBI regulations. For further details, see “**Risk Factors – Our Company intends to utilize a portion of the Net Proceeds for prepayment or repayment of loans from an entity related to the Lead Manager.**” on page 61.

2. General Corporate Purpose

The Net Proceeds will first be utilized towards the Objects as set out above and in compliance with the circular bearing reference no. NSE/ CML/2022/56 dated December 13, 2022, issued by NSE and circular no. 20221213-47 dated December 13, 2022, issued by BSE. Subject to this, our Company intends to deploy any balance Net Proceeds towards general corporate purposes, and the business requirements of our Company, as approved by our management, from time to time, subject to such utilization for general corporate purposes not exceeding 25% of the Gross Proceeds, aggregating to ₹ [●] lakhs, in compliance with applicable laws. Such general corporate purposes may include, but are not restricted to meeting fund requirements which our Company may face in the ordinary course of business, strategic initiatives, partnerships, tie ups, meeting exigencies and expenses, and other expenses, make payments towards vendors and any other purpose as may be decided by our management, from time to time, subject to compliance with the necessary provisions of the Companies Act, 2013.

If the Net Proceeds are not completely utilised for the purposes stated hereinabove by such periods due to factors such as (i) economic and business conditions; (ii) increased competition; (iii) delay in construction or procuring equipment; (iv) receiving the necessary approvals; and (v) other commercial considerations, the same would be utilised (in part or full) in the subsequent periods as may be decided by our management, in accordance with applicable laws.

The use of proceeds indicated hereinabove is based on management estimates, current circumstances of our business and the prevailing market conditions, which are subject to change in the future, and have not been appraised by any bank or financial institution or any other independent agency. Subject to applicable law, our management will have flexibility in deploying the Net Proceeds. We may have to revise our funding requirements and deployment from time to time on account of various factors such as financial condition, business strategy and external factors such as market conditions including the competitive environment and interest or exchange rate fluctuations, increase in input costs of construction materials and labour costs, logistics and transport costs, incremental pre-operative expenses, taxes and duties, interest and finance charges, engineering procurement and construction costs, working capital margin, regulatory costs, environmental factors and other external factors which may not be within the control of our management. This may entail rescheduling the proposed utilisation of the Net Proceeds and changing the allocation of funds from its planned allocation at the discretion of our management.

Monitoring of utilisation of funds

Pursuant to Regulation 173A of the SEBI ICDR Regulations, our Company has appointed CRISIL Ratings Limited, a credit rating agency registered with the SEBI, as the monitoring agency (“**Monitoring Agency**”) by way of an agreement dated June 15, 2026, as the size of our Issue exceeds ₹10,000 lakhs. The Monitoring Agency shall submit its report to our Company in the format specified in Schedule XI of the SEBI ICDR Regulations on a quarterly basis, till 100% of the Gross Proceeds of the Issue have been utilised. The Board of Directors and the management of our Company will provide their comments on the findings of the Monitoring Agency as specified in Schedule XI. Our Company shall, within 45 days from the end of each quarter, upload the report of the Monitoring Agency on our website and also submit the same to the Stock Exchanges.

Pursuant to Regulation 32(3) of the SEBI Listing Regulations, our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Gross Proceeds. On an annual basis, our Company shall (i) prepare a statement of funds utilised for purposes other than those stated in this Preliminary Placement Document and place it before the Audit Committee and make other disclosures as may be required until such time as the Gross Proceeds remain unutilised; and (ii) disclose every year, the utilization of the Gross Proceeds during that year in its annual report. Such disclosure shall be made only until such time that all the Gross Proceeds have been utilised in full. The report of the Monitoring Agency shall be placed before our Audit Committee on a quarterly basis, promptly upon its receipt.

Furthermore, in accordance with Regulation 32(1) of the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the actual utilisation of the proceeds of the Issue from the Objects, as stated above; and (ii) details of category wise variations in the actual utilisation of the proceeds of the Issue from the Objects, as stated above. This information will also be published on our website simultaneously with the interim or annual financial results and explanation for such variation (if any) will be included in our Director’s report, after placing the same before the Audit Committee.

Interim use of Net Proceeds

Pending utilisation of the Net Proceeds towards the purposes described in this section, our Company intends to deposit the Net Proceeds in one or more scheduled commercial banks included in the Second Schedule of the Reserve Bank of India Act, 1934 or to temporarily invest the funds in creditworthy instruments, including money market / mutual funds, as approved by the Board and/or a duly authorised committee of the Board, from time to time, and in accordance with applicable laws. Such investments would be in accordance with the investment policies as approved by our Board from time to time and applicable laws.

Other confirmations

In accordance with applicable laws, we undertake to not utilize proceeds from the Issue unless Allotment is made and the corresponding return of Allotment is filed with the RoC and final listing and trading approvals are received from each of the Stock Exchanges. The Net Proceeds shall be kept by our Company in a separate bank account with a scheduled bank and shall be utilised as approved by our Board and/ or a duly authorised committee of our Board, from time to time only for such purposes, as permitted under the Companies Act, 2013 prescribed Objects as disclosed above and other applicable laws.

Our Company's management will have flexibility in deploying the Net Proceeds received by our Company from the Issue in accordance with applicable laws.

Subject to applicable laws, our Board shall determine the quantum of Net Proceeds to be deployed by our Company from the Issue, depending on business opportunities or requirements of our Company from time to time.

Neither of our Promoter, members of the Promoter Group nor our Directors are making any contribution either as part of the Issue or separately in furtherance of the Objects.

Further, neither our Promoter nor members of our promoter group nor our Directors shall receive any proceeds from the Issue, whether directly or indirectly. Since the Issue is only made to Eligible QIBs, our Promoters, members of the Promoter Group, Directors, Key Managerial Personnel or Senior Management were not eligible to subscribe to the Issue.

CAPITALIZATION STATEMENT

The following table sets forth the capitalization statement of our Company, on a consolidated basis, as of March 31, 2026 which is derived from the Audited Consolidated Financial Statements and adjusted to give effect to the receipt of the Gross Proceeds of the Issue.

This table should be read in conjunction with “**Risk Factors**”, and other financial information contained in the “**Financial Information**” beginning on pages 38 and 189, respectively.

(in ₹ lakhs, except ratios)

Particulars	Pre-Issue (as of March 31, 2026)	Amount after considering the Issue (i.e., Post Issue) ^{*##^}
Non-Current Borrowings (including current maturities)	2,72,308	[●]
Current Borrowings	61,755	[●]
Total Borrowings (A)	3,34,063	[●]
Equity Share Capital	1,193	[●]
Other Equity	3,25,213	[●]
Total Equity (B)	3,26,406	[●]
Total Capitalisation (A+B)	6,60,469	[●]
Ratio: Non-Current Borrowings/Total Equity (B)	0.83	[●]
Ratio: Total Borrowings (A)/ Total Equity (B)	1.02	[●]

^{*} Will be finalised upon determination of the Issue Price.

[#] Adjustments do not include Issue related expenses.

[^] As adjusted to reflect the number of Equity Share issued pursuant to the Issue.

CAPITAL STRUCTURE

The share capital of our Company, as of the date of this Preliminary Placement Document, is set forth below.

Particulars	Aggregate nominal value (in ₹)
A) AUTHORISED SHARE CAPITAL	
4,00,00,000 Equity Shares of face value of ₹5 each	20,00,00,000
B) ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL BEFORE THE ISSUE	
2,38,55,583 Equity Shares of face value of ₹5 each	11,92,77,915
C) PRESENT ISSUE IN TERMS OF THIS PRELIMINARY PLACEMENT DOCUMENT	
Up to [●] Equity Shares of face value of ₹5 each aggregating to ₹[●] lakhs ⁽¹⁾	[●]
D) ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL AFTER THE ISSUE	
[●] Equity Shares of face value of ₹5 each	[●]
E) SECURITIES PREMIUM ACCOUNT	
Before the Issue (as on the date of this Preliminary Placement Document)	14,60,08,83,966
After the Issue ⁽²⁾	[●]

⁽¹⁾ The Issue has been authorised and approved by our Board of Directors pursuant to its resolution passed on May 16, 2026. Subsequently, our Shareholders have authorised and approved the Issue through a special resolution on June 13, 2026.

⁽²⁾ To be determined upon finalisation of the Issue Price. The securities premium account after the Issue is calculated on the basis of Gross Proceeds.

Equity Share capital history of our Company

Notes to Capital Structure:

1. Share Capital History

(a) History of equity share capital of our Company

The following table sets forth the history of the equity share capital of our Company.

Date of issue / allotment	No. of equity shares	Face value (₹)	Issue price per equity share (₹)	Nature of consideration	Reason/ Nature of allotment
July 18, 1986	303	100	100	Cash	Subscription to the MoA ⁽¹⁾
March 29, 1989	1,697	100	100	Cash	Further issue ⁽²⁾
March 31, 1992	3,000	100	100	Cash	Further issue ⁽³⁾
March 31, 1997	20,000	100	100	Cash	Further issue ⁽⁴⁾
March 31, 2000	35,000	100	100	Cash	Further issue ⁽⁵⁾
March 31, 2004	25,000	100	100	Cash	Further issue ⁽⁶⁾
March 26, 2007	95,000	100	100	Cash	Further issue ⁽⁷⁾
March 26, 2007	2,25,000	100	N.A.	N.A.	Bonus issue ⁽⁸⁾
September 20, 2010	66,263	100	6,791.12	Cash	Further issue ⁽⁹⁾
August 2, 2012	89,100	100	9,548.80	Cash	Further issue ⁽¹⁰⁾
August 21, 2012	14,540	100	9,548.80	Cash	Further issue ⁽¹¹⁾
December 21, 2017	4,31,177	100	N.A.	N.A.	Bonus issue ⁽¹²⁾
Pursuant to the resolutions passed by our Board of Directors on March 30, 2018 and our Shareholders on April 30, 2018, the face value of the Equity Shares was sub-divided from ₹100 per equity share to ₹5 per Equity Share. Accordingly, the issued, subscribed and paid-up Equity Share capital of our Company being 10,06,080 equity shares of ₹100 each was sub-divided into 2,01,21,600 Equity Shares of ₹5 each.					
March 22, 2021	10,06,711	5	1,490	Cash	Allotment pursuant to an initial public offering
June 21, 2024	27,27,272	5	4,400	Cash	Allotment under qualified institutions placement
Total	2,38,55,583				

⁽¹⁾ Subscription of 101 equity shares by Srinivasan Ravi, 101 equity shares by Ramesh Muthuramalingam and 101 equity shares by Sridhar Kumarasamy, being the initial subscribers to the MoA.

⁽²⁾ Allotment of 247 equity shares to Srinivasan Ravi, 300 equity shares to S. Manoranjitham, 250 equity shares to S. Murali, 300 equity shares to Chithra Ravi, 300 equity shares to Chitra Murali and 300 equity shares to S. Santhiavalliammal.

⁽³⁾ Allotment of 1,150 equity shares to Ramesh Muthuramalingam, 250 equity shares to Chithra Ravi, 250 equity shares to Chitra Murali, 900 equity shares to K. Gomatheswaran, 250 equity shares to Anandhi Ramesh and 200 equity shares to. Thulasiammal.

⁽⁴⁾ Allotment of 4,550 equity shares to Srinivasan Ravi, 3,250 equity shares to Govinda Swamy Srinivasan, 2000 equity shares to S.

- Manoranjitham, 4,850 equity shares to S. Murali, 700 equity shares to Chithra Ravi, 400 equity shares to Chitra Murali, 3,250 equity shares to K. Gomatheswaran and 1,000 equity shares to S. Santhiavalliammal.
- (5) Allotment of 16,100 equity shares to Srinivasan Ravi, 4,000 equity shares to Govinda Swamy Srinivasan, 5,250 equity shares to S. Manoranjitham, 7,500 equity shares to S. Murali, 500 equity shares to Chitra Murali, 1,000 equity shares to K. Gomatheswaran and 650 equity shares to Chithra Ravi.
- (6) Allotment of 8,600 equity shares to Srinivasan Ravi, 875 equity shares to Ramesh Muthuramalingam, 1,735 equity shares to Govinda Swamy Srinivasan, 2,135 equity shares to S. Manoranjitham, 7,860 equity shares to S. Murali, 690 equity shares to Chithra Ravi, 495 equity shares to Chitra Murali, 2,435 equity shares to K. Gomatheswaran and 175 equity shares to Anandhi Ramesh.
- (7) Allotment of 78,245 equity shares to Srinivasan Ravi, 6,540 equity shares to S. Murali and 10,215 equity shares to K. Gomatheswaran.
- (8) Bonus issue to all existing shareholders of our Company in the ratio of five equity shares for every four equity shares held, by way of capitalization of a portion of existing reserves, authorised by our Shareholders through a resolution passed at the EGM dated March 7, 2007. 1,68,750 equity shares allotted to Srinivasan Ravi, 33,750 equity shares allotted to S. Murali and 22,500 equity shares allotted to K. Gomatheswaran.
- (9) Allotment of 66,263 equity shares to IFC.
- (10) Allotment of 89,100 equity shares to Standard Chartered Private Equity (Mauritius) II Limited. Subsequently, the equity shares were transferred to Marina, pursuant to a deed of adherence dated March 17, 2017.
- (11) Allotment of 14,540 equity shares to IFC.
- (12) Bonus issue to all existing shareholders of our Company in the ratio of three equity shares for every four equity shares held, by way of capitalization of a portion of existing reserves, authorised by our Shareholders through a resolution passed at the EGM dated December 11, 2017. 2,27,812 equity shares allotted to Srinivasan Ravi, 45,563 equity shares allotted to S. Murali, 30,375 equity shares allotted to K. Gomatheswaran, 60,602 equity shares allotted to IFC and 66,825 equity shares allotted to Marina.

Preference Shares

As on the date of this Preliminary Placement Document, there are no outstanding preference shares.

Employee Stock Option Plan

As on the date of this Preliminary Placement Document, our Company does not have an employee stock option scheme.

Proposed Allottees in the Issue

In compliance with the requirements of Chapter VI of the SEBI Regulations, Allotment shall be made by our Company, in consultation with the Lead Manager, to Eligible QIBs only, on a discretionary basis. For details of the names of the proposed Allottees, and the percentage of post-Issue capital that may be held by them, please see “**Details of Proposed Allottees**” beginning on page 192.

Pre-Issue and post-Issue shareholding pattern

The following table provides the pre-Issue shareholding pattern as of March 31, 2026 and the post-Issue shareholding pattern:

Sr. No.	Category	Pre-Issue [#]		Post-Issue*	
		No. of Equity Shares held	% of shareholding	No. of Equity Shares held	% of shareholding [#]
A. Promoter / Promoter Group holding					
1.	Indian				
	Individual	1,16,18,013	48.70	[●]	[●]
	Bodies corporate	-	-	[●]	[●]
2.	Foreign	-	-	[●]	[●]
	Sub-Total (A)	1,16,18,013	48.70	[●]	[●]
B. Public holding					
1.	Institutional investors	1,03,71,971	43.48		
2.	Non- Institutional investors	18,65,599	7.82		
	Sub - Total (B)	1,22,37,570	51.30	[●]	[●]
	Grand Total (A+B)	2,38,55,583	100	[●]	[●]

*The post-Issue shareholding pattern has been intentionally left blank and will be filled in the Placement Document.

[#] Note: Based on the beneficiary position data of our Company as of March 31, 2026.

Other confirmations

- a. There are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into Equity Shares as on the date of this Preliminary Placement Document.

- b. The Promoter, the Directors, the members of the Senior Management and the Key Managerial Personnel of our Company do not intend to participate in the Issue.
- c. There will be no change of control of our Company pursuant to the Issue.
- d. Our Company has not made any allotment of Equity Shares or preference shares, including for consideration other than cash, in the one year immediately preceding the date of filing of this Preliminary Placement Document.
- e. Our Company shall not make any subsequent qualified institutions placement until the expiry of two weeks from the date of the Issue. Further, Equity Shares allotted pursuant to the Issue cannot be sold by the Allottee for a period of one year from the date of Allotment, except on the Stock Exchanges.
- f. Our Equity Shares have been listed for a period of at least one year prior to the date of the issuance of the notice to convene the meeting of our Shareholders, i.e. June 13, 2026, for approving the Issue.

DIVIDENDS

The declaration and payment of dividends on our Equity Shares, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of our Articles of Association and the applicable laws including Companies Act, 2013 together with the applicable rules issued thereunder. Our Board may also, from time to time, declare interim dividends. For further information, see “*Description of the Equity Shares*” beginning on page 175.

The dividend distribution policy of our Company was approved and adopted by our Board on May 5, 2021. We may retain all our future earnings, if any, for use in the operations and expansion of our business. The amounts declared as dividends in the past are not indicative of the dividend which may be declared by our Company, if any, in future. There is no guarantee that any dividends will be declared or paid in future. Investors are cautioned not to rely on past dividends as an indication of future performance of our Company or for an investment in the Equity Shares offered in the Issue. The dividend, if any, will depend on a number of factors, including but not limited to, our Company’s profits after tax during a financial year as compared with previous years and internal budgets, cash flow position of our Company, accumulated reserves including the credit balance of profit and loss account, earnings stability, future cash requirements for organic growth or expansion and/ or for inorganic growth of our Company, current and future leverage, long term investments and capital expenditures. In addition, the dividend, if any, will also depend on a number of external factors including but not limited to business cycles, economic environment, cost of external financing, applicable taxes including tax on dividend, industry outlook for the future, inflation rates, changes in the government policies and business disruptions due to act of god.

Further, our shareholders may not expect dividend in certain circumstances including but not limited to an event of growth opportunity where our Company may be required to allocate a significant amount of capital or higher working capital is required for business operations or otherwise, inadequacy of cashflow available for distribution, inadequacy or absence of profits and allocation of internal accruals to tide over business disruptions. For details in relation to risks involved in this regard, see “*Risk Factors - Our ability to pay dividends in the future will depend on our future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in our financing arrangements.*” on page 58.

The dividends (including interim dividend, if any) declared and paid by our Company on the Equity Shares from April 1, 2026, till the date of this Preliminary Placement Document and during Fiscals 2026, 2025 and 2024 are as follows:

Particulars	April 1, 2026 till the date of this Preliminary Placement Document	Fiscal 2026	Fiscal 2025	Fiscal 2024
No. of Equity Shares	2,38,55,583	2,38,55,583	2,11,28,311	2,11,28,311
Face value per share (in ₹)	5	5	5	5
Aggregate Dividend (in ₹ lakhs)	Nil	1,193 ⁽¹⁾	2,377 ⁽²⁾	2,377 ⁽³⁾
Dividend per share (in ₹)	Nil	5	11.25	11.25
Rate of dividend (%)	N.A.	100	225	225
Mode of Payment	N.A.	Electronic	Electronic	Electronic

(1) Includes unpaid dividend of Rs. 0.07 lakhs as on the date of this Preliminary Placement Document

(2) Includes unpaid dividend of Rs. 0.30 lakhs as on the date of this Preliminary Placement Document

(3) Includes unpaid dividend of Rs. 0.55 lakhs as on the date of this Preliminary Placement Document

The Equity Shares to be issued in connection with the Issue shall qualify for all dividends, including interim dividend, if any, that is declared, and record date thereof occurs after Allotment.

INDUSTRY OVERVIEW

Unless otherwise indicated, industry and market data used in this section has been derived from industry report titled “**Studying the Automobile and Automotive Component business in India**” dated June 2026 (the “**CRISIL Report**”) prepared and issued by Crisil Intelligence (“**Crisil Intelligence**”), and exclusively commissioned and paid for by us to understand the industry in which we operate in connection with the Issue. Unless otherwise indicated, financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular calendar year/ Fiscal refers to such information for the relevant calendar year/ Fiscal. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors must rely on their independent examination of, and should not place undue reliance on, or base their investment decision solely on this information. The recipient should not construe any of the contents of the CRISIL Report as advice relating to business, financial, legal, taxation or investment matters and are advised to consult their own business, financial, legal, taxation, and other advisors concerning the transaction. While preparing the report, Crisil Intelligence has also sourced information from publicly available sources, including our Company’s financial statements available publicly. The data included herein includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the Issue), that has been left out or changed in any manner in the section.

For more information, see “**Risk Factors – Certain sections of this Preliminary Placement Document disclose information from the CRISIL Report which is a paid report and commissioned and paid for by us exclusively in connection with the Issue and any reliance on such information for making an investment decision in the Issue is subject to inherent risks.**” on page 60. Also see, “**Industry and Market Data**” on page 17.

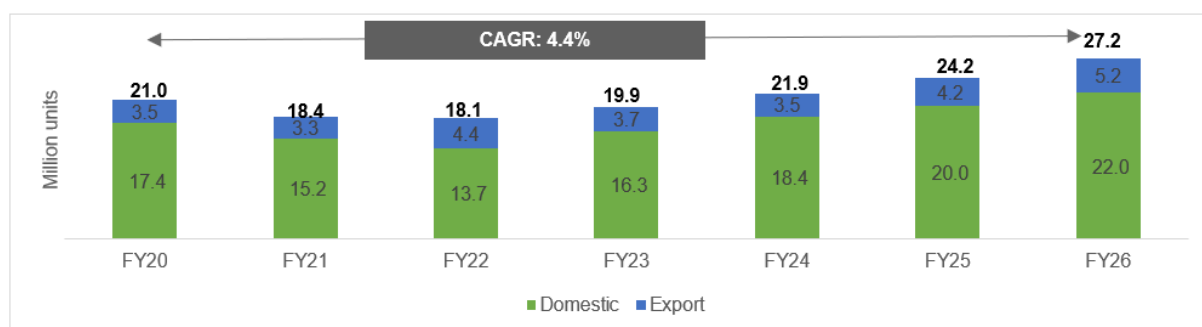
Review and outlook of automotive industry

Review and outlook of Indian two-wheeler Industry

Review of domestic two-wheeler industry

The total (sales and exports combined) two-wheeler industry grew at a CAGR of 4.4% between Fiscal 2020 to Fiscal 2026 and reached a volume of 27.2 million in Fiscal 2026. Domestic sales, which contribute more than 80% of the total sales of the industry, witnessed growth at 4.0% CAGR while the smaller exports segment clocked a faster 6.7% growth off the low base.

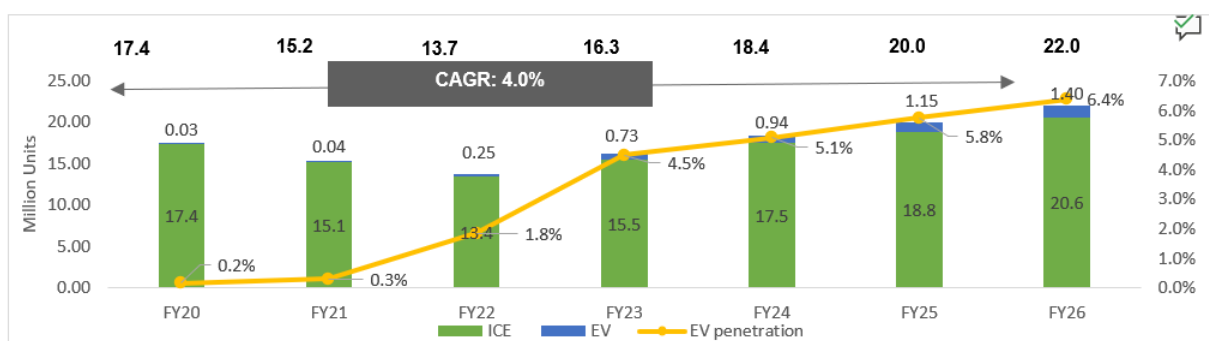
Domestic sales and exports of two-wheeler (Fiscal 2020 – Fiscal 2026)



Note: Data for ICE and EVs are the retail data based on Vahan; Exports are based on the SIAM reported numbers.
Source: SIAM, VAHAN, CRISIL Intelligence

During Fiscal 2026, domestic sales clocked healthy y-o-y growth of 10% reaching 22.0 million units, supported by GST 2.0 led price rationalization. On the other hand, exports clocked a steep 23% y-o-y growth.

Domestic two-wheeler ICE-EV sales split trend (ICE vs EV)



Source: SIAM, VAHAN, CRISIL Intelligence

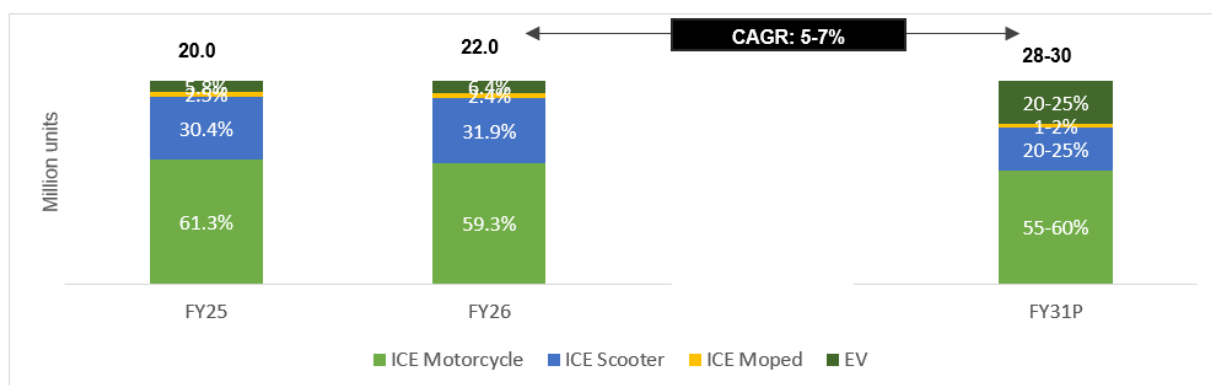
Over the last 6 years, the electrification within the industry has contributed significantly to growth in overall industry sales. In Fiscal 2022, Electric 2-wheelers achieved highest growth. The sharp rise in EV was driven by government push for EV adoption and increasing consumer interest in electric vehicles.

Outlook for Indian two-wheeler industry (Fiscals 2020 to 2031)

Crisil Intelligence projects the overall scooters segment to grow at a faster pace over the long-term horizon. However, the ICE scooters segment is expected to slow down amidst the shift towards the EV segment. Sizeable portion of the ICE scooter replacement demand will shift towards the electric variants. EV penetration to grow significantly from 6.4% in Fiscal 2026 to 20 to 25% by Fiscal 2031.

ICE Motorcycles, on the other hand, are projected to grow at a slower pace of 4 to 6% CAGR over the long-term horizon till Fiscal 2031. The ≥ 125 cc subsegments are expected to continue to provide the thrust to the motorcycles segment going ahead while the ≤ 110 cc subsegment is projected to grow at only a moderate pace. Premiumization and upgradation will limit the growth of ≤ 110 cc motorcycles subsegment.

Domestic Segmental Split Outlook

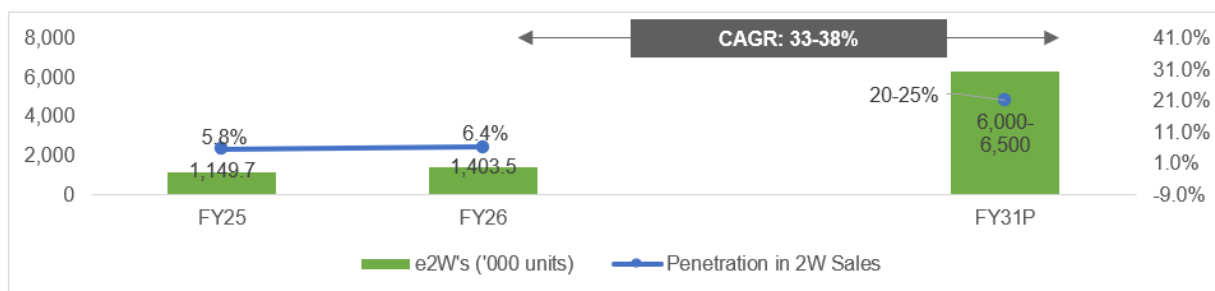


Source: SIAM, CRISIL Intelligence

Overall Mopeds are expected to grow at a moderate pace off the lowered base, led by the electrification in the price sensitive segment. Electrification within the mopeds segment will lead the growth of this segment.

Outlook of e-2W segment

e-2W Outlook



Note: Only high-speed electric two-wheelers have been considered for analysis.
Source: SIAM, SMEV, VAHAN, Crisil Intelligence

Review and outlook of Indian Passenger Vehicle ("PV") Industry

Review of PV industry (2020 to 2026)

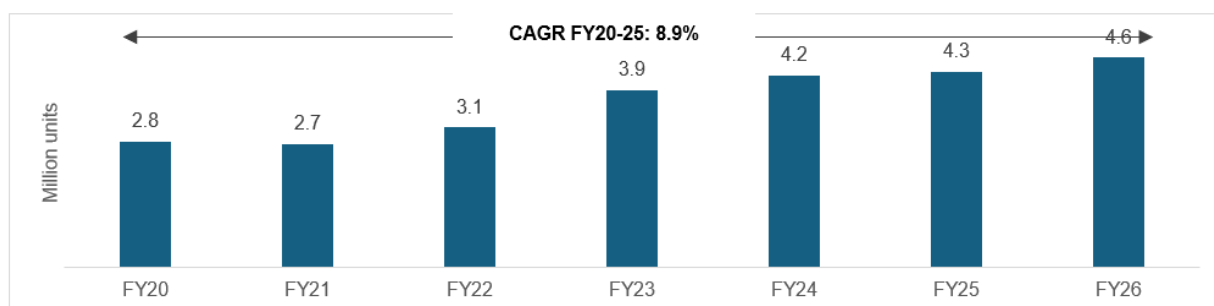
India's PV industry sales (domestic sales + exports) logged a healthy CAGR of 8.5% between Fiscals 2020 and 2026, driven by domestic sales, which account for more than 80% of the industry's sales volume. Domestic sales clocked an 8.9% CAGR, while exports grew at a relatively slow pace of 5.5%.

The contribution of domestic sales to total sales increased to 84% in Fiscal 2026 from 81% in Fiscal 2020. The relatively slow growth in exports could be attributed to the moderate growth in the global automobile industry and the fact that major OEMs focused on catering to the fast-growing domestic market.

Domestic PV sales

Between Fiscals 2020 and 2026, domestic PV sales clocked a 8.9% CAGR despite a 10% decline (in CAGR terms) in sales during Fiscals 2019 to 2021. From the low base of Fiscal 2021, PV sales bounced back and grew to a historic high of 4.64 million vehicles in Fiscal 2026

Review of domestic PV sales volume



Source: SIAM

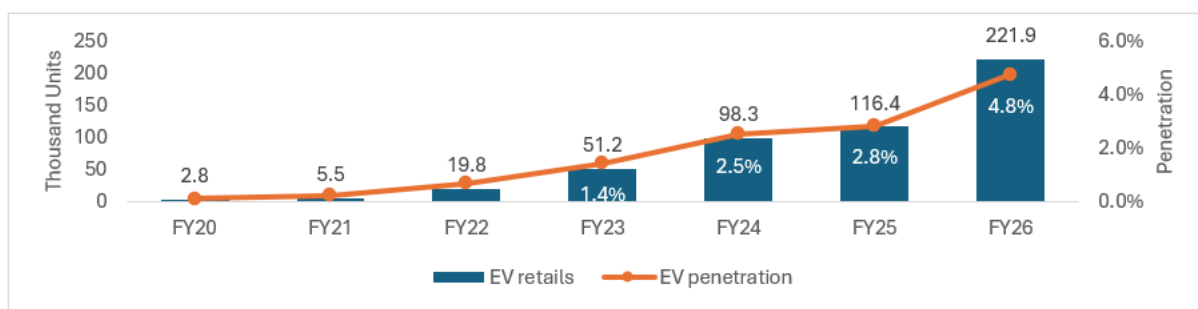
In Fiscal 2026, domestic sales increased 7.3% y-o-y and recorded 4.64 million units supported by series of structural policy reforms that have strengthened demand and significantly boosted consumer confidence. The industry witnessed strong growth in domestic sales from the second half of Fiscal 2026.

The CAGR (Fiscals 2020 to 2026) for the automotive industry looks muted because the volumes were heavily impacted by COVID. The low base effect during the pandemic years distorted the growth trend. However, post that in Fiscal 2023, the volumes recovered sharply reflecting the strong demand.

Electrification within the domestic PV market

EV adoption in India is led by 2Ws and 3Ws; however, PVs are catching up fast. EV penetration in the PV segment was insignificant until Fiscal 2021 amid a limited vehicle portfolio and lower customer awareness. Fast expansion of the portfolio, rising environmental awareness, government support and expanding EV infrastructure have led to a sharp rise in EV adoption. Consequently, the penetration of EVs within the retail industry rose to 2.65% in Fiscal 2025 from 0.08% in Fiscal 2020.

Domestic EV retail and penetration trend in PVs



Note: Vahan figures include Telangana retails. Data is as of 1st June 2026.

Source: Vahan, Crisil Intelligence

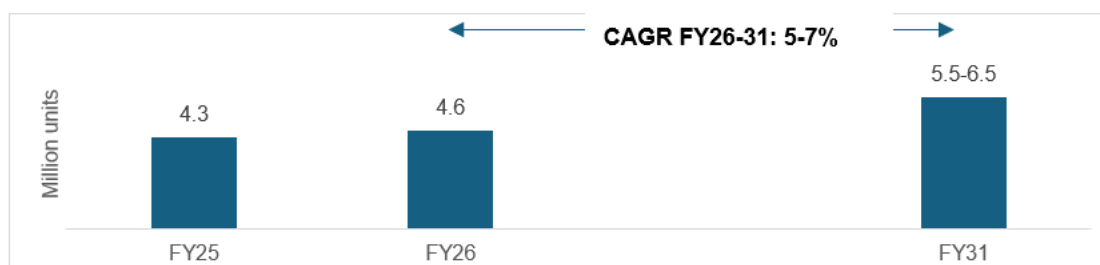
Outlook on the domestic PV industry

We expect the Indian PV industry grow at a robust pace driven by a favorable macroeconomic scenario, with GDP projected to grow at 6 to 7% between Fiscals 2025 and 2030, outperforming other major geographies. The industry will also benefit from continued government support, favourable demographics and OEMs launching feature-rich and competitively priced vehicles.

Additionally, a favorable financing scenario, with expanding financing reach, high loan-to-value levels and expected interest rate cuts will also support demand. Changing market dynamics, including a younger consumer base, premiumisation, electrification and shorter replacement cycles, will drive growth, while the government's push for scrapping old vehicles and capacity expansion by major players like Maruti Suzuki, Hyundai and Tata Motors will shorten replacement cycles and support demand. Furthermore, the expansion of supporting infrastructure, such as EV charging stations and CNG pumps, will enhance customer choice and propel the industry forward.

Between Fiscals 2025 and 2030, we expect domestic sales to grow at a 5 to 7% CAGR to 5.5 to 6.0 million vehicles.

Domestic PV industry outlook

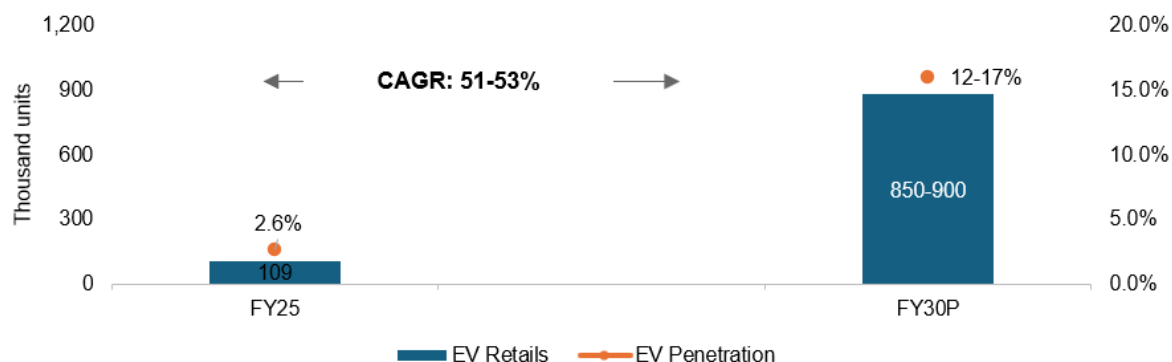


Source: SIAM, Crisil Intelligence

Electrification outlook

The share of EVs in total passenger car sales is projected to increase to 12 to 17% by Fiscal 2030, from 2.65% in Fiscal 2025. Additionally, EV sales are forecast to reach 850 to 900 thousand units by Fiscal 2030, growing at 51 to 53% CAGR.

EV penetration outlook for PVs



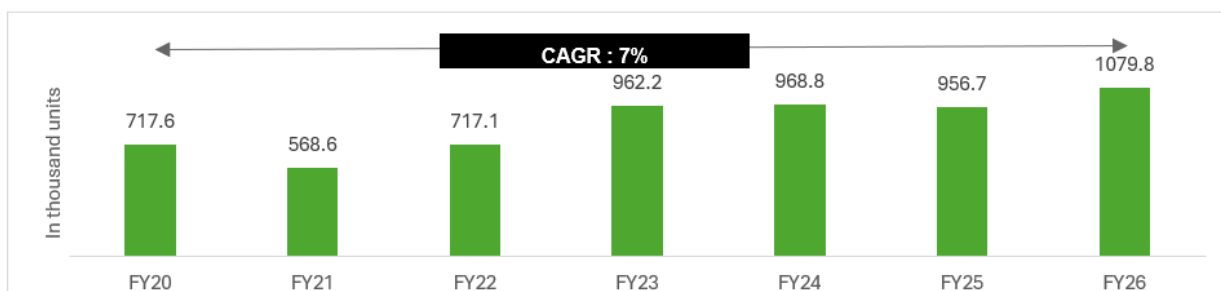
Source: Crisil Intelligence

Review and outlook of Indian Commercial vehicle industry

Review of Indian domestic CV industry (Fiscals 2020 to 2026)

Domestic CV sales grew at a 7% CAGR from Fiscals 2020 to 2025. After a 21% drop in Fiscal 2021 during Covid restrictions, the industry recovered at approximately 14% CAGR through Fiscal 2026, with Fiscal 2023 up 35% and volumes reaching 96% of pre pandemic levels, supported by pent up replacement demand, improved transporter profitability, and a capex pick up.

Overall CV sales trend



Source: SIAM, CRISIL Intelligence

CAGR growth (segment wise)

CAGR	LCV	IMHCV	Buses
CAGR (Fiscal 2020 to Fiscal 2022)	1.0%	11.4%	-39.1%
CAGR (Fiscal 2023 to Fiscal 2026)	2.1%	3.5%	15.9%
CAGR (Fiscal 2020 to Fiscal 2026)	4.9%	11.6%	7%

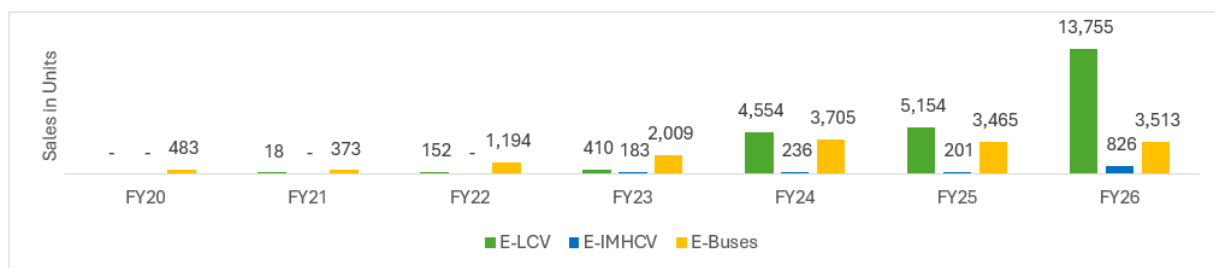
Electrification in the Domestic Commercial Vehicle Industry

Electrification in the Commercial Vehicle Industry has been on the slower side as compared to other vehicle segments due to high up-front costs, lack of charging infrastructure etc. Within domestic CVs, Bus was the first segment to be electrified, followed by LCVs. During the last 5 years, EV penetration within overall CVs increased from 0.1% in Fiscal 2020 to 1.87% by Fiscal 2026.

The electrification in IMHCV space started from Fiscal 2022 and is still in nascent stage in Fiscal year 2026. The reason being huge price difference and lack of financing for e-IMHCV in initial stages. The current EV penetration in LCV is around 2.3%. Currently, most of the EVs used in the commercial segment as goods carriers are three-wheelers. However, as the cost differential between electric and diesel vehicles starts reducing, we expect new models to be launched. This will drive sales in the segment as the third-mile logistics and local distribution of goods are well-suited applications for EVs. Tata Ace EV, Omega M1KA, JEM Tez, Switch Mobility EV are some of the e-LCV currently in the market.

Buses have the highest penetration of EVs within the CV segment, which has increased from 0.6% in Fiscal 2020 to approximately 6% by Fiscal 2026.

Segment-wise electric vehicle sales



Source: SLAM, Vahan, Crisil Intelligence

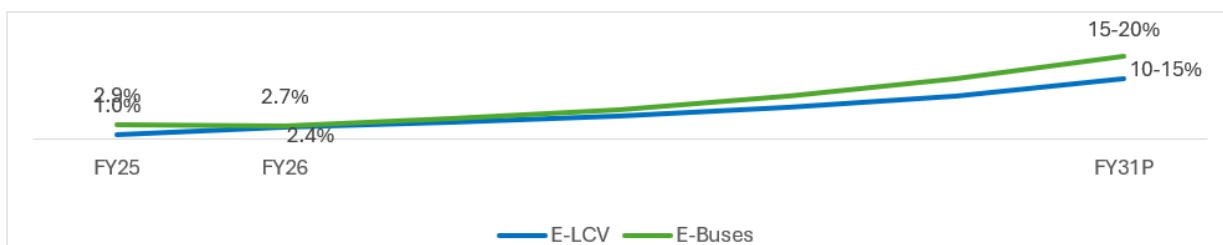
Review and outlook of the electrification in commercial vehicles (Fiscal 2020 to 2031)

Electrification in commercial vehicles

Currently, most EVs used in the commercial segment as goods carriers are three-wheelers and LCVs, and they are picking pace. However, as the cost differential between electric and diesel vehicles start reducing, CRISIL expects new models to be launched, which will drive sales in the segment as the third-mile logistics and local distribution of goods are well suited applications for electric vehicles.

Due to the Government support through FAME and focus on quicker adoption of EVs in public transport, there has been significant increase in electric bus sales in the last couple of years. Further, through the introduction of PM eBus Sewa scheme government aims to augment the city bus operations using 10,000 e-buses through Public-Private Partnership ("PPP") model across India. The Scheme will support bus operations for 10 years and would have an estimated cost of ₹ 57,613 crores, out of which support of ₹ 20,000 crores will be provided by the Central government. Operational profile of buses with fixed routes and regular stops makes them suitable for charging at pre-determined intervals and specific locations.

EV penetration in CVs (Fiscals 2020 to 2031P)



Note: Fiscal 2021 and Fiscal 2022 were COVID impacted years and hence the overall sales of buses were low which leads to low base effect in Fiscal 2021 and Fiscal 2022

Source: CRISIL Intelligence, VAHAN

Review and Outlook of Indian Construction Equipment ("CE") Industry (Earth moving and material handling)

Review of the domestic demand (Fiscals 2026)

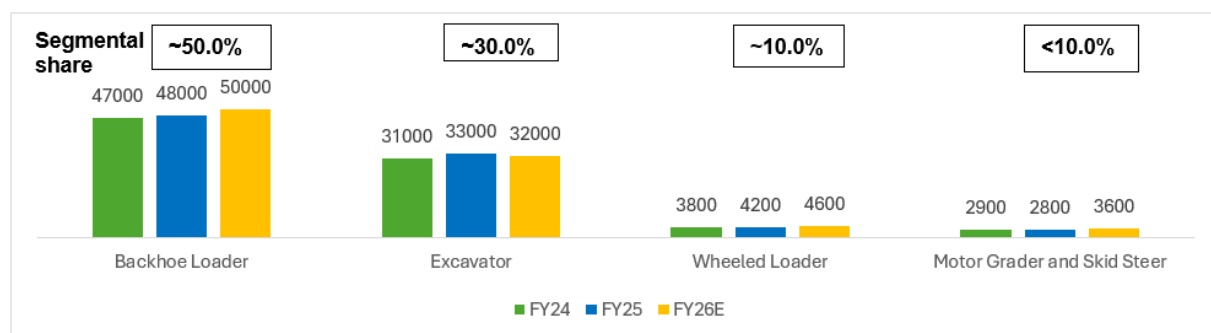
CE are largely used for construction and infrastructure activities

CE are engineering machines and vehicles used for construction (industrial & infrastructure), agriculture, mining, waste management, and logging activities. They are also used to prepare the ground, excavation, haulage of material, and dumping/laying in a specified manner. The various types of machines used are backhoe loaders, excavators, wheeled loaders, skid steer loaders, graders, cranes, dozers and compactors.

Excavators, backhoe loaders, pick & carry cranes and compactors account for approximately 73% of the CE industry's revenue. In the construction sector, CE is mainly used in infrastructure and industrial construction.

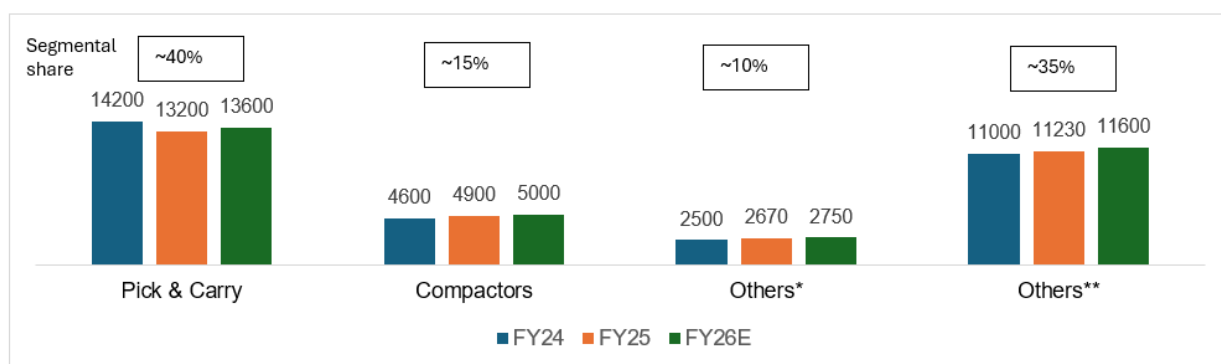
Construction equipment has an average life of about 7 to 8 years, depending on frequency of the usage. However, various components need to be regularly serviced and replaced and hence, after-sales service forms a critical part of the manufacturers' offering. Hirers and small contractors are the major end-users of CE. Large engineering, procurement & construction ("EPC") companies account for only about 10% of total demand. Backhoe loaders are most popular in the Indian market as they are multi-functional (i.e. excavation and loading), relatively low on maintenance and easy to mobilize. It accounted for approximately 50% (volume) of the CE market, followed by excavators approximately 35% (volume) and approximately 47% (value) which have a specialized usage pattern

Earth moving equipment industry volume: approximately 104k



Source: CRISIL Intelligence; E: Estimated

Material handling and road equipment industry volume: approximately 33k



Note: Others*: include crushers & screeners and pavers

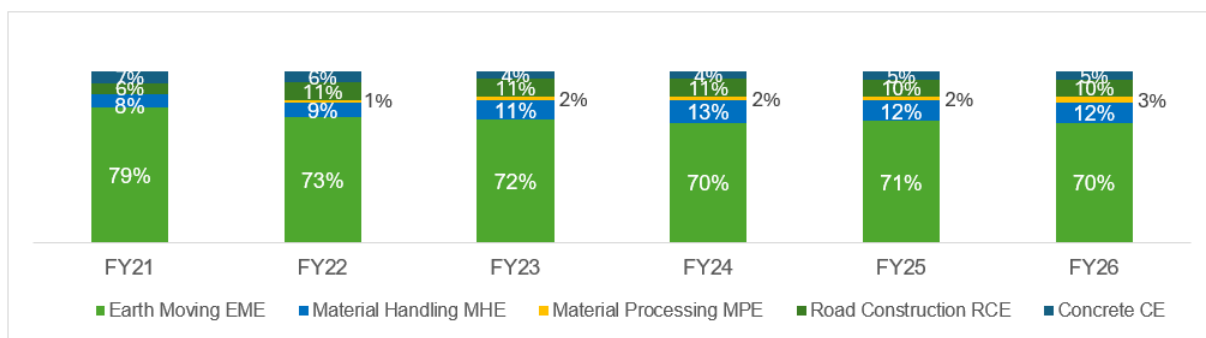
Source: CRISIL Intelligence

With all High Frequency Indicators showing positive signs, CE industry sales are at all-time high, and sales volume expected to observe moderation in growth

	Q4 FY24	Q1 FY25	Q2 FY25	Q3 FY25	Q4 FY25	Q1 FY26	Q2 FY26	Q3 FY26	Q4 FY26
GFCF									
Cement Production									
Bitumen Production									
Steel Demand									
Power Demand									
Rural Road Execution									
National Highway Execution									

Legend: ■ <0% on-year growth, ■ 0-10% on-year growth, ■ >10% on-year growth

Source: CRISIL Intelligence



Source: Industry, ICEMA – 2025, Crisil Intelligence

The EME category continued to anchor the off-highway vehicles market, accounting nearly 70% of total industry volumes. The segment recorded sales of 91.5 thousand units, reflecting a healthy 4% growth over the previous year. Within this category, backhoe loaders remained the dominant product type, contributing 50.1 thousand units and capturing more than half of the segment's share at 55%. Crawler excavators followed with 35% of the EME segment, underlining sustained demand for heavy-duty excavation solutions across infrastructure and development projects.

Material handling equipment sustained its position as the second-largest segment with 33.2 thousand units sold. Meanwhile concrete equipment recorded 7.2 thousand units with a 4% increase, supported by ongoing urban development and infrastructure activities. Road construction equipment contributed 14.5 thousand units, reflecting continued investment in highways and connectivity projects, and material processing equipment added 4.3 thousand units, serving demand from aggregates and mining applications. Together, these segments underline steady and broad-based demand across infrastructure-linked categories, complementing the dominance of EME in Fiscal 2026.

Outlook for industry (Fiscal 2025 to 2030P)



Source: Industry, CRISIL Intelligence

Note: E-Estimated, P-Projected

The industry is expected to witness steady medium-term growth, with volumes projected to reach 175 to 180 thousand units by Fiscal 2030, implying a CAGR of 4 to 6% over Fiscal 2025 to 2030. After a sharp contraction of 16% in Fiscal 2022 due to pandemic-related disruptions and supply chain constraints, the industry rebounded strongly in Fiscal 2023 (22%) and Fiscal 2024 (26%), supported by robust infrastructure spending and revival in construction activity.

Growth was moderate in Fiscal 2026 (3% to 2-4%) due to high base effect, election-led execution slowdown, and moderation in private capex. However, structural drivers remain intact. Government-led infrastructure pushes across roads, railways, metros, irrigation, and urban development continues to anchor demand. Increased budgetary allocation toward capital expenditure, focus on logistics efficiency, and large-scale projects under national infrastructure programs provide long-term visibility.

Additionally, rising mechanization in construction, replacement demand, equipment financing availability, and growing rental markets support industry resilience. Mining activity, rural infrastructure development, and housing demand are also expected to contribute to steady equipment utilization levels.

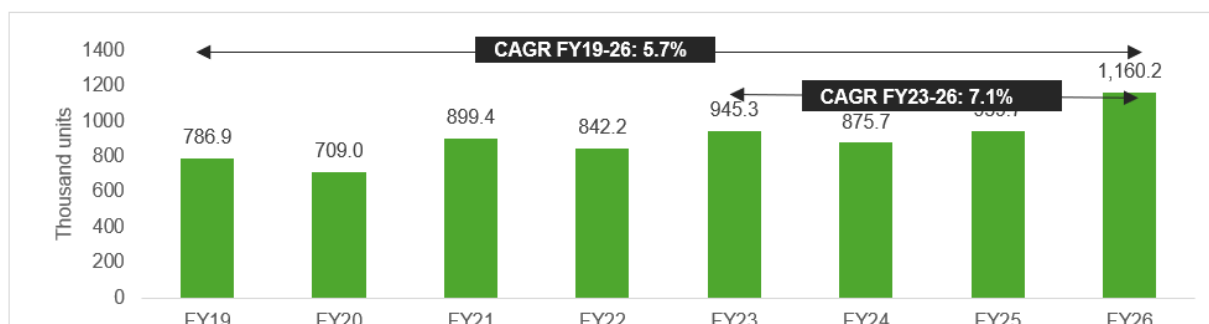
Review and outlook of Indian tractor industry

Review of Indian tractor industry

In Fiscal 2022, domestic tractor demand dropped 6.4% on year after growing 26.6% in Fiscal 2021. Price hikes by OEMs, higher inventory at dealerships, lower commercial demand, negative farmer sentiment owing to rising cost of cultivation, low fertiliser availability and increase in other expenditure (such as marriages and other social occasions) hampered the demand.

In Fiscal 2023, tractor sales grew 12.2% on year to an all-time high of approximately 945,000 units. Healthy crop prices, sound reservoir levels owing to above-normal monsoon, higher MSPs announced by the government and better rabi acreage, all led to positive farmer sentiment. Healthy festival demand because of various schemes and discounts supported the retail growth momentum. Commercial demand during the Fiscal, however, remained rangebound in Fiscal 2023 owing to slower retail momentum in eastern states and a complete ban on sandmining.

Domestic tractor industry logged 5.7% CAGR between Fiscals 2019 and 2026.



Source: TMA, CRISIL Intelligence

In Fiscal 2026, tractor industry grew by 23.4% on year to an all-time high of approximately 1,160,000 units which was supported by multiple tailwinds. An above-average monsoon, with rainfall 8% above normal as of September 30, 2025, improved farm cashflows and sentiment, aiding tractor purchases. In addition, the GST cut on tractors (12% to 5%), along with continued government financing schemes, has further supported the demand. Higher reservoir storage levels likely aided Rabi prospects, while higher MSPs, stronger Kharif acreage, and expectations of higher government procurement provided incremental support to rural incomes and purchase intent. Competition

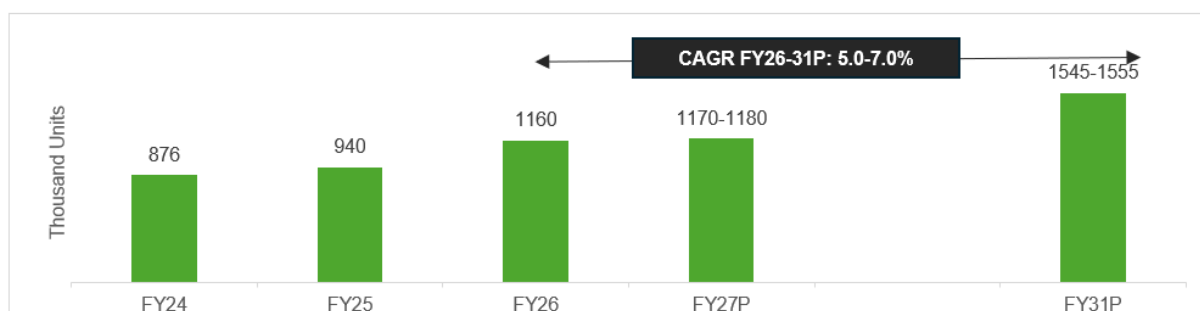
Outlook of Indian tractor industry

Domestic demand to grow 5 to 7% over next five years on a high base (Fiscals 2026 – 2031P)

CRISIL Intelligence projects domestic tractor sales to expand at 5 to 7% CAGR during Fiscals 2026 to 2031, after factoring in one to two years of erratic monsoon during the period along with healthy sales expected in the remaining years. From Fiscal 2020 to 2026, the industry registered a CAGR of 8.6% off the low base of Fiscal 2020 and healthy sales numbers in Fiscal years 2021 through to 2026.

In Fiscal 2026, tractor demand is grew by 23.4% on-year, considering an above average monsoon season with a long-term departure of 8% and stable agricultural conditions supported by replacement demand. The growth was driven by healthy reservoir storage levels, increase in farmers' disposable income, supported by a strong rabi harvest, higher Minimum Support Prices ("MSPs"), anticipated rise in government crop procurement and healthy replacement demand, further being supported by new GST rates implementation from 22nd September 2026. Favourable rural liquidity, aided by timely payments to farmers and improved credit availability, is also expected to support tractor sales. Additionally, sustained investment in rural infrastructure and mechanization trends may provide further momentum to demand. Tractor demand is expected to register modest growth of 0 to 2% in Fiscal 2027, largely led by stronger demand in H1 of Fiscal 2027 aided by the GST rejig. Replacement demand that was deferred in Fiscal 2026 is now likely to materialize in Fiscal 2027, as GST rationalization has put pressure on pre-owned tractor prices, improving the relative attractiveness of new purchases. El Niño risk remains a key monitorable, with NOAA indicating a 62% probability of El Niño during June–August 2026, which could weigh on farm sentiment if it results in an uneven monsoon. Overall growth, however, is expected to be moderated by the high base of Fiscal 2026.

Tractor industry sales expected to increase 5 to 7% between Fiscals 2026 and 2031P

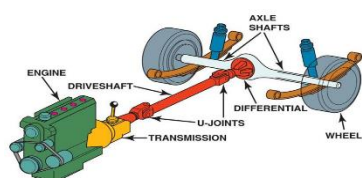


Note – E: Estimated; P: Projected
Source: CRISIL Intelligence

Growth up to Fiscal 2031 will be on the back of low tractor penetration in the country (three tractors per 100-hectare area), government's focus on improving farm incomes through various schemes, promotion of farm mechanisation, and investments to improve rural infrastructure.

II. Assessment of Automotive Powertrain market in India pertaining to Commercial Vehicles, Off-road vehicles (construction equipment's), SUV and Tractor segment

Powertrain and transmission



In automobiles, a **powertrain** generates power and transmits it to the wheels. It can be broadly classified into four components – (i) engine and engine parts, (ii) transmission, (iii) driveshaft, and (iv) rear axle. The engine burns the fuel to produce mechanical power. It comprises several critical components, including cylinder block, cylinder head, and crankshaft, pistons, camshaft, and engine valves. To further understand the powertrain segment some of the key components in the powertrain segment and their respective

estimated market size have been analysed by CRISIL below:



Cylinder block/

Cylinder block is the supporting structure of the engine on which all engine parts are mounted. It houses the cylinder, which gives engine its power. The cylinder block for commercial vehicles ("CVs"), off-road vehicles, sports/multi-utility vehicles ("SUVs / MPVs"), and tractors uses cast iron. In fact, cast iron accounts for 55 to 60% of the manufacturing cost, which weighs on

the revenue of companies.



Cylinder head

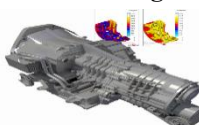
Cylinder head covers the cylinder and helps the head gasket seal the cylinders in order to build enough compression for the engine operation. Similar to a cylinder block, cylinder heads are also manufactured by the process of casting using ferro alloys.

Rear axle housing



The rear axle housing is the structural backbone of a vehicle's rear drive assembly. It encloses and protects the differential gears and axle half-shafts while simultaneously supporting the vehicle's rear weight and transmitting driving/braking torques to the chassis. In heavy-duty trucks, the housing also serves as a mounting point for suspension components and must withstand extreme cyclic fatigue loads.

Transmission & gear box housing



The transmission housing (also called the gearbox case) is the precision-machined enclosure that contains gear trains, synchronizers, shafts, and hydraulic circuits in manual, automatic, or dual-clutch transmissions. It must maintain extremely tight bore tolerances to ensure proper gear mesh, manage heat dissipation, and contribute to noise-vibration-harshness (NVH) isolation.

Camshafts



The camshaft is a precision-engineered rotating shaft with eccentric lobes that actuate the intake and exhaust valves in an internal combustion engine. Its profile geometry directly governs engine breathing, torque characteristics, and emissions performance. Modern engines typically employ dual overhead camshafts ("DOHC") paired with variable valve timing ("VVT") systems.

Bearing caps



Bearing caps are precision components that secure the crankshaft main bearings (main bearing caps) or camshaft journals (cam bearing caps) within the engine block or cylinder head. They maintain critical bore geometry under high dynamic loads and must offer consistent clamping force and thermal stability to prevent bearing failure.

Turbo chargers



A turbocharger is an exhaust-gas-driven forced-induction device that compresses intake air to increase engine volumetric efficiency, enabling more power from a smaller displacement ("downsizing"). It consists of a turbine wheel (driven by exhaust gases), a compressor wheel (compresses fresh air), and a center housing rotating assembly ("CHRA") with bearings and oil/coolant passages.

Transmission



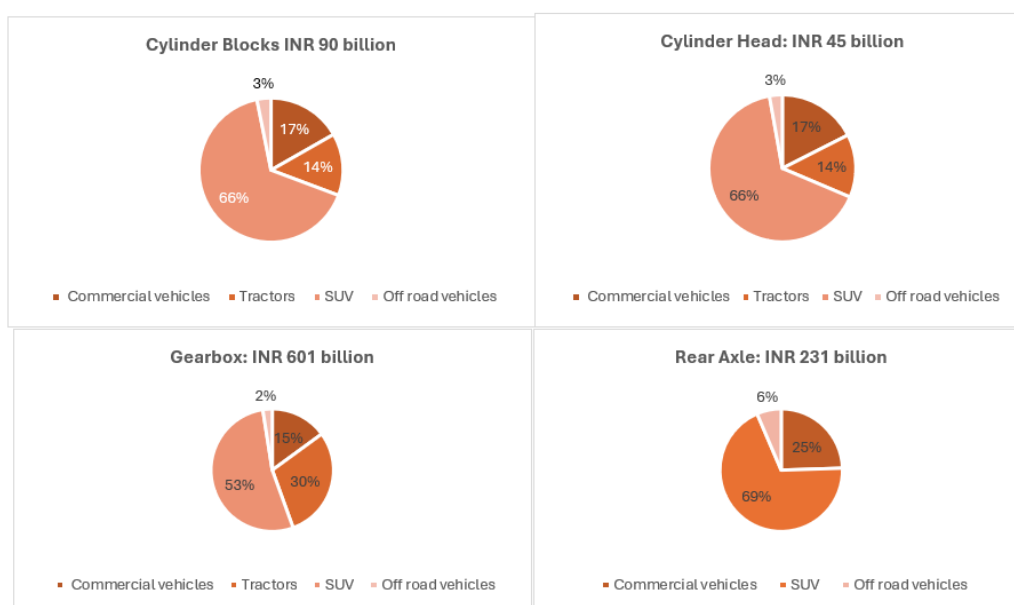
Commonly known as the gearbox, which transmits power to the wheels through the drive shaft and rear axle. Auto-component companies are engaged in casting, forging and machining of engine parts, transmission parts housing, drive shaft, rear axle housing, etc. Transmission is a set of gears within a casing that allows controlled application of the power using different gear ratios. The switching of gears can be done manually by the driver of the vehicle or automatically, depending on the type of transmission used in the vehicle. In India, manual transmission is used for CVs and tractors, while automatic transmission is used for SUVs.

Rear axle



Rear axle lies between the wheels and the differential gear that transmits power from the differential to the wheels. The differential gear and rear axle are enclosed in a single housing that is connected to the drive shaft. Auto-component manufacturers use the process of forging/ castings, post which heat treatment and machining is done for the finished product.

Estimated market size of key Powertrain and transmission components as on Fiscal 2026:



Source: Crisil Intelligence

Craftsman Automation Limited is one of the largest players in the cylinder block and cylinder head segments in the automotive powertrain manufacturing Industry in India. Apart from the above-mentioned casted components, the gamut of powertrain segment in an automobile include various other machined and forged components all of which together bring the market size of power train and transmission segment to over ₹1,600 billion estimated as on Fiscal 2026.

III. Assessment of aluminum die casting market in select industries in India

Introduction to aluminum die casting

One of the key casting processes die-casting, in which the molten metal is injected under high pressure and velocity into a split mould die. Aluminium is one of the key metals used in the die casting process in the automobile industry.

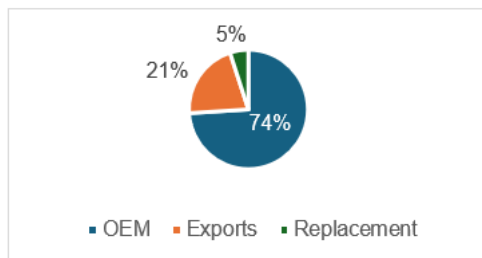
Review of aluminium castings market in India (Fiscal 2020 to Fiscal 2026)

The automobile industry is the biggest consumer of castings, with approximately 70 to 80% share of demand .While automotive castings are used in several sub-systems, engine heads and blocks constitute nearly 40% share of castings used in a vehicle. Besides, there are transmission housings, pistons, crank covers, clutch parts, axles, chassis parts, gear box and wheel parts.

In non-ferrous castings, proportion of two-wheelers (69%) and passenger vehicles (31%) is higher as aluminium helps in overall reduction in weight of the vehicle which in turn helps in improving fuel efficiency.

Original equipment manufacturers account for 74% of the offtake. Exports account for 21%, with the aftermarket comprising the remainder. Most Indian auto casting players cater to the Asian, US and European markets supplying to commercial and passenger vehicle players.

Revenue distribution: Fiscal 2026



The automobile industry is the biggest consumer of castings, with approximately 70 to 80% share of demand. While automotive castings are used in several sub-systems, engine heads and blocks constitute nearly 40% share of castings used in a vehicle. Besides, there are transmission housings, pistons, crank covers, clutch parts, axles, chassis parts, gear box and wheel parts. Some of the casting components used in the vehicles are cylinder blocks and cylinder heads, transmission

housing, pistons, crank covers, clutch parts, axles, chassis parts, gear box and wheel parts. Demand for aluminium castings, which are used as part of alloy wheels, has picked up due to an increase in penetration of alloy wheels in two-wheelers and passenger vehicles.

a) Qualitative overview of automotive structural components market in India

Cradle:



Engine cradle is a structural component, sub frame of an automobile that uses a separate or discrete structure within a large body-on-frame or unit body to carry the engine. Automotive engine cradle is employed for support of automotive components and systems, such as suspension, transmission and engine. The engine cradle takes the pressure off the engine mounts and spread it through the cradle making it harder to break the mounts off the block.

Water pump inlet pipe:



The water pump used in automobiles is a standard centrifugal pump that is powered by a belt attached to the engine's crankshaft. The fluid is pumped around when the engine is running. The water pump, which is typically powered by a belt from a crankshaft pulley or sprocket, is essential to the running of a car engine because it makes sure that coolant flows through the cylinder head, radiator, hoses, and cylinder block and maintains the ideal automotive operating temperature.

The market size of the water pump inlet pipe for CVs, off-road vehicles, MPV/SUVs, and two wheelers was ₹ 8 billion in Fiscal 2024.

Air intake manifold



Automotive Air intake manifold is a crucial component of the engine, as it is responsible for supplying air mixture to the various cylinders. An intake manifold distributes incoming air to the cylinders through the valve ports on the cylinder heads. An intake manifold is an integrated assembly that sits atop the engine, consisting of a series of tubes which distribute fresh outside air to each and every cylinder.

Camcover & oil filter housing:

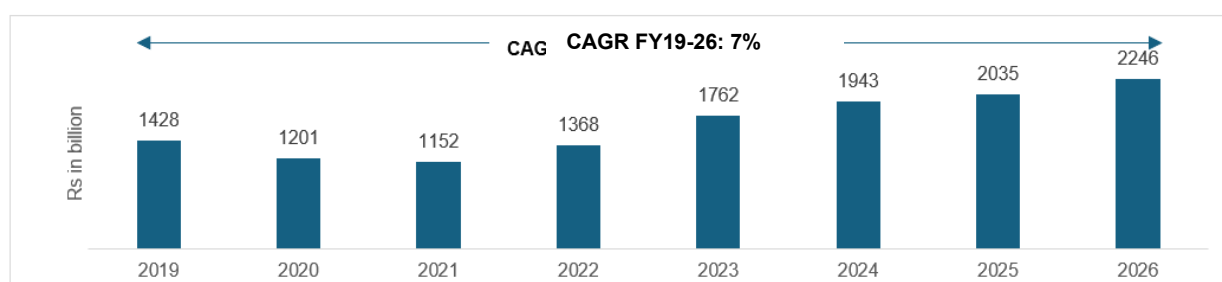


Found in almost all engines, the oil filter housing secures the oil filter into place. It is important in helping keep clean oil circulating around the engine. An internal filter element is dropped into the housing and is secured by the oil filter cap. Without it, engine oil would not be able to flow through the oil filter efficiently, and contaminated oil would damage the engine over time.

Review of Automotive powertrain market in India (Fiscals 2019 to 2026)

During Fiscal 2020 industry was expected to be affected by a drop in domestic demand as well as subdued exports owing to disruptions in the economies caused by the Covid-19 pandemic globally and it witnessed a de-growth of 17% and 4% in Fiscals 2020 and 2021 respectively, but then bounced back with the growth of 19% in Fiscal 2022. Automotive powertrain market registered a positive growth trend from Fiscal 2022 to 2026 due to healthy demand from commercial vehicles, tractors, two wheelers, construction equipment and passenger vehicles.

Automotive powertrain market logged 7% CAGR between Fiscals 2019 to 2026

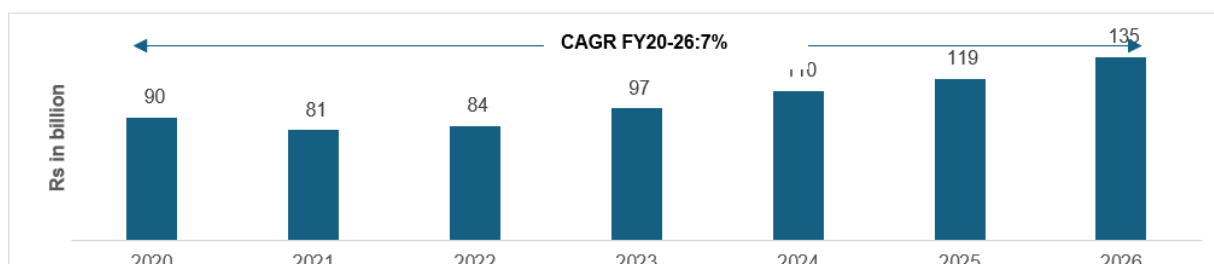


Source: CRISIL Intelligence

Review of automotive structural components market in India (Fiscals 2020 to 2026)

The market size of the cradle for CVs, off-road vehicles, MPV/SUVs, and two wheelers was ₹ 135 billion in Fiscal 2026. Automotive cradle industry recorded 7% CAGR during Fiscals 2020 to 2026 with the expected improvement in the economy, improvement in consumer sentiment, vehicle launches & support from financiers.

Automotive cradle market expected to grow at a CAGR of 7% from Fiscal 2020 to 2026



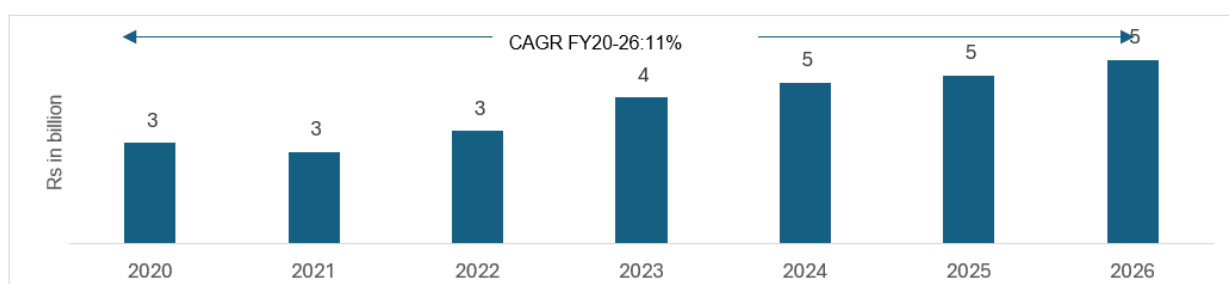
Source: CRISIL Intelligence

Water pump

The water pump used in automobiles is a standard centrifugal pump that is powered by a belt attached to the engine's crankshaft. The fluid is pumped around when the engine is running. The water pump, which is typically powered by a belt from a crankshaft pulley or sprocket, is essential to the running of a car engine because it makes sure that coolant flows through the cylinder head, radiator, hoses, and cylinder block and maintains the ideal automotive operating temperature.

The market size of the water pump inlet pipe for CVs, off-road vehicles, MPV/SUVs, and two wheelers was ₹ 5 billion in Fiscal 2026.

Water pump inlet pipe market logged 11% CAGR between Fiscals 2020 to 2026

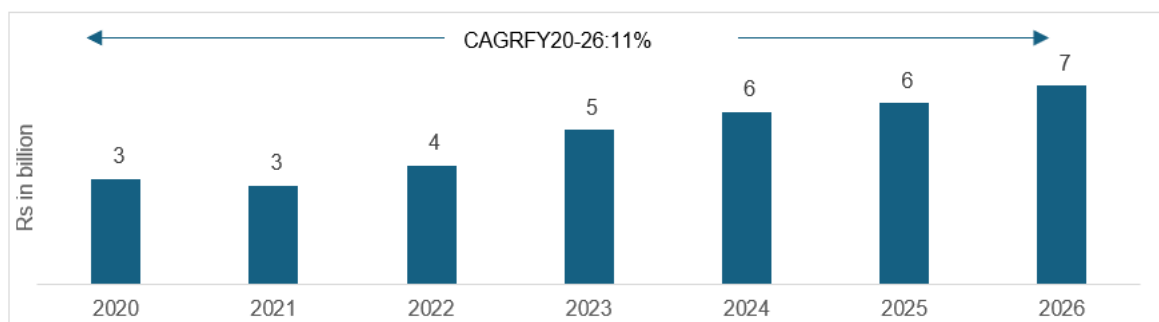


Source: CRISIL Intelligence

Air intake manifold

Automotive Air intake manifold is a crucial component of the engine, as it is responsible for supplying air mixture to the various cylinders. An intake, manifold, distributes incoming air to the cylinders through the valve ports on the cylinder heads. An intake manifold is an integrated assembly that sits atop the engine, consisting of a series of tubes which distribute fresh outside air to each and every cylinder. The market size of Automotive Air intake manifold is recorded 7 billion in the Fiscal 2026 and registered 11% CAGR during the Fiscals 2020 to 2026.

Air intake manifold market logged 11% CAGR between Fiscals 2020 to 2026

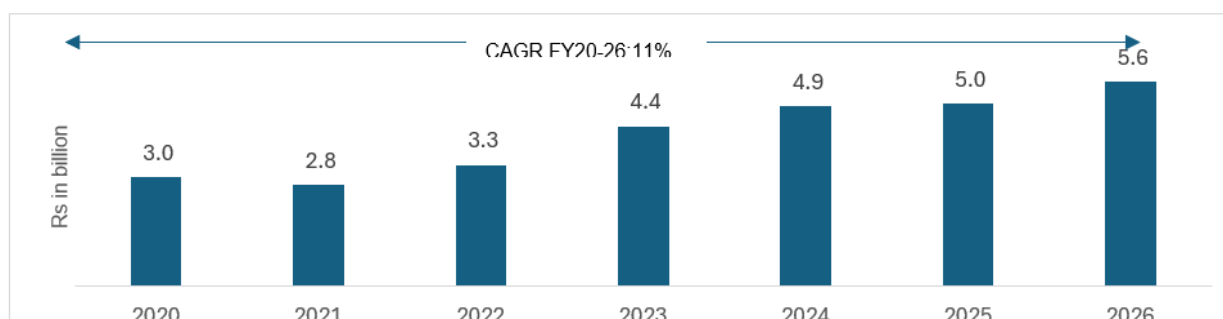


Source: CRISIL Intelligence

Cam cover & oil filter housing

Found in almost all engines, the oil filter housing secures the oil filter into place. It is important in helping keep clean oil circulating around the engine. An internal filter element is dropped into the housing and is secured by the oil filter cap. Without it, engine oil would not be able to flow through the oil filter efficiently, and contaminated oil would damage the engine over time.

The market size of the cam cover & oil filter housing for CVs, off-road vehicles, MPV/SUVs, and two wheelers was ₹ 5.6 billion in Fiscal 2024.

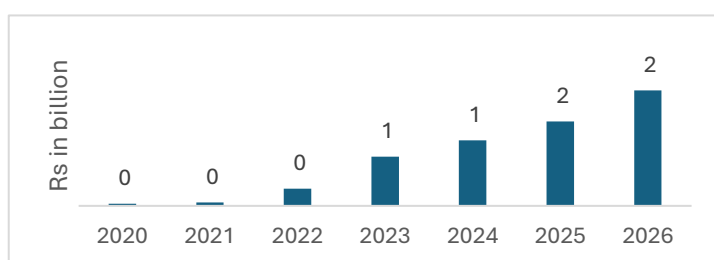


Source: CRISIL Intelligence

E-Vehicle components (Battery Housings, Cooling Trays, motor housing, etc.)

Battery Housing

Battery housing market logged 36% CAGR between Fiscals 2020 to 2026



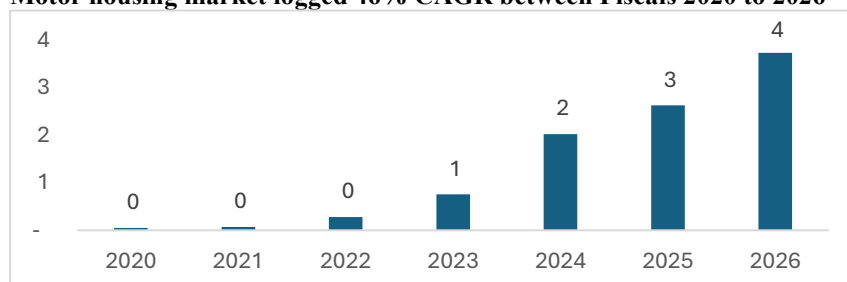
Electric vehicle battery housing is a structural component that encloses and protects the battery pack in an electric vehicle. It is also responsible for dissipating heat from the battery pack and preventing the spread of fire in the event of a battery failure. The battery housing is a critical component of an electric vehicle because it protects the battery pack from damage and helps to

ensure the safety of the vehicle occupants. It is also important for the thermal management of the battery pack, which helps to improve the performance and lifespan of the battery.

The market size of the battery housing for off-road vehicles, MPV/SUVs, and two wheelers was ₹ 10 billion in Fiscal 2026.

Motor Housing

Motor housing market logged 46% CAGR between Fiscals 2020 to 2026



Automotive motor housings are usually made of aluminium profiles. They are small and primarily intended to conceal electrical connections from sight or to protect them from tampering, they are also known as junction boxes, street cabinets, or interfaces in

technical service areas. The motor housing is the main part of the electric vehicle components, and the number of such parts is also increasing.

The market size of the motor housing for off-road vehicles, MPV/SUVs, and two wheelers was ₹ 25 billion in Fiscal 2026.

Source: CRISIL Intelligence

Review of Industrial Engineering market in India

A reliable transmission system is important for the proper and efficient transfer of power from generating stations to load centres. A transmission and distribution ("T&D") system comprises transmission lines, substations, switching stations, transformers and distribution lines. To ensure reliable supply of power and optimal utilisation of generating capacity, a T&D system is organised in a grid, which interconnects various generating stations and load centres. This ensures uninterrupted power supply to a load centre, even if there is a failure at the local generating station or a maintenance shutdown. In addition, power can be transmitted through an alternate route if a particular section of the transmission line is unavailable.

In India, the T&D system is a three-tier structure comprising distribution networks, state grids and regional grids. The T&D system in India operates at following voltage levels:

Extra high voltage ("EHV"): 765 kV, 400 kV and 220 kV

High voltage ("HV"): 132 kV and 66 kV

Medium voltage ("MV"): 33 kV, 11 kV, 6.6 kV and 3.3 kV

Low voltage ("LV"): 1.1 kV, 220 V and below

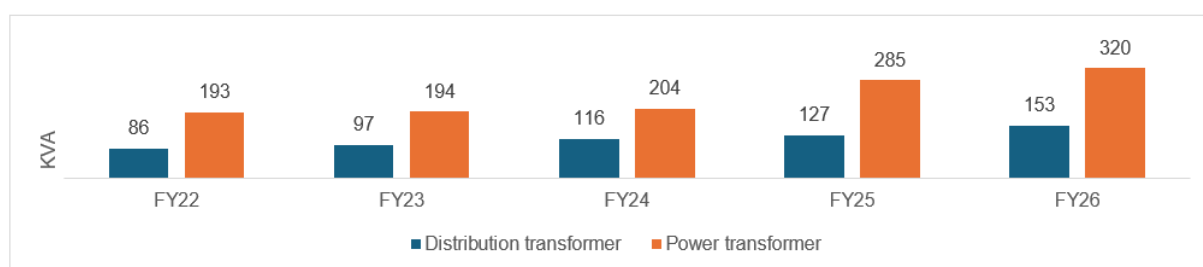
Transmission system components

The transmission system can be divided into transmission line component and substation component. Both components account for almost 50% of the total cost of setting up the system. The transmission line component comprises transmission line towers and conductors. The main cost elements of the substation component are transformers and switchgears.

Transformers

Transformer helps in changing the voltage level, while transmitting electrical energy over long distances, to avoid energy loss during transmission and make the required power available to consumers. Step-up transformers are used to increase the voltage, while decreasing the current during transmission, and step-down transformers are used to decrease the voltage while increasing the current, whereas distribution transformers are used to transmit power to the end consumer.

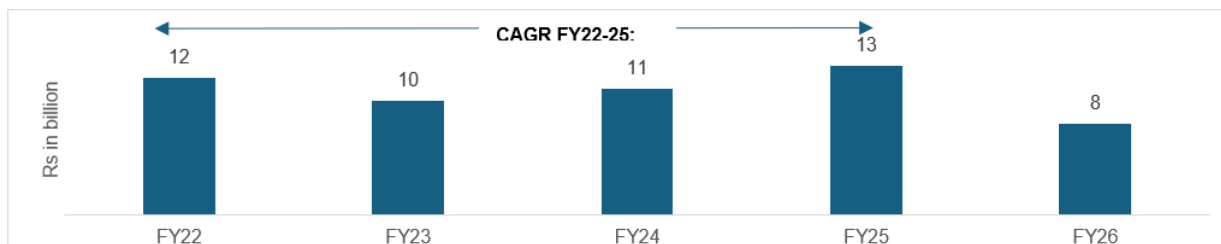
Production of transformer



Source: CRISIL Intelligence

The market size of the power transformer was ₹ 8 billion in Fiscal 2026.

Power transformer market logged 3% CAGR between Fiscals 2022 to 2025

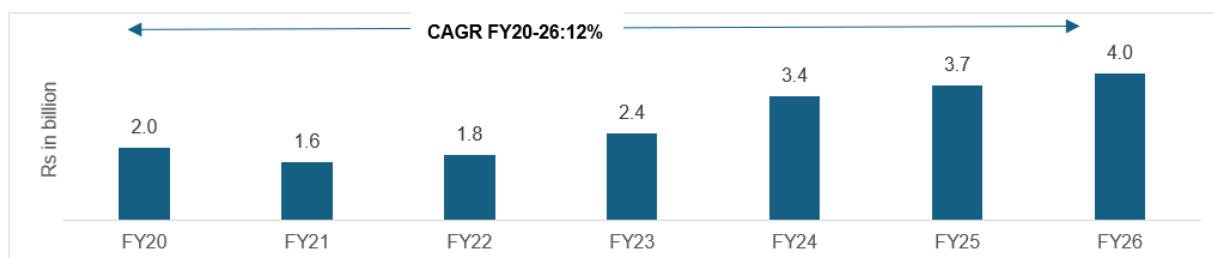


Source: CRISIL Intelligence

Switchgear

Switchgear refers to the combination of electrical equipment such as fuses, low- and high-tension circuit breakers, miniature circuit breakers, control panels, and switchboards. However, the main equipment includes fuse switch units and low- and high-tension circuit breakers.

The basic function of switchgear is protection, which is an interruption of short circuit and overload fault current, while maintaining service to unaffected circuits. Switchgear also provides isolation of circuits from power supplies. Switchgear is also used to enhance system availability by allowing more than one source to feed a load. Circuit breaker is one of the most important components of switchgear, whose function is current interruption.



Source: CRISIL Intelligence

Key players

The aluminium die casting industry has many players. Key players include Rockman Industries, Sunbeam Auto Private, Craftsman Automation Ltd., Aicon Castalloy, Sundaram Clayton and Endurance Technologies.

Outlook on aluminium castings market in India

In Fiscal 2026, CRISIL Intelligence estimated the auto casting industry to grow by 11% in tonnage terms and 13% in value terms in Fiscal 2026. The ferrous demand for tractor OEM to act as a catalyst for auto casting industry. Tractor to drive ferrous casting demand in Fiscal 2026 which contributes around 62% and growing at a CAGR of 7% from Fiscals 2021 to 2026.

Casting tonnage growth is supported by premiumization across vehicle segments; Shift towards UVs in Passenger segment, Higher tonnage trucks in the Commercial vehicle segment growth in tractor and passenger cars in Fiscal 2026 supported growth of the casting industry. Passenger vehicle production is expected to grow by 5 to 7% in Fiscal 2027 supported by healthy demand from the domestic market, also due to the signs of recovery in the key export geographies. A 4 to 6% increase in tractor production is expected in Fiscal 2027, following an 20% growth in production in Fiscal 2026. The anticipated recovery is attributed to the improvement in rural sentiments, as well as the healthy agriculture outputs that are expected due to the normal monsoon forecast.

Exports in Fiscal 2026 are estimated to grow at 14% in Fiscal 2026 and it is expected to grow by 6 to 8% in Fiscal 2027 even as global uncertainties are remain elevated Major export market in terms of quantity and value exported is USA

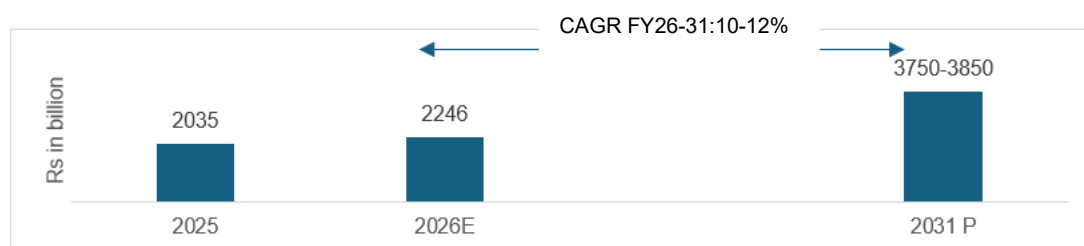
In the long run, certain structural factors will also come to the aid of non-ferrous castings manufacturers. Efforts by car and two-wheeler manufacturers to lower vehicle weight have already led to an increase in demand for non-ferrous castings. However, a similar shift may not be possible in the case of higher-tonnage vehicles - commercial vehicles and tractors (at least in the near term) - due to considerations such as strength, weight-carrying capacity

and criticality of parts. However, as OEMs globally increase the use of aluminium in vehicle bodies, MHCV and tractor makers are likely to shift too, boosting prospects for non-ferrous casting manufacturers.

Outlook of automotive powertrain market in India (Fiscal 2026 – Fiscal 2031P)

Automotive powertrain industry demand is estimated to clock 7% CAGR during Fiscal 2019 to 2026 with the expected improvement in the economy, improvement in consumer sentiment, vehicle launches & support from financiers. In value terms, the market is expected to touch ₹ 3750 to 3850 billion, clocking 10 to 12% CAGR.

Automotive powertrain market expected to grow at a CAGR of 10 to 12% from Fiscals 2026 to 2031P



E- Estimated, P- Projected

Note:

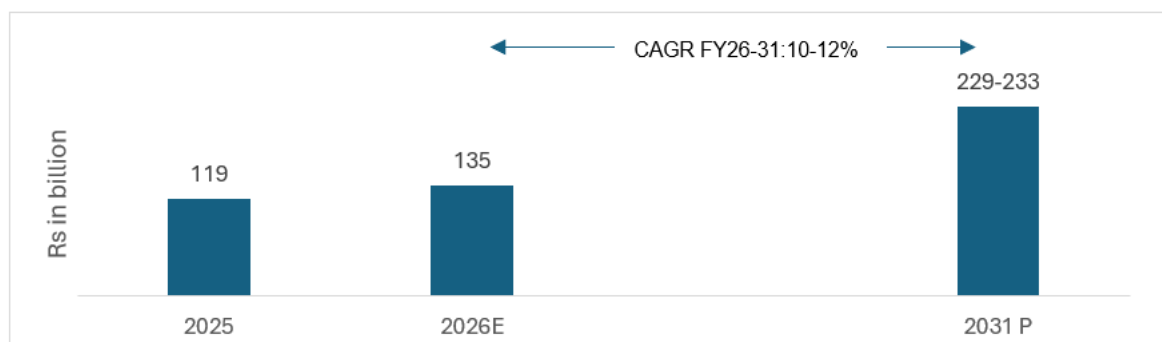
Source: CRISIL Intelligence

Outlook of automotive structural components market in India (Fiscal 2026 to Fiscal 2031P)

Cradle:

Automotive cradle industry demand is estimated to clock 10 to 12% CAGR during Fiscal 2026 to 2031 with the expected improvement in the economy, improvement in consumer sentiment, vehicle launches & support from financiers. In value terms, the market is expected to touch ₹ 229 to 233 billion, clocking 10 to 12% CAGR.

Automotive cradle market expected to grow at a CAGR of 10 to 12% from Fiscals 2026 to 2031



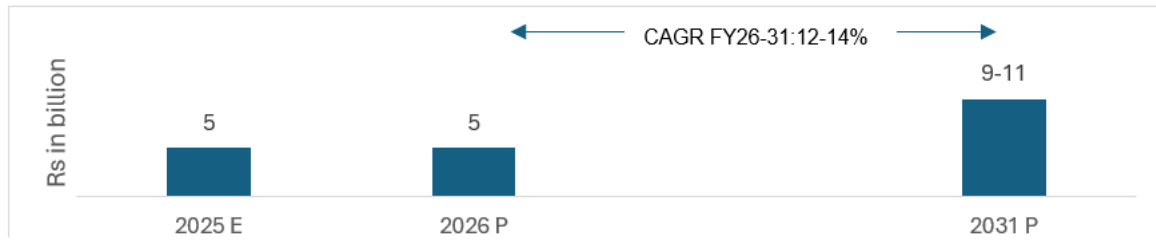
Note: E- Estimated, P- Projected

Source: CRISIL Intelligence

Water pump inlet pipe:

Automotive water pump inlet industry demand is estimated to clock 12 to 14% CAGR during Fiscal 2026 to 2031 with the growth driven by localised auto component manufacturing, increased passenger vehicle production and a transition towards lightweight cooling system components. In value terms, the market is expected to touch ₹ 9 to 11 billion, clocking 12 to 14% CAGR.

Automotive water pump inlet pipe market expected to grow at a CAGR of 12 to 14% from Fiscals 2026 to 2031



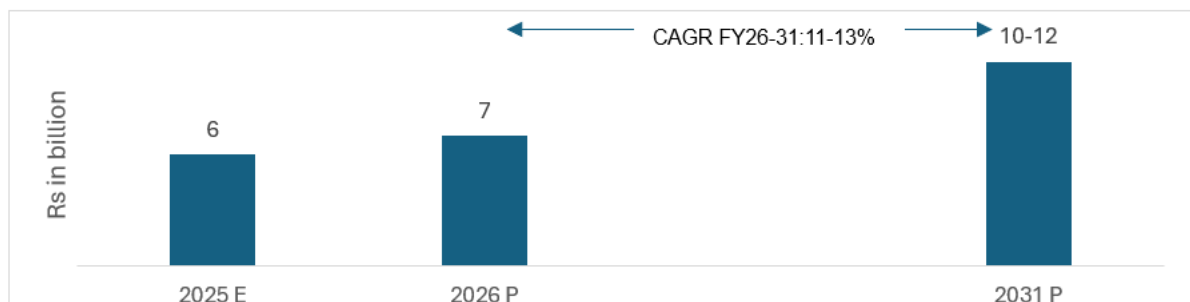
Note: E- Estimated, P- Projected

Source: CRISIL Intelligence

Air intake manifold:

Automotive air intake manifold industry demand is estimated to clock 11 to 13% CAGR during Fiscal 2026 to 2031. Growth is largely accelerated by rising production of internal combustion engine ("ICE") vehicle, stricter vehicle emission norms and a strong shift towards light weight ,high performance composite and plastic manifold. In value terms, the market is expected to touch ₹ 10 to 12 billion, clocking 11 to 13% CAGR.

Automotive air intake manifold market expected to grow at a CAGR of 11 to 13% from Fiscals 2026 to 2031



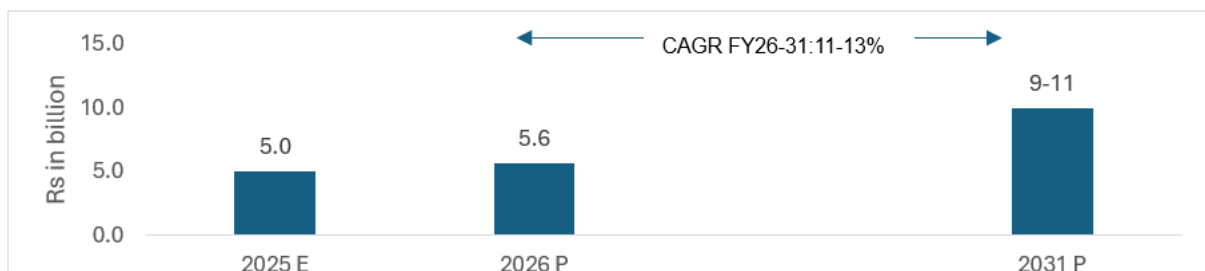
Note: E- Estimated, P- Projected

Source: CRISIL Intelligence

Camcover & oil filter housing:

Automotive camcover & oil filter housing industry demand is estimated to clock 11 to 13% CAGR during Fiscal 2026 to 2031. The growth is heavily driven by rising domestic vehicle production ,stringent BS VI emission standards and an expanding vehicle parc. Steady growth is projected leading up to 2031 with strong focus on the aftermarket. In value terms it is expected to touch ₹ 9 to 11 billion, clocking 12 to 14% CAGR.

Automotive camcover & oil filter housing market expected to grow at a CAGR of 11 to 13% from Fiscals 2026 to 2031



Note: E- Estimated, P- Projected

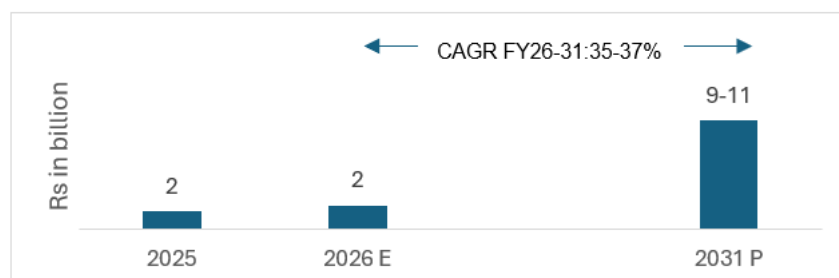
Source: CRISIL Intelligence

Outlook of E-Vehicle components market in India (Fiscal 2026 to Fiscal 2031)

Battery housing:

Automotive battery housing industry demand is estimated to clock 35 to 37% CAGR during Fiscal 2026 to 2031 driven by electric vehicle production ,aggressive localised policies, India's EV battery housing market rapidly expanding . In value terms, the market is expected to touch ₹ 9 to 11 billion, clocking 35 to 37% CAGR.

Automotive battery housing market expected to grow at a CAGR of 35 to 37% from Fiscals 2026 to 2031



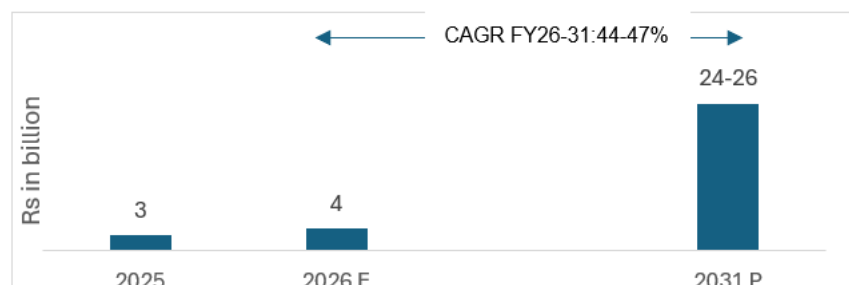
Note: E- Estimated, P- Projected

Source: CRISIL Intelligence

Motor housing:

Automotive motor housing industry demand is estimated to clock 44 to 48% CAGR during Fiscal 2026 to 2031 with the expected driven primarily by the transition to Electric Vehicles ("EVs"). In value terms, the market is expected to touch ₹ 24 to 26 billion, clocking 44 to 48% CAGR.

Automotive motor housing market expected to grow at a CAGR of 44 to 48% from Fiscals 2026 to 2031



Note: E- Estimated, P- Projected

Source: CRISIL Intelligence

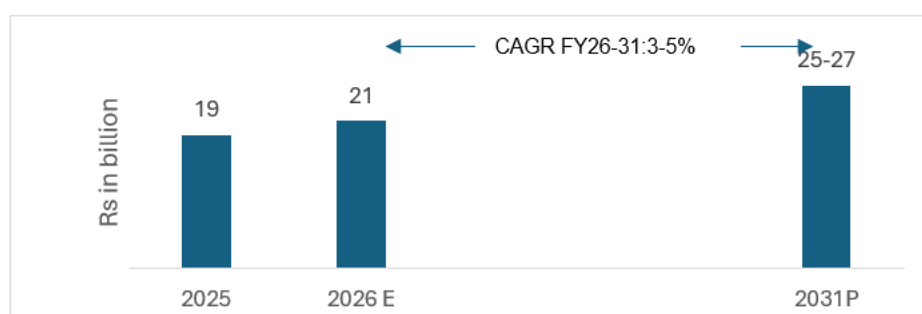
IV. Outlook of industrial engineering market in India (Fiscal 2026 to Fiscal 2031)

Outlook of aluminium casting in power transmission

Housing of transformer core, circuit breakers of switchgears and casings of GIS substation are casted using ferrous and non-ferrous material. Aluminium casted housing is preferred in GIS, due to its non-corrosive and light-weight properties.

Demand for industrial castings from the power transmission sector is driven by investments of the Central and state government transmission companies and, to a smaller extent, from the private sector for the medium-voltage segment. In the power-transmission segment, switchgears are expected to account for the major share of casting demand. Demand for industrial castings used in power transmission expected to grow at 3 to 5% CAGR over Fiscals 2026 to 2031 to ₹ 25 to 27 billion.

Aluminium casting in power transmission expected to grow at a CAGR of 3 to 5% from Fiscals 2026 to 2031



Note: E- Estimated, P- Projected

Source: CRISIL Intelligence

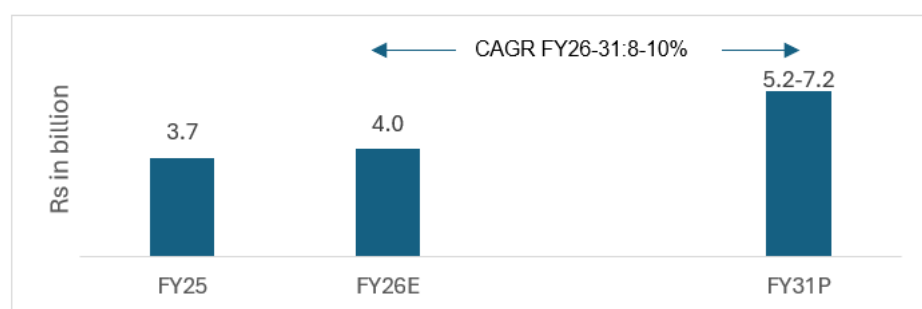
Outlook of casting for gas-insulated switchgears

Currently around 20 to 25% of the transmission substation switchgears are gas-insulated. The share of GIS switchgears is expected to rise further to approximately 30% by Fiscal 2024. Although GIS equipment are costlier than AIS equipment, considering the overall life-cycle costs, including running and maintenance costs, GIS equipment are less expensive than the alternatives. Moreover, these GIS switchgears offer much superior performance.

With the rapidly increasing urbanisation, rising per-capita power consumption and growing space constraints, GIS switchgears would be the preferred option due to their compact size. Additionally, a rise in the contribution of renewable energy in power consumption will provide an additional kicker to growing GIS demand.

Demand for GIS based castings is expected to accelerate at a 8 to 10% CAGR to ₹ 5.2 to 7.2 billion by Fiscal 2031. Demand for GIS in volume terms will be higher in the MV segment, driven by the private sector, while high-value GIS substations in the HV and EHV segments will be driven by the Central and state government transmission companies.

Casting for gas-insulated switchgears expected to grow at a CAGR of 8 to 10% from Fiscals 2026 to 2031



Note: E- Estimated, P- Projected

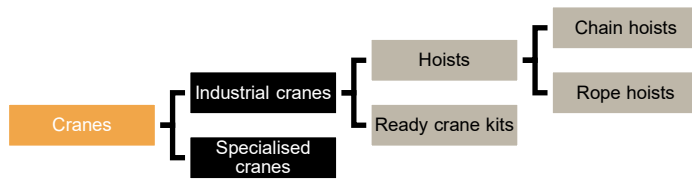
Source: CRISIL Intelligence

Review and outlook for select segments of industrial goods and Engineering industry in India **Overview of crane and crane components**

A crane is a large machine used to move, lift and lower objects through a projected arm. Cranes are generally equipped with chain hoists, wires, ropes, beams, etc., for material handling requirement. Industrial cranes, which are used in general material handling and manufacturing, comprise overhead (including electric) and mobile cranes. A hoist is a critical component of cranes, which enables handling of freely suspended objects. Typically, cranes are installed with a hoist depending upon the load requirements. A few industrial cranes are also installed with two hoists (less than 5%), to enable broader load ranges. Regular hoists that are fitted to industrial cranes are

classified into chain hoists, which have lower load range (up to approximately 3 tonne), and rope hoists, which can handle heavier loads. These hoists comprise more than 80% of the industrial cranes market.

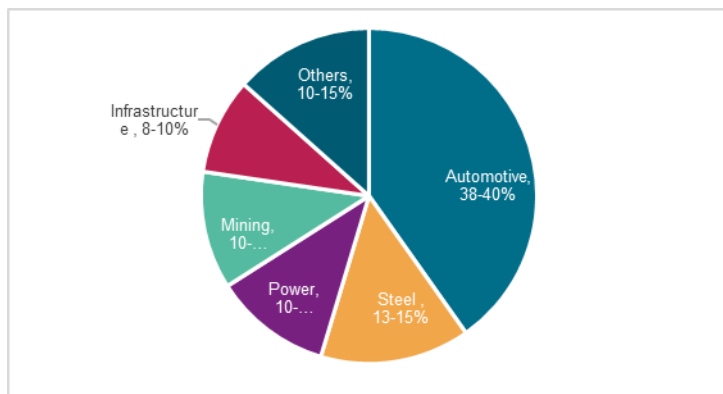
Classification of cranes (and hoists) industry



Growth in the crane segment is correlated with industrial activity and infrastructure. Heavy duty cranes have higher correspondence with growth in road, power, irrigation, cement, mining, etc., while industrial cranes market is also dependent upon

industrial activity and manufacturing.

End user segment wise crane usage (Fiscal 2026E)



Light crane systems

Light crane systems are compact and flexible material handling solutions designed to improve efficiency, safety, and precision in industrial operations. Commonly used in manufacturing plants, warehouses, assembly lines, and workshops, these systems enable the easy movement of light to medium loads with minimal manual effort.

Crane kits

Crane kits are pre-engineered packages that include essential crane components such as hoists, end carriages, drives, control systems, and electrification equipment, enabling manufacturers or system integrators to build customized crane solutions.

Spring balancer

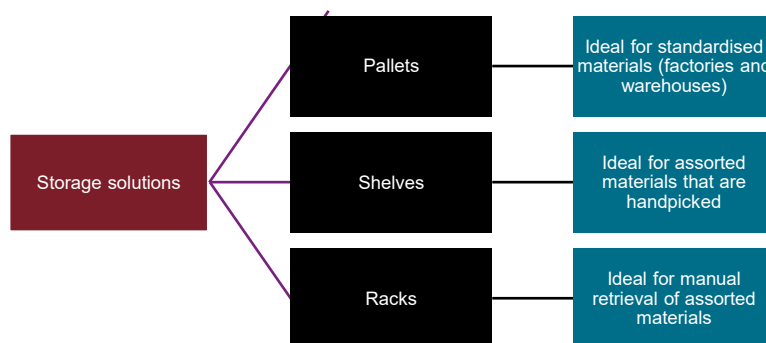
A spring balancer is an auxiliary handling device used to support suspended tools, hooks, or lightweight lifting equipment, enabling smooth and controlled movement during crane operations. It helps balance the load through an internal spring mechanism, reducing strain on operators and improving handling precision.

Overview of storage solutions

Storage solutions play a critical role in modern industrial and warehouse operations by enabling efficient organization, storage, and movement of materials. The storage solutions industry broadly comprises pallets, racking solutions and shelving solutions.

Shelving solutions are ideal for storage of assorted materials that are handpicked. Palletised racking solutions are ideal wherein huge volumes of standard-type products are produced, stored, retrieved and distributed in and out of manufacturing units or warehouses. On the other hand, slotted angle racking, multi-tier racking systems, etc., are suitable for manual retrieval of assorted materials.

Storage solutions industry



Vertical storage solutions

Vertical storage solutions are advanced space optimization systems that maximize storage capacity by effectively utilizing vertical height within facilities. These

systems include vertical lift modules, carousel systems, multi-tier racks, and compact storage units that enable organized and high-density storage of components, tools, and inventory.

Automated storage and retrieval systems

Automated Storage & Retrieval Systems ("ASRS") are technology-driven material handling solutions designed to automate the storage, retrieval, and movement of goods within warehouses and industrial facilities. These systems utilize robotics, automated cranes, conveyors, shuttles, and intelligent warehouse management software to ensure efficient inventory handling with minimal human intervention. These storage solutions significantly improve storage density, operational speed, picking accuracy, and inventory traceability while reducing labor dependency and operational errors. They are widely used in industries such as e-commerce, automotive, pharmaceuticals, manufacturing, and logistics to support high-throughput operations and optimize warehouse performance. With growing demand for smart warehousing and Industry 4.0 integration, automated storage and retrieval system solutions are becoming a key enabler for efficient, scalable, and automated supply chain operations.

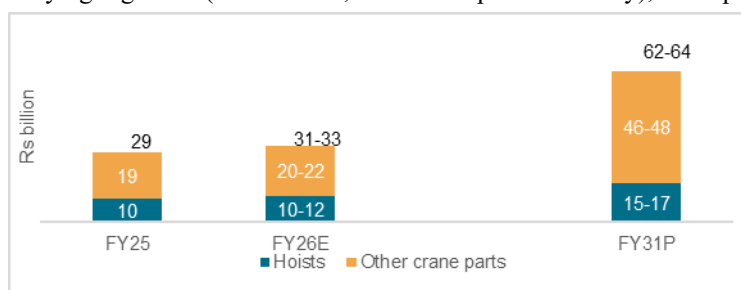
Market size and outlook of industrial goods and engineering industry

Cranes: Industrial cranes are sold by crane makers who buy crane parts such hoist, wheel blocks, LT panels, etc. separately, assemble them to form a complete structure and sell. Hoists cost 30 to 40% of the overall crane pricing. They are sold through dealers, which include crane makers, annual maintenance contract /replacement dealers. The life of a hoist is 3 to 5 years, after which it is generally replaced by the end users. This is facilitated by hoist dealers. Some 30 to 35% of annual sales of hoists are on account of replacement demand, while the rest is for manufacturing new cranes.

According to Crisil Intelligence estimates, the hoist market in India was ₹ 9 to 11 billion as of Fiscal 2025 which was estimated to grow by ₹ 10 to 12 billion in Fiscal 2026. Among hoists, chain hoists account for approximately ₹ 2 to 3 billion (one-fourth, in value terms), while rope hoists account for approximately ₹ 7 to 8 billion (three-fourths). Unit-wise requirement of chain hoists is higher as they have a lower replacement cycle (3 to 5 years), compared with rope hoists (and ready crane kits), which are usually replaced after 5 to 7 years.

Market size and outlook for cranes industry in India

Going ahead, with an expected improvement in the economy, as well as gradual demand improvement in underlying segments (automobiles, metals and power industry), we expect the industry to reach ₹ 62 to 64 billion



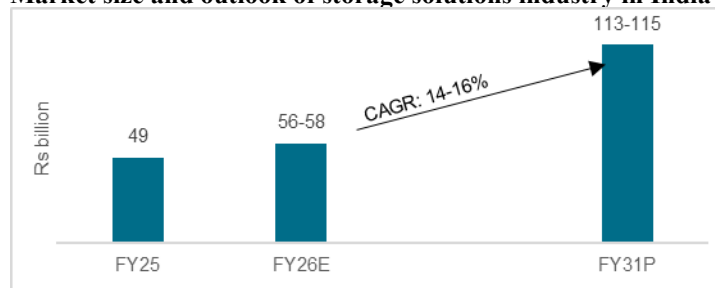
by Fiscal 2031, growing at a compound annual growth rate ("CAGR") of 14 to 16% between Fiscals 2026 and 2031. This growth is expected to be fuelled by continued investments in the end user segments, and in turn, capacity expansion by players to cater to the sustained demand growth in the underlying industries.

Note: E: Estimated, P: Projected

Source: Crisil Intelligence

Storage solutions:

Market size and outlook of storage solutions industry in India



Pallet racking is an essential component of modern warehousing, manufacturing, retailing and other storage systems. Pallet racks enable storage of materials on pallets, which are easier to use vis-à-vis manual operations. Usage of pallets also makes loading and unloading convenient using forklifts, and other material handling equipment, which reduces time and

improves efficiency.

Note: E: Estimated, P: Projected

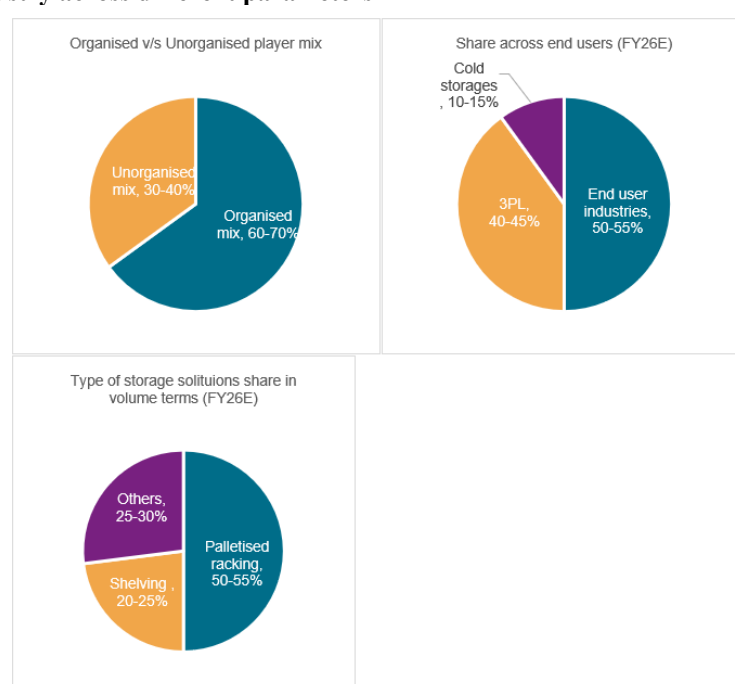
Source: Crisil Intelligence

The market size of storage solutions industry, comprising pallets, racking and shelving, is estimated at ₹ 49 billion as of Fiscal 2025 which is estimated to grow by ₹ 56 to 58 billion in Fiscal 2026. The industry is estimated to have grown at a compound annual growth rate ("CAGR") of 15 to 18% over

Fiscals 2020 to 2024. The industry marginally declined in Fiscal 2021 on account of disruptions due to the Covid-19 pandemic and the resulting impact on the supply chains of Indian industries. Although, going ahead Crisil Intelligence expects the industry to log 14 to 16% CAGR over the next five years to reach ₹ 113 to 115 billion in Fiscal 2031 from ₹ 56 to 58 billion in Fiscal 2026, on account of incremental ambient warehouse addition and rise in the share of organised warehousing players. The warehousing sector in India has seen a significant transformation, mainly driven by the post pandemic surge in online purchase, and a shift in consumer's buying pattern.

In addition to ambient warehousing industry, the growth in storage solutions is defined by end-user industries such as e-commerce, organised retailing, consumer durables, auto components and pharmaceuticals as well as cold storage industries.

Storage solutions industry across different parameters



Note: E: Estimated

For end user industries maximum contribution (2-25%) is by manufacturing/ industrial sector.

Others in type of storage solutions includes mezzanine flooring, wooden pellets, automated and speciality storage, etc.

Source: Industry, Crisil Intelligence

Share of organised players is expected to increase over the next three years on account of requirement of customised products. However, the slotted angle racking and multi-tier racking systems witness intense competition due to the large presence of unorganized players.

Different types of storage solutions are used across factories, warehouses, offices, hospitals, libraries, research and development centers, banks, defense establishments and retail centers. Depending on the segment's requirement, various types of storage solutions such as automated storage and retrieval system ("AS/RS") racking, very narrow aisle racking, multi-deep radio shuttle racking, motorized mobile racking, gravity flow racking, drive in racking, heavy duty pallet racking, mezzanine floor, long span shelving systems, slotted angle racking, mobile compactors, cable drum racking and steel pallets are used. Among the users of storage solutions, warehousing and 3PL players occupy the majority share. 3PL applications typically comprise of ambient industrial warehouses, which exclude captive warehouses.

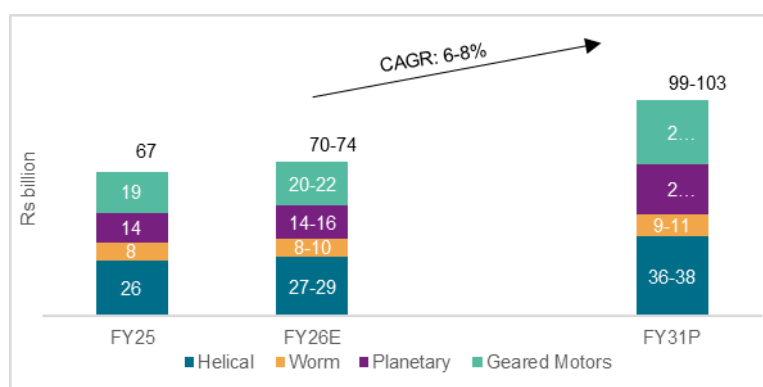
A. Gear and gear boxes

Gearboxes accounted for 65 to 70% of the total gearboxes and geared motors market in Fiscal 2026, followed by geared motors with 25 to 30% share which also includes coupling products. Geared motors have seen growing

preference owing to plug-and-play design vis-à-vis gearboxes, which requires installation of electric motors separately. Geared motors are particularly preferred in <125 kW power output applications. Loose gears primarily find applications in railways and textile machinery, and as a replacement product across all industrial applications.

Market size and outlook of gears and gear boxes market in the non-automotive industry

The market is benefitting from increasing investment in renewable power generation, for addressing increasing energy needs and reducing reliance of fossil fuel-based power. In India, industries like FMCG, Steel, Cement, Power, Infrastructure and Mining are in the process of renovating and expanding their manufacturing facilities to meet the rising demand alongside the growing economy. The estimated market size of industrial gearboxes in India is ₹ 67 billion in Fiscal 2025 which is estimated to grow by ₹ 70 to 74 billion in Fiscal 2026 and is projected to reach to ₹ 99 to 103 billion in next five years. Also, India is focusing on renewable sources to generate energy and to achieve 40% of its energy from non-fossil sources by 2030 which brings the opportunity for the Windmill segment.

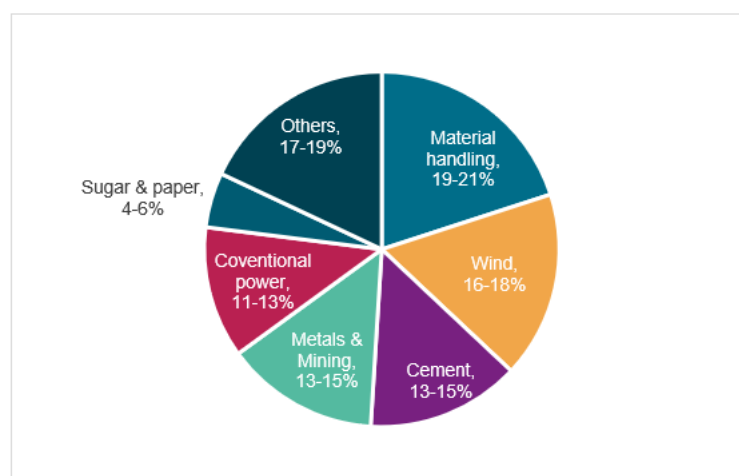


Note: E: Estimated, P: Projected

Source: Crisil Intelligence

Intelligence estimates the domestic market for industrial gears and gearboxes to clock a compound annual growth rate ("CAGR") of 6 to 8% from approximately ₹ 58 to 62 billion in Fiscal 2026 to reach approximately ₹ 99 to 103 billion in Fiscal 2031. Demand for gears is expected to be robust from the material handling equipment required for slew of infrastructure projects including roads, metro construction, river-linking and railways over the forecast period. Demand from these sectors is expected to increase at 4 to 5% CAGR. Over the forecast period, wind power is expected to continue to drive demand for gearboxes over Fiscals 2026 to 2031P. In addition, increased cement usage and mining activity is expected to support gear and gearbox demand over the forecast period.

Application-wise domestic demand for gears and gearboxes in Fiscal 2026E (₹ 70 to 74 billion)



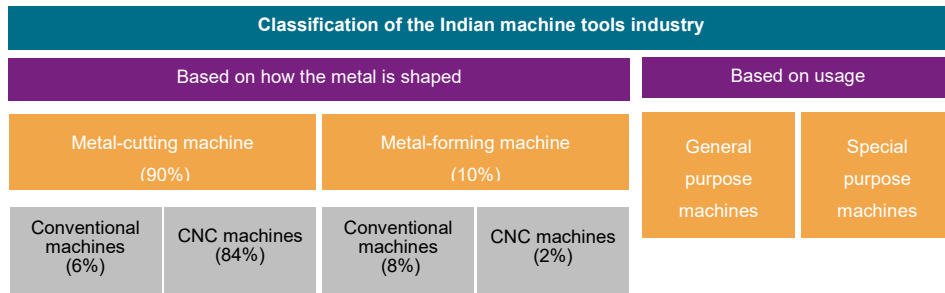
Note: Material handling includes conveyors, cranes, hoists and warehouse systems.

Others include elevators, printing machines, plastic extruder, rubber, chemical, pharma, plastics, marine, crane, packaging, etc.

Source: Crisil Intelligence

B. Special Purpose Machine ("SPM") manufacturing

SPMs are customised machines deployed to automate industrial processes to ensure high productivity. Based on their usage, they are classified as general purpose machines or SPMs. Usage of SPMs reduces chances of human error and decreases human fatigue when carrying out repetitive operations. It assures consistent quality and interchangeability of parts by carrying out the same designed process every time without any shortcuts. SPMs, designed to operate for 24 hours a day with minimum supervision, are mostly product-specific and need to be designed and developed as per individual requirements. These SPMs are either cam-operated machines or use hydraulics and pneumatics as actuating elements or a combination of all. Often, a dedicated programmable logic controller is used in conjunction with positional sensors and transducers to give commands to the actuating elements. Sometimes, different special motors such as stepper and servo motors are used as actuating elements.



Since SPM manufacturers are mostly machine tool manufacturers, SPMs are considered a part of the machine tools industry. However, not all

machine tool manufacturers possess the capability to produce SPMs since these require strong design expertise, technical know-how, and industry knowledge. Demand for SPMs is cyclical in nature and, hence, standalone players are very few.

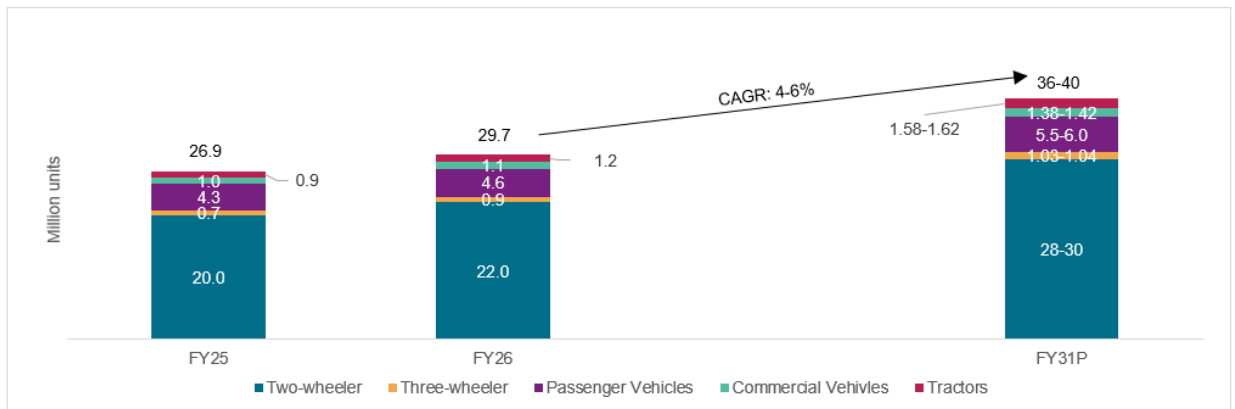
Note: CNC-Computer Numerical Control

Figures in bracket indicate percentage contribution by value

Source: Industry, Crisil Intelligence

The SPM industry is closely linked to the growth and performance of the automobile and railway sector, which constitutes a key end-user industry for SPM applications. The automobile sector comprises multiple segments including two-wheelers, three-wheelers, passenger vehicles, commercial vehicles, and tractors. Accordingly, growth in vehicle production volumes, capacity expansion, automation adoption, and manufacturing efficiency requirements across these segments are key drivers influencing the market size and demand outlook for the SPM industry.

Automobile industry expected to register CAGR of 4 to 6% between Fiscals 2026 and 2031P



Note: P: Projected

Source: Crisil Intelligence

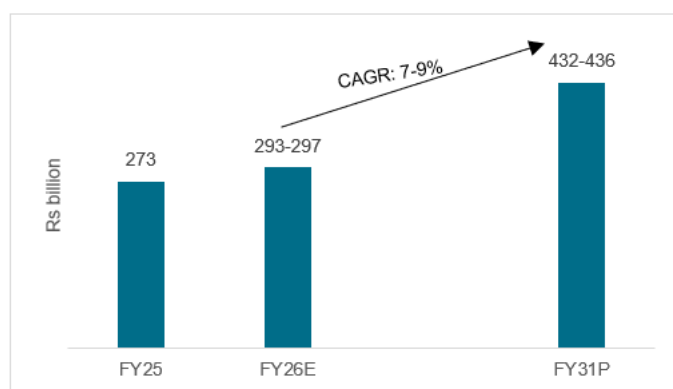
C. Tool room and Mold base

A tool room is integral to the manufacturing sector, and, hence, its fortunes are closely linked to the trajectory of the various industries. The market size for Indian tool room industry is estimated to be approximately ₹ 273 billion in Fiscal 2025 and has grown by 3 to 4% between Fiscal 2020 and 2024. The subdued growth was primarily due to slowdown in automobile industry growth during Fiscals 2019 to 2021 period due to the pandemic. The automotive industry remains the key sector accounting for more than 60% of total demand.

Sectors like defence, aerospace and medical equipment are gaining traction due to the growing trend of localization.

Market size and outlook of tool room and mold base industry

Almost 34% of the tooling demand is met through imports with approximately 80% of the imports from China, South Korea, Japan, and Taiwan. In the automotive sector, the EV start-ups are largely relying on a one-stop solution for all their tooling requirements and hence rely on imports as a blueprint solution, as they prefer one stop solution for all their components. The Indian tool room is slowly catching up to meet the requirements of the domestic customers, thus reflecting in the high growth for demand and reduction on imports. The push for localization from Indian OEMs has also helped in this.



Note: E: Estimated, P: Projected
Includes tools, Molds, dies and fixtures
Source: Crisil Intelligence

Over the next five years, the economy as well as demand for tools are forecasted to gradually pick up, with the market size of the tooling industry reaching ₹ 432 to 436 billion by Fiscal 2031, which is a 7 to 9% CAGR from Fiscal 2026 levels as industry was estimated at ₹ 293 to 297 billion in Fiscal 2026, driven by strong growth in end-use segments. Automotive, and general engineering segments are expected to be the fast-growing segments followed by plastics process, electrical and aerospace & defence. Also, given the rising number of new vehicle launches as well as increased frequency of launching latest modified versions of popular models, demand for newer tools and molds is expected to outpace the automobile industry's demand, thus providing further thrust to the tooling industry. Demand from opening up of industries such as defence and aerospace, with conditions for local sourcing of components, is also expected to provide additional surge to tooling demand.

Growth drivers and challenges for the industrial goods and engineering industry in India

The industrial goods and engineering industry in India is witnessing strong growth, supported by rapid industrialization, infrastructure development, increasing private and public capital expenditure, expansion of manufacturing activities, and government initiatives such as "Make in India", Production Linked Incentive ("PLI") schemes, National Logistics Policy, and PM Gati Shakti. Rising investments across sectors including automotive, warehousing, construction, railways, steel, power, renewable energy, defence, aerospace, and industrial automation are driving demand for engineered products and industrial equipment. Additionally, increasing focus on localization, import substitution, supply chain resilience, and manufacturing competitiveness is creating opportunities for domestic engineering players across cranes, storage solutions, gears and gearboxes, special purpose machines ("SPMs"), and tool room and mold base manufacturing.

SUMMARY OF BUSINESS

To obtain a complete understanding of our business, investors should read this section in conjunction with “**Risk Factors**”, “**Industry Overview**”, and “**Financial Information**” on pages 38, 88 and 189, respectively, as well as the financial, statistical and other information contained in this Preliminary Placement Document. Some of the information in the following section, especially information with respect to our plans and strategies, includes certain forward-looking statements that involve risks and uncertainties. You should read “**Forward-Looking Statements**” on page 19 for a discussion of the risks and uncertainties related to those statements, and the “**Risk Factors**” on page 38 for a discussion of certain risks that may affect our business, financial condition, or results of operations. Our actual results may differ materially from those expressed in, or implied by, forward-looking statements.

Our fiscal year ends on March 31 of each year, and references to a particular fiscal year are to the twelve-month period ended March 31 of that year. Unless otherwise indicated or the context otherwise requires, the financial information included in this section for as, at and for the years ended March 31, 2026, 2025 and 2024 has been derived from our respective Fiscal 2026 Audited Consolidated Financial Statements, Fiscal 2025 Audited Consolidated Financial Statements and Fiscal 2024 Audited Consolidated Financial Statements. See, “**Financial Information**” beginning on page 189. On account of acquisition of certain entities during Fiscal 2025, the Audited Consolidated Financial Statements for Fiscals 2026, 2025 and 2024 are not strictly comparable to each other. See “**Risk Factors - In this Preliminary Placement Document, we have presented financial information for the years ended March 31, 2026, March 31, 2025 and March 31, 2024. These periods are not strictly comparable to each other.**” on page 60.

Unless the context otherwise requires, references to “our Company” are to Craftsman Automation Limited on a standalone basis, while references to “we”, “us” or “our” (including in the context of any financial or operational information) are to Craftsman Automation Limited, its Subsidiaries and Joint Venture/Associate on a consolidated basis.

Unless otherwise indicated, industry and market data used in this section has been derived from the industry report titled “**Studying the Automobile and Automotive business in India**” dated June 2026 (the “**CRISIL Report**”) prepared and issued by Crisil Intelligence and exclusively commissioned and paid for by us to enable the investors to understand the industry in which we operate in connection with the Issue. The data included herein and, in the section, “**Industry Overview**” includes excerpts from the CRISIL Report and may have been re-ordered by us for the purposes of presentation. There are no parts, data or information (which may be relevant for the Issue), that has been left out or changed in any manner in the section “**Industry Overview**”. Unless otherwise indicated, financial, operational, industry and other related information derived from the CRISIL Report and included herein with respect to any particular calendar year or Fiscal refers to such information for the relevant calendar year or Fiscal. Also, see “**Industry Overview**” on page 88. For further information, see “**Risk Factors – Certain sections of this Preliminary Placement Document disclose information from the CRISIL Report which is a paid report and commissioned and paid for by us exclusively in connection with the Issue and any reliance on such information for making an investment decision in the Issue is subject to inherent risks**” and “**Industry and Market Data**” on pages 60 and 17, respectively.

Overview

We are a diversified engineering company with vertically integrated manufacturing capabilities, engaged in three business segments: (i) Powertrain Segment; (ii) Aluminium Products Segment; and (iii) Industrial & Engineering Segment. We are an end-to-end solutions provider with strong in-house capabilities spanning design, process engineering and manufacturing, including foundry, surface treatment, fabrication, machining and assembly. Our comprehensive suite of products and solutions encompass design, process engineering and manufacturing which includes foundry, heat treatment, fabrication, machining and assembly.

- **Powertrain Segment:** Our key products consist of highly engineered engine products such as cylinder blocks, cylinder heads, camshafts, transmission parts, gear box housings, turbo chargers and bearing caps. These products are used by original equipment manufacturers (“**OEMs**”) in the production of commercial vehicles, special utility vehicles, tractors and off-highway vehicles. In Fiscal 2026, our Company contributed 84.15% of the total Powertrain segment revenue, while our subsidiary, Craftsman Germany GmbH, contributed 15.85% of the total Powertrain segment revenue. Our Powertrain segment is supported by 14 strategically located manufacturing facilities across India and Germany.
- **Aluminium Products Segment:** We offer a wide range of aluminium products and solutions for precision

components. This segment is equipped with an array of processes including high pressure die casting, low pressure die casting, sand casting and gravity die casting machines for components manufacturing, along with precision machining, assembly lines and surface finishing capabilities. Our key products in this segment consist of highly engineered lightweighting products including crankcase and cylinder blocks for two wheelers, engine and structural parts for passenger vehicles, gear box housing for heavy commercial vehicle and aluminium products for power transmission. In Fiscal 2026, our Company contributed 37.03% of the total Aluminium Products segment revenue, while our subsidiaries, Sunbeam Lightweighting Solutions Limited and DR Axion India Limited, contributed 29.17% and 33.80%, respectively. Further, in Fiscal 2026, revenue from products catering to 4 wheelers applications contributed 54.35% of the total Aluminium Products segment revenue, followed by 2 wheelers applications at 41.13% and others at 4.52%. Further, the sales volume of the Aluminium Products segment increased from 49,039 metric tonnes in Fiscal 2024 to 94,904 metric tonnes in Fiscal 2026.

- **Industrial & Engineering Segment:** Our in-house engineering and design capabilities have enabled us to develop a diverse product portfolio in this segment under two distinct sub-segments:
 - **Storage Solutions:** This comprises solutions for conventional and automated storage and manufacturing of material handling equipment such as hoists and crane kits. Our offerings under storage solutions encompass pallets, racking, shelving, vertical storage solutions tailored to various sectors such as fast-moving consumer goods, e-commerce, food and beverages, logistics, pharmaceutical and electronics. In Fiscal 2026, our revenue from storage solutions was 63.94% of the segment revenue from Industrial & Engineering Segment.
 - **High End Sub-assembly, Contract Manufacturing and Others:** Under this sub-segment, we manufacture high-end precision products such as industrial gear and gear boxes, marine engines and accessories, special purpose machines (“SPM”) for metal cutting and non-metal applications such as washing and leak testing solutions, tool room, mould base and sheet metal and also undertake sub-assembly for third-parties. In Fiscal 2026, our revenue from high-end sub-assembly, contract manufacturing and others was 36.06% of the segment revenue from Industrial & Engineering Segment.

The following table sets forth financial information regarding our business segments:

Particulars	Fiscal 2026	Fiscal 2025	Fiscal 2024
	(in ₹ lakhs except percentages)		
Powertrain Segment			
Segment Revenue	2,17,890	1,81,148	1,55,837
Segment EBIT ⁽¹⁾	36,131	25,124	29,163
Segment EBIT Margin ⁽²⁾	16.58%	13.87%	18.71%
Aluminium Products Segment			
Segment Revenue	4,78,875	3,03,275	2,15,361
Segment EBIT ⁽¹⁾	49,424	31,170	32,203
Segment EBIT Margin ⁽²⁾	10.32%	10.28%	14.95%
Industrial & Engineering Segment			
Segment Revenue	1,10,162	84,625	73,975
Segment EBIT ⁽¹⁾	4,856	1,853	4,935
Segment EBIT Margin ⁽²⁾	4.41%	2.19%	6.67%

⁽¹⁾ Segment EBIT refers to segment results (profit before interest, tax and other unallocable items).

⁽²⁾ Segment EBIT Margin is calculated as Segment EBIT divided by Segment Revenue.

We have long term relationships with several domestic and global OEMs and component manufacturers across our three business segments. A majority of our revenue from operations is generated from our OEM customers. We also undertake export supply to developed markets, catering to Tier 2 and Tier 3 supplier levels within global OEM supply chains. We have also been recognized by customers for the quality of our products. For details of our recent awards, see “– **Awards and Recognitions**” on page 127. Our track record and extensive product portfolio have enabled us to retain existing customers and acquire new customers.

We operated 28 strategically located manufacturing facilities across 9 states in India and one manufacturing facility in Germany during Fiscal 2026, with a total built up area of over 3.60 million square feet. Some of these manufacturing facilities are located in close proximity to some of our customers, allowing us to meet their delivery schedules, provide logistical advantages to our customers, and insulate them from local supply or other

disruptions. Our manufacturing facilities are equipped with advanced machinery and equipment, engineered layout with process controls and necessary automations to enhance quality and productivity.

Our manufacturing operations are conducted from facilities which are operated by us, allowing us to maintain quality control and safety throughout our manufacturing processes. Through our overseas subsidiary, Craftsman Europe B.V. (*formerly known as Craftsman Marine B.V.*), we engage in marketing, sales and servicing of marine engines and other associated equipment used in yachts. These products, branded as ‘Craftsman Marine’, are manufactured and assembled by us in India and exported to expand our presence in the European market. As we have grown our operations, we have along the way entered into joint ventures, which have helped us gain access to new customers, business segments, geographies, expertise and technologies. Our joint venture Carl Stahl Craftsman Enterprises Private Limited, located in India, is engaged in marketing, installation, commissioning and rendering after-sales services for material handling equipment such as chain hoists, rope hoists and cranes kits. These products are manufactured by us under the name “Carl Stahl Craftsman”.

We have undertaken strategic acquisitions and investments in the past as part of our growth strategy to expand our capabilities, geographic presence and product offerings, the details of which are set out below:

- We acquired 76.00% of the equity share capital of DR Axion India Limited (“**DR Axion**”) (*formerly known as DR Axion India Private Limited*) with effect from February 1, 2023, which manufactures aluminium cylinder heads and blocks for passenger vehicles through gravity and low-pressure die castings. This acquisition has helped us strengthen our presence in the passenger vehicle segment, provide process synergies, access the customer base of DR Axion and provide opportunities for us to enter the e-mobility solutions market for passenger vehicles. Further, we acquired the remaining 24% of the equity share capital of DR Axion on June 29, 2024, and consequently, it became our wholly owned Subsidiary with effect from July 1, 2024.
- We acquired 100% of the share capital of Craftsman Germany GmbH, Germany along with its subsidiary, Craftsman Fronberg Guss GmbH, Germany, and consequently both the entities became our wholly owned subsidiaries with effect from July 22, 2024. Further, on October 1, 2024, Craftsman Fronberg Guss GmbH acquired the assets of Fronberg Guss GmbH and commenced operations as a manufacturing entity engaged in design, development and manufacturing of metal products including iron castings for internal combustion engines, drive engineering and mechanical engineering. In addition, Craftsman Germany GmbH had acquired 100% of the equity stake of Craftsman Fronberg Guss Immobilien GmbH, which consequently became our Subsidiary with effect from October 1, 2024. The object of the aforesaid acquisition was to expand our market presence in Europe.
- We acquired 100% of the legal and beneficial interest of the total securities of Sunbeam Lightweighting Solutions Limited (*formerly known as Sunbeam Lightweighting Solutions Private Limited*), pursuant to which it became a wholly owned Subsidiary with effect from October 9, 2024. This acquisition has enabled us to diversify and enhance our product portfolio, customer base and geographic presence in the aluminium die-casting and machining markets in Northern and Western India and establish new customer relationships for aluminium based lightweighting components, including export customers in USA, France, Germany and Poland.
- Through our Subsidiary DR Axion, on December 18, 2025, we acquired 100% of the paid-up equity shares of Suprash Developers Private Limited (“**Suprash**”) and its subsidiary Srikara Technologies Private Limited (“**Srikara**”). Suprash and Srikara are primarily engaged, *inter alia*, in the business of designing, developing, building, constructing, leasing/licensing and/or disposing of industrial projects and own land in Sriperumbudur Taluk, Kancheepuram District, Tamil Nadu. The land owned by Suprash and Srikara will be used for setting up DR Axion’s new facility.

Our Promoter and our Chairman and Managing Director, Srinivasan Ravi, is a mechanical engineer and a first-generation entrepreneur with over 39 years of relevant industry experience. In addition, we have an experienced Board of Directors, comprising our Chairman and Managing Director, our Whole-time Director and four Independent Directors. Our Key Managerial Personnel and members of Senior Management have extensive experience including in operations, information technology, logistics, business, industrial engineering, administration and human resource development.

We have established a track of consistent revenue growth and profitability. Our revenue from operations increased at a CAGR of 34.63% between Fiscal 2024 to Fiscal 2026 while our profit for the year increased at a CAGR of 6.69% between Fiscal 2024 and Fiscal 2026.

The following table sets forth certain financial and other information as at the dates/for the years indicated:

Particulars	As of/ for the year ended March 31,		
	2026	2025	2024
Revenue from Operations (₹ lakhs)	8,06,927	5,69,048	4,45,173
Gross profit ⁽¹⁾ (₹ lakhs)	3,66,731	2,58,841	2,08,042
Gross margin ⁽²⁾ (%)	45.45%	45.49%	46.73%
EBITDA ⁽³⁾ (₹ lakhs)	1,30,007	85,878	89,692
EBITDA Margin ⁽⁴⁾ (%)	16.11%	15.09%	20.15%
Profit for the Year (₹ lakhs)	38,399	20,087	33,733
PAT Margin (%)	4.76%	3.53%	7.58%
Average Capital Employed ⁽⁵⁾	5,32,106	3,95,183	2,86,965
Return on Average Capital Employed ⁽⁶⁾ (%)	16.09%	12.95%	21.58%
Return on Equity ⁽⁷⁾ (%)	12.55%	8.72%	21.15%
Net Debt ⁽⁸⁾	3,16,185	1,93,103	1,46,341
Net Debt to EBITDA ⁽⁹⁾ (in times)	2.43	2.25	1.63
Debt to Equity Ratio ⁽¹⁰⁾ (in times)	1.02	0.72	0.88
Net Worth ⁽¹¹⁾	3,26,406	2,85,674	1,75,166
Interest Coverage Ratio ⁽¹²⁾ (in times)	4.21	3.96	5.14

⁽¹⁾ Gross profit is calculated as revenue from operations less cost of materials consumed and changes in inventories of finished goods and work-in-progress.

⁽²⁾ Gross margin is calculated as gross profits divided by revenue from operations.

⁽³⁾ EBITDA is calculated as profit before exceptional items and tax plus finance costs and depreciation, amortization and impairment expense.

⁽⁴⁾ EBITDA Margin is calculated as EBITDA divided by revenue from operations.

⁽⁵⁾ Average capital employed is calculated as the average of opening and closing balance of capital employed and capital employed is calculated as total assets less current liabilities.

⁽⁶⁾ Return on Average Capital Employed is calculated as EBIT divided by average capital employed. EBIT is calculated as profit before exceptional items and tax plus finance costs. Average capital employed is calculated as the average of opening and closing balance of capital employed and capital employed is calculated as total assets less current liabilities.

⁽⁷⁾ Return on Equity is calculated as profit for the year divided by average shareholders' equity.

⁽⁸⁾ Net Debt is calculated as total debt (sum of current borrowings and non-current borrowings) less cash and cash equivalents and other bank balances.

⁽⁹⁾ Net Debt to EBITDA is calculated as Net Debt divided by EBITDA.

⁽¹⁰⁾ Debt to Equity Ratio is calculated as total debt (sum of current borrowings and non-current borrowings) divided by total equity.

⁽¹¹⁾ Net worth is calculated as Total Assets less Total Liabilities.

⁽¹²⁾ Interest Coverage Ratio is calculated as EBITDA divided by finance costs.

Strengths

Diversified engineering company with a focus on providing comprehensive solutions and manufacturing high quality, intricate and critical products, components and parts

We are a diversified engineering company operating across three business segments: (a) Powertrain Segment, (b) Aluminium Products Segment, and (c) Industrial & Engineering Segment. We offer comprehensive one-stop solutions to our customers including design, process engineering and manufacturing with capabilities in foundry, heat treatment, fabrication, machining and assembly facilities. Our product range caters to a wide customer base across various industries such as commercial vehicles, two wheelers, tractors and other sectors. For example, we manufacture cylinder blocks, cylinder heads and transmission parts for tractors and trucks as well as crank cases for two wheelers. We pursue cross-selling opportunities across different business segments to add value for both, our existing and potential customers. This approach allows us to address complex customer requirements that demand expertise across multiple domains, expand our reach into different areas of our customers' businesses and enhance our capabilities to collaborate with OEMs in the early stages of product design.

Our diversified presence across various segments and strong design capabilities provide us with the flexibility to navigate through business cycles and mitigate industry fluctuations. For instance, our Powertrain Segment and Aluminium Products Segment have the capabilities to collaborate with the OEMs in designing new cylinder blocks and cylinder heads, design and manufacture requisite tooling for machining and manufacture new engine components such as jigs, fixtures, special tools and SPM. Similarly, in respect of aluminium components, we are equipped with high pressure die casting, low pressure die casting and gravity die casting machines to manufacture components, machining tools for machining and assembly lines. Our in-house tool room designs and manufactures dies for die casting activities and maintain these dies. With our experience in machining and manufacturing capacities, as well as the capital expenditure undertaken by us over the years, we have emerged as a one-stop-

shop for our customers, with the ability to manufacture high quality, intricate and critical products and components, which may serve as an entry barrier for other manufacturers and OEMs that do not currently have such similar in-house engineering capabilities and manufacturing facilities.

Strong in-house process and product design capabilities with the ability to interchange capacity and product mix

We have presence across various levels of the component value chain, offering a wide range of products and services. These include product design, prototyping, tool development, manufacturing, assembly and production of integrated components, reducing or minimizing our use of, or reliance on, externally sourced components. Our approach involves engagement with customers from the early stages of product design, allowing us to develop extensive process and product design capabilities and domain knowledge, particularly for intricate, complex and highly critical automotive and non-automotive components, such as powertrain cylinder blocks and heads and camshafts. This approach enables us to meet customer specifications and provide quality products and service in a timely and cost-effective manner. We believe that our competitive edge stems from our presence across different levels of the component value chain and our design capabilities.

We focus on research and development, with an emphasis on continuous improvement in our products' performance, cost and reliability. We have developed a range of automatic and semi-automatic machines for assembly of parts as well as fail-safe control and monitoring systems. Our manufacturing automation teams integrate robots and gantry systems, assuring consistent quality and dependability. Our engineering expertise and technology driven manufacturing processes have enabled us to deliver our products to our customers in accordance with their designs and specifications in a cost competitive manner.

We have leveraged our in-house engineering and design capabilities to develop a wide range of product portfolio. This includes material handling equipment such as hoists, crane kits, industrial gears and gear boxes, storage solutions, marine engines and accessories, tool room, mould base products and SPM (which includes metal cutting and non-metal applications such as washing and leak testing solutions), which are available to us for our captive use and application as well, and support our contract manufacturing operations, while also reducing our reliance on third party component manufacturers or suppliers.

Our facility configurations are flexible, allowing us to relocate our machinery as needed to adjust capacity and product mix. This includes the ability to shift production lines between our different segments, based on customer demands and operational requirements. This flexibility enables us to offer a wide range of products and services to our customers across various industries in all three business segments, thereby optimizing our machine productivity, operational efficiency, time management and de-risking our business model.

Our delivery of high quality products has led us to receive various awards and accolades. For further details on our recent awards and accolades, see “– ***Awards and Recognitions***” on page 127. Further, we are certified for international quality management systems such as ISO 9001:2015, IATF 16949:2016, ISO 14001:2015 by TUV Nord, and have implemented environmental management system, Occupational Health and Safety Management Systems ISO 45001:2018 and Information Security Management Systems ISO 27001:2022.

Long term relationships with domestic and global OEMs

We have established long-term relationships with several domestic and global OEMs, as well as component manufacturers, some of whom have been our customers for over 10 years. With our track record and wide product portfolio, we have been able to retain our existing customers and have also been able to attract new customers. We have a consistent track record of acquiring new customers and expanding into different geographies. We are diversified across customers with our top 10 customers accounting for 54.38%, 64.48% and 67.42% of our revenue from operations in Fiscal 2026, 2025 and 2024, respectively. Our diversified engineering, comprehensive solutions and high quality, intricate and critical products, components and parts, process and product design capabilities have been critical in acquiring new customers and retaining existing customers. Our domestic and global OEM customers have stringent selection procedures and product specifications for procurement from third party suppliers such as us, including conducting audits, testing, trial runs, periodic reviews and inspections of our procurement, manufacturing, logistical and other capabilities and performance. Our track record of maintaining long term relationships with several such customers illustrates our commitment to meeting their requirements and delivering quality products and solutions. We believe that our long-term relationships with customers have been a key driver of our growth, allowing us to compete effectively with our competitors. We have the capability to develop products and solutions that meet our customers' designs and specifications, as well as the ability to cross sell multiple products to our customers to increase our wallet share with such customers.

Among the indicators of customer satisfaction and our commitment towards process and product excellence are the awards and accolades we have received from certain of our customers. We have been consistently recognized by customers for the high-quality of the products supplied by us. For further details on our recent awards and accolades, see “– *Awards and Recognitions*” on page 127.

Extensive manufacturing footprint, with strategically located manufacturing facilities.

We operated 28 strategically located manufacturing facilities across 9 states in India and one manufacturing facility in Germany during Fiscal 2026, with a total built up area of over 3.60 million square feet. Our manufacturing facilities are equipped with advanced machinery and some of our manufacturing facilities are located in close proximity to some of our customers to enable meeting our customers’ delivery schedules, allowing logistical advantages for our customers, and insulate them from local supply or other disruptions. Our in-house engineering and design capabilities allow us to offer comprehensive solutions including design, process engineering and manufacturing including foundry, heat treatment, fabrication, machining and assembly to our long standing domestic and international customers.

Our flagship integrated facility is located at the outskirts of Coimbatore, Tamil Nadu. We also have three integrated facilities for aluminium pressure die casting, machining and SPM manufacturing at Bengaluru, Karnataka. Our other manufacturing facilities are satellite facilities located across automotive and engineering hubs in India and close to some of our customers’ locations, including four manufacturing facilities located at Pune, Maharashtra, two manufacturing facilities located at Sriperumbudur, near Chennai, Tamil Nadu, two manufacturing facilities located at Coimbatore, Tamil Nadu, four manufacturing facilities located at Bhiwadi, Rajasthan, two manufacturing facilities located at Ludhiana, Punjab, two manufacturing facilities located at Ballabgarh near Faridabad, Haryana, two manufacturing facilities located at SIPCOT Industrial Park, Shoolagiri, Hosur, Tamil Nadu and one manufacturing facility each located at Jamshedpur, Jharkhand, Pithampur near Indore, Madhya Pradesh, Halol, Gujarat, Tiruvallur, Chennai, Tamil Nadu and Bawal, Haryana.

We have upgraded and continue to modernize, our manufacturing facilities, infrastructure, machines, equipment and technology to offer a diverse product suite, reduce operating costs and drive productivity. In Fiscal 2026, 2025 and 2024, our capital expenditure was ₹ 1,23,230 lakhs, ₹ 1,08,757 lakhs and ₹ 63,302 lakhs, respectively and as of March 31, 2026, 2025 and 2024, the Gross Block was ₹ 6,86,184 lakhs, ₹ 5,52,423 lakhs and ₹ 3,73,924 lakhs, respectively. These upgrades were undertaken to enhance our machining and manufacturing capacities to meet the growing demand for our Powertrain Segment, Aluminium Products Segment and Industrial & Engineering Segment from our customers.

Experienced management team supported by motivated and skilled work force.

We benefit from our strong management and technical teams, which include individuals with specialized training and extensive experience. In particular, our Promoter, Chairman and Managing Director, Mr. Srinivasan Ravi, is a mechanical engineer with over 39 years of relevant industry experience, and strong relationships with several key industry players. He holds a bachelor’s degree in mechanical engineering from PSG College of Technology, Coimbatore. He has received various awards, including “Outstanding Citizen of Coimbatore Award” by Rotary Club of Coimbatore in 2018, “Entrepreneur of the Year 2015 Award” by Entrepreneurs’ Organization, Coimbatore, “Outstanding Entrepreneur Achiever Award 2012” by Bharathiar School of Management and Entrepreneur Development, Bharathiar University, Coimbatore and “Best Entrepreneur Award” by Coimbatore Management Association in 2010.

In addition, we have an experienced Board of Directors, comprising our Chairman and Managing Director, a Whole-time Director and four Independent Directors. Mr. Ravi Gauthamram, our Whole-time Director, holds a bachelor’s degree in mechanical engineering from PSG College of Technology, Coimbatore and has been associated with our Company since February 20, 2014. He is engaged in building the product strategy in the industrial and engineering segment of our Company. Our Independent Directors on our Board of Directors include Mrs. Vijaya Sampath, who holds a bachelor’s degree in arts from the University of Madras and a bachelor’s degree in law from the University of Mysore, and has been on our Board since April 30, 2018, with experience in corporate laws and advisory; Mr. Tamraparni Srinivasan Venkata Rajagopal, a practicing chartered accountant with over 30 years of experience in corporate audit and taxation, who has also presented papers on corporate audit and taxation at the ICAI, Coimbatore; Mr. Rajeswari Karthigeyan, who has over 30 years of experience in CRISIL Limited and possesses expertise in credit appraisal of large manufacturing entities, sustainability and risk management; and Mr. Sundararaman Kalyanaraman, who holds a bachelor’s degree in mechanical engineering from the University of Madras, has been on our Board since June 30, 2017, and brings extensive experience in the automotive industry. Our Key Managerial Personnel include Mr. C.B. Chandrasekar, Chief Financial Officer,

Mr. Shainshad Aduvanni, Company Secretary and Compliance Officer, and Mr. D Thiagaraj, Chief Operating Officer – Powertrain division, who collectively oversee our financial management, compliance framework and operational execution. Our Key Managerial Personnel and Senior Management comprise members involved in operations, information technology, logistics, business, industrial engineering, administration and human resource development. For details of our Key Managerial Personnel and Senior Management, see “**Board of Directors and Senior Management - Key Managerial Personnel**” and “**Board of Directors and Senior Management - Members of the Senior Management**” beginning on page 133.

Our Promoter’s vision, strategic guidance, industry relationships and entrepreneurial ability and our Key Managerial Personnel and Senior Management’s execution skills are supported by a large, motivated and skilled workforce. Our employees and apprentices benefit from regular in-house training initiatives and we also engage external consultants from time to time, to assist us in specific initiatives and functions. Our personnel policies are aimed towards recruiting talented individuals, facilitating their integration, and promoting the development of their skills. As on March 31, 2026, we had a large workforce of 231 management staff (manager and above grade), 2,809 permanent workmen, 183 apprentices and 2,571 contract workmen.

Strategies

Leverage vertically integrated manufacturing and engineering capabilities to capitalize on opportunities in our business segments

Our vertically integrated manufacturing and engineering capabilities enable us to capitalize on the growing opportunities and emerging trends in our industry. In line with this, we have divided our focus across three business segments.

Powertrain Segment: We intend to focus on manufacturing large engine parts for off-highway vehicles and industrial applications. This will allow us to tap into the growing need for high-performance powertrain components in various heavy-duty sectors.

Aluminium Products Segment: We intend to focus on manufacturing alloy wheels for passenger vehicles and two-wheelers to take advantage of the increasing demand for lightweight vehicles.

Industrial & Engineering Segment: We intend to focus on the precision machining of parts for windmill and capital goods such as high strength windmill parts and machine tool structural parts. In addition, we seek to increase our market share in the storage solutions business, where we intend to leverage our strong product development, designing, engineering and manufacturing capabilities along with our strong relationships with our existing customers. In particular, we intend to expand our presence in the automated storage system solutions which require high precision racking, which we are capable of providing from our manufacturing facility in Pune, Maharashtra.

Increase our wallet share by leveraging existing OEM relationships and cater to new businesses by adding new customers

We intend to strengthen our relationships with our existing customers and explore opportunities to grow along the value chain by expanding our existing products and solutions to increase our wallet share and to acquire new customers by developing products and solutions aligned with their needs. We will continue to evaluate emerging trends and identify new businesses which we believe would enable us to capitalize on early mover advantages in those businesses.

Within the Powertrain Segment and Aluminium Products Segment, our continued focus would be on the growing light and medium commercial vehicles, passenger vehicles and two wheeler segments. We intend to leverage our relationships with certain of our existing customers, and with some of whom we have enjoyed long-term relationships to grow our Aluminium Products Segment. Further, we seek to continue to explore opportunities that may arise from the Government’s ‘Make in India’ initiative, fiscal and tax reform and other regulatory and policy support initiatives in India, which the Central and State Governments may announce and implement from time to time.

Continue to reduce operating costs and improve operational efficiencies

We intend to continue enhancing our operational efficiencies to increase economies of scale, lower our fixed and operating costs and strengthen our competitive position. We are also focused on improving capacity utilization at our manufacturing facilities by increasing our overall production volumes. Further, by leveraging our large size

and scale, we intend to produce higher volumes of products from each of our manufacturing facilities and spread our fixed costs to reduce our production costs on a per unit basis, allowing us to reduce our unit sales price and increase our competitiveness. In the past, we implemented various manufacturing and cost reduction strategies to improve our operational efficiencies including through investments in our manufacturing facilities, infrastructure, machinery, equipment and technology. We believe these investments have enabled us to offer a diverse product range, reduce operating costs and drive productivity and scalability.

We avail our fund-based and non-fund based facilities in the ordinary course of business from various banks and financial institutions. As part of our strategy, we intend to prepay/ repay, in full or in part, certain of our outstanding indebtedness. This will help reduce our outstanding indebtedness and debt servicing costs, assist us in maintaining a favourable debt to equity ratio and enable utilisation of our internal accruals for further investment in business growth and expansion. For further details, see “*Objects of the Issue and Use of Issue Proceeds – Details of Objects - Repayment/pre-payment, in full or part, of certain borrowings availed of by our Company*” on page 75.

Setting up of new manufacturing facilities

We operated 28 strategically located manufacturing facilities across 9 states in India and one manufacturing facility in Germany during Fiscal 2026. Our manufacturing footprint has expanded over time as part of our growth strategy. As part of this expansion, we have:

- commenced commercial operations at our manufacturing facility in Salarpur, Bhiwadi, on August 31, 2024. This facility was established to strengthen our presence in Northern India, where we believe several major two-wheeler and passenger vehicle OEMs, as well as companies operating in the general engineering and farm equipment sectors, are located. Given the significant business potential in the region, it was strategically important to establish a manufacturing facility in the NCR and nearby areas to cater to the growing demand for automotive and engineering components. Further, as per a Board resolution passed on June 13, 2025, the manufacturing facility in NCR was relocated to Salarpur, Bhiwadi. The Salarpur facility is located within a 100-kilometre radius of major OEMs, enabling efficient customer servicing, reduced logistics costs, and optimal utilization of facility capacity.
- commenced commercial operations at our Kothavadi, Coimbatore manufacturing facility on April 9, 2025. The facility was established in view of the limited scope to enhance diversification activities in Kothavadi. We also own a land bank at Kothavadi, providing adequate space for long-term expansion. Our existing Arasur facility and the new Kothavadi facility are located within close proximity, enabling seamless operational management and synergies between the two locations. In addition, Coimbatore is a well-established industrial hub with access to a skilled workforce, which further supports our growth and operational efficiency.
- commenced commercial operations at our manufacturing facility in Faridabad on August 14, 2025. This facility was established with a view to improve our operational efficiency, optimize production processes, and reduce overhead costs.
- commenced commercial operations at our manufacturing facility located in SIPCOT Industrial Park, Shoolagiri, Hosur, on October 16, 2025. This facility was established to support our aluminium products business in Southern India, where several major two-wheeler and passenger vehicle OEMs are concentrated. The establishment of this facility is a strategic step towards meeting the increasing demand for automotive components and to tap into the business potential of these key OEMs. The new facility is expected to enhance production capacity, improve supply chain responsiveness, and support our long-term growth objectives in the region.

We are also in the process of setting up a new manufacturing facility at Nagpur, Maharashtra, Sriperumbudur, Tamil Nadu and Ludhiana, Punjab, to enhance operational convenience and ensure the timely and efficient delivery of services to customers in the region.

Inorganically grow our business offerings

We will continue to evaluate inorganic growth opportunities, in keeping with our strategy to grow our market share and develop new product categories. We may consider opportunities for inorganic growth, such as through mergers and acquisitions, business transfer or strategic investments, to acquire new customers, enter new markets, strengthen our position in our existing products and current markets, diversify our product portfolio, improve

operational efficiency, and enhance our expertise and knowledge. We have undertaken inorganic initiatives in the past as part of our growth strategy, which have supported the expansion of our business operations and capabilities. For further details of such acquisitions, see “- **Overview**” on page 115.

We intend to maintain a disciplined approach to acquisitions and consider various selection criteria such as skills of the management team, operation scale, technological capability, product portfolio, customer base and end market exposures. We believe that our long-standing customer relationships, financial strength and manufacturing capabilities will help us identify and secure appropriate opportunities in the future.

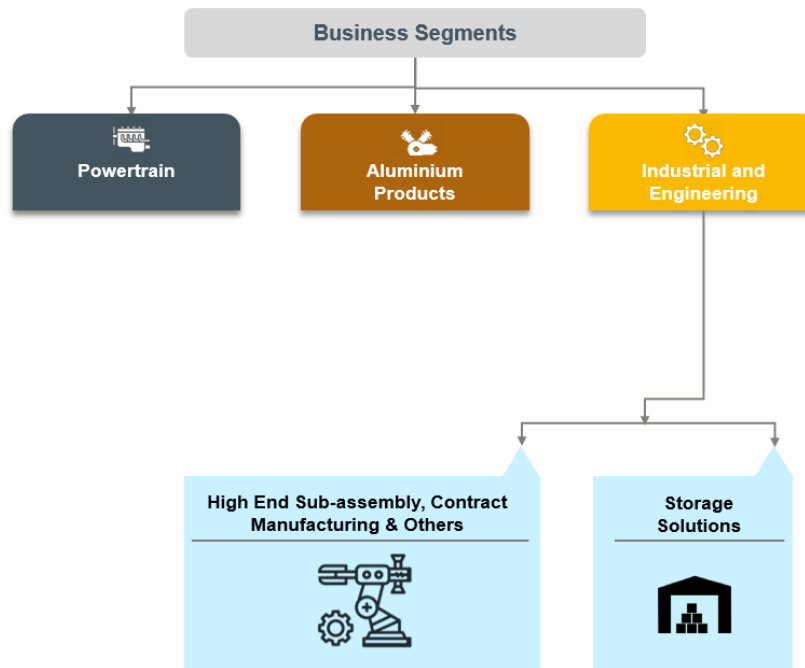
Further, as part of the internal restructuring/consolidation of the Aluminium Products business, the boards of directors of our subsidiaries, namely, DR Axion and Sunbeam Lightweighting Solutions Limited (“**Sunbeam**”) have, in their respective meetings on March 11, 2026, considered and approved a draft composite scheme of arrangement (“**Scheme**”) pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, involving, inter alia, the following: (a) amalgamation of the step-down wholly owned subsidiaries of our Company into and with DR Axion subject to compliance with certain conditions precedent; (b) re-organization of the equity share capital of Sunbeam; (b) amalgamation of DR Axion (with or without completion of (a)) into and with Sunbeam; and (c) other matters connected therewith.

Our Journey

Period	Particulars
1986	Our Company was established as “Craftsman Automation Private Limited”
2001 to 2006	- Set up our aluminium foundry unit at Kurichi and a satellite unit at Pithampur, - Obtaining ISO 9001:2000 and ISO/TS 16949:2002 certifications. - Set up satellite unit Jamshedpur.
2007 to 2011	- Entered into joint ventures with Carl Stahl Craftsman Enterprises Private Limited. - Secured “Star Export House” recognition, - Established our subsidiary, Craftsman Europe B.V., Netherlands. - Additional satellite units were set up at Sriperumbudur, Jamshedpur, Pune and Faridabad.
2012 to 2016	- Expanded into storage solutions at Arasur, Coimbatore, and established a second satellite unit at Pune. - Technology division and HPDC foundry at Bengaluru, along with aluminium sand foundry, HPDC and LPDC facilities at Arasur, Coimbatore.
2017 to 2020	- Commenced machining services at Bengaluru - Transitioned into a Public Limited Company under the name “Craftsman Automation Limited,” - Established a storage products manufacturing facility at Pune.
2021 to 2023	- Initial public offering in March 2021, with our equity shares listed on BSE and NSE. - Expanded our capabilities through the acquisition of a 76% equity stake in DR Axion India Limited - Establishment of new greenfield facilities at Kothavadi and Bhiwadi.
2024 to 2026	- Acquisition of the balance 24% stake in DR Axion India Limited - Acquisition of 100% of Sunbeam Lightweighting Solutions Limited - Acquisition of Craftsman Fronberg Guss GmbH and Craftsman Germany GmbH. - Added greenfield facilities at Bhiwadi, Kothavadi and Hosur. - DR Axion India Limited, along with its wholly owned subsidiary Srikara Technologies Private Limited, acquired Suprash Developers Private Limited to support greenfield expansion at Sriperumbudur. - Proposed a satellite unit at Ludhiana - Filed a scheme of arrangement for the merger of DR Axion India Limited, Suprash Developers Private Limited and Srikara Technologies Private Limited into Sunbeam Lightweighting Solutions Limited.

Our Business Segments

We have three business segments, namely, Powertrain Segment, Aluminium Products Segment, and Industrial & Engineering Segment. Our business segments are as set out below:



Powertrain Segment

Our products are highly engineered and require advanced manufacturing processes to maximize end user performance, with end users including OEMs producing commercial vehicles, special utility vehicles, tractors and off-highway vehicles. Our key products in this segment include engine parts such as cylinder block and cylinder head, camshafts, transmission parts, gear box housings, turbo chargers and bearing caps. The capabilities we use in this segment include design and development, precision machining and assembly (including CNC machining, laser heat treatment, assembly and testing), and finishing.

Aluminium Products Segment

Our key products include highly engineered products such as crank case and cylinder blocks for two wheelers, engine and structural parts for passenger vehicles and gear box housing for heavy commercial vehicles. The capabilities we use in this segment include design and development, foundry and casting, precision machining and assembly (including CNC machining and testing) and finishing.

Under this segment, we also manufacture aluminium products for power transmission and our key products include machined casting for gas insulated sub-stations. The capabilities we use for aluminium products for power transmission include design and development of castings, manufacturing of castings in our foundry facilities, precision machining and assembly and testing. Our aluminium products cater to power equipment manufacturers who in turn supply to power transmission and distribution utilities.

Industrial & Engineering Segment

We have a diverse product portfolio in two distinct sub-segments: (i) storage solutions; and (ii) high end sub-assembly, contract manufacturing and others.

Storage Solutions

This sub-segment comprises storage solutions for conventional and automated storage and manufacturing of material handling equipment such as hoists and crane kits.

Our key products for storage solutions include stationary racking for warehouses, V-store, roll form products and Automated Storage and Retrieval Systems (“ASRS”). Our storage solutions cater to logistics, electronics, warehousing, manufacturing, retail and healthcare industries, with solutions ranging from selective pallet, pushback pallet, pallet gravity flow, or drive-through or cantilevered racking, mobile, sliding, multi-tiered, long-span, or boltless slotted shelving, mezzanine floors, compactors or collapsible storage, goods lifts, cold storage

racks and modular solutions. Using our design and engineering capabilities, we have developed a vertical storage system with tray extractor arrangements operated by a console, marketed under the brand name V-Store.

Further, our key products for material handling include chain hoists, wire rope hoists, grab hoists, crane kits, light crane systems and pallet trucks. These products are used by process industries, automotive sector and foundries. The capabilities we use include design and development, foundry and casting, manufacture of gears, sheet metal fabrication and assembly and testing.

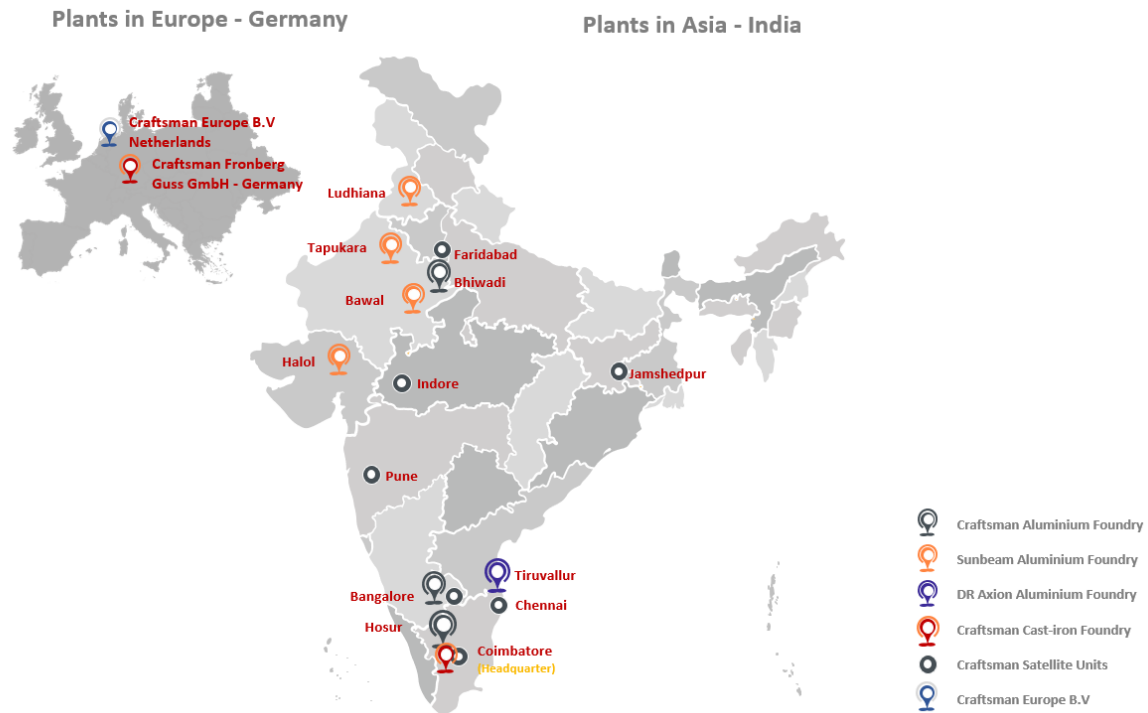
High End Sub-assembly, Contract Manufacturing and Others

We manufacture high-end precision products such as industrial gear and gear boxes, marine engines and accessories, SPM for metal cutting and non-metal applications such as washing and leak testing solutions, tool room, mould base and sheet metal, and undertake sub-assembly for third-parties. This sub-segment involves high level of design engineering and a complex production system which involves design and development, foundry and casting, sheet metal fabrication, precision machining and assembly, finishing and testing.

- **Industrial Gear and Gear Boxes:** Our key products include transmission and housing components. These products cater to elevators, metro transportation, compressor manufacturers, printing machines, automobiles and steel rolling mills. The capabilities we use include design and development of gear and gear boxes, heat treatment, hobbing, grinding, precision machining and assembly and testing.
- **Marine Engine and Accessories:** Our key products include engine, panel assembly, bow thrusters. These products cater to leisure boat.
- **SPM:** Our key products include metal cutting machines, drilling machines, milling machines and other SPMs such as leak testing machines, nut runners, industrial washing machines and supply conveyors. These machines are primarily used by automobile companies. The capabilities we use include design and development of machines, vendor development of casting, bought-out components and electronic sub-assemblies, sheet metal fabrication, heavy duty and precision machining and assembly, testing and on-site installation.
- **Tool Room, Mould Base and Sheet Metal:** Our key products and services include mould base, sheet metal casing and housings. These products cater to diversified industries including engineering and automotive sector. The capabilities we use include design and development, heavy duty precision machining and assembly (including CNC machining, laser heat treatment, assembly and testing), sheet metal fabrication, welding, painting and finishing.

Manufacturing Facilities

We operated 28 strategically located manufacturing facilities across 9 states in India and one manufacturing facility in Germany during Fiscal 2026, with a total built up area of over 3.60 million square feet. Our manufacturing facilities are equipped with advanced machinery, including imported CNC machine tools and die casting machines and certain of our manufacturing facilities are located close to the premises of our key customers to enable meeting our customers' delivery schedules, allow logistical advantages for our customers, and to insulate them from local supply or other disruptions.



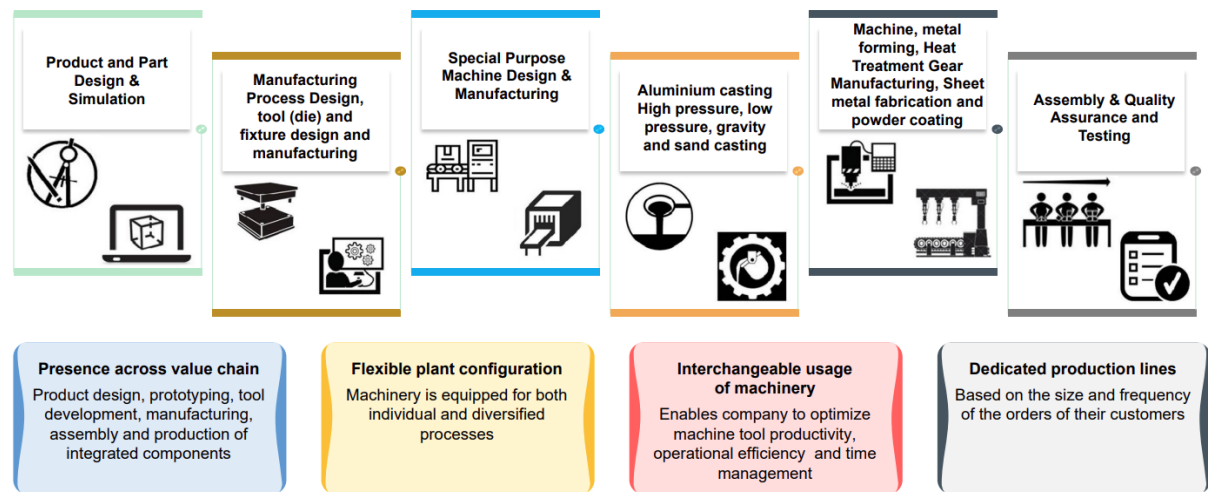
* Map not to scale

Manufacturing Processes and capabilities

Our manufacturing facilities configuration is flexible and our machinery are equipped for both individual and diversified processes, and their fungibility enables us to deploy them in an optimum manner to suit the customer's preferences and evolving requirements. Most of our machinery with change in attachments such as jigs, fixtures and tools are capable of being used interchangeably for either of our business segments, depending on the demand for products under each business segment. This enables us to optimize our machine tool productivity, operational efficiency, time management and de-risking our business model. We have dedicated production lines from time to time, based on the size and frequency of the orders of our customers. In case of items of mass production, we have installed SPMs to increase productivity.

We have internal quality control processes, which monitors the raw material, process and the end product quality. The quality control facility includes equipment like helium leak test machines for checking the quality of aluminium castings. We also have facilities to regrind our tools, which aids in reducing the tooling costs.

Our manufacturing process is as set out below:



Awards and Recognitions

Our awards and accolades include “Hero Partner of the Year” by Hero MotoCorp in 2025, “Certificate of Recognition for demonstrating collaboration, partnership and creating value to its customers” by GE Vernova T & D India Limited in 2025, “Best Supplier Award” by TAFE in 2025, “Appreciation of Development Award Master Crankcase” by Mahindra in 2025, “Best Supply Chain Management Automotive Division” by Mahindra & Mahindra in 2025, “Special Appreciation Award – Mahindra OJA” by Mahindra & Mahindra in 2025, “Outstanding Performance Scale Award” by CII in 2024, “Entrepreneur & Leadership Award” by JCB in 2024, “Appreciation for Excellent Support in Component Supply” by Mahindra & Mahindra in 2024, “Excellent Supplier Award 2024” by RMGT in 2024, “Certificate of Appreciation & Best Supplier Award” by Mitsubishi Heavy Industries Machinery Systems in 2024, “Supplier Excellence Recognition Award” by Caterpillar Inc. in 2024, “Outstanding Quality Performance Award” by Walvoil India in 2024, “Quality Performance Award FY24” by Ashok Leyland in 2024, “Special Appreciation Award – Scorpio-N”, “Annual Commodity Award – Casting & Forging – Automotive Divisions” and “Best Quality Performance Award - Farm Division” by Mahindra & Mahindra.

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Board of Directors

Under our Articles of Association, our Board shall comprise not less than three Directors and not more than fifteen Directors. As on the date of this Preliminary Placement Document, we have six Directors on our Board, comprising the Chairman and Managing Director, a Whole-time Director and four Independent Directors. Further, we have two woman Directors on our Board. Our Company is in compliance with the corporate governance norms prescribed under the SEBI Listing Regulations and the Companies Act, 2013 in relation to the composition of our Board and constitution of committees thereof.

The following table sets forth the details regarding our Board of Directors as on the date of this Preliminary Placement Document:

Name, Address, Occupation, Term, Nationality and DIN	Age	Designation	Other directorships
Srinivasan Ravi <i>Date of birth:</i> March 18, 1963 <i>Address:</i> 209, Tea Estate Compound, Race Course, Coimbatore 641 018, Tamil Nadu, India <i>Occupation:</i> Business <i>Nationality:</i> Indian <i>Term:</i> Re-appointed for a term of five years from October 1, 2021, liable to retire by rotation <i>Period of Directorship:</i> Director since incorporation <i>DIN:</i> 01257716	63 years	Chairman and Managing Director	<i>Indian companies</i> 1. Carl Stahl Craftsman Enterprises Private Limited; 2. DR Axion India Limited; 3. Srikara Technologies Private Limited; 4. Sunbeam Lightweighting Solutions Limited; and 5. Suprash Developers Private Limited <i>Foreign companies</i> 1. Craftsman Europe B.V. Netherlands
Ravi Gauthamram <i>Date of birth:</i> April 13, 1988 <i>Address:</i> 209, Tea Estate Compound, Race Course, Coimbatore 641 018, Tamil Nadu, India <i>Occupation:</i> Business <i>Nationality:</i> Indian <i>Term:</i> Re-appointed for a term of five years from October 1, 2021, liable to retire by rotation <i>Period of Directorship:</i> Director since February 20, 2014 <i>DIN:</i> 06789004	38 years	Whole Time Director	<i>Indian companies</i> 1. Carl Stahl Craftsman Enterprises Private Limited; 2. DR Axion India Limited; 3. Srikara Technologies Private Limited; 4. Sunbeam Lightweighting Solutions Limited; and 5. Suprash Developers Private Limited <i>Foreign companies</i> Nil
Sundararaman Kalyanaraman <i>Date of birth:</i> March 25, 1950 <i>Address:</i> S-31, Water Tank Road, Kirloskar Colony, 3 rd Stage, Basaveshwaranagar, Bengaluru North, Bengaluru 560 079, Karnataka, India	76 years	Independent Director	<i>Indian companies</i> Nil <i>Foreign companies</i> Nil

Name, Address, Occupation, Term, Nationality and DIN	Age	Designation	Other directorships
<i>Occupation:</i> Professional			
<i>Nationality:</i> Indian			
<i>Term:</i> Re-appointed for a term of five years from May 24, 2023			
<i>Period of Directorship:</i> Director since June 30, 2017			
<i>DIN:</i> 01252878			
Vijaya Sampath	73 years	Independent Director	<i>Indian companies</i>
<i>Date of birth:</i> May 26, 1953			1. DR Axion India Limited;
<i>Address:</i> Flat No – 403, Block-14, Meharuli Gurgaon Road, Heritage City, Gurgaon 122 002, Haryana, India			2. GVS Envicon Technologies Private Limited;
<i>Occupation:</i> Professional			3. Ingersoll Rand India Limited;
<i>Nationality:</i> Indian			4. Intellect Design Arena Limited;
<i>Term:</i> Re-appointed for a term of five years from April 30, 2023			5. Mankind Pharma Limited;
<i>Period of Directorship:</i> Director since April 30, 2018			6. Sunbeam Lightweighting Solutions Limited; and
			7. VA Tech Wabag Limited
			<i>Foreign companies</i>
			Nil
<i>DIN:</i> 00641110			
Tamraparni Srinivasan Venkata Rajagopal	59 years	Independent Director	<i>Indian companies</i>
<i>Address:</i> 35, Kalingarayar street, Ramnagar, Coimbatore South, Coimbatore 641 009, Tamil Nadu, India			1. DR Axion India Limited; and
<i>Date of birth:</i> July 9, 1966			2. Veejay Lakshmi Engineering Works Limited
<i>Occupation:</i> Practicing Chartered Accountant			<i>Foreign companies</i>
<i>Nationality:</i> Indian			Nil
<i>Term:</i> Five years with effect from March 19, 2022			
<i>Period of Directorship:</i> Director since March 19, 2022			
<i>DIN:</i> 07148250			
Rajeswari Karthigeyan	55 years	Independent Director	<i>Indian companies</i>
<i>Address:</i> Karthigeyan, G406, Casagrand Bellissimo, Kannan colony, Alandur, Kancheepuram, Chennai 600 016, Tamil Nadu, India			1. Belstar Microfinance Limited;
<i>Date of birth:</i> November 24, 1970			2. Happy Forgings Limited; and
<i>Occupation:</i> Consultant			3. Sunbeam Lightweighting Solutions Limited
<i>Nationality:</i> Indian			<i>Foreign companies</i>
<i>Term:</i> Five years with effect from March 6, 2023			Nil

Name, Address, Occupation, Term, Nationality and DIN	Age	Designation	Other directorships
<i>Period of Directorship:</i> Director since March 6, 2023			
<i>DIN: 10051618</i>			

Relationship with other Directors

Except for Ravi Gauthamram, our Whole time Director who is the son of Srinivasan Ravi, our Chairman and Managing Director, none of our Directors are related to each other.

Borrowing powers of our Board

Pursuant to our Articles of Association, subject to the provisions of the Companies Act 2013 and other applicable laws, our Board has been authorised to borrow, from time to time, any sum or sums of money, as may, in the opinion of the Board, be required to be borrowed by our Company notwithstanding that the monies already borrowed by our Company (apart from temporary loans obtained and/or to be obtained from our Company's bankers in the ordinary course of business) will exceed the aggregate of the paid-up capital of our Company and its free reserves.

Interest of our Directors

All our Directors may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or a committee thereof, as well as to the extent of other remuneration and reimbursement of expenses, if any, payable to them. For further information, see “- **Remuneration of Directors**” beginning on page 131.

Our Directors may also be interested (i) to the extent of Equity Shares, if any, held by them or held by the entities in which they are associated as promoter, directors, partners, proprietors or trustees or held by their relatives or that may be subscribed by or allotted to the companies, firms, *karta*, ventures, trusts in which they are interested as Promoter, Directors, partners, proprietors, members or trustees, pursuant to the Issue; and (ii) their directorship on the board of directors of, and/or their shareholding in our Subsidiaries or Joint Venture, as applicable. Our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of such Equity Shares. For further information regarding the shareholding of our Directors, see “**Shareholding of our Directors**” on page 130.

No sum has been paid or agreed to be paid to our Directors or to firms or companies in which they may be members, in cash or shares or otherwise by any person either to induce him/her to become, or to qualify him/her as, a Director, or otherwise for services rendered by him/her or by such firm or company, in connection with the promotion or formation of our Company.

None of our Directors have been declared as Wilful Defaulters.

Interest in promotion or formation of our Company

Except Srinivasan Ravi, our Promoter and our Chairman and Managing Director, and Ravi Gauthamram, one of the members of the Promoter Group and our Whole-time Director, our Directors have no interest in the promotion or formation of our Company, as on the date of this Preliminary Placement Document.

Except as stated in “**Financial Information**” on page 189, and as disclosed in this section, our Directors do not have any other interest in the business of our Company.

Our Company has not availed any loans from any of our Directors. Furthermore, our Directors have not taken any loans from our Company.

Shareholding of our Directors

As on the date of this Preliminary Placement Document, our Directors hold the following number of Equity Shares:

Names of Directors	Number of Equity Shares	Percentage of shareholding (%)
Equity Shares		
Srinivasan Ravi	1,05,00,000	44.01
Ravi Gauthamram	200	Negligible

Remuneration of Directors

The Nomination and Remuneration Committee determines and recommends to our Board the compensation payable to our Directors. Our Board and/or the Shareholders, as the case may be, approves such compensation to Directors.

Pursuant to a resolution passed by our Board of Directors dated January 29, 2025, our Company is required to pay to each of the Independent Directors, ₹60,000 for attending each meeting of our Board, and ₹35,000 for attending the meetings of each of the Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders' Relationship Committee, fund raising committee and any other committee of our Board. In addition to the sitting fee, pursuant to the resolution passed in the 36th Annual General Meeting of our Shareholders, the payment of commission to our non-executive Directors was revised wherein from Fiscal 2023, each non-executive Directors became eligible for commission of ₹9,00,000 per annum. Moreover, the Nomination and Remuneration Committee and our Board can determine the amount of commission payable to each of the non-executive Directors year-on-year up to a maximum amount of ₹20,00,000 per annum.

The table below sets forth the remuneration paid to our existing Chairman and Managing Director and Whole-time Director, including any commission, for the last three Fiscals:

<i>(₹ in lakhs)</i>				
Name	Designation	Fiscal 2024	Fiscal 2025	Fiscal 2026
Srinivasan Ravi	Chairman and Managing Director	1,064.02	593.17	1,193.98
Ravi Gauthamram	Whole Time Director	355.75	192.39	399.54

The table below sets forth the details of the remuneration (including sitting fees and commission) paid to our Independent Directors for the last three Fiscals:

<i>(₹ in lakhs)</i>				
Name	Designation	Fiscal 2024	Fiscal 2025	Fiscal 2026
Sundaraman Kalyanaraman	Independent Director	15.00	23.50	27.70
Vijaya Sampath	Independent Director	14.30	22.10	27.70
Tamraparni Srinivasan Venkata Rajagopal	Independent Director	14.30	22.10	27.70
Rajeswari Karthigeyan	Independent Director	4.54	20.70	26.30

Terms and conditions of employment of our Chairman and Managing Director and our Whole-time Director

Srinivasan Ravi, Chairman and Managing Director

Srinivasan Ravi has been re-appointed as our Chairman and Managing Director for a period of five consecutive years commencing from October 1, 2021 pursuant to the meeting of our Board of Directors held on May 5, 2021, and the meeting of our Shareholders held on June 21, 2021. Further, his re-appointment as the Chairman and Managing Director for a period of five years with effect from October 1, 2026, has been approved by way a resolution passed by our Board of Directors on May 7, 2026, subject to approval by the Shareholders in the next annual general meeting of the Company. He is entitled to a fixed salary in the range of ₹30,00,000 to ₹45,00,000 per month and he currently receives ₹45,00,000 per month.

In addition to the fixed salary set out above, when profits of our Company are adequate he is entitled to the following:

1. Leave travel allowance for self, spouse, dependent children and parents up to 12% of the salary;

2. Commission of such amount which is a value of 7.5% of the profits of our Company computed in accordance with Section 198 of the Companies Act, 2013 and deducting from such value, (a) the fixed salary indicated above; and (b) value of the perquisites indicated in paragraph 1 above to the extent actually availed by him. However, Mr. Srinivasan Ravi, pursuant to his letter dated July 14, 2021, had informed the Company about his decision to voluntarily cap the commission payable to 50% of limits approved by the Shareholders at the Annual General Meeting of the Company held on June 21, 2021 with effect from April 1, 2021 till September 30, 2026;
3. In addition to the above, Srinivasan Ravi is also entitled to the following:
 - (a) Our Company's contribution to provident fund not exceeding 12% of the salary, superannuation fund and annuity fund, if any;
 - (b) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
 - (c) Encashment of leave at the end of the tenure.

Further, in case of inadequacy of profits or no profits, Srinivasan Ravi shall be entitled to consolidated remuneration of ₹30,00,000 per month and such remuneration shall remain in force for a period of three years commencing from the year our Company has inadequacy of profits or reports loss, within the overall tenure of five years.

Ravi Gauthamram, Whole time Director

Ravi Gauthamram has been re-appointed as our Whole-time Director for a period of five consecutive years commencing from October 1, 2021 pursuant to the meeting of our Board of Directors held on May 5, 2021 and the meeting of our Shareholders held on June 21, 2021. Further, his re-appointment as a Whole-time Director for a period of five years with effect from October 1, 2026, has been approved by way a resolution passed by our Board of Directors on May 7, 2026, subject to approval by the Shareholders in the next annual general meeting of the Company. He is entitled to a fixed salary in the range of ₹ 5,00,000 to ₹7,50,000 per month and he currently receives ₹7,50,000 per month.

In addition to the salary set out above, when profits of our Company are adequate he is entitled to the following:

1. Leave travel allowance for self, spouse, dependent children and parents up to 12% of the salary;
2. Commission of such amount which is a value of 2.5% of the profits of our Company computed in accordance with Section 198 of the Companies Act, 2013 and deducting from such value, (a) the fixed salary indicated above; and (b) value of the perquisites indicated in paragraph 1 above to the extent actually availed by him. However, Mr. Ravi Gauthamram, pursuant to his letter dated July 14, 2021 had informed the Company about his decision to voluntarily cap the commission payable to 50% of limits approved by the Shareholders at the Annual General Meeting of the Company held on June 21, 2021 with effect from April 1, 2021 till September 30, 2026;
3. In addition to the above, Ravi Gauthamram is also entitled to the following:
 - (a) Our Company's contribution to provident fund not exceeding 12% of the salary, superannuation fund and annuity fund, if any;
 - (b) Gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
 - (c) Encashment of leave at the end of the tenure.

Further, in case of inadequacy of profits or no profits, Srinivasan Ravi shall be entitled to consolidated remuneration of ₹5,00,000 per month and such remuneration shall remain in force for a period of three years commencing from the year our Company has inadequacy of profits or reports loss, within the overall tenure of five years.

There is no contingent or deferred compensation payable for Fiscal 2026 to the Chairman and Managing Director and our Whole-time Director.

Bonus or profit-sharing plan of the Directors

Except as stated in “– *Terms and conditions of employment of our Chairman and Managing Director and Whole-Time Director*” above, our Company does not have any bonus or profit-sharing plan with our Directors.

Service contracts with Directors

There are no service contracts entered into with any Directors, which provide for benefits upon termination of employment.

Key Managerial Personnel

All our Key Managerial Personnel, except C.B. Chandrasekar, the Chief Financial Officer of our Company, are permanent employees of our Company.

In addition to Srinivasan Ravi, the Chairman and Managing Director and Ravi Gauthamram, our Whole time Director, the details of our other Key Managerial Personnel in terms of the Companies Act, 2013 and the SEBI ICDR Regulations, as on the date of this Preliminary Placement Document, are set out below:

Sr No.	Name	Designation
1.	C.B. Chandrasekar	Chief Financial Officer
2.	Shainshad Aduvanni	Company Secretary and Compliance Officer
3.	D Thiyagaraj	Chief operating officer –Powertrain division

Members of the Senior Management

All of our members of Senior Management, except Srivardhan Krishnakumar, Manisekaran A, M Sampath Kumar, Ravi Shankar V and Mohanakrishnan R, are permanent employees of our Company.

The details of the members of the Senior Management of our Company as on the date of this Preliminary Placement Document, are set out below:

Sr No.	Name	Designation
1.	Srivardhan Krishnakumar	Chief operating officer –aluminum division
2.	Manisekaran A	Vice president – information technology
3.	M Sampath Kumar	Plant director
4.	Ravi Shankar V	Chief operating officer-storage division
5.	Mohanakrishnan R	Vice president- administration and human resource development
6.	Deepak Bhoi	Chief technical officer & president - operations
7.	V Kumaravel	Vice president – operations – industrial engineering & engineering service department
8.	Shakti Choubé	Senior vice president & business head- intralogistics automation
9.	Arjun Sridhar	General manager - technology development division, Craftsman storage solutions

Shareholding of our Key Managerial Personnel and Senior Management

Except as disclosed below and above in “– *Shareholding of our Directors*” on page 130, as on the date of this Preliminary Placement Document, the Key Managerial Personnel and members of the Senior Management do not hold any Equity Shares in our Company:

Name	Number of Equity Shares	Percentage shareholding (%)
Key Managerial Personnel		
C.B. Chandrasekar	50	Negligible
D Thiyagaraj	799	Negligible
Senior Management		
Srivardhan Krishnakumar	75	Negligible
Manisekaran A	1,600	Negligible
Ravi Shankar V	100	Negligible
Mohanakrishnan R	470	Negligible

Name	Number of Equity Shares	Percentage shareholding (%)
Deepak Bhoi	225	Negligible
Arjun Sridhar	60	Negligible

Relationship amongst our Key Managerial Personnel and Senior Management and Directors

Except as disclosed in “– ***Relationship with other Directors***” on page 130, none of our Key Managerial Personnel or members of the Senior Management are related to each other or to the Directors.

Interest of Key Managerial Personnel and Senior Management

Other than as disclosed in the “– ***Interest of our Directors***” on page 130, our Key Managerial Personnel and members of the Senior Management do not have any interest in our Company other than to the extent of the remuneration, or benefits to which they are entitled as per their terms of appointment, to the extent of reimbursement of expenses incurred by them during the ordinary course of business and to the extent of the Equity Shares held by them or their dependents in our Company, if any. The Key Managerial Personnel and members of the Senior Management may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of Equity Shares held in our Company, if any.

There is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any Key Managerial Personnel and members of Senior Management was selected as a key managerial personnel or member of senior management.

Other confirmations

None of the Directors, Promoter or Key Managerial Personnel or members of Senior Management of our Company has any financial or other material interest in the Issue and there is no effect of such interest in so far as it is different from the interests of other persons.

Our Promoter, Directors, Key Managerial Personnel and members of Senior Management do not intend to subscribe to and will not participate in the Issue.

Neither our Company, nor any of our Directors or Promoter have been declared as a Wilful Defaulter or Fraudulent Borrower by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters and fraudulent borrowers issued by the Reserve Bank of India as defined under SEBI ICDR Regulations.

Neither our Company, nor our Directors or Promoter are debarred from accessing capital markets under any order or direction made by SEBI.

None of our Directors or Promoter have been declared as a Fugitive Economic Offender under Section 12 of the Fugitive Economic Offenders Act, 2018.

No change in control in our Company will occur consequent to the Issue.

Related Party Transactions

For details in relation to the related party transactions entered by our Company during the last three Fiscals, as per the requirements under Ind AS 24 – Related Party Transactions, see “***Related Party Transactions***” on page 37.

Policy on disclosures and internal procedure for prevention of insider trading

SEBI Insider Trading Regulations applies to us and our employees and requires us to formulate and implement a code of practices and procedures for fair disclosure of unpublished price sensitive information and a code of conduct to regulate, monitor and report trading by designated persons. Our Company is in compliance with the same and has implemented an insider trading code of conduct namely the “Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information” for prevention of insider trading in accordance with the SEBI Insider Trading Regulations, in terms of which, Shainshad Aduvanni, our Company Secretary and Compliance Officer, acts as the ‘compliance officer’ of our Company under the aforesaid code of conduct for the prevention of insider trading.

ORGANIZATIONAL STRUCTURE

Corporate History

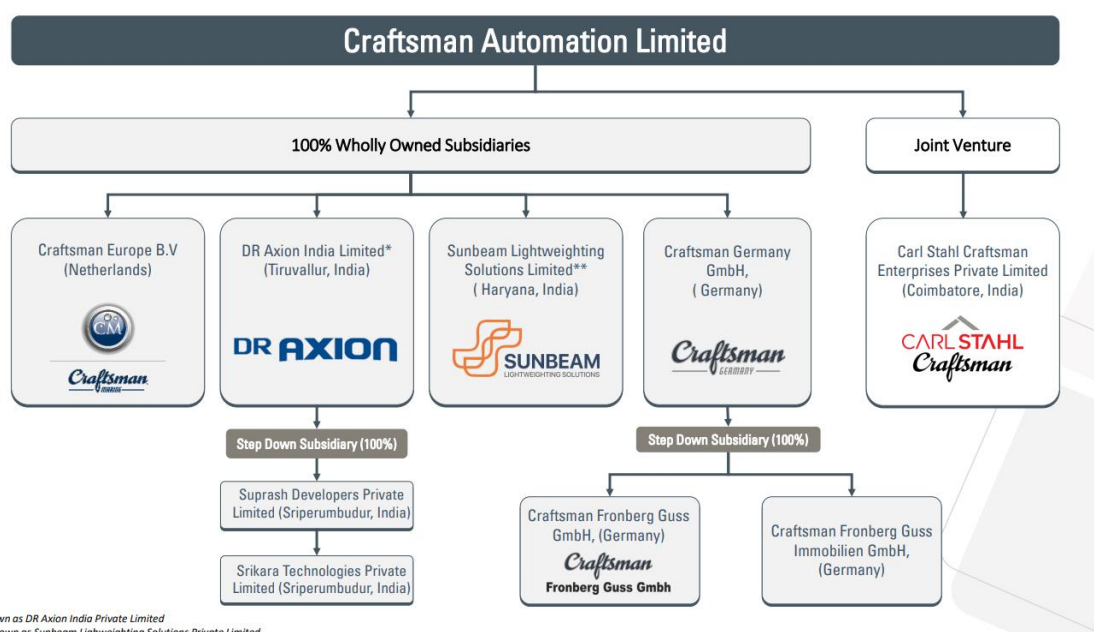
Our Company was incorporated as “Craftsman Automation Private Limited” on July 18, 1986, as a private limited company under the Companies Act 1956, pursuant to a certificate of incorporation granted by the Registrar of Companies, Tamil Nadu at Madras. Pursuant to the conversion of our Company to a public limited company and as approved by the Shareholders pursuant to a resolution dated April 30, 2018, the name of our Company was changed to “Craftsman Automation Limited” and the RoC issued a fresh certificate of incorporation dated May 4, 2018.

The Equity Shares are listed on BSE and NSE since March 25, 2021.

Our Company’s CIN is L28991TZ1986PLC001816.

Organizational Structure

The organizational structure of our Company as on the date of this Preliminary Placement Document is as follows:



Our Subsidiaries

As on the date of this Preliminary Placement Document, our Company has eight Subsidiaries.

Direct Subsidiaries:

- (i) Sunbeam Lightweighting Solutions Limited*;
- (ii) Craftsman Europe B.V.;
- (iii) DR Axion India Limited*; and
- (iv) Craftsman Germany GmbH.

Indirect Subsidiaries:

- (v) Suprash Developers Private Limited*;
- (vi) Srikara Technologies Private Limited*;
- (vii) Craftsman Fronberg Guss GmbH; and

(viii) Craftsman Fronberg Guss Immobilien GmbH.

**Pursuant to a composite schemes of arrangement filed before the Chandigarh bench and Chennai bench of the National Company Law Tribunal, DR Axion India Limited, Suprash Developers Private Limited and Srikara Technologies Private Limited are proposed to amalgamate into Sunbeam Lightweighting Solutions Limited. For further details please see "Summary of Business" on page 115.*

As on date of this Preliminary Placement Document, following are considered as material Subsidiaries of our Company, in accordance with requirements of Regulation 16 (1) (c) of the SEBI Listing Regulations.

(i) Sunbeam Light Weighting Solutions Limited; and

(ii) DR Axion India Limited;

Holding Company

As on date of this Preliminary Placement Document, our Company does not have a holding company.

Associate

As on the date of this Preliminary Placement Document, our Company does not have an associate company.

Joint Venture

As on the date of this Preliminary Placement Document, our Company has one joint venture, namely, Carl Stahl Craftsman Enterprises Private Limited.

SHAREHOLDING PATTERN OF OUR COMPANY

The shareholding pattern of our Company, as on March 31, 2026 is set forth below:

Table I - Summary Statement holding of specified securities

Category	Category of Shareholder	Nos. of Shareholders	No. of fully paid up Equity Shares held	No. of partly paid-up Equity Shares held	No. of shares underlying depository receipts	Total nos. Equity Shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of voting rights held in each class of securities			No. of Shares underlying outstanding convertible securities (including warrants, ESOP etc.)	Total No of shares on fully diluted basis (including warrants, ESOP, Convertible Securities etc.)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of locked in shares		Number of Shares pledged		Other Non-Disposal Undertaking		Total Number of Shares encumbered		Number of equity shares held in dematerialised form
								No of voting rights						No. (a)	No. (b)	No. (a)	No. (b)	No. (a)	No. (b)	No. (a)	No. (b)	
								Class eg: X	Class eg: y	Total												
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+(VI)	(VIII) As a % of (A+B+C2)	(IX)			(X)	(XI)=(VII+X)	(XII)=(VII)+(X) As a % of (A+B+C2)	(XIII)	(XIV)	(XV)	(XVI)	(XVII)=(XIV+XV+XVI)		(XVIII)		
(A)	Promoter & Promoter Group	5	1,16,18,013	0	0	1,16,18,013	48.70	1,16,18,013	0	1,16,18,013	48.70	0	1,16,18,013	48.70	0	0.00	0	0.00				1,16,18,013
(B)	Public	59,159	1,22,37,570	0	0	1,22,37,570	51.30	1,22,37,570	0	1,22,37,570	51.30	0	1,22,37,570	51.30	0	0.00	NA	NA	NA	NA	NA	1,22,37,570
(C)	Non Promoter - Non Public				0				0		0			0.00	NA	NA	NA	NA	NA	NA		
(C1)	Shares Underlying DRs	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	0	0.00	NA	NA	NA	NA	NA	0
(C2)	Shares Held By Employee Trust	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	0	0.00	NA	NA	NA	NA	NA	0
	Total	59,164	2,38,55,583	0	0	2,38,55,583	100.00	2,38,55,583	0	2,38,55,583	100.00	0	2,38,55,583	100.00	0	0.00	0	0.00	NA	NA	NA	2,38,55,583

Table II - Statement showing shareholding pattern of the Promoter and Promoter Group

Category & name of the Shareholders	Entity type	PAN	Nos. of Shareholders	No. of fully paid up Equity Shares held	Partly paid-up Equity Shares held	No. of shares underlying deposits receipts	Total nos. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of voting rights held in each class of securities			No. of shares underlying outstanding convertible securities (including warrants, ESOP etc.)	Total No of shares on fully diluted basis (including warrants, ESOP, convertible securities etc.)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of locked in shares	Number of shares pledged	Non-disposal undertaking	Other encumbrances, if any	Total number of shares encumbered		Number of Equity Shares held in dematerialised form					
									Class eg: X	Class eg: Y	Total								As a % of total voting rights	As a % of total shares (a)		As a % of total shares (b)	As a % of total shares (a)	As a % of total shares (b)	As a % of total shares (a)	As a % of total shares (b)
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII) = (V)+(VI)+(VII)	(IX) As a % of (A+B+C2)	(X)			(XI)	(XII)=(VIII+XI)	(XIII)=(VIII)+(XI) As a % of (A+B+C2)	(XIV)	(XV)	(XVI)	(XVII)	(XVIII)=(XIV+XV+XVI)		(XIX)					
1																										
	Indian																									
	Individuals / Hindu Undivided																									
(a)	Family		5	1,16,18,013	0	0	1,16,18,013	48.70	1,16,18,013	0	1,16,18,013	48.70	0	1,16,18,013	48.70	0	0.00	0	0.00		1,16,18,013					
	Srinivasan Ravi Promoters	AEYPR9359H	1	1,05,00,000	0	0	1,05,00,000	44.01	1,05,00,000	0	1,05,00,000	44.01	0	1,05,00,000	44.01	0	0.00	0	0.00		1,05,00,000					
	Murali S Promoters	AJQPM1542C	1	11,17,413	0	0	11,17,413	4.68	11,17,413	0	11,17,413	4.7	0	11,17,413	4.7	0	0.00	0	0.00		11,17,413					
	Chithra Ravi Promoters	AEYPC6206Q	1	200	0	0	200	0.00	200	0	200	0.00	0	200	0.00	0	0.00	0	0.00		200					
	Gautham Ram R Promoters	BBTPR1157A	1	200	0	0	200	0.00	200	0	200	0.00	0	200	0.00	0	0.00	0	0.00		200					
	Mirthula R Promoters	CGXPM6254P	1	200	0	0	200	0.00	200	0	200	0.00	0	200	0.00	0	0.00	0	0.00		200					
	Central Government / State Government(s)																									
(b)			0	0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	0	0.00	0	0.00		0					
	Financial Institutions / Banks																									
(c)			0	0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	0	0.00	0	0.00		0					
	Any Other (Specify)																									
(d)			0	0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	0	0.00	0	0.00		0					
	Sub Total (A)(1)																									
			5	1,16,18,013	0	0	1,16,18,013	48.70	1,16,18,013	0	1,16,18,013	48.70	0	1,16,18,013	48.70	0	0.00	0	0.00		1,16,18,013					
2																										
	Individuals (Non-Resident Individuals / Foreign																									
(a)	Individuals)		0	0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	0	0.00	0	0.00		0					
(b)	Government		0	0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	0	0.00	0	0.00		0					
(c)	Institutions		0	0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	0	0.00	0	0.00		0					
	Foreign Portfolio Investor																									
(d)			0	0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	0	0.00	0	0.00		0					
	Any Other (Specify)																									
(e)			0	0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	0	0.00	0	0.00		0					
	Sub Total (A)(2)																									
			0	0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	0	0.00	0	0.00		0					
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)																									
			5	1,16,18,013	0	0	1,16,18,013	48.70	1,16,18,013	0	1,16,18,013	48.70	0	1,16,18,013	48.70	0	0.00	0	0.00		1,16,18,013					

Table III - Statement showing shareholding pattern of the public shareholders

Category & name of the Shareholders	PAN	Number of voting rights held in each class of securities										Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of locked in shares	Number of shares pledged	Non-disposal undertaking	Other encumbrances, if any	Total number of Shares encumbered		Sub-categorization of shares																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																				
		Nos. of Share holders	No. of fully paid up Equity Shares held	Partly paid-up Equity Shares held	No. of shares underlying deposits	Total nos. shares held	No of voting rights				No. of Shares underlying convertible securities (including warrants, ESOP etc.)						Total No of shares on fully diluted basis (including warrants, ESOP, convertible securities etc.)	As a % of total Shares held(b)	As a % of total Shares held(b)	As a % of total Shares held(b)	As a % of total Shares held(b)	As a % of total Shares held(b)	As a % of total Shares held(b)	Number of Equity Shares held in dematerialised form	Shareholding(No. of shares) under																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																														
							Class eg: X	Class eg: Y	Total	Total as a % of total voting rights															Class eg: Z	Class eg: W	Class eg: V	Class eg: U	Class eg: T	Class eg: S	Class eg: R	Class eg: Q	Class eg: P	Class eg: O	Class eg: N	Class eg: M	Class eg: L	Class eg: K	Class eg: J	Class eg: I	Class eg: H	Class eg: G	Class eg: F	Class eg: E	Class eg: D	Class eg: C	Class eg: B	Class eg: A																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																							
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Category & name of the Shareholders	PAN	Number of voting rights held in each class of securities										Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of locked in shares	Number of shares pledged	Non-disposal undertaking	Other encumbrances, if any	Total number of Shares encumbered	Sub-categorization of shares																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																												
		No of voting rights																No. of Shares underlying outstanding convertible securities (including warrants, ESOP etc.)	Total No of shares on fully diluted basis (including warrants, ESOP, convertible securities etc.)	Number of Equity Shares held in dematerialised form	Sub-category(i)	Sub-category(ii)	Sub-category(iii)																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																							
		Nos. of Share holders	No. of fully paid up Equity Shares held	Partly paid-up Equity Shares held	No. of shares underlying depository receipts	Total nos. shares held	Share holding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Class eg: X	Class eg: y	Total	Total as a % of total voting rights																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																			
		(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)=(IV)+(V)+(VI) As a % of (A+B+C2)	(IX)	(X)	(XI)=(VII+X)	(XII)=(VII)+(X) As a % of (A+B+C2)	(XIII)	(XIV)	(XV)	(XVI)	(XVII)=(XIV+XV+XVI)	(XVIII)	(XIX)																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																											
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										Number of voting rights held in each class of securities				Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of locked in shares	Number of shares pledged	Non-disposal undertaking	Other encumbrances, if any	Total number of Shares encumbered	Sub-categorization of shares								
										No of voting rights		No. of Shares underlying convertible securities (including warrants, ESOP etc.)	Total No of shares on fully diluted basis (including warrants, convertible securities etc.)							Number of Equity Shares held in dematerialised form	Shareholding(No. of shares) under							
Category & name of the Shareholders		PAN	Nos. of Share holders	No. of fully paid up Equity Shares held	Partly paid-up Equity Shares held	No. of shares underlying depository receipts	Total nos. shares held	As a % of (A+B +C2)	Class eg: X	Class eg: y	Total										As a % of total voting rights	Sub-category(i)	Sub-category(ii)	Sub-category(iii)				
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)+(IV)+(V)+(VI)	(VIII) As a % of (A+B +C2)	(IX)			(X)	(XI)=(VII +X)	(XII)=(VII)+(X) As a % of (A+B+C2)	(XIII)	(XIV)	(XV)	(XVI)	(XVII)=(XIV+X V+XVI)	(XVIII)	(XIX)								
1	Institutions (Domestic)																											
	State Government is a promoter																											
	Sub Total (B)(3)		0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	0	0.00	NA	NA	NA	NA	NA	NA	NA	NA	0			
4	Non-Institutions			0	0	0	0.00	0	0	0	0.00	0	0	0.00	0	0.00	NA	NA	NA	NA	NA	NA	NA	NA	0			
(a)	Associate companies / Subsidiaries		0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	0	0.00	NA	NA	NA	NA	NA	NA	NA	NA	0			
(b)	Directors and their relatives (excluding Independent Directors and nominee Directors)		0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	0	0.00	NA	NA	NA	NA	NA	NA	NA	NA	0			
(C)	Key Managerial Personnel		2	849	0	0	849	0.00	849	0	849	0.00	0	849	0.00	0	0.00	NA	NA	NA	NA	NA	NA	NA	849	0	0	0
(D)	Relatives of promoters (other than 'immediate relatives' of promoters disclosed under 'Promoter and Promoter Group' category)		0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	0	0.00	NA	NA	NA	NA	NA	NA	NA	NA	0			
(E)	Trusts where any person belonging to 'Promoter and Promoter Group' category is 'trustee', 'beneficiary', or 'author of the trust'		0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	0	0.00	NA	NA	NA	NA	NA	NA	NA	NA	0			
(f)	Investor Education and Protection Fund (IEPF)		0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	0	0.00	NA	NA	NA	NA	NA	NA	NA	NA	0			
(g)	i. Resident Individual holding nominal share capital up to Rs. 2 lakhs.		55,668	11,82,382	0	0	11,82,382	4.96	11,82,382	0	11,82,382	4.96	0	11,82,382	4.96	0	0.00	NA	NA	NA	NA	NA	NA	NA	11,82,382	0	0	0
(h)	ii. Resident individual holding nominal share capital in excess of Rs. 2 lakhs.		3	2,29,549	0	0	2,29,549	0.96	2,29,549	0	2,29,549	0.96	0	2,29,549	0.96	0	0.00	NA	NA	NA	NA	NA	NA	NA	2,29,549	0	0	0
(i)	Non Resident Indians (NRIs)		1,481	57,920	0	0	57,920	0.24	57,920	0	57,920	0.24	0	57,920	0.24	0	0.00	NA	NA	NA	NA	NA	NA	NA	57,920	0	0	0
(j)	Foreign Nationals		0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	0	0.00	NA	NA	NA	NA	NA	NA	NA	0	0	0	0	
(k)	Foreign Companies		1	81,494	0	0	81,494	0.34	81,494	0	81,494	0.34	0	81,494	0.34	0	0.00	NA	NA	NA	NA	NA	NA	NA	81,494	0	0	0
(l)	Bodies Corporate		297	1,65,934	0	0	1,65,934	0.70	1,65,934	0	1,65,934	0.70	0	1,65,934	0.70	0	0.00	NA	NA	NA	NA	NA	NA	NA	1,65,934	0	0	0

		Number of voting rights held in each class of securities										Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of locked in shares	Number of shares pledged	Non-disposal undertaking	Other encumbrances, if any	Total number of Shares encumbered	Sub-categorization of shares																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																
		No of voting rights				No. of Shares underlying outstanding convertible securities (including warrants, ESOP etc.)	Total No of shares on fully diluted basis (including warrants, convertible securities etc.)	As a % of total Shares held (a)	As a % of total Shares held (b)	As a % of total Shares held (b)	As a % of total Shares held (b)							As a % of total Shares held (b)	As a % of total Shares held (b)	As a % of total Shares held (b)	Number of Equity Shares held in dematerialised form	Shareholding(No. of shares) under																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																												
Category & name of the Shareholders	PAN	Nos. of Shareholders	No. of fully paid up Equity Shares held	Partly paid-up Equity Shares held	No. of shares underlying depository receipts																	Total nos. shares held	Class eg: X	Class eg: y	Total	As a % of total voting rights	As a % of total Shares held (a)	As a % of total Shares held (b)	As a % of total Shares held (b)	As a % of total Shares held (b)	As a % of total Shares held (b)	As a % of total Shares held (b)	Sub-category(i)	Sub-category(ii)	Sub-category(iii)																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																															
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+(VI) As a % of (A+B+C2)	(IX)				(X)	(XI)=(VII+X) As a % of (A+B+C2)	(XIII)	(XIV)	(XV)	(XVI)	(XVII)=(XIV+XV+XVI)	(XVIII)	(XIX)																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																															
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Table IV - Statement showing shareholding pattern of the non Promoter- non public Shareholders

Category & name of the Shareholders	PAN	Nos. of Shareholders	No. of fully paid up Equity Shares held	Partly paid-up Equity Shares held	No. of shares underlying depository receipts	Total nos. shares held	Shareholding % calculated as per SCRR, 1957 As a % of (A+B+C2)	Number of voting rights held in each class of securities			No. of Shares underlying outstanding convertible securities (including warrants, ESOP etc.)	Total No of Shares on fully diluted basis (including warrants, ESOP, convertible securities etc.)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of locked in shares	Number of Shares pledged	Non-disposal undertaking	Other encumbrances, if any	Total number of Shares encumbered			Number of Equity Shares held in dematerialised form			
								No of voting rights										Total as a % of (A+B+C)	As a % of total Shares held(b)	As a % of total Shares held(b)		As a % of total Shares held(b)	As a % of total Shares held(b)	As a % of total Shares held(b)
								Class eg: X	Class eg: y	Total														
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V)+ (VI)	(VIII) As a % of (A+B+C2)	(IX)			(X)	(XI)=(VII+X)	(XII)= (VII)+(X) As a % of (A+B+C2)	(XIII)		(XIV)		(XV)		(XVI)		(XVII)=(XIV+XV+XVI)	(XVIII)	
1	Custodian/DR Holder	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	NA	NA	NA	NA	NA	NA	NA	0		
2	Employee Benefit Trust / Employee Welfare Trust under SEBI (Share based Employee Benefits and Sweat Equity) Regulations, 2021	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	NA	NA	NA	NA	NA	NA	NA	0		
	Total Non-Promoter- Non Public Shareholding (C)= (C)(1)+(C)(2)	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0.00	NA	NA	NA	NA	NA	NA	NA	0		

ISSUE PROCEDURE

The following is a summary intended to present a general outline of the procedure relating to the bidding application, payment of Bid Amount, Allocation and Allotment of the Equity Shares. The procedure followed in the Issue may differ from the one mentioned below and investors are assumed to have apprised themselves of the same from our Company or the Lead Manager. Bidders that apply in the Issue will be required to confirm and will be deemed to have represented to our Company, the Lead Manager and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Investors are advised to inform themselves of any restrictions or limitations that may be applicable to them and are required to consult their respective advisers in this regard. Also see “Selling Restrictions” and “Transfer Restrictions and Purchaser Representations” on pages 160 and 168, respectively.

Our Company, the Lead Manager and their respective directors, shareholders, employees, counsels, officers, agents, advisors, affiliates and representatives are not liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Preliminary Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Eligible QIBs are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Preliminary Placement Document. Further, Eligible QIBs are required to satisfy themselves that their Bids would not ultimately result in triggering an open offer under the SEBI Takeover Regulations and shall be solely responsible for compliance with all the applicable provisions of the SEBI Takeover Regulations, the SEBI Insider Trading Regulations, and other applicable laws.

Qualified Institutions Placement

THE ISSUE IS MEANT ONLY FOR ELIGIBLE QIBs ON A PRIVATE PLACEMENT BASIS AND IS NOT AN OFFER TO THE PUBLIC OR TO ANY OTHER CLASS OF INVESTORS.

This Preliminary Placement Document and the Placement Document has not been, and will not be, filed as a prospectus with the RoC and no Equity Shares will be offered in India or overseas to the public or any members of the public or any other class of investors, other than Eligible QIBs.

The Issue is being made to Eligible QIBs in reliance upon Chapter VI of the SEBI ICDR Regulations and Section 42 and other applicable provisions of the Companies Act, 2013 through the mechanism of a QIP. Under Chapter VI of the SEBI ICDR Regulations and Section 42 of the Companies Act, 2013 read with Rule 14 of the PAS Rules and other applicable provisions of the Companies Act, 2013, our Company, being a listed company in India may issue Equity Shares to Eligible QIBs provided that certain conditions are met by such company. Some of these conditions are set out below:

- the Shareholders have passed a special resolution approving the Issue. Such special resolution must *inter alia* specify that, (a) the allotment of Equity Shares is proposed to be made pursuant to the Issue; and (b) the Relevant Date for the Issue;
- the explanatory statement to the notice to the Shareholders for convening the general meeting must disclose, among other things, the particulars of the Issue including the date of passing the board resolution, the kind of securities being offered and the price at which they are offered, amount which our Company intends to raise by way of such securities and the material terms of raising such securities, proposed issue schedule, the purpose or objects of the Issue, the contribution made by the Promoter or Directors either as part of the Issue or separately in furtherance of the objects, and the basis or justification for the price (including premium, if any) at which the offer or invitation is being made;
- under Regulation 172(1)(b) of the SEBI ICDR Regulations, the Equity Shares of the same class of our Company, which are proposed to be allotted through the QIP, are listed on Stock Exchanges for a period of at least one year prior to the date of issuance of notice to its Shareholders for convening the meeting to seek approval of the Shareholders for the above-mentioned special resolution. This is not applicable to such companies who propose to undertake a QIP for complying with the minimum public shareholding requirements specified in the SCRR;
- “Equity Shares of the same class” shall mean Equity Shares which rank *pari passu* in relation to rights as to the dividend, voting or otherwise of our Company.

- invitation to apply in the Issue must be made through a private placement offer-cum-application form (i.e., this Preliminary Placement Document and an Application Form) serially numbered and addressed specifically to the Eligible QIBs to whom the QIP is made either in writing or in electronic mode, within 30 days of recording the name of such person in accordance with applicable law;
- the Issuer shall not make any subsequent QIP until the expiry of two weeks from the date of the previous QIP;
- the Issuer shall have completed allotments with respect to any earlier offer or invitation made by the Issuer or shall have withdrawn or abandoned such invitation or offer, made by the Issuer, except as permitted under the Companies Act, 2013. However, subject to the limits prescribed under the applicable law, the Issuer may, at any time, make more than one issue of securities to such class of identified persons as may be prescribed;
- an offer to Eligible QIBs will not be subject to a limit of 200 persons. Prior to circulating the private placement offer-cum-application (i.e., this Preliminary Placement Document and Application Form), the Issuer shall prepare and record a list of Eligible QIBs to whom the Issue will be made. The Issue must be made only to such Eligible QIBs whose names are recorded by the Issuer prior to the invitation to subscribe;
- our Company acknowledges that the offering of securities by issue of public advertisements or utilisation of any media, marketing or distribution channels or agents to inform the public about the Issue is prohibited. In accordance with the SEBI ICDR Regulations, Equity Shares will be issued and Allotment shall be made only in dematerialized form to the Allottees;
- the Promoter and Directors of the Issuer are not Fugitive Economic Offenders and have not been declared as Wilful Defaulters;
- the Equity Shares issued through the QIP shall be listed on the Stock Exchanges where the Equity Shares of our Company are listed and our Company shall seek approval under rule 19(7) of the SCRR, if applicable; and
- the Directors of the Issuer are not declared as 'Fraudulent Borrower' by the lending banks or financial institution or consortium, in terms of RBI master circular dated July 1, 2016.

At least 10% of the Equity Shares issued to Eligible QIBs shall be available for Allocation to Mutual Funds, provided that, if this portion, or any part thereof to be allotted to Mutual Funds remains unsubscribed, it may be allotted to other Eligible QIBs.

Bidders are not allowed to withdraw or revise downwards their Bids after the Bid/ Issue Closing Date.

Additionally, there is a minimum pricing requirement under the SEBI ICDR Regulations. The Floor Price of the Equity Shares issued under the QIP shall not be less than the average of the weekly high and low of the closing prices of the Issuer's equity shares of the same class quoted on the Stock Exchanges during the two weeks preceding the Relevant Date as calculated in accordance with Chapter VI of the SEBI ICDR Regulations. However, a discount of not more than 5% of the Floor Price is permitted in accordance with the provisions of the SEBI ICDR Regulations. Our Board through its resolution dated May 16, 2026 and our Shareholders through a special resolution on June 13, 2026, have authorised our Board to decide the quantum of discount up to 5% of the Floor Price at the time of determination of the Issue Price. The Issue Price shall be subject to appropriate adjustments, if our Company makes any alteration to its share capital as per the provisions under Regulation 176(4) of the SEBI ICDR Regulations.

The "Relevant Date" mentioned above in case of allotment of Equity Shares, refers to the date of the meeting in which the Board or the committee of Directors duly authorised by the board of the Issuer decides to open the Issue and "Stock Exchange" means any of the recognised stock exchanges in India on which the Equity Shares of the Issuer of the same class are listed and on which the highest trading volume in such shares has been recorded during the two weeks immediately preceding the Relevant Date.

The Equity Shares must be Allotted within 365 days from the date of passing of the Shareholders' resolution approving the Issue, being June 13, 2026 and also within 60 days from the date of receipt of Application Amount

from the Successful Bidders, failing which our Company shall refund the Bid Amount in accordance with applicable laws.

The Equity Shares issued pursuant to the Issue must be issued on the basis of this Preliminary Placement Document and the Placement Document that shall contain all material information required under applicable laws including the information specified in Schedule VII of the SEBI ICDR Regulations and the requirements prescribed under PAS Rules and Form PAS-4. This Preliminary Placement Document and the Placement Document are private documents provided to only select Eligible QIBs through serially numbered copies and are required to be placed on the website of the concerned Stock Exchanges and of our Company with a disclaimer to the effect that it is in connection with an issue to Eligible QIBs and no offer is being made to the public or to any other category of investors. Please note that if you do not receive a serially numbered copy of this Preliminary Placement Document addressed to you, you may not rely on this Preliminary Placement Document or Placement Document uploaded on the website of the Stock Exchanges or our Company for making an application to subscribe to Equity Shares pursuant to the Issue.

The minimum number of allottees for the QIP shall at least be:

- two, where the issue size is less than or equal to ₹25,000 lakhs; and
- five, where the issue size is greater than ₹25,000 lakhs.

No single Allottee shall be Allotted more than 50% of the Issue Size. Eligible QIBs that belong to the same group or that are under common control shall be deemed to be a single Allottee for the purpose of the Issue. For details of what constitutes “same group” or “common control”, see “*Bid Process – Application Form*” on page 151.

Equity Shares being Allotted pursuant to the Issue shall not be sold for a period of one year from the date of Allotment, except on the floor of a recognised stock exchange.

We have applied for and received the in-principle approval of the Stock Exchanges under Regulation 28(1)(a) of the SEBI Listing Regulations for listing of the Equity Shares to be issued pursuant to the Issue on the Stock Exchanges on June 15, 2026. We have filed a copy of this Preliminary Placement Document and will file a copy of the Placement Document with the Stock Exchanges.

We shall also make the requisite filings with the RoC within the stipulated period as required under the Companies Act, 2013 and the PAS Rules.

The Issue has been authorised and approved by our Board on May 16, 2026 and our Shareholders by way of a special resolution on June 13, 2026.

Allotments made to VCFs and AIFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. VCFs and AIFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state in the United States, and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. Accordingly, the Equity Shares offered in the Issue are being offered and sold only outside the United States, in “offshore transactions” as defined in and in reliance on Regulation S under the U.S Securities Act and the applicable laws of the jurisdictions where such offers and sales are made. For a description of the restrictions applicable to the offer and sale of the Equity Shares, see “*Selling Restrictions*” on page 160. See “*Transfer Restrictions and Purchase Representations*” on page 168 for information about transfer restrictions that apply to the Equity Shares sold in the Issue.

The Equity Shares issued pursuant to this Issue have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Issue Procedure

1. On the Bid/ Issue Opening Date, our Company in consultation with the Lead Manager, shall circulate serially numbered copies of this Preliminary Placement Document and the serially numbered Application Form, either in electronic or physical form to Eligible QIBs and the Application Form will be specifically

addressed to such Eligible QIBs. In terms of Section 42(3) of the Companies Act, 2013, our Company shall maintain complete records of such Eligible QIBs in the form and manner prescribed under the PAS Rules, to whom this Preliminary Placement Document and the serially numbered Application Form have been dispatched or circulated, as the case may be. Our Company will make the requisite filings with the RoC within the stipulated time period as required under the Companies Act, 2013 and the PAS Rules.

2. **The list of Eligible QIBs to whom this Preliminary Placement Document and the Application Form is delivered shall be determined by our Company in consultation with the Lead Manager, at their sole discretion. Unless a serially numbered Preliminary Placement Document along with the serially numbered Application Form, which includes the details of the bank account wherein the Bid Amount is to be deposited, is addressed to a particular Eligible QIB, no invitation to make an offer or to subscribe shall be deemed to have been made to such Eligible QIB. Even if such documentation were to come into the possession of any person other than the intended recipient, no offer or invitation to offer shall be deemed to have been made to such person and any application that does not comply with this requirement shall be treated as invalid. The Application Form may be signed physically or digitally, if required under applicable law in the relevant jurisdiction applicable to each Eligible QIB and as permitted under such applicable law. An Eligible QIB may submit an unsigned copy of the Application Form, as long as the Bid Amount is paid along with submission of the Application Form within the Bid/ Issue Period. Once a duly filled Application Form is submitted by an Eligible QIB, whether signed or not, and the Bid Amount has been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Bid/ Issue Closing Date. In case Bids are being made on behalf of the Eligible QIB and this Application Form is unsigned, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Bid Amount to the Escrow Account, on behalf of the Eligible QIB is authorised to do so.**
3. Eligible QIBs may submit an Application Form, including any revisions thereof, along with the Bid Amount transferred to the Escrow Account specified in the Application Form and a copy of the PAN card or PAN allotment letter (as applicable) and/or any other documents mentioned in the Application Form, during the Bid/ Issue Period to the Lead Manager.
4. Bidders will be required to indicate the following in the Application Form:
 - full official name of the Bidder to whom Equity Shares are to be Allotted, complete address, e-mail id, PAN details (if applicable), phone number and bank account details;
 - number of Equity Shares Bid for;
 - price at which they are agreeable to subscribe to the Equity Shares and the aggregate Bid Amount for the number of Equity Shares Bid for;
 - details of the depository/ beneficiary account maintained by the Depository Participant to which the Equity Shares should be credited pursuant to the Issue;
 - Equity Shares held by the Bidder in our Company prior to the Issue; and
 - it has agreed to certain other representations set forth in the Application Form and this Preliminary Placement Document.
 - a representation that it is outside the United States and acquiring the Equity Shares in an “offshore transaction” as defined in and in reliance on Regulation S and the applicable laws of the jurisdictions where such offers and sales are made, and it has agreed to certain other representations set forth in the “**Selling Restrictions**” on page 160 and “**Transfer Restrictions and Purchaser Representations**” on page 168 and certain other representations made in the Application Form.

NOTE: Eligible FPIs are required to indicate their SEBI FPI registration number in the Application Form. The Bids made by the asset management companies or custodian of Mutual Funds shall specifically state the names of the concerned schemes for which the Bids are made. In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple

Bids provided that the Bids clearly indicate the scheme for which the Bid has been made. Application by various schemes or funds of a Mutual Fund will be treated as one application from the Mutual Fund. Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable laws.

5. Each Bidder shall be required to make the entire payment of the Bid Amount for the Equity Shares Bid for, along with the Application Form, only through electronic transfer to the Escrow Account opened in the name of “Craftsman Automation Limited – QIP Escrow Account 2026” with the Escrow Agent, within the Bid/ Issue Period as specified in the Application Form sent to the respective Bidders. Please note that any payment of Bid Amount for the Equity Shares shall be made from the bank accounts of the relevant Bidders and our Company shall keep a record of the bank account from where such payment has been received. No payment shall be made in the Issue by the Bidders in cash. Bid Amount payable on Equity Shares to be held by joint holders shall be paid from the bank account of the person whose name appears first in the Application Form. On receipt of final listing and trading approvals from the Stock Exchanges, the Net Proceeds deposited in the Escrow Account, shall be transferred to a separate bank account with a scheduled bank as agreed between our Company and the Monitoring Agency. Notwithstanding the above, in the event (a) any Bidder is not allocated Equity Shares in the Issue, (b) the number of Equity Shares Allotted to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Bid Amount has been paid by such Bidder, (c) the Bid Amount has been arrived at using an indicative price higher than the Issue Price, or (d) any Eligible QIB lowers or withdraws their Bid after submission of the Application Form but on or prior to the Bid/ Issue Closing Date, the excess Bid Amount will be refunded to the same bank account from which it was remitted, in the form and manner set out in “– **Refunds**” on page 156.
6. Once a duly completed Application Form is submitted by a Bidder, whether signed or not, and the Bid Amount is transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and the Bid cannot be withdrawn or revised downwards after the Bid/ Issue Closing Date. In case of an upward revision before the Bid/ Issue Closing Date, an additional amount shall be required to be deposited towards the Bid Amount in the Escrow Account along with the submission of such revised Bid. The Bid/ Issue Closing Date shall be notified to the Stock Exchanges and the Eligible QIBs shall be deemed to have been given notice of such date after receipt of the Application Form.
7. The Eligible QIBs acknowledge that in accordance with the requirements of the Companies Act, 2013, upon Allocation, our Company will be required to disclose the names of proposed Allottees and the percentage of their post Issue shareholding in the Placement Document and any other regulatory filing and consents to such disclosure, if any Equity Shares are allocated to it.
8. Upon receipt of the duly completed Application Form, whether signed or not and the Bid Amount in the Escrow Account on or after the Bid/ Issue Closing Date, our Company shall, in consultation with LM determine the final terms, including the Issue Price of the Equity Shares to be issued pursuant to the Issue and Allocation. In case of Bids being made on behalf of the Eligible QIB where the Application Form is unsigned, it shall be assumed that the person submitting the Application Form and providing necessary instructions for transfer of the Application Amount to the Escrow Account, on behalf of the Eligible QIB is authorised to do so. The Bid/ Issue Closing Date shall be notified to the Stock Exchanges and the Eligible QIBs shall be deemed to have been given notice of such date after receipt of the Application Form. Upon such determination, the Lead Manager, on behalf of our Company, will send the serially numbered CAN and the Placement Document to the Successful Bidders. The dispatch of a CAN and the Placement Document (when dispatched) to a Successful Bidder shall be deemed a valid, binding and irrevocable contract for the Successful Bidders to subscribe to the Equity Shares Allocated to such Successful Bidders at an aggregate price equivalent to the product of the Issue Price and Equity Shares Allocated to such Successful Bidders. The CAN shall contain details such as the number of Equity Shares Allocated to the Successful Bidders, Issue Price and the aggregate amount received towards the Equity Shares Allocated. **Please note that the Allocation will be at the absolute discretion of our Company and shall be in consultation with the Lead Manager.**
9. Upon determination of the Issue Price and the issuance of the CAN and before Allotment of Equity Shares to the Successful Bidders, the Lead Manager, shall, on our behalf, send a serially numbered Placement Document either in electronic form or through physical delivery to each of the Successful Bidders who have been Allocated Equity Shares pursuant to dispatch of a serially numbered CAN.

10. Upon dispatch of the serially numbered Placement Document, our Company shall Allot Equity Shares as per the details in the CANs sent to the Successful Bidders. Our Company will inform the Stock Exchanges of the details of the Allotment.
11. After passing the resolution by the Board or its committee approving the Allotment and prior to crediting the Equity Shares into the beneficiary account of the Successful Bidders maintained by the Depository Participant, as specified in the records of the depositories or as indicated in their respective Application Form, our Company shall apply to the Stock Exchanges for listing approvals in respect of the Equity Shares Allotted pursuant to the Issue.
12. After receipt of the listing approvals of the Stock Exchanges, our Company shall credit the Equity Shares Allotted pursuant to the Issue into the beneficiary accounts of the respective Allottees.
13. Our Company will then apply for the final trading approvals from the Stock Exchanges.
14. The Equity Shares that would have been credited to the beneficiary account with the Depository Participant of the Successful Bidders shall be eligible for trading on the Stock Exchanges only upon the receipt of final listing and trading approvals from the Stock Exchanges.
15. As per applicable law, the Stock Exchanges will notify the final listing and trading approvals, which are ordinarily available on their websites, and our Company may communicate the receipt of the listing and trading approvals to those Successful QIBs to whom the Equity Shares have been Allotted. Our Company and the Lead Manager shall not be responsible for any delay or non-receipt of the communication of the final listing and trading permissions from the Stock Exchanges or any loss arising from such delay or non-receipt. Bidders are advised to apprise themselves of the status of the receipt of the permissions from the Stock Exchanges or our Company.

Eligible QIBs

16. Only Eligible QIBs as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations, and not otherwise restricted from participating in the Issue under the applicable law, will be considered as Eligible QIBs. However, with respect to FPIs, only Eligible FPIs applying under Schedule II of the FEMA Rules will be considered as Eligible QIBs. FVCIs are not permitted to participate in the Issue. Currently, QIBs, who are eligible to participate in the Issue and also as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations, are set forth below:
 - Eligible FPIs;
 - insurance companies registered with the Insurance Regulatory and Development Authority of India;
 - insurance funds set up and managed by army, navy or air force of the Union of India;
 - insurance funds set up and managed by the Department of Posts, India.
 - multilateral and bilateral development financial institutions eligible to invest in India;
 - Mutual Funds, VCFs, AIFs, each registered with SEBI;
 - pension funds with minimum corpus of ₹2,500 lakhs registered with the Pension Fund Regulatory and Development Authority established under sub-section (1) of section 3 of the Pension Fund Regulatory and Development Authority Act, 2013;
 - provident funds with minimum corpus of ₹2,500 lakhs;
 - public financial institutions as defined under Section 2(72) of the Companies Act, 2013;
 - scheduled commercial banks;
 - state industrial development corporations;
 - systemically important non-banking financial companies;

- the National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government published in the Gazette of India;
- accredited investors as defined in clause (ab) of sub-regulation (1) of regulation 2 of the SEBI AIF Regulations, for the limited purpose of their investment in angel funds registered with SEBI, under the SEBI AIF Regulations; and
- subject to such QIB not being excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations.

ELIGIBLE FPIS ARE PERMITTED TO PARTICIPATE UNDER SCHEDULE II OF FEMA RULES IN THE ISSUE. ELIGIBLE FPIS ARE PERMITTED TO PARTICIPATE IN THE ISSUE SUBJECT TO COMPLIANCE WITH ALL APPLICABLE LAWS AND CONDITIONS AND RESTRICTIONS WHICH MAY BE SPECIFIED BY THE GOVERNMENT FROM TIME TO TIME, AND SUCH THAT THE SHAREHOLDING OF THE FPIS DO NOT EXCEED SPECIFIED LIMITS AS PRESCRIBED UNDER APPLICABLE LAWS IN THIS REGARD. FVCI'S ARE NOT PERMITTED TO PARTICIPATE IN THE ISSUE.

Other eligible non-resident QIBs shall participate in the Issue under Schedule I of the FEMA Rules.

In terms of the SEBI FPI Regulations, the Equity Shares issued to a single Eligible FPI or an investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than fifty per cent or common control) should not exceed 10% of post-Issue Equity Share capital of our Company on a fully diluted basis, and the total holding of all FPIs, collectively, shall not exceed 24% of the paid-up Equity Share capital of our Company. Further, in terms of the FEMA Rules, the total holding of each FPI or its investor group shall be below 10% of the total post issue paid-up Equity Share capital of our Company on a fully diluted basis. With effect from April 1, 2020, the aggregate limit for FPI investments is the sectoral cap applicable to our Company i.e. 100% on a fully diluted basis. Hence, Eligible FPIs may invest in such number of Equity Shares in the Issue such that the individual investment of the FPI in our Company does not exceed 10% of the post -Issue paid-up capital of our Company on a fully diluted basis.

In case the holding of an FPI including its investor group increases to 10% or more of the total post-Issue paid-up equity capital, on a fully diluted basis, the FPI including its investor group is required to divest the excess holding within five trading days from the date of settlement of the trades resulting in the breach. In the event that such divestment of excess holding is not done within the above prescribed time, the total investment made by such FPI together with its investor group will be re-classified as FDI as per procedure specified by SEBI and the FPI and its investor group will be prohibited from making any further portfolio investment in our Company under the SEBI FPI Regulations. However, in accordance with Regulation 22(4) of the SEBI FPI Regulations, the FPIs who are: (a) appropriately regulated public retail funds; (b) public retail funds where the majority is owned by appropriately regulated public retail fund on look through basis; or (c) public retail funds and investment managers of such foreign portfolio investors are appropriately regulated, the aggregation of the investment limits of such FPIs having common control, shall not be applicable. Further, the aggregate permissible limit of all FPIs investments, with effect from April 1, 2020, is the sectoral cap applicable to the sector in which our Company operates.

As per the master circular issued by SEBI bearing reference number SEBI/HO/AFD/AFD-PoD-2/P/CIR/2024/70 on May 30, 2024, these investment restrictions shall also apply to subscribers of P-Notes. Two or more subscribers of P-Notes having a common beneficial owner shall be considered together as a single subscriber of the P-Note. In the event an investor has investments as an FPI and as a subscriber of P-Notes, these investment restrictions shall apply on the aggregate of the FPI and P-Note investments held in the underlying company.

Pursuant to the SEBI circular dated April 5, 2018 (Circular No: IMD/FPIC/CIR/P/2018/61), our Company has appointed National Securities Depository Limited as the designated depository to monitor the level of FPI / NRI shareholding in our Company on a daily basis and once the aggregate foreign investment of a company reaches a cut-off point, which is 3% below the overall limit a red flag shall be activated. SEBI however, pursuant to its Circular dated May 17, 2018 (Circular No: SEBI/HO/IMD/FPIC/CIR/P/2018/81), directed that this system of monitoring foreign investment limits in Indian listed companies be made operational with effect from June 1, 2018. The depository is then required to inform the Stock Exchanges about the activation of the red flag. The Stock Exchanges are then required to issue the necessary circulars/ public notifications on their respective websites. Once a red flag is activated, the FPIs must trade cautiously, because in the event that there is a breach

of the sectoral cap, the FPIs will be under an obligation to disinvest the excess holding within five trading days from the date of settlement of the trades.

Eligible FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

In terms of the FEMA Rules, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. For a description of the restrictions applicable to the offer and sale of the Equity Shares in the Issue in certain jurisdictions, see “***Selling Restrictions***” and “***Transfer Restrictions and Purchaser Representations***” on pages 160 and 168, respectively.

Restriction on Allotment

Pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations, no Allotment shall be made pursuant to the Issue, either directly or indirectly, to any Eligible QIB being a Promoter, or any person related to, the Promoter. QIBs, which have all or any of the following rights, shall be deemed to be persons related to the Promoter:

- rights under a shareholders’ agreement or voting agreement entered into with the Promoter or members of the Promoter Group;
- veto rights; or
- a right to appoint any nominee director on the Board.

Provided, however, that an Eligible QIB which does not hold any Equity Shares and which has acquired the aforesaid rights in the capacity of a lender shall not be deemed to be related to the Promoter.

Our Company, the Lead Manager and any of their respective shareholders, employees, counsel, officers, directors, representatives, agents, advisors or affiliates shall not be liable for any amendment or modification or change to applicable laws or regulations, which may occur after the date of this Preliminary Placement Document. Eligible QIBs are advised to make their independent investigations and satisfy themselves that they are eligible to apply. Eligible QIBs are advised to ensure that any single application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Preliminary Placement Document.

A minimum of 10.00% of the Equity Shares offered in the Issue shall be Allotted to Mutual Funds. In case of undersubscription in such portion, such portion or part thereof may be Allotted to other Eligible QIBs.

***Note:** Affiliates or associates of the Lead Manager who are Eligible QIBs may participate in the Issue in compliance with applicable laws.*

Further, Eligible QIBs are required to satisfy themselves that their Bids would not eventually result in triggering an open offer under the SEBI Takeover Regulations and ensure compliance with applicable laws.

BID PROCESS

Application Form

Bidders shall only use the serially numbered Application Forms (which are addressed to them) supplied by our Company and/or the Lead Manager in either electronic form or by physical delivery for the purpose of making a Bid (including revision of a Bid) in terms of this Preliminary Placement Document and the Placement Document. The Application Form may be signed physically or digitally, if required under applicable law in the relevant jurisdiction applicable to each Eligible QIB and as permitted under such applicable law. An Eligible QIB may submit an unsigned copy of the Application Form, as long as the Bid Amount is paid along with submission of the Application Form within the Bid/ Issue Period.

By making a Bid (including the revision thereof) for Equity Shares through Application Forms and pursuant to the terms of this Preliminary Placement Document, the Bidder will be deemed to have made all the representations, warranties, acknowledgments and agreements set forth in “***Notice to Investors***”, “***Representations by Investors***”, “***Selling Restrictions***” and “***Transfer Restrictions and Purchaser Representations***” on pages 1, 4, 160 and 168, respectively, including without limitation:

- The Eligible QIB confirms that it is a QIB in terms of Regulation 2(1)(ss) of the SEBI ICDR Regulations and is not excluded under Regulation 179(2)(b) of the SEBI ICDR Regulations, has a valid and existing registration under the applicable laws in India (as applicable) and is eligible to participate in the Issue;
- The Eligible QIB confirms that it is not a Promoter and is not a person related to the Promoter, either directly or indirectly and its Application Form does not directly or indirectly represent the Promoter or members of the Promoter Group or persons related to the Promoter;
- The Eligible QIB confirms that it has no rights under a shareholders' agreement or voting agreement with the Promoter(s) or members of the Promoter Group, no veto rights or right to appoint any nominee director on the Board other than those acquired in the capacity of a lender not holding any Equity Shares which shall not be deemed to be a person related to the Promoter(s);
- The Eligible QIB confirms that in the event it is resident outside India, it is an Eligible FPI, having a valid and existing registration with SEBI under the applicable laws in India or a multilateral or bilateral development financial institution, and is eligible to invest in India under applicable law, including the FEMA Rules, and has not been prohibited by SEBI or any other regulatory authority, from buying, selling, dealing in securities or otherwise accessing the capital markets and is not an FVCI;
- The Eligible QIB acknowledges that it has no right to withdraw or revise its Bid downwards after the Bid / Issue Closing Date;
- The Eligible QIB confirms that if Equity Shares are Allotted through the Issue, it shall not, for a period of one year from Allotment, sell such Equity Shares otherwise than on the Stock Exchange;
- The Eligible QIB confirms that the Bidder is eligible to Bid and hold Equity Shares so Allotted together with any Equity Shares held by it prior to the Issue, if any. The Bidder further confirms that the holding of the Bidder, does not and shall not, exceed the level permissible as per any applicable regulations applicable to the Bidder;
- The Bidder confirms that in the event it is resident outside India, it is not an FVCI;
- The Eligible QIB confirms that its Bids would not eventually result in triggering an open offer under the SEBI Takeover Regulations;
- The Eligible QIB agrees that it will make payment of its Bid Amount along with submission of the Application Form within the Bid/ Issue Period. The Bidder agrees that once a duly filled Application Form is submitted by a Bidder, whether signed or not, and the Bid Amount has been transferred to the Escrow Account, such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Bid/ Issue Closing Date;
- The Eligible QIB agrees that although the Bid Amount is required to be paid by it along with the Application Form within the Bid/ Issue Period in terms of provisions of the Companies Act, 2013, our Company reserves the right to Allocate and Allot Equity Shares pursuant to the Issue on a discretionary basis in consultation with the Lead Manager. The Bidder further acknowledges and agrees that the payment of Bid Amount does not guarantee Allocation and/or Allotment of Equity Shares Bid for in full or in part;
- The Eligible QIB acknowledges that in terms of the requirements of the Companies Act, 2013, upon Allocation, our Company will be required to disclose names as "proposed Allottees" and percentage of post-Issue shareholding of the proposed Allottees in the Placement Document and such QIB consents of such disclosure, if any Equity Shares are Allocated to it. However, the Bidder further acknowledges and agrees that, disclosure of such details as "proposed Allottees" in the Placement Document will not guarantee Allotment to them, as Allotment in the Issue shall continue to be at the sole discretion of our Company, in consultation with the Lead Manager;
- The Eligible QIB confirms that the number of Equity Shares Allotted to it pursuant to the Issue, together with other Allottees that belong to the same group or are under common control, shall not exceed 50% of the Issue. For the purposes of this representation:

- (a) QIBs “belonging to the same group” shall mean entities where (a) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (b) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (c) there is a common director, excluding nominee and Independent Directors, amongst an Bidder, its subsidiary or holding company and any other Bidder; and
- (b) ‘Control’ shall have the same meaning as is assigned to it by Regulation 2(1)(e) of the SEBI Takeover Regulations;
- The Eligible QIB acknowledges that no Allocation shall be made to it if the price at which it has Bid for in the Issue is lower than the Issue Price.
- The Eligible QIB confirms that it shall not undertake any trade in the Equity Shares credited to its beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges.
- Each Eligible FPI, confirms that it will participate in the Issue only under and in conformity with Schedule II of FEMA Rules. Further, each Eligible FPI acknowledges that Eligible FPIs may invest in such number of Equity Shares such that the individual investment of the Eligible FPI or its investor group (multiple entities registered as FPIs and directly or indirectly, having common ownership of more than fifty per cent or common control) in our Company does not exceed 10% of the post-Issue paid-up capital of our Company on a fully diluted basis. The Bidder confirms that it, individually or together with its investor group, is not restricted from making further investments in our Company through the portfolio investment route, in terms of Regulation 22(3) of the SEBI FPI Regulations.
- The Eligible QIB confirms that it is outside the United States and, is purchasing the Equity Shares in an “offshore transaction” as defined in and in reliance on Regulation S and the applicable laws of the jurisdictions where such offers and sales are made, and is not an affiliate of the Company or a person acting on behalf of such an affiliate and it has agreed to certain other representations set forth in the Application Form.

ELIGIBLE QIBs MUST PROVIDE THEIR NAME, COMPLETE ADDRESS, PHONE NUMBER, EMAIL ID, BANK ACCOUNT DETAILS, BENEFICIARY ACCOUNT DETAILS, PAN OR PAN ALLOTMENT LETTER, DEPOSITORY PARTICIPANT’S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE APPLICATION FORM. ELIGIBLE QIBs MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THEIR BENEFICIARY ACCOUNT IS HELD.

IF SO REQUIRED BY THE LEAD MANAGER, THE ELIGIBLE QIBs SUBMITTING A BID, ALONG WITH THE APPLICATION FORM, WILL ALSO HAVE TO SUBMIT REQUISITE DOCUMENT(S) TO THE LEAD MANAGER TO EVIDENCE THEIR STATUS AS AN “ELIGIBLE QIB” AS DEFINED HEREINABOVE.

IF SO REQUIRED BY THE LEAD MANAGER, ESCROW AGENT OR ANY STATUTORY OR REGULATORY AUTHORITY IN THIS REGARD, INCLUDING AFTER BID/ISSUE CLOSING DATE, THE ELIGIBLE QIBs SUBMITTING A BID AND/OR BEING ALLOTTED EQUITY SHARES IN THE ISSUE, WILL ALSO HAVE TO SUBMIT REQUISITE DOCUMENT(S) TO FULFILL THE APPLICABLE KNOW YOUR CUSTOMER (KYC) NORMS.

Demographic details such as address and bank account will be obtained from the Depositories as per the Depository Participant account details provided in the Application Form. However, for the purposes of refund of all or part of the Bid Amount submitted by the Bidder, the bank details as mentioned in the Application Form from which the Bid Amount shall be remitted for the Equity Shares applied for in the Issue, will be considered.

The submission of an Application Form whether signed or not, and payment of the Bid Amount pursuant to the Application Form by a Bidder shall be deemed a valid, binding and irrevocable offer for such Bidder to pay the entire Issue Price for the Equity Shares and becomes a binding contract on a Successful Bidder upon issuance of the CAN and the Placement Document (when dispatched) by our Company (by itself or through the Lead Manager) in favour of the Successful Bidder.

Submission of Application Form

All Application Forms must be duly completed with information including the number of Equity Shares applied for along with proof of payment and a copy of the PAN card or PAN allotment letter (as applicable). The Bid Amount shall be deposited in the Escrow Account as is specified in the Application Form and the Application Form shall be submitted to the Lead Manager either through electronic form or through physical delivery at either of the following addresses:

Name	Address	Contact Person	Website and e-mail	Phone (Telephone)
Axis Capital Limited	1 st Floor, Axis House, P. B. Marg, Worli, Mumbai 200 025, Maharashtra, India	Parin Savla	Website: www.axiscapital.co.in Email: craftsman.qip@axiscap.in Investor Grievance e-mail: complaints@axiscap.in	+91 22 4325 2183

The Lead Manager shall not be required to provide any written acknowledgement of the receipt of the Application Form and the Bid Amount.

All Application Forms shall be duly completed, and Bidders Bidding in the Issue shall pay the entire Bid Amount along with the submission of the Application Form, within the Bid/ Issue Period.

Bank account for Payment of Bid Amount

Our Company has opened the Escrow Account in the name of “Craftsman Automation Limited – QIP Escrow Account 2026” with the Escrow Agent, in terms of the Escrow Agreement. Each Bidder will be required to deposit the Bid Amount payable for the Equity Shares Bid by it along with the submission of the Application Form and during the Bidding Period. Bidders can make payment of the Bid Amount only through electronic transfer of funds from their own bank account.

Note: Payments are to be made only through electronic fund transfer. Payments made through cash, demand draft or cheques are liable to be rejected. Further, if the payment is not made favouring the Escrow Account, the Application Form is liable to be rejected.

Pending Allotment, our Company undertakes to utilise the amount deposited in “Craftsman Automation Limited – QIP Escrow Account 2026” only for the purposes of (i) adjustment against Allotment of Equity Shares in the Issue; or (ii) repayment of Bid Amount if our Company is not able to Allot Equity Shares in the Issue. Notwithstanding the above, in the event a Bidder is not Allocated Equity Shares in the Issue, or the number of Equity Shares Allocated to a Bidder, is lower than the number of Equity Shares applied for through the Application Form and towards which Application Amount has been paid by such Bidder, the excess Application Amount will be refunded to the same bank account from which Application Amount was remitted, in the form and manner set out in “– *Refunds*” on page 156.

Bank Account Details

Each Bidder shall mention the details of the bank account from which the payment of Bid Amount has been made along with confirmation that such payment has been made from such account.

Pricing and Allocation

There is a minimum pricing requirement under the SEBI ICDR Regulations. The Floor Price shall not be less than the average of the weekly high and low of the closing prices of the Equity Shares quoted on the Stock Exchanges during the two weeks preceding the Relevant Date. However, our Company may offer a discount of not more than 5% of the Floor Price in accordance with the approval of our Shareholders by way of a special resolution dated June 13, 2026 and in terms of the SEBI ICDR Regulations.

Our Company, in consultation with the Lead Manager, shall determine the Issue Price, which shall be at or above the Floor Price.

Build-up of the Book

The Bidders shall submit their Bids (including any revision thereof) through the Application Forms within the Bid/ Issue Period to the Lead Manager. Such Bids cannot be withdrawn or revised downwards after the Bid/ Issue Closing Date. The book shall be maintained by the Lead Manager.

Method of Allocation

Our Company shall determine the Allocation in consultation with the Lead Manager on a discretionary basis and in compliance with Chapter VI of the SEBI ICDR Regulations.

Application Forms received from the Bidders at or above the Issue Price shall be grouped together to determine the total demand. The Allocation to all such Bidders will be made at the Issue Price. Allocation to Mutual Funds for up to a minimum of 10% of the Issue Size shall be undertaken subject to valid Bids being received at or above the Issue Price.

In case of cancellations or default by the Bidders, our Company, in consultation with LM, has the right to reallocate the Equity Shares at the Issue Price among existing or new Bidders at their sole and absolute discretion subject to the applicable laws.

THE DECISION OF OUR COMPANY IN CONSULTATION WITH THE LEAD MANAGER IN RESPECT OF ALLOCATION SHALL BE FINAL AND BINDING ON ALL ELIGIBLE QIBs. ELIGIBLE QIBs MAY NOTE THAT ALLOCATION OF EQUITY SHARES IS AT THE SOLE AND ABSOLUTE DISCRETION OF OUR COMPANY IN CONSULTATION WITH THE LEAD MANAGER AND ELIGIBLE QIBs MAY NOT RECEIVE ANY ALLOCATION EVEN IF THEY HAVE SUBMITTED VALID APPLICATION FORMS AND PAID THE ENTIRE BID AMOUNT AT OR ABOVE THE ISSUE PRICE WITHIN THE BID/ ISSUE PERIOD. NEITHER OUR COMPANY NOR THE LEAD MANAGER IS OBLIGED TO ASSIGN ANY REASON FOR ANY NON-ALLOCATION.

CAN

Based on receipt of the serially numbered Application Forms and Bid Amount, our Company, in consultation with the Lead Manager, in its sole and absolute discretion, shall decide the Successful Bidders. Our Company will dispatch a serially numbered CAN to all such Successful Bidders pursuant to which the details of the Equity Shares Allocated to them, the Issue Price and the Bid Amount for the Equity Shares Allocated to them shall be notified to such Successful Bidders. The CAN shall also include details of amount to be refunded, if any, to such Bidders. Additionally, the CAN will include the probable Designated Date, being the date of credit of the Equity Shares to the Bidders' account, as applicable to the respective Bidder.

The Successful Bidders would also be sent a serially numbered Placement Document (which will include the names of the proposed Allottees along with the percentage of their post-Issue Shareholding in our Company) either in electronic form or by physical delivery.

The dispatch of the serially numbered CAN and the Placement Document (when dispatched), to the Eligible QIBs shall be deemed a valid, binding and irrevocable contract for the Eligible QIBs to subscribe to the Equity Shares Allocated to such Successful Bidders. Subsequently, our Board/its committee will approve the Allotment of the Equity Shares to the Allottees in consultation with the Lead Manager.

Eligible QIBs are advised to instruct their Depository Participant to accept the Equity Shares that may be Allotted to them pursuant to the Issue.

By submitting the Application Form, an Eligible QIB would be deemed to have made the representations and warranties as specified in section “*Notice to Investors*” on page 1 and further that such Eligible QIB shall not undertake any trade on the Equity Shares credited to its Depository Participant account pursuant to the Issue until such time as the final listing and trading approval is issued by Stock Exchanges.

Designated Date and Allotment of Equity Shares

1. Subject to the satisfaction of the terms and conditions of the Placement Agreement, our Company will ensure that the Allotment of the Equity Shares is completed by the Designated Date provided in the respective CANs.

2. In accordance with the SEBI ICDR Regulations, Equity Shares will be issued and Allotment shall be made only in the dematerialized form to the Allottees. Allottees will have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act, 2013, and the Depositories Act. However, transfer of securities of listed companies in physical form is not permitted pursuant to Regulation 40 of the SEBI Listing Regulations.
3. Our Company, at its sole discretion (in consultation with the Lead Manager), reserves the right to cancel the Issue at any time up to Allotment without assigning any reasons whatsoever.
4. Following the Allotment of the Equity Shares pursuant to the Issue, our Company shall apply to the Stock Exchanges for listing approvals and post receipt of the listing approvals from the Stock Exchanges, our Company shall credit the Equity Shares into the beneficiary accounts of the Eligible QIBs.
5. Following the credit of Equity Shares into the Successful Bidders' beneficiary accounts with the Depository Participants, our Company will apply for the final listing and trading approvals from the Stock Exchanges.
6. The monies lying to the credit of the Escrow Account shall not be released until the final listing and trading approvals for the listing and trading of the Equity Shares issued pursuant to the Issue are received by our Company from the Stock Exchanges and our Company files the return of Allotment in connection with the Issue with the RoC within the prescribed timelines under the Companies Act, 2013.
7. After finalisation of the Issue Price, our Company shall update this Preliminary Placement Document with the Issue details and file it with the Stock Exchanges as the Placement Document, which will include names of the proposed Allottees and the percentage of their post-Issue shareholding in our Company. Pursuant to a circular dated March 5, 2010 issued by the SEBI, Stock Exchanges are required to make available on their websites the details of those Allottees in Issue who have been allotted more than 5% of the Equity Shares offered in the Issue, namely, names of the Allottees, and number of Equity Shares Allotted to each of them, pre and post Issue shareholding pattern of our Company along with the Placement Document.
8. Our Company shall make the requisite filings with the RoC within the stipulated period as required under the Companies Act, 2013 and the PAS Rules. Further, as required in terms of the PAS Rules, names of the proposed Allottees, and the percentage of their post-Issue shareholding in our Company is required to be disclosed in the Placement Document.

Refunds

In the event that the number of Equity Shares Allocated to a Bidder is lower than the number of Equity Shares applied for through the Application Form and towards which Bid Amount has been paid by such Bidder, or the Bidder has deposited the Bid Amount arrived at using a price higher than the Issue Price or Equity Shares are not Allocated to a Bidder for any reasons or the Issue is cancelled prior to Allocation, or a Bidder lowers or withdraws the Bid prior to the Bid/ Issue Closing Date, any excess Bid Amount paid by such Bidder will be refunded to the same bank account from which Bid Amount was remitted as set out in the Application Form, in the form and manner set out in the Refund Intimation Letter. The Refund Amount will be transferred to the relevant Bidders within two Working Days from the issuance of the CAN. In the event we are unable to issue and Allot the Equity Shares offered in the Issue or within 60 days from the date of receipt of Bid Amount, our Company shall repay the Bid Amount within 15 days from the expiry of 60 days, failing which our Company shall repay those monies with interest at the rate of 12% p.a. from the expiry of the sixtieth day and in such manner as prescribed under the Companies Act, 2013. The Bid Amount to be refunded by us shall be refunded to the same bank account from which application monies were remitted by the Bidders, as mentioned in the Application Form.

We, at our sole discretion (in consultation with the Lead Manager), reserve the right to cancel the Issue at any time up to Allotment without assigning any reason whatsoever.

Following the credit of Equity Shares into the Eligible QIBs' Depository Participant accounts, we will apply for final trading and listing approvals from the Stock Exchanges. In the event of any delay in the Allotment or credit of Equity Shares, or receipt of trading or listing approvals or cancellation of the Issue, no interest or penalty would be payable by us.

Release of Funds to our Company

The monies lying to the credit of the Escrow Account shall not be released until the final listing and trading approvals of the Stock Exchanges for the Equity Shares offered pursuant to the Issue are received by our Company and our Company files the return of Allotment under Form PAS-3 in connection with the Issue with the RoC, whichever is later.

Provided that upon receipt of the listing and trading approval from Stock Exchanges, our Company files the return of Allotment in connection with the Issue with the RoC, upon which, the Net Proceeds deposited in the Escrow Bank Account, shall be transferred to a separate bank account with a scheduled bank or any other account as may be mutually agreed between our Company and the Monitoring Agency.

Other Instructions

Submission of Documents

A physical copy of the Application Form and relevant documents as required to be provided along with the Application Form shall be submitted with our Company/ LM as soon as practicable.

Permanent Account Number or PAN

Each Bidder should mention its PAN (except Bids from any category of Bidders, which may be exempted from specifying their PAN for transacting in the securities market) allotted under the IT Act. A copy of PAN card is required to be submitted with the Application Form. Further, the Application Forms without this information will be considered incomplete and are liable to be rejected. It is to be specifically noted that applicants should not submit the GIR number instead of the PAN as the Application Form is liable to be rejected on this ground.

Bank account details

Each Bidder shall mention the details of the bank account from which the payment of Bid Amount has been made along with confirmation that such payment has been made from such account.

Right to Reject Applications

Our Company, in consultation with the Lead Manager, may reject Bids, in part or in full, without assigning any reason whatsoever. The decision of our Company in consultation with the Lead Manager in relation to the rejection of Bids shall be final and binding. In the event the Bid is rejected by our Company, the Bid Amount paid by the Bidder shall be refunded to the same bank account from which the Bid Amount was remitted by such Bidder as set out in the Application Form. For details, see “- **Bid Process**” and “- **Refunds**” on pages 151 and 156, respectively.

Equity Shares in dematerialised form with NSDL or CDSL

The Allotment of the Equity Shares in the Issue shall be only in dematerialised form (i.e., not in physical certificates but be fungible and be represented by the statement issued through the electronic mode).

An Eligible QIB applying for Equity Shares to be issued pursuant to the Issue must have at least one beneficiary account with a Depository Participant of either NSDL or CDSL prior to making the Bid. Equity Shares Allotted to a Successful Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Successful Bidder, as indicated in the Application Form.

Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchanges have electronic connectivity with NSDL and CDSL.

The trading of the Equity Shares to be issued pursuant to the Issue would be in dematerialised form only for all QIBs in the demat segment of the respective Stock Exchanges.

Our Company and the Lead Manager shall not be responsible or liable for the delay in the credit of Equity Shares to be issued pursuant to the Issue due to errors in the Application Form or otherwise on the part of the Bidders.

PLACEMENT AND LOCK-UP

Placement Agreement

The Lead Manager and our Company have entered into the Placement Agreement dated June 15, 2026 (“**Placement Agreement**”), pursuant to which the Lead Manager has agreed, subject to certain conditions, to manage the Issue and to act as the placement agent in connection with the proposed Issue and to use its reasonable efforts to place the Equity Shares with Eligible QIBs to subscribe to such number of our Equity Shares as may be agreed among our Company and the Lead Manager, pursuant to Chapter VI of the SEBI ICDR Regulations, the Companies Act, 2013 read with Rule 14 of the PAS Rules, and other applicable provisions of the Companies Act, 2013 and the rules made thereunder.

The Placement Agreement contains customary representations and warranties, as well as indemnity from our Company and the Issue is subject to the satisfaction of certain conditions and subject to the termination of the Placement Agreement in accordance with the terms contained therein.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act, or the securities laws of any state of the United States and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in “offshore transactions”, as defined in and in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdictions where such offers and sales are made. See “**Selling Restrictions**” on page 160 for information about eligible offerees for the Issue and “**Transfer Restrictions and Purchaser Representations**” on page 168 for information about transfer restrictions that apply to the Equity Shares sold in the Issue.

Applications shall be made to list the Equity Shares issued pursuant to the Issue and admit them to trading on the Stock Exchanges. No assurance can be given as to the liquidity or sustainability of the trading market for such Equity Shares, the ability of holders of the Equity Shares to sell their Equity Shares or the price at which holders of the Equity Shares will be able to sell their Equity Shares.

Each Eligible QIB confirms that it is outside the United States and, is purchasing the Equity Shares in an ‘offshore transaction’ as defined in and in reliance on Regulation S, and is not our affiliate or a person acting on behalf of such an affiliate and it has agreed to certain other representations set forth in the Application Form. For further details, see “**Selling Restrictions**” and “**Transfer Restrictions and Purchaser Representations**” on pages 160 and 168, respectively.

Relationship with the Lead Manager

In connection with the Issue, the Lead Manager (or its affiliates) may, for their own account, subscribe to the Equity Shares or enter into asset swaps, credit derivatives or other derivative transactions relating to the Equity Shares to be issued pursuant to the Issue at the same time as the offer and subscription or sale of the Equity Shares or in secondary market transactions. As a result of such transactions, the Lead Manager may hold long or short positions in the Equity Shares. These transactions may comprise a substantial portion of the Issue and no specific disclosure will be made of such positions. Affiliates of the Lead Manager may purchase Equity Shares and be Allotted Equity Shares for proprietary purposes and not with a view to distribute or in connection with the issuance of P-Notes. See “**Offshore Derivative Instruments**” and “**Representations by Investors**” on pages 11 and 4, respectively.

From time to time, the Lead Manager and its affiliates and associates may engage in transactions with and perform services for our Company or its affiliates in the ordinary course of business and have engaged, or may in the future engage, in commercial banking, investment banking and other banking transactions with our Company, its affiliates or shareholders, for which they have received compensation and may in the future receive compensation.

Lock-up

In terms of the Placement Agreement, our Company agrees, subject to the exceptions set out below, not to: (a) issue, offer, lend, pledge, sell any option or contract to purchase, purchase any option or contract to sell or issue, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any equity shares, or any securities convertible into or exercisable or exchangeable for equity share; (b) enter into any swap or other agreement that transfers, directly or indirectly, in whole or in part, any of the economic consequences of ownership of equity shares; or (c) publicly announce any intention to enter into any transaction

described in (a) or (b) above, whether any such transaction described in (a) or (b) above is to be settled by delivery of equity shares, or such other securities, in cash or otherwise, for a period from the date hereof up to 45 days after the Closing Date without the prior written consent of the Lead Manager, however, the foregoing restriction shall not be applicable to the (i) the issuance of the Issue Shares pursuant to the Issue; and (ii) any transaction required by law or an order of a court of law or a statutory authority.

Lock-up by Promoter

Under the Placement Agreement, our Promoter agrees that, without the prior written consent of the Lead Manager, he shall not, publicly announce any intention to enter into any transaction whether any such transaction which is to be settled by delivery of Equity Shares, or such other securities, in cash or otherwise, during the period commencing on the date hereof and ending 90 days from the date of the Placement Document (both dates inclusive) ("**Lock-up Period**") directly or indirectly:

- (1) offer, pledge, sell, encumber, contract to sell, lend, purchase any option, grant or sell any option, right, contract or warrant to purchase, make any short sale or otherwise transfer or dispose of any Lock-up Shares or any other securities of the Company substantially similar to the Equity Shares, including, but not limited to options, warrants or other securities that are convertible into, exercisable or exchangeable for, or that represent the right to receive Lock-up Shares;
- (2) enter into any swap or other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequences of ownership of the Lock-up Shares or any securities that are convertible into, exercisable or exchangeable for Lock-up Shares, whether now owned or hereinafter acquired; or
- (3) enter into any transaction (including a transaction involving derivatives) having an economic effect similar to that of an issue, offer, sale or deposit of the Lock-up Shares in any depository receipt facility.

Provided, however, that none of the foregoing or below restrictions shall apply to:

- i. any sale of Equity Shares held by the Promoter up to 10% of the shareholding of the Company.
- ii. any sale, transfer or disposition of any of the Lock-up Shares by the undersigned with prior written consent of the Lead Manager to the extent such sale, transfer or disposition is required by Applicable Laws; or
- iii. any *bona fide* pledge or non-disposal undertaking of any of the Lock-up Shares held by the undersigned as collateral for loans on normal commercial terms entered or to be entered into in the ordinary course of business of the undersigned and the Company.
- iv. any inter group transfer made to any persons or entities promoted by the Promoter ("**Promoter Group Entity**"), subject to compliance with applicable laws and subject to observance by the transferee Promoter Group Entity of the foregoing restrictions on transfer of Lock-up Shares until the expiry of the Lock-up Period.

SELLING RESTRICTIONS

The distribution of this Preliminary Placement Document, the Placement Document or any offering material and the offering, sale or delivery of Equity Shares in this Issue is restricted by law in certain jurisdictions. Therefore, persons who may come into possession of this Preliminary Placement Document, the Placement Document or any offering material are advised to consult with their own legal advisors as to what restrictions may be applicable to them and to observe such restrictions.

The Issue is being made only to Eligible QIBs. The distribution of this Preliminary Placement Document or any offering material and the offer and sale of the Equity Shares offered in the Issue is restricted by law in certain jurisdictions. This Preliminary Placement Document may not be used for the purpose of an offer or invitation in any circumstances in which such offer or invitation is not authorised. No action has been taken or will be taken that would permit the offer and sale of the Equity Shares offered in the Issue to occur in any jurisdiction other than India, or the possession, circulation or distribution of this Preliminary Placement Document or any other material relating to the Issue in any jurisdiction where action for such purpose is required, except in India. Accordingly, the Equity Shares may not be offered or sold, directly or indirectly, and neither this Preliminary Placement Document nor any offering materials or advertisements in connection with the Equity Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction. Therefore, persons who may come into possession of this Preliminary Placement Document are advised to consult with their own legal advisors as to what restrictions may be applicable to them and to observe such restrictions.

Each purchaser of the Equity Shares in the Issue will be deemed to have made the representations, warranties, acknowledgments and agreements as described in this section and under “**Notice to Investors**”, “**Representations by Investors**” and “**Transfer Restrictions and Purchaser Representations**” on pages 1, 4 and 168, respectively.

Republic of India

This Preliminary Placement Document may not be distributed directly or indirectly in India or to residents of India and any Equity Shares may not be offered or sold directly or indirectly in India to, or for the account or benefit of, any resident of India except as permitted by applicable Indian laws and regulations, under which an offer is strictly on a private and confidential basis and is limited to Eligible QIBs and is not an offer to the public. This Preliminary Placement Document has not been and will not be filed as a prospectus with the RoC and will not be circulated or distributed to the public in India or any other jurisdiction and will not constitute a public offer in India or any other jurisdiction.

Australia

This Preliminary Placement Document does not constitute a prospectus or other disclosure document under the Corporations Act 2001 (Cth) (“**Australian Corporations Act**”) and does not purport to include the information required of a prospectus or disclosure document under the Australian Corporations Act. This Preliminary Placement Document has not been lodged with the Australian Securities and Investments Commission (“**ASIC**”) and no steps have been taken to lodge it with ASIC. No offer will be made under this Preliminary Placement Document to any person to whom disclosure is required to be made under Chapter 6D of the Australian Corporations Act. Any offer in Australia of the Equity Shares under this Preliminary Placement Document may only be made to persons who are “sophisticated investors” (within the meaning of section 708(8) of the Australian Corporations Act), “professional investors” (within the meaning of section 708(11) of the Australian Corporations Act) or otherwise pursuant to one or more exemptions under section 708 of the Australian Corporations Act which permit the offer of the Equity Shares without disclosure under Part 6D.2 of the Australian Corporations Act.

As any offer of Equity Shares under this Preliminary Placement Document will be made without disclosure in Australia under Chapter 6D.2 of the Australian Corporations Act, the offer of those securities for resale in Australia within 12 months may, under section 707 of the Australian Corporations Act, require disclosure to investors under Chapter 6D.2 if none of the exemptions in section 708 applies to that resale. By applying for the Equity Shares you undertake to the Company that you will not, for a period of 12 months from the date of issue of the Equity Shares, offer, transfer, assign or otherwise alienate those securities to any person in Australia except in circumstances where disclosure to such person is not required under Chapter 6D.2 of the Australian Corporations Act or where a compliant disclosure document is prepared and lodged with ASIC.

Bahrain

All marketing and offering of the Equity Shares in the Issue has been made and will be made outside the Kingdom of Bahrain. This Preliminary Placement Document and the Equity Shares that shall be offered pursuant to this Preliminary Placement Document have not been registered, filed, approved or licensed by the Central Bank of Bahrain (“**CBB**”), the Bahrain Bourse, the Ministry of Industry, Commerce and Tourism (“**MOICT**”) or any other relevant licensing authorities in the Kingdom of Bahrain.

The CBB, the Bahrain Bourse and the MOICT of the Kingdom of Bahrain take no responsibility for the accuracy of the statements and information contained in this Preliminary Placement Document, nor shall they have any liability to any person, investor or otherwise for any loss or damage resulting from reliance on any statements or information contained herein. This Preliminary Placement Document is only intended for Accredited Investors as defined by the CBB and the Equity Shares offered by way of private placement may only be offered in minimum subscriptions of USD 100,000 (or equivalent in other currencies). No invitation to the public in the Kingdom of Bahrain to subscribe to the Equity Shares is being made and this Preliminary Placement Document will not be issued to, passed to, or made available to the public generally in the Kingdom of Bahrain. The CBB has not reviewed, nor has it approved this Preliminary Placement Document and any related offering documents or the marketing thereof in the Kingdom of Bahrain. The CBB is not and will not be responsible for the performance of the Equity Shares.

British Virgin Islands

The Equity Shares are not being, and may not be offered to the public or to any person in the British Virgin Islands for purchase or subscription by or on behalf of the Issuer. The Equity Shares may be offered to companies incorporated under the BVI Business Companies Act, 2004 (British Virgin Islands), (“**BVI Companies**”), but only where the offer will be made to, and received by, the relevant BVI Company entirely outside of the British Virgin Islands.

Cayman Islands

No offer or invitation to subscribe for Equity Shares may be made to the public in the Cayman Islands to subscribe for any of the Equity Shares but an invitation or offer may be made to sophisticated persons (as defined in the Cayman Islands Securities Investment Business Law (the “**SIBL**”)), high net worth persons (as defined in the SIBL) or otherwise in accordance with the SIBL. This Preliminary Placement Document does not constitute an invitation or offer to the public in the Cayman Islands of the Equity Shares, whether by way of sale or subscription. The Equity Shares are not being offered or sold, and will not be offered or sold, directly or indirectly, to the public in the Cayman Islands.

Dubai International Financial Centre

This Preliminary Placement Document relates to an Exempt Offer in accordance with the Markets Rules Module of the Dubai Financial Services Authority (“**DFSA**”) Rulebook. This Preliminary Placement Document is intended for distribution only to persons of a type specified in the Markets Rules Module. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this Preliminary Placement Document nor taken steps to verify the information set forth herein and has no responsibility for this Preliminary Placement Document. The securities to which this Preliminary Placement Document relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the securities offered should conduct their own due diligence on the securities. If you do not understand the contents of this Preliminary Placement Document you should consult an authorised financial advisor.

In relation to its use in the DIFC, this Preliminary Placement Document is strictly private and confidential and is being distributed to a limited number of investors and must not be provided to any person other than the original recipient, and may not be reproduced or used for any other purpose. The interests in the securities may not be offered or sold directly or indirectly to the public in the DIFC.

European Economic Area

In relation to each Member State of the European Economic Area (each a “**Member State**”), no Equity Shares have been offered or will be offered pursuant to the Issue to the public in that Member State prior to the publication of a prospectus in relation to the Equity Shares which has been approved by the competent authority in that Member State or, where appropriate, approved in another Member State and notified to the competent authority

in that Member State, all in accordance with the Prospectus Regulation), except that offers of Equity Shares may be made to the public in that Member State at any time under the following exemptions under the Prospectus Regulation:

- to any legal entity which is a qualified investor as defined under the Prospectus Regulation;
- to fewer than 150 natural or legal persons (other than qualified investors as defined under the Prospectus Regulation), subject to obtaining the prior consent of Lead Manager for any such offer; or
- in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Equity Shares shall result in a requirement for the publication by the Company or the Lead Manager of a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this section, the expression an “offer of Equity Shares to the public” in relation to any Equity Shares in any Relevant State means a communication to persons in any form and by any means presenting sufficient information on the terms of the offer and the Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Equity Shares.

Except for each person who is not a qualified investor and who has notified the Lead Manager of such fact in writing and has received the consent of the Lead Manager in writing to subscribe for or purchase Equity Shares in the Issue, each person in a Relevant State who acquires Equity Shares in the Issue or to whom any offer is made shall be deemed to have represented that it is a “qualified investor” as defined in the Prospectus Regulation.

In the case of any Equity Shares being offered to a financial intermediary, as that term is used in Article 5 of the Prospectus Regulation, such financial intermediary will also be deemed to have represented, acknowledged and agreed that the Equity Shares subscribed for or acquired by it in the Issue have not been subscribed for or acquired on a non-discretionary basis on behalf of, nor have they been subscribed for or acquired with a view to their offer or resale to persons in circumstances which may give rise to an offer of any Equity Shares to the public other than their offer or resale in a Relevant State to qualified investors (as so defined) or in circumstances in which the prior consent of the Lead Manager has been obtained to each such proposed offer or resale.

Our Company, the Lead Manager and its affiliates and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements.

Hong Kong

The Equity Shares have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document, other than (a) to “professional investors” as defined in the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”) and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the “**C(WUMP)O**”) or which do not constitute an offer to the public within the meaning of the C(WUMP)O.

No advertisement, invitation or document relating to the Equity Shares, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Equity Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the SFO and any rules made under the SFO has been or will be issued, whether in Hong Kong or elsewhere.

Japan

The Equity Shares offered hereby have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the “**Financial Instruments and Exchange Act**”). The Preliminary Placement Document is not an offer of shares for sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used in the Preliminary Placement Document means any person resident in Japan, including any corporation or entity organized under the laws of Japan) or to others for reoffer or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

Republic of Korea

The Equity Shares have not been and will not be registered under the Financial Investments Services and Capital Markets Act of Korea and the decrees and regulations thereunder (the “FSCMA”), and the Equity Shares have been and will be offered in Korea as a private placement under the FSCMA. None of the Equity Shares may be offered, sold or delivered directly or indirectly, or offered or sold to any person for re-offering or resale, directly or indirectly, in Korea or to any resident of Korea except pursuant to the applicable laws and regulations of Korea, including the FSCMA and the Foreign Exchange Transaction Law of Korea and the decrees and regulations thereunder (the “FETL”). Furthermore, the purchaser of the Equity Shares shall comply with all applicable regulatory requirements (including but not limited to requirements under the FETL) in connection with the purchase of the Equity Shares. By the purchase of the Equity Shares, the relevant holder thereof will be deemed to represent and warrant that if it is in Korea or is a resident of Korea, it purchased the Equity Shares pursuant to the applicable laws and regulations of Korea.

Kuwait

This document does not constitute an offer to sell, or the solicitation of an offer to subscribe for or buy, the Equity Shares in the State of Kuwait. The Equity Shares have not been licensed for offering, promotion, marketing, advertisement or sale in the State of Kuwait by the Capital Markets Authority or any other relevant Kuwaiti government agency. The offering, promotion, marketing, advertisement or sale of the Equity Shares in State of Kuwait on the basis of a private placement or public offering is, therefore, prohibited in accordance with Law No. 7 of 2010 and the Executive Bylaws for Law No. 7 of 2010, as amended, which govern the issue, offer, marketing and sale of financial services/products in the State of Kuwait. No private or public offering of the Equity Shares is or will be made in the State of Kuwait, and no agreement relating to the sale of the Equity Shares will be concluded in the State of Kuwait and no marketing or solicitation or inducement activities are being used to offer or market the Equity Shares in the State of Kuwait.

Malaysia

No approval from the Securities Commission of Malaysia has been applied for or will be obtained for the offer or invitation in respect of the Issue under the Capital Markets and Services Act 2007. Neither has a prospectus been nor will be registered with the Securities Commission of Malaysia in connection with the Issue in Malaysia. Accordingly, this Preliminary Placement Document or any amendment or supplement hereto or any other offering document in relation to the Issue may not be distributed in Malaysia directly or indirectly for the purpose of any offer of the Equity Shares. The Equity Shares may not be offered or sold in Malaysia except pursuant to, and to persons prescribed under, Part I of Schedule 6 of the Malaysian Capital Markets and Services Act and no person may offer for subscription or purchase any of the Equity Shares directly or indirectly to anyone in Malaysia.

Mauritius

The public of the Republic of Mauritius is not invited to subscribe for the interests offered hereby. This memorandum relates to a private placement and does not constitute an offer to the public in Mauritius to subscribe for the interests offered hereby. The interests are only being offered to a limited number of sophisticated investors meeting the eligibility criteria. No regulatory approval has been sought for the offer in Mauritius and it must be distinctly understood that the Mauritius Financial Services Commission does not accept any responsibility for the financial soundness of or any representations made in connection with the issue. The memorandum is for the use only of the named addressee and should not be given or shown to any other person.

New Zealand

This Preliminary Placement Document, and the information within and accompanying this Preliminary Placement Document are not, and are under no circumstances to be construed as, an offer of the Equity Shares in New Zealand. No product disclosure statement, prospectus or similar offering or disclosure document in relation to the Equity Shares has been prepared or has been lodged with or reviewed or approved by the Financial Markets Authority, the Registrar of Financial Service Providers or any other regulatory body in New Zealand. The Equity Shares are only available for investment by a “wholesale investor” within the meaning of clause 3(2) of the Financial Markets Conduct Act 2013 (“FMCA”). Each recipient of this Preliminary Placement Document represents and agrees that he, she or it:

- a) is a “wholesale investor” for the purposes of clause 3(1) of Schedule 1 of the FMCA) (as the term “wholesale investor” is defined by clause (3)(2) of Schedule 1 of the FMCA);

- b) has not offered or sold, and agrees he, she or it will not offer or sell, any Equity Shares in New Zealand in a manner that would require disclosure under Part 3 of the FMCA; and
- c) has not distributed or published, and agrees he, she or it will not publish this Preliminary Placement Document or any offering material or advertisement in relation to any offer of the Equity Shares in New Zealand.

Qatar (excluding the Qatar Financial Centre)

This Preliminary Placement Document did not, and was not intended to, constitute an invitation or an offer of securities in the State of Qatar (including the Qatar Financial Centre) and accordingly should not be construed as such. The Equity Shares have not been, and shall not be, offered, sold or delivered at any time, directly or indirectly, in the State of Qatar. Any offering of the Equity Shares shall not constitute a public offer of securities in the State of Qatar.

By receiving this document, the person or entity to whom it has been provided to understands, acknowledges and agrees that: (a) neither this Preliminary Placement Document nor the Equity Shares have been registered, considered, authorised or approved by the Qatar Central Bank, the Qatar Financial Markets Authority, the Qatar Financial Centre Regulatory Authority or any other authority or agency in the State of Qatar; (b) neither the Company nor the Lead Manager are authorised or licensed by the Qatar Central Bank, the Qatar Financial Markets Authority, the Qatar Financial Centre Regulatory Authority, or any other authority or agency in the State of Qatar, to market or sell the Equity Shares within the State of Qatar; (c) this Preliminary Placement Document may not be provided to any person other than the original recipient and is not for general circulation in the State of Qatar; and (d) no agreement relating to the sale of the Equity Shares shall be consummated within the State of Qatar.

No marketing of the Equity Shares has been or will be made from within the State of Qatar and no subscription to the Equity Shares may or will be consummated within the State of Qatar. Any applications to invest in the Equity Shares shall be received from outside of Qatar. This Preliminary Placement Document shall not form the basis of, or be relied on in connection with, any contract in Qatar. The persons representing the Lead Manager are, by distributing this document, not advising individuals resident in the State of Qatar as to the appropriateness of investing in or purchasing or selling securities or other financial products. Nothing contained in this Preliminary Placement Document is intended to constitute investment, legal, tax, accounting or other professional advice in, or in respect of, the State of Qatar.

Qatar and Qatar Financial Centre

Nothing in this Preliminary Placement Document is intended to constitute, shall be treated as constituting or shall be deemed to constitute, any offer or sale of securities in the State of Qatar or in the Qatar Financial Centre or the inward marketing of securities or an attempt to do business, as a bank, an investment company or otherwise in the State of Qatar or in the Qatar Financial Centre other than in compliance with any laws applicable in the State of Qatar or in the Qatar Financial Centre governing the issue, offering and sale of securities under the laws of the State of Qatar and the Qatar Financial Centre.

This Preliminary Placement Document and any underlying instruments or securities have not been and will not be filed with, reviewed or approved by the Qatar Central Bank, the Qatar Financial Markets Authority, the Qatar Exchange or any other relevant Qatar governmental body or securities exchange. The Company has not been authorised or licenced by any Qatari governmental body or regulator to market, offer or sell the Equity Shares in the State of Qatar or in the Qatar Financial Centre.

This Preliminary Placement Document is strictly private and confidential. This Preliminary Placement Document is provided on an exclusive basis to the specifically intended recipient of such document, upon that person's request and initiative, and for the recipient's personal use only. It is being distributed to a limited number of qualified investors and must not be provided to any person other than the original recipient. It is not for general circulation in the State of Qatar or the Qatar Financial Centre and may not be reproduced or used for any other purpose. Any distribution of this document by the recipient to third parties in the State of Qatar or the Qatar Financial Centre is not authorised and shall be at the liability of such recipient.

Recourse against the Company and/or its affiliates may be limited or difficult and may have to be pursued in a jurisdiction outside the State of Qatar and/or the Qatar Financial Centre.

Saudi Arabia

This Preliminary Placement Document may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Rules on the Offer of Securities and Continuing Obligations issued by the Capital Market Authority (“CMA”). The CMA does not make any representation as to the accuracy or completeness of this Preliminary Placement Document and expressly disclaims any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this Preliminary Placement Document. Prospective purchasers of the Equity Shares offered hereby should conduct their own due diligence on the accuracy of the information relating to the Equity Shares. If you do not understand the contents of this Preliminary Placement Document, you should consult an authorised financial adviser.

Singapore

This Preliminary Placement Document has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Preliminary Placement Document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Equity Shares may not be circulated or distributed, nor may the Equity Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Equity Shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- i. a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- ii. a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Equity Shares pursuant to an offer made under Section 275 of the SFA except:

- (a) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (b) where no consideration is or will be given for the transfer;
- (c) where the transfer is by operation of law;
- (d) as specified in Section 276(7) of the SFA; or
- (e) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

Notification under Sections 309B(1)(a) and 309B(1)(c) of the SFA: We have determined, and hereby notify all relevant persons (as defined in Section 309A of the SFA) that the Equity Shares are: (A) prescribed capital markets products (as defined in the Securities and Futures (Capital Markets Products) Regulations 2018) and (B) Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment: Notice on Recommendations on Investment Products).

Singapore SFA Product Classification: In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore (the “SFA”) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “CMP Regulations 2018”), the Company has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Equity Shares are ‘prescribed capital markets products’ (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Sultanate of Oman

The information contained in this Preliminary Placement Document does not constitute a public offer of securities in Oman as contemplated by the Oman Commercial Companies Law (Sultani Decree 18/2019, as amended) or Article 3 of the Capital Market Authority Law (Sultani Decree 80/98, as amended). This Preliminary Placement Document will only be made available to investors in Oman in accordance with the provisions of Article 139 of the Executive Regulations of the Capital Markets Law (Capital Markets Law Decision No. 1/2009, as amended) (the “**Executive Regulations**”) by an entity duly licenced by the Capital Market Authority of Oman to market non-Omani securities in Oman.

This Preliminary Placement Document is strictly private and confidential. It is being provided to a limited number of sophisticated investors solely to enable them to decide whether or not to invest in the Equity Shares outside of Oman, upon the terms and subject to the restrictions set out herein and may not be reproduced or used for any other purpose or provided to any person other than the original recipient. Additionally, this Preliminary Placement Document is not intended to lead to the making of any contract within the territory or under the laws of Oman.

This Preliminary Placement Document has not been (and will not be) filed with the Capital Market Authority of Oman (except in accordance with Article 139 of the Executive Regulations) or any other regulatory authority in Oman and the Capital Market Authority of Oman neither assumes responsibility for the accuracy and adequacy of the statements and information contained in this Preliminary Placement Document nor shall have any liability to any person for damage or loss resulting from reliance on any statements or information contained herein.

Switzerland

The Equity Shares may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the Swiss Financial Services Act (“**FinSA**”) and no application has or will be made to admit the Equity Shares to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. Neither this Preliminary Placement Document nor any other offering or marketing material relating to the Equity Shares constitutes a prospectus pursuant to the FinSA, and neither this Preliminary Placement Document nor any other offering or marketing material relating to the Equity Shares may be publicly distributed or otherwise made publicly available in Switzerland.

The Equity Shares may, however, be offered in Switzerland to professional clients within the meaning of the FinSA, without any public offer and only to investors who do not purchase the Equity Shares with the intention to distribute them to the public. The investors will be individually approached from time to time. This Preliminary Placement Document may only be used by those investors to whom it has been handed out in connection with the Offer described herein and may neither directly nor indirectly be distributed or made available to other persons without our express consent.

United Arab Emirates (excluding the Dubai International Financial Centre)

This Preliminary Placement Document does not constitute or contain an offer of securities to the general public in the UAE. No offering, marketing, promotion, advertising or distribution (together, “**Promotion**”) of this document or the Equity Shares may be made to the general public in the United Arab Emirates (the “**UAE**”) unless: (a) such Promotion has been approved by the UAE Securities and Commodities Authority (the “**SCA**”) and is made in accordance with the laws and regulations of the UAE, including SCA Board of Directors’ Chairman Decision no. (3/R.M.) of 2017 (the “**Promotion and Introduction Regulations**”), and is made by an entity duly licensed to conduct such Promotion activities in the UAE; or (b) such Promotion is conducted by way of private placement made: (i) only to “**Qualified Investors**” (excluding “**High Net Worth Individuals**”) (as such terms are defined in the Promotion and Introduction Regulations); or (ii) otherwise in accordance with the laws and regulations of the UAE; or (c) such Promotion is carried out by way of reverse solicitation only upon an initiative made in writing by an investor in the UAE. None of the SCA, the UAE Central Bank, the UAE Ministry of Economy or any other regulatory authority in the UAE has reviewed or approved the contents of this document nor does any such entity accept any liability for the contents of this document.

United Kingdom

No Equity Shares have been offered or will be offered pursuant to the Issue to the public in the United Kingdom, except that the Equity Shares may be offered to the public in the United Kingdom at any time:

- a) where (i) the offer is conditional on the admission of the Equity Shares to trading on the London Stock Exchange plc’s main market (in reliance on the exception in paragraph 6(a) of Schedule 1 of the POATR)

or (ii) the Equity Shares being offered are at the time of the offer already admitted to trading on London Stock Exchange plc's main market (in reliance on the exception in paragraph 6(b) of Schedule 1 of the POATR);

- b) to any legal entity which is a qualified investor as defined in paragraph 15 of Schedule 1 of the POATR;
- c) to fewer than 150 natural or legal persons (other than qualified investors as defined in paragraph 15 of Schedule 1 of the POATR), subject to obtaining the prior consent of BRLM for any such offer; or in any other circumstances falling within Part 1 of Schedule 1 of the POATR,

For the purposes of this provision, the expression an "offer to the public" in relation to the Equity Shares in the United Kingdom means the communication to any person which presents sufficient information on: (a) the Shares to be offered; and (b) the terms on which they are to be offered, to enable an investor to decide to buy or subscribe for the Shares and the expression "POATR" means the Public Offers and Admissions to Trading Regulations 2024.

In the United Kingdom, this Preliminary Placement Document is only addressed to and directed to persons (i) who have professional experience in matters relating to investments falling within Article 19 paragraph 5 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order"), (ii) who are high net worth entities falling within Article 49 paragraph 2(a) through (d) of the Order, or (iii) other persons to whom it may otherwise lawfully be communicated (all such persons together being referred to as "Relevant Persons"). The securities described herein are only available in the United Kingdom to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such securities in the United Kingdom will be engaged in only with, Relevant Persons. Any person in the United Kingdom who is not a Relevant Person should not act or rely on this Preliminary Placement Document or any of its contents.

United States of America

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in "offshore transactions" as defined in and in reliance on Regulation S.

To help ensure compliance with Regulation S, each purchaser of Equity Shares in the Issue will be deemed to have made the representations, warranties, acknowledgements and agreements set forth in the section titled "*Transfer Restrictions and Purchaser Representations*" on page 168.

Other Jurisdictions

The distribution of this Preliminary Placement Document and the offer and sale of the Equity Shares may be restricted by law in certain jurisdictions. Persons into whose possession this Preliminary Placement Document comes are required to inform themselves about, and to observe, any such restrictions to the extent applicable.

TRANSFER RESTRICTIONS AND PURCHASER REPRESENTATIONS

Due to the following restrictions, investors are advised to consult legal counsel prior to purchasing Equity Shares or making any resale, pledge or transfer of Equity Shares.

Purchasers are not permitted to sell the Equity Shares Allotted pursuant to the Issue, for a period of one year from the date of Allotment, except on the BSE or the NSE. Allotments made to Eligible FPIs in the Issue are subject to the rules and regulations that are applicable to them, including in relation to lock-in requirements. Additional transfer restrictions applicable to the Equity Shares are listed below.

Purchaser Representations and Transfer Restrictions

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable state securities laws. The Equity Shares offered in the Issue are being offered and sold only outside the United States in “offshore transactions” as defined in and in reliance on Regulation S and in accordance with the applicable laws of the jurisdictions where such offers and sales are made.

By accepting delivery of this Preliminary Placement Document, submitting a bid to purchase the Equity Shares and/or accepting delivery of Equity Shares, you will be deemed to have represented and agreed as follows:

- It is authorised to consummate the purchase of the Equity Shares in compliance with all applicable laws and regulations.
- It acknowledges (or if it is a broker-dealer acting on behalf of a customer, its customer has confirmed to it that such customer acknowledges) that the Equity Shares are being issued in reliance upon Regulation S and such Equity Shares have not been and will not be registered under the U.S. Securities Act.
- It certifies that either (A) it is, or at the time the Equity Shares are purchased will be, the beneficial owner of the Equity Shares, is located outside the United States (within the meaning of Regulation S), and it has not purchased the Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of the Equity Shares or an economic interest therein to any person in the United States, or (B) it is a broker-dealer acting on behalf of its customer and its customer has confirmed to it that (i) such customer is, or at the time the Equity Shares are purchased will be, the beneficial owner of the Equity Shares, and (ii) such customer is located outside the United States (within the meaning of Regulation S), and such customer has not purchased the Equity Shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of the Equity Shares or an economic interest therein to any person in the United States.
- It is aware of the restrictions of the offer, sale and resale of the Equity Shares pursuant to Regulation S.
- It agrees (or it is a broker-dealer acting on behalf of a customer that has confirmed to it that such customer agrees) that neither it, nor any of its affiliates, nor any person acting on its behalf, will make any “directed selling efforts” as defined in Regulation S. It acknowledges and agrees that it is not purchasing any Equity Shares as a result of any “directed selling efforts” as defined in Regulation S.
- It understands that the Equity Shares are being offered in a transaction not involving any public offering in the United States within the meaning of the U.S. Securities Act, that the Equity Shares have not been and will not be registered under the U.S. Securities Act and that if in the future it decides to offer, resell, pledge or otherwise transfer any of the Equity Shares, such Equity Shares may be offered, resold, pledged or otherwise transferred only outside the United States in a transaction complying with the provisions of Rule 903 or Rule 904 of Regulation S or in a transaction otherwise exempt from the registration requirements of the U.S. Securities Act and other applicable state securities laws.
- It is a sophisticated investor and has such knowledge and experience in financial, business and investments as to be capable of evaluating the merits and risks of the investment in the Equity Shares. It is experienced in investing in private placement transactions of securities of companies in a similar stage of development and in similar jurisdictions. It and any accounts for which it is subscribing to the Equity Shares (i) are each able to bear the economic risk of the investment in the Equity Shares, (ii) will not look to the Company or any of the Lead Manager for all or part of any such loss or losses that may be suffered, (iii) are able to sustain a

complete loss on the investment in the Equity Shares, (iv) is seeking to subscribe to the Equity Shares in this Issue for investment purposes and not with a view to resell or distribute them and it has no reason to anticipate any change in its circumstances, financial or otherwise, which may cause or require any sale or distribution by it of all or any part of the Equity Shares and (v) have no need for liquidity with respect to the investment in the Equity Shares. It acknowledges that an investment in the Equity Shares involves a high degree of risk and that the Equity Shares are, therefore, a speculative investment.

- It has been provided access to this Preliminary Placement Document and will be provided access to the Placement Document which it has read in its entirety.
- It agrees to indemnify and hold the Company and each of the Lead Manager harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations and warranties. It will not hold any of the Company or the Lead Manager liable with respect to its investment in the Equity Shares. It agrees that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares.
- Where it is subscribing to the Equity Shares for one or more managed accounts, it represents and warrants that it is authorised in writing, by each such managed account to subscribe to the Equity Shares for each managed account and to make (and it hereby makes) the acknowledgements and agreements herein for and on behalf of each such account, reading the reference to “it” to include such accounts.
- It agrees that any resale or other transfer, or attempted resale or other transfer, of the Equity Shares made other than in compliance with the above-stated restrictions shall not be recognised by our Company.

It acknowledges that our Company and the Lead Manager and their respective affiliates and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations or agreements is no longer accurate, it will promptly notify our Company and the Lead Manager. It agrees that the terms and provisions of the foregoing acknowledgements, representations and agreements shall inure to the benefit of and any document incorporating such acknowledgements, representations and agreements shall be enforceable by our Company, its successors and its permitted assigns, and the terms and provisions hereof shall be binding on its permitted successors in title, permitted assigns and permitted transferees. It understands that these acknowledgments, representations and undertakings are required in connection with United States securities laws and irrevocably authorizes our Company to produce these acknowledgments, representations and undertakings (or any document incorporating them) to any interested party in any administrative or legal proceedings or official enquiry with respect to the matters covered herein.

THE SECURITIES MARKET OF INDIA

The information in this section has been extracted from documents available on the website of SEBI and the Stock Exchanges and has not been prepared or independently verified by our Company or the Lead Manager or any of their respective affiliates or advisors.

The Indian Securities Market

India has a long history of organized securities trading. In 1875, the first stock exchange was established in Mumbai. BSE and NSE are the significant stock exchanges in terms of the number of listed companies, market capitalisation and trading activity.

Indian Stock Exchanges

Indian stock exchanges are regulated primarily by SEBI, as well as by the Government of India acting through the Ministry of Finance, Capital Markets Division, under the Securities Contracts (Regulation) Act, 1956 (“SCRA”) and the SCRR. On October 3, 2018, SEBI, in exercise of its powers under the SCRA and the SEBI Act, notified the **SCR (SECC) Regulations**, which regulate *inter alia* the recognition, ownership and internal governance of stock exchanges and clearing corporations in India together with providing for minimum capitalisation requirements for stock exchanges. The SCRA, the SCRR and the SCR (SECC) Regulations along with various rules, bye-laws and regulations of the respective stock exchanges, regulate the recognition of stock exchanges, the qualifications for membership thereof and the manner, in which contracts are entered into, settled and enforced between members of the stock exchanges.

The SEBI Act empowers SEBI to regulate the Indian securities markets, including stock exchanges and intermediaries in the capital markets, protect the interests of investors in securities, promote and monitor self-regulatory organisations and prohibit fraudulent and unfair trade practices. Regulations concerning minimum disclosure requirements by public companies, rules and regulations concerning investor protection, insider trading, substantial acquisitions of shares and takeover of companies, buy-backs of securities, employee stock option schemes, stockbrokers, merchant bankers, underwriters, mutual funds, foreign institutional investors, credit rating agencies and other capital market participants have been notified by the relevant regulatory authority.

BSE

Established in 1875, it is the oldest stock exchange in India. In 1956, it became the first stock exchange in India to obtain permanent recognition from the Government under the SCRA. Pursuant to the BSE (Corporatization and Demutualization) Scheme 2005 of the SEBI, with effect from August 19, 2005, the BSE was incorporated as a company under the Companies Act, 1956. BSE was listed on NSE with effect from February 3, 2017.

NSE

NSE was established by financial institutions and banks to provide nationwide online, satellite-linked, screen-based trading facilities with market-makers and electronic clearing and settlement for securities including government securities, debentures, public sector bonds and units. The NSE was recognised as a stock exchange under the SCRA in April 1993 and commenced operations in the wholesale debt market segment in June 1994. The capital market (equities) segment commenced operations in November 1994 and operations in the derivatives segment commenced in June 2000. NSE launched the NSE 50 Index, now known as NIFTY 50, on April 22, 1996 and the Mid-cap Index on January 1, 1996.

Listing and Delisting of Securities

The listing of securities on a recognised Indian stock exchange is regulated by the applicable Indian laws including the Companies Act, 2013, the SCRA, the SCRR, the SEBI Act and various guidelines and regulations issued by the SEBI including the SEBI ICDR Regulations and the SEBI Listing Regulations. The SCRA empowers the governing body of each recognised stock exchange to suspend trading of or withdraw admission to dealings in a listed security for breach of or non-compliance with any conditions or breach of company’s obligations under the SEBI Listing Regulations or for any reason, subject to the issuer receiving prior written notice of the intent of the exchange and upon granting of a hearing in the matter. SEBI also has the power to amend the SEBI Listing Regulations and bye-laws of the stock exchanges in India, to overrule a stock exchange’s governing body and withdraw recognition of a recognized stock exchange.

SEBI has notified the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, as amended (the “Delisting Regulations”) to govern the voluntary and compulsory delisting of equity shares from the stock exchanges. Following a compulsory delisting of equity shares, a company, its whole-time directors, its promoters, person(s) responsible for ensuring compliance with the securities laws and the companies promoted by any of them cannot directly or indirectly access the securities market or seek listing of any equity shares for a period of 10 years from the date of such delisting. In addition, certain amendments to the SCRR have also been notified in relation to delisting.

Minimum Level of Public Shareholding

All listed companies (except public sector undertakings) are required to maintain a minimum public shareholding of 25%. In this regard, SEBI has provided several mechanisms to comply with this requirement. Where the public shareholding in a listed company falls below 25% at any time, such company shall bring the public shareholding to 25% within a maximum period of 12 months from the date of such public shareholding having fallen below the 25% threshold, in the manner specified by SEBI. However, every listed public sector company whose public shareholding falls below 25% at any time after the commencement of the Securities Contracts (Regulation) (Second Amendment) Rules, 2018, shall increase its public shareholding to at least 25%, within a period of two years from the date of such fall, in the manner specified by SEBI. Consequently, a listed company may be delisted from the Stock Exchanges for not complying with the above-mentioned requirements. Our Company is in compliance with this minimum public shareholding requirement.

Index-Based Market-Wide Circuit Breaker System

In order to restrict abnormal price volatility in any particular stock, the SEBI has instructed stock exchanges to apply daily circuit breakers which do not allow transactions beyond a certain level of price volatility. The index-based market-wide circuit breaker system (equity and equity derivatives) applies at three stages of the index movement, at 10%, 15% and 20%. The Stock Exchanges on a daily basis translate the circuit breaker limits based on previous day’s closing level of the index. These circuit breakers, when triggered, bring about a co-ordinated trading halt in all equity and equity derivative markets nationwide. The market-wide circuit breakers are triggered by movement of either the SENSEX of the BSE or the CNX NIFTY of the NSE, whichever is breached earlier.

In addition to the market-wide index-based circuit breakers, there are currently in place individual scrip-wise price bands. However, no price bands are applicable on scrips on which derivative products are available or scrips included in indices on which derivative products are available.

The stock exchanges in India can also exercise the power to suspend trading during periods of market volatility. Margin requirements are imposed by stock exchanges that are required to be paid by the stockbrokers.

Internet-based Securities Trading and Services

Internet trading takes place through order routing systems, which route client orders to exchange trading systems for execution. Stock brokers interested in providing this service are required to apply for permission to the relevant stock exchange and also have to comply with certain minimum conditions stipulated by SEBI and other applicable laws. NSE became the first exchange to grant approval to its members for providing internet based trading services. Internet trading is possible on both the “equities” as well as the “derivatives” segments of the NSE.

Trading Hours

Trading on both, the NSE and the BSE occurs from Monday to Friday, between 9:15 a.m. and 3:30 p.m. IST (excluding the 15 minutes pre-open session from 9:00 a.m. to 9:15 a.m.). The BSE and the NSE are closed on public holidays. The recognised stock exchanges have been permitted to set their own trading hours (in the cash and derivatives segments) subject to the condition that (i) the trading hours are between 9.00 a.m. and 5.00 p.m.; and (ii) the stock exchange has in place a risk management system and infrastructure commensurate to the trading hours.

Trading Procedure

In order to facilitate smooth transactions, the BSE replaced its open outcry system with the BSE on-line trading facility in 1995. This totally automated screen based trading in securities was put into practice nation-wide. This has enhanced transparency in dealings and has assisted considerably in smoothening settlement cycles and improving efficiency in back-office work. In the year 2014, BSE introduced its new generation fully automated

BSE on-line trading platform (“**BOLT+**”) through which all trades on the equity cash, equity derivatives and currency segments of the exchange are executed.

The NSE has introduced a fully automated trading system called NEAT, which operates on strict time/ price priority besides enabling efficient trade. NEAT has provided depth in the market by enabling large number of members all over India to trade simultaneously, narrowing the spreads.

Disclosures under the Companies Act and securities regulations

Under the Companies Act, 2013, a public offering of securities in India must be made by means of a prospectus, which must contain information specified in the Companies Act, 2013, the PAS Rules and the SEBI ICDR Regulations. The prospectus must be filed with the relevant registrar of companies having jurisdiction over the place where a company’s registered office is situated. A company’s directors and promoters shall be subject to civil and criminal liability for misrepresentation in a prospectus. The Companies Act, 2013, also sets forth procedures for the acceptance of subscriptions and payment of commission rates for the sale of securities. Pursuant to the provisions of the SEBI Act, SEBI has issued detailed guidelines concerning disclosures by public companies and to further investor protection. The SEBI ICDR Regulations permit companies to price their domestic issues of securities in consultation with the lead merchant banker or through the book building process.

Public limited companies are required under the Companies Act, 2013, and other applicable guidelines to prepare, file with the RoC and circulate to their shareholders audited annual accounts which comply with the Companies Act’s disclosure requirements and regulations governing their manner of presentation and which include sections pertaining to corporate governance, related party transactions and the management’s discussion and analysis as required under the SEBI Listing Regulations. In addition, a listed company is subject to continuing disclosure requirements pursuant to the terms of the SEBI Listing Regulations. Accordingly, companies are required to publish unaudited financial statements (subject to a limited review by the company’s auditors) on a quarterly basis and are required to inform stock exchanges immediately regarding any unpublished price sensitive information.

SEBI Listing Regulations

Public listed companies are required under the SEBI Listing Regulations to prepare and circulate to their shareholders audited annual accounts which comply with the disclosure requirements and regulations governing their manner of presentation and which include sections relating to corporate governance, related party transactions and management’s discussion and analysis as required under the SEBI Listing Regulations. In addition, a listed company is subject to continuing disclosure requirements pursuant to the terms of the SEBI Listing Regulations.

SEBI Takeover Regulations

Disclosure and mandatory bid obligations for listed Indian companies are governed by the SEBI Takeover Regulations which provide specific regulations in relation to substantial acquisition of shares and takeover. Once the equity shares of a company are listed on a stock exchange in India, the provisions of the SEBI Takeover Regulations will apply to any acquisition of the company’s shares/voting rights/control. The SEBI Takeover Regulations prescribe certain thresholds or trigger points in the shareholding a person or entity (along with persons acting in concert with such person or entity) has in the listed Indian company, which give rise to certain obligations on part of the acquirer. Acquisitions up to a certain threshold prescribed under the SEBI Takeover Regulations mandate specific disclosure requirements, while acquisitions (direct or indirect along with persons acting in concert with such acquirer) crossing particular thresholds may result in the acquirer having to make an open offer of the shares of the target company. The SEBI Takeover Regulations also provide for the possibility of indirect acquisitions, imposing specific obligations on the acquirer in case of such indirect acquisition. The SEBI Takeover Regulations also provides certain general exemptions which exempt certain acquisitions from the obligation to make an open offer.

The SEBI Takeover Regulations were further amended on June 22, 2020 to exempt any acquisitions by way of preferential issue from the obligation to make an open offer. Subsequently, the SEBI Takeover Regulations were amended on August 13, 2021 exempting (a) persons, together with persons acting in concert with him, holding shares or voting rights entitling him to exercise twenty-five per cent or more of the voting rights in a target company; and (b) promoter of the target company, together with persons acting in concert with him, from making continual disclosures in relation to aggregate shareholding and voting rights in the target company. Further, the amendment has also removed certain disclosure obligations for acquirers/promoters, pertaining to acquisition or disposal of shares aggregating to 5% and any change of 2% thereafter, annual shareholding disclosure and

creation/invoke/release of encumbrance registered in depository systems under the SEBI Takeover Regulations. These relaxations have been given on account of implementation of the System Driven Disclosures.

SEBI Insider Trading Regulations

The SEBI Insider Trading Regulations were notified on January 15, 2015 and came into effect on May 15, 2015, which repealed the regulations of 1992. The SEBI Insider Trading Regulations prohibit and penalize insider trading in India and impose certain restrictions on the communication of information by listed companies. An insider is, among other things, prohibited from dealing in the securities of a listed company when in possession of unpublished price sensitive information (“UPSI”), subject to certain limited exceptions. Under the SEBI Insider Trading Regulations, (i) no insider shall communicate, provide or allow access to any UPSI relating to such companies and securities to any person including other insiders; and (ii) no person shall procure or cause the communication by any insider of UPSI relating to such companies and securities, except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations. However, UPSI may be communicated, provided or allowed access to or procured, under certain circumstances specified in the SEBI Insider Trading Regulations.

Further, the SEBI Insider Trading Regulations makes it compulsory for listed companies and certain other entities that are required to handle UPSI in the course of business operations to establish an internal code of practices and procedures for fair disclosure of UPSI and to regulate, monitor and report trading by insiders. To this end, the SEBI Insider Trading Regulations provide principles of fair disclosure for purposes of code of practices and procedures for fair disclosure of UPSI and minimum standards for code of conduct to regulate, monitor and report trading by insiders.

The SEBI Insider Trading Regulations also provides for initial and continuing disclosure obligations for shareholders holding more than a pre-defined percentage, and directors and officers, with respect to their shareholding in the company, and the changes therein. Initial disclosures are required from promoters, members of the promoter group, key managerial personnel, directors as well as continual disclosures by every promoter, member of the promoter group, designated person or director in case value of trade exceed monetary threshold of ₹10 lakhs over a calendar quarter, within two days of reaching such threshold. The board of directors of all listed companies are required to formulate and publish on the company’s website a code of procedure for fair disclosure of UPSI along with a code of conduct for its employees for compliances with the SEBI Insider Trading Regulations. The definition of “insider” includes any person who has received or has had access to unpublished price sensitive information in relation to securities of a company or any person reasonably expected to have access to unpublished price sensitive information in relation to securities of a company and who is or was connected with the company or is deemed to have been connected with the company. Further, the SEBI Insider Trading Regulations prescribes that the board of directors or head(s) of listed companies shall ensure that a structured digital database containing the nature of unpublished price sensitive information, the names and details of persons who have shared the information and the names and details persons with whom information is shared shall be maintained.

Depositories

The Depositories Act provides a legal framework for the establishment of depositories to record ownership details and effect transfer in book-entry form. Further, SEBI has framed regulations in relation to, among other things, the formation and registration of such depositories, the registration of participants as well as the rights and obligations of the depositories, participants, companies and beneficial owners. The depository system has significantly improved the operation of the Indian securities markets.

Derivatives (Futures and Options)

Trading in derivatives is governed by the SCRA, the SCRR and the SEBI Act. The SCRA was amended in February 2000 and derivatives contracts were included within the term “securities”, as defined by the SCRA. Trading in derivatives in India takes place either on separate and independent derivatives exchanges or on a separate segment of an existing stock exchange. The derivatives exchange or derivatives segment of a stock exchange functions as a self-regulatory organisation under the supervision of the SEBI.

Settlement

The stock exchanges in India operate on a trading day plus one, or T+1 rolling settlement system. At the end of the T+1 period, obligations are settled with buyers of securities paying for and receiving securities, while sellers

transfer and receive payment for securities. For example, trades executed on a Monday would typically be settled on a Tuesday. Additionally, SEBI has introduced the beta version of T+0 rolling settlement cycle on optional basis in addition to existing T+1 settlement cycle for a limited set of 25 scrips and with a limited number of brokers.

DESCRIPTION OF THE EQUITY SHARES

The following is the information relating to the share capital of our Company, including a brief summary of certain provisions of our Company's Memorandum and Articles of Association and the Companies Act, 2013 and certain related legislations of India, all as currently in effect. Prospective investors are urged to read the Memorandum and Articles of Association carefully, and consult with their advisers, as the Memorandum and Articles of Association and applicable Indian law, and not this summary, govern the rights attached to the Equity Shares.

General

The authorised share capital of our Company as of the date of this Preliminary Placement Document is ₹20,00,00,000 divided into 4,00,00,000 Equity Shares of ₹5 each. Our subscribed and paid-up share capital as of the date of this Preliminary Placement Document is ₹ 11,92,77,915. For further details please see “**Capital Structure**” on page 84.

Dividends

Under the Companies Act, 2013, an Indian company pays dividend upon a recommendation by its board of directors and subject to approval by a majority of the shareholders. Unless the board of directors of a company recommends the payment of a dividend, the shareholders at a general meeting have no power to declare any dividend. Subject to certain conditions laid down by Section 123 of the Companies Act, 2013, no dividend can be declared or paid by a company for any fiscal except, among other things, out of the profits of the company for that year, calculated in accordance with the provisions of the Companies Act, 2013 or out of the profits of the company for any previous fiscal arrived at as laid down by the Companies Act, 2013. Further, under the Companies Act, 2013, a company is not permitted to declare any dividends unless carried over previous losses and depreciation not provided in previous year or years are set off against the profit of the company for the current year.

According to the Articles of Association, our Company in a general meeting may declare dividends, but no dividend shall exceed the amount recommended by our Board but our Company in general meeting may declare a lesser dividend. Subject to the applicable provisions of the Companies Act, 2013, our Board may from time to time pay to the Shareholders such interim dividend during any financial year or at any time during the period from closure of financial year till holding of the annual general meeting out of the surplus in the profit and loss account or out of profits of the financial year for which such interim dividend is sought to be declared or out of profits generated in the financial year till the quarter preceding the date of declaration of the interim dividend. Provided that in case our Company has incurred loss during the current financial year up to the end of the quarter immediately preceding the date of declaration of interim dividend, such interim dividend shall not be declared at a rate higher than the average dividends declared by the company during the immediately preceding three financial years.

Our Board may declare dividends for a financial year out of the profits of our Company for that year arrived at after providing for depreciation in accordance with the provisions of Section 123 (2), or out of the profits of our Company for any previous financial year or years arrived at after providing for depreciation in accordance with the provisions of that sub-section and remaining undistributed, or out of both, provided that in computing profits any amount representing unrealised gains, notional gains or revaluation of assets and any change in carrying amount of an asset or of a liability on measurement of the asset or the liability at fair value shall be excluded; or out of money provided by the Central Government or a State Government for the payment of dividend by our Company in pursuance of a guarantee given by that Government. Further, no dividend shall be declared or paid by our Company from its reserves other than free reserves and our Company shall declare dividend unless carried over previous losses and depreciation not provided in previous year or years are set off against profit of our company for the current year.

Under the Companies Act, 2013, dividends must be paid within 30 days from the date of its declaration. Where our Company has declared dividend, but which has not been paid or claimed within 30 days from the date of declaration, our Company shall, within seven days from the date of expiry of the said period of 30 days, transfer the total amount of the unpaid or unclaimed dividend to the unpaid dividend account. All Equity Shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred by our Company in the name of Investor Education and Protection Fund, established by the Central Government.

Issue of Bonus Shares and Capitalization of Reserves

In addition to permitting dividends to be paid out of current or retained earnings as described above, the Companies Act, 2013 permits the board of directors, if so approved by the shareholders in a general meeting, to distribute an amount transferred in the free reserves, the securities premium account or the capital redemption reserve account, to its shareholders, in the form of fully paid up bonus shares. Bonus shares are distributed to shareholders in the proportion of the number of ordinary shares owned by them as recommended by the board of directors. The shareholders on record on a fixed record date are entitled to receive such bonus shares. Any issue of bonus shares is subject to regulations issued by SEBI. Further, as per the Companies Act, 2013, bonus shares can only be issued if the company has not defaulted in payments of statutory dues of the employees, such as, contribution to provident fund, gratuity and bonus or principal/ interest payments on fixed deposits or debt securities issued by it. The bonus issue must be made out of free reserves built out of profits or share premium account collected in cash only and not from reserves created by revaluation of fixed assets. Further, bonus shares cannot be issued in lieu of dividend.

Pre-Emptive Rights and Alteration of Share Capital

Under Section 62(1)(a) of the Companies Act, 2013, the shareholders have the pre-emptive right to subscribe for new shares in proportion to the amount paid up on those shares at that date. The offer shall be made by notice specifying the number of shares offered and the date (being not less than 15 days and not exceeding 30 days from the date of the offer) within which the offer, if not accepted, will be deemed to have been declined. The offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him in favour of any person, and the notice shall contain a statement of this right. The board of directors is authorised to distribute any new shares not purchased by the pre-emptive rights holders in a manner which is not disadvantageous to the shareholders and the company.

Our Articles of Association provide that our Company may, from time to time, by resolution prescribed in the Companies Act, 2013 can:

- increase the share capital by such amount, as it thinks expedient;
- consolidate and divide all or any of its share capital into shares of larger amount than its existing shares. Provided that no consolidation and division which results in changes in the voting percentage of shareholders shall take effect unless it is approved by the Tribunal on an application made in the manner prescribed in the Companies Act, 2013;
- sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum, so, however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived;
- cancel any shares which, at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination.

General meetings of Shareholders

There are two types of general meetings of the Shareholders:

- (i) Annual General Meeting; and
- (ii) Extraordinary General Meeting.

As per the provisions of our Articles of Association, all general meetings other than Annual General Meetings shall be called Extraordinary General Meetings.

In accordance with Section 96 of the Companies Act, 2013, a company must hold its annual general meeting within six months after the expiry of each fiscal provided that not more than 15 months shall elapse between the annual general meeting and the next one, unless extended by the registrar of companies at its request for any special reason for a period not exceeding three months. Our Company shall, in addition to any other meetings, hold a general meeting which shall be styled as an Annual General Meeting at intervals and in accordance with

the following provisions: (a) our Company shall hold its Annual General Meetings within such intervals as are specified in Section 96 read with Section 129 of the Companies Act, 2013 and subject to the provisions of Section 96(2) of the Companies Act, 2013 at such times and places as may be determined by our Board.

Our Board may, whenever it thinks fit, call an Extraordinary General Meeting. Further, our Board may call an Extraordinary General Meeting on requisition in compliance with the provisions of the Companies Act, 2013.

Whenever our Company proposes to undertake any action that statutorily requires the approval of the Shareholders of our Company, our Company shall call for an Extraordinary General Meeting in accordance with the provisions of the Companies Act, 2013 by serving at least 21 days' written notice to all Shareholders, with an explanatory statement containing all relevant information relating to the agenda for the Extraordinary General Meeting. Unless waived in writing by all the Shareholders, any item not specifically included in the agenda of a Shareholders' meeting shall not be considered or voted upon at that meeting of the Shareholders (including at any adjournments thereof).

Our Company may also pass resolutions by means of postal ballot and/or other ways as may be prescribed under Section 110 of the Companies Act, 2013 and/or other applicable provisions, if any, and any future amendments or re-enactments, in respect of any business that can be transacted by our Company in a general meeting, instead of transacting the business therein. Further, in the case of resolutions relating to such business as the Government of India may prescribe, to be conducted only by postal ballot and/or other ways as may be prescribed, our Company shall get such resolutions passed only by postal ballot and/or other ways as may be prescribed, instead of transacting the business in a general meeting of our Company.

Voting rights

Subject to the provisions of the Companies Act, 2013 and our Articles of Association, votes may be given either personally or by proxy, and in the case of a body corporate, a duly authorised representative under Section 113 of the Companies Act, 2013 shall be entitled to exercise the same powers on behalf of the corporation as if it were an individual member of our Company.

Save as provided in the Articles of Association, on a poll the voting rights of a holder of Equity Shares shall be as specified in Section 47 of the Act. Any Person entitled to transfer any shares of our Company may vote at any general meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that forty-eight hours at least before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall satisfy the Board of his right to such shares and give such indemnity (if any) as the Board may require unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.

A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal, or revocation of the proxy or of any power of attorney under which such proxy was signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death, revocation or transfer shall have been received at the office before the meeting.

The chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The chairman present at the taking of a poll shall be in the sole judge of the validity of every vote tendered at such poll. Our Company shall also provide e-voting facility to the Shareholders of our Company in terms of the provisions of the Companies (Management and Administration) Rules, 2014, the Listing Regulations or any other Law, if applicable to our Company.

Transfer and Transmission of Equity Shares

Equity shares held through depositories are transferred in the form of book entries or in electronic form in accordance with the regulations laid down by SEBI. These regulations provide the regime for the functioning of the depositories and the depository participants and set out the manner in which the records are to be kept and maintained and the safeguards to be followed in this system. Transfers of beneficial ownership of shares held through a depository are subject to securities transaction tax (levied on and collected by the stock exchanges on which such equity shares are sold). Further, SEBI has mandated that securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019.

The executor or administrator of a deceased member (not being one of the several joint-holders) shall be the only person recognised in the name of such member, and in case of the death of anyone or more of the joint holders of any registered Equity Share, the survivor shall be the only person recognised by our Company as having any title

to or interest in such Equity Share. However, the above stated shall not release the estate of a deceased joint holder from any liability in respect of any Equity Share which had been jointly held by him with other persons.

If any person becoming entitled to Equity Shares in consequence of the death of a Shareholder, elects to be registered as holder of the Equity Share himself, he shall deliver or send to our Company, a notice signed by him stating that he so elects. If the said person elects to transfer the Equity Shares, he shall testify his election by executing an instrument of transfer of the Equity Shares. Our Board shall, in either case, have the same right to decline or suspend registration as it would have had if the deceased, lunatic, insolvent, bankrupt shareholder had transferred the Equity Share(s) before his death, lunacy, bankruptcy or insolvency.

Any person becoming entitled to Equity Shares by reason of the death, lunacy, bankruptcy or insolvency of a Shareholder shall, subject to Section 123 of the Companies Act, 2013, be entitled to the same dividends and other advantages as he would be entitled to if he were the registered holder of the Equity Shares.

Acquisition by our Company of its own Equity Shares

Our Company is permitted to buy-back its securities including shares in accordance with the provisions of Sections 68, 69 and 70 and other applicable provisions, if any, of the Companies Act, 2013 (including any future amendments or re-enactments) and as per the rules and procedures prescribed therein and in compliance with the prevailing regulatory provisions and guidelines.

Winding up

As per the provisions of our Articles of Association, our Company may be wound up in accordance with the provisions of the Companies Act, 2013.

TAXATION

REPORT ON STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS

To

The Board of Directors
Craftsman Automation Limited
123/4, Sangothipalayam Road,
Arasur Post,
Coimbatore 641 407,
Tamil Nadu, India

Date: June 12, 2026

Subject: Proposed issuance of equity shares of face value of ₹ 5 each (“Equity Shares”) of Craftsman Automation Limited (“Company”) under Chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“SEBI ICDR Regulations”), and under Section 62(1)(c) of the Companies Act, 2013, as amended (“Companies Act”) through a Qualified Institutions Placement (“QIP”, and the proposed issuance, the “Issue”)

This report is issued in accordance with the terms of our engagement letter dated May 14, 2026 agreed with the Company.

We, Sharp & Tannan, Chartered Accountants (Firm’s Registration Number 003792S), the statutory auditors of the Company, have been requested by the Company to certify that the possible tax benefits available to the Company and its shareholders in accordance with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, under the Income Tax Act, 2025, as amended (the ‘**IT Act**’), the rules, regulations, circulars and notifications issued thereon, as applicable to the assessment year 2027-2028 relevant to the financial year 2026-2027 and the Indirect Tax as applicable to the financial year 2026-2027, presently in force in India, in the enclosed Annexure A as on the date of this certificate (the ‘**Statement**’).

This Statement has been prepared by the management of the Company (the ‘**Management**’) in connection with the proposed Placement for purposes of disclosure in the Preliminary Placement Document and Placement Document of the Company pursuant to the SEBI ICDR Regulations. We have initialled and sealed the Statement for identification purposes only.

Management’s responsibility

The preparation of the Statement is the responsibility of the Management including responsibility for maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the statement and applying an appropriate basis of preparation.

The Management is responsible, in particular, for identifying and ensuring that the Company complies with the direct and indirect tax laws and regulations applicable to its activities.

The Management shall be responsible for providing us with the required information/documents as may be required by us for certifying the requirement as per the paragraph above.

The Management is also responsible for ensuring that the Company complies with the requirements of the SEBI ICDR Regulations and the Companies Act, 2013, as amended, and rules, circulars and guidelines thereto.

Auditor’s responsibility

Pursuant to the SEBI ICDR Regulations, it is our responsibility to report whether the Statement prepared by the Management, presents, in all material respects, the possible special tax benefits available to the Company and its shareholders as identified by the Management in accordance with direct tax laws (including the Income Tax Act, 2025) and indirect tax laws, presently in force in India as on the date of this report.

We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. This Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

We hereby confirm that while providing this certificate we have complied with the Code of Ethics and the 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 Institute of Chartered Accountants of India.

The procedures selected depend on the auditor's judgement, including the assessment of the areas where a material misstatement of the subject matter information is likely to arise.

Inherent Limitations

We draw attention to the fact that the Statement includes certain inherent limitations that can influence the reliability of the information.

The benefits discussed in the accompanying statement are not exhaustive and conclusive. Further, any benefits available under any other laws within or outside India have not been examined and covered by this Statement.

The contents stated in the Statement are based on the information and explanations obtained from the Management. The Statement is only intended to provide general information to guide the investors and is neither designed nor intended to be a substitute for a professional tax advice.

Our views are based on the existing provisions of the direct tax laws (including Indian Income Tax Act, 2025) and indirect tax laws, presently in force in India and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. Nothing in this para shall limit our liability to any person which cannot be lawfully limited.

Our view is based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and the interpretation of the existing tax laws in force in India and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. Reliance on the statement is on the express understanding that we do not assume responsibility towards the investors who may or may not invest in the proposed issue relying on the statement.

Opinion

Based on the procedures performed by us as mentioned above and the information and explanations provided to us by the Management, in our opinion, the possible special tax benefits available as on the date of this report to the Company and its shareholders as identified by the Management in accordance with the direct tax laws (including the Income Tax Act, 2025) and indirect tax laws, presently in force in India.

Several of these stated tax benefits/consequences are dependent on the Company and/or shareholders of the Company fulfilling the conditions prescribed under the relevant tax laws. Therefore, the ability of the Company and/or its shareholders to derive the tax benefits is dependent on fulfilling such conditions.

In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her tax consultant with respect to the specific tax implications arising out of their participation in the Issue. Neither are we suggesting nor advising the investor to invest money based on this Statement.

We do not express any opinion or provide any assurance as to whether:

- i) the Company and its shareholders will continue to obtain these benefits in the future; or
- ii) the conditions prescribed for availing the benefits have been/would be met with; or
- iii) the revenue authorities/courts will concur with the views expressed herein.

Restriction on use

This certificate is addressed to and provided to the Board of Directors of the Company, Lead Manager and their legal counsels, Shardul Amarchand Mangaldas & Co., JSA Advocates & Solicitors, and Hogan Lovells Lee & Lee, solely for the purposes of inclusion of our reports, reference to us and naming us as an 'expert' in the Placement Documents, pursuant to SEBI ICDR Regulations. This certificate should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

This certificate may be relied upon by the Lead Manager and their legal counsels in relation to the Issue. We hereby authorise to make extracts of, or providing reference to, or using this certificate in the Placement Documents and other offering materials, as required, in connection with the Issue.

The information provided herein is subject to changes, if informed to us by the Company in writing. We undertake to update you of changes to information included in the Placement Documents and offering material in writing, until the Equity Shares of the Company issued pursuant to the Issue commence trading on the Stock Exchanges. In the absence of any such communication from us, the above information should be considered as updated information until the Equity Shares commence trading on the stock exchanges, pursuant to the Issue.

We hereby authorize the Lead Manager to disclose and/or submit this certificate, in case if such disclosures are required (i) by any law, regulations or order of a court or by any governmental or competent regulatory authority; (ii) for establishing a defence in connection with, or to avoid, any actual, potential or threatened legal, arbitral or regulatory proceeding or investigation and include the details in the Placement Documents and/or use the information for the maintenance of records.

All capitalized terms used herein and not specifically defined shall have the meaning ascribed to them in the preliminary placement document and placement document.

For Sharp & Tannan
Chartered Accountants
Firm registration no: 003792S

Certificate No.
Place: Chennai
Date: June 12, 2026

V. Viswanathan
Partner
Membership No. 215565
UDIN: 26215565CKPYMP1066

Annexure A - Statement of special tax benefits

The information outlined below sets out the possible special tax benefits available to the Company and its shareholders in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of equity shares, under the Indian direct tax laws (including the Income Tax Act) and rules currently in force in India (i.e., applicable for the financial year 2026-27 relevant to the assessment year 2027-2028) and current provisions of the indirect tax laws and the rules, regulations, orders, circulars, etc., thereunder. The legislations, their judicial interpretation and the policies of the regulatory authorities are subject to change from time to time, and these may have a bearing on the implications listed below. Accordingly, any change or amendments in the law or relevant regulations would necessitate a review of the below. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Company or its shareholders to derive the possible tax benefits is dependent upon fulfilling such conditions, which based on business imperatives it faces in the future, it may or may not choose to fulfil. This Statement does not discuss any tax consequences in the country outside India of an investment in the shares. The shareholders / investors in the country outside India are advised to consult their own professional advisors regarding possible Income tax consequences that apply to them

A. DIRECT TAXATION:

I. Special Tax Benefits available to the Company:

a) Deduction under section 146

The Company can avail deduction under section 146 of the Income Tax Act, 2025 in respect of employment of new employee (who have been employed for a minimum period of 240 days during the year) @ 30% of additional employee cost incurred in the course of such business in the tax year, for three consecutive tax years beginning from the tax year in which the employment is provided.

b) Deduction under section 148

As per the provisions of section 148 of the Income Tax Act, 2025 dividend received by the Company from any other domestic company or a foreign company shall be eligible for deduction while computing its total income for the relevant year. A deduction of an amount equal to so much of the amount of income by way of dividends received from such other domestic company or foreign company or business trust as does not exceed the amount of dividend distributed by it at least one month before the due date of filing the return of income under section 263(1) of the Income Tax Act, 2025. Since the Company has investments in Indian companies and foreign subsidiaries, it can avail the above-mentioned benefit.

c) Carry forward and set off of losses under section 112

As per the provisions of section 112 of the Income Tax Act, 2025 if the net result of the computation of income from business, not being a loss sustained in a speculation business, for the tax year is a loss to the Company such loss that could not be set off against any other income, can be carried forward for eight tax year immediately succeeding the tax year in which the loss was first computed and shall be set off against business income.

d) Concessional tax rate under section 200

The Company has opted for the beneficial tax rate of 22% (plus applicable surcharge and cess) as provided under section 200 of the Income Tax Act, 2025 subject to the condition that going forward it does not claim the deductions as specified. Sub-section 6 to section 200 of the Income Tax Act, 2025 provided that once the Company opts for paying tax as per section 200, such option cannot be subsequently withdrawn for the same or any subsequent year. The Company will continue to adopt the beneficial tax rate under corresponding section 200 of the Income Tax Act, 2025.

II. Special Tax Benefits available to the Shareholders under the Act:

a) Section 198

As per Section 198 of the Income Tax Act, 2025, long-term capital gains arising from transfer of an equity share, or a unit of an equity oriented fund or a unit of a business trust, in excess of Indian Rupees One lakh and twenty five thousand, shall be taxed at 12.5% of such capital gains.

b) Dividend Income

Dividend income earned by the shareholders would be taxable in their hands at the applicable rates. However, in case of shareholders who are individuals, Hindu Undivided Family, Association of Persons, Body of Individuals, whether incorporated or not and every artificial juridical person, maximum rate of surcharge would be restricted to 15%, as provided in the First Schedule of the Finance Act, 2026.

c) Surcharge on concessional tax regime under Section 202

Surcharge on personal income capped at 25% for individuals opting for concessional tax regime under section 202.

B. INDIRECT TAXATION

I. Special Tax Benefits available to the Company:

The Company is availing the following benefits under certain Indian indirect Tax Laws

a) Export rebate on payment of IGST

In accordance with provisions under Rule 96 of the Central Goods and Services Tax (CGST) Rules, 2017 relating to “Refund of IGST on Exported Goods/ Services”, the Company is entitled for refund on GST paid on export of goods.

b) Export under Letter of Undertaking without payment of IGST

As per rule 96A of the CGST Rules, 2017 and vide CBEC Circular No. 8-08-2017- GST dated October 4, 2017, the Company is entitled to avail input tax credit on exports made under Letter of Undertaking without payment of output tax.

c) Export to SEZ unit

As per Section 16 of IGST Act, the Company is eligible to claim input tax credit on sale of goods to units in Special Economic Zones SEZ even though such sales are not taxable.

d) Remission of Duties and Taxes on Exported Products (RoDTEP) and Services Exports from India Scheme (SEIS) scrips:

The Company is entitled for RoDTEP and SEIS scrips under Foreign Trade Policy towards export of goods and services, respectively. These scrips can either be used towards payment of customs duty on import or be sold in the market.

e) Export Promotion Capital Goods (EPCG):

This scheme allows the Company to import capital goods at zero rates of customs duty. The scheme is subject to an export value equivalent to 6 times of duty saved on the importation of such capital goods within six years from the date of issuance of the authorization.

f) Duty Drawback:

The Company avails Duty Drawback which are made to grant rebate of duty or tax chargeable on any imported / excisable materials and input services used in the manufacture of export goods. The duties and taxes neutralized under the scheme are (i) Customs and Union Excise Duties in respect of inputs and (ii) Service Tax in respect of input services.

Duty Drawback is of two types: (i) All Industry Rate and (ii) Brand Rate. The legal framework is provided under Section 75 and Section 76 of the Customs Act, 1962 and the Customs and Central Excise

Duties and Service Tax Drawback Rules, 1995 (Drawback Rules, 1995) issued under the provisions of Section 75 of the Customs Act, 1962, Section 37 of the Central Excise Act, 1944 and Section 93A read with section 94 of the Finance Act, 1994.

II. Special Tax Benefits available to the Shareholders under the Act:

There are no special tax benefits available for the shareholders of the Company under the provisions of indirect tax laws.

For Craftsman Automation Limited

Authorised Signatory

Name: C.B. Chandrasekar

Designation: Chief Financial Officer

Place: Coimbatore

Date: June 12, 2026

LEGAL PROCEEDINGS

We are involved in various legal proceedings from time to time, including those which arise in the ordinary course of business. These legal proceedings are primarily in the nature of, criminal proceedings, civil proceedings, tax disputes and regulatory actions, which are pending before various adjudicating forums.

As on the date of this Preliminary Placement Document, except as disclosed below, there are no outstanding legal proceedings which have been considered material in accordance with our Company's 'Policy for Determination of Materiality and Disclosure of Material Events/ Information' framed in accordance with Regulation 30 of the SEBI Listing Regulations and adopted by our Board pursuant to its resolution dated May 24, 2018 and last amended pursuant to a resolution of our Board dated January 29, 2025 ("**Materiality Policy**").

Additionally, for the purpose of identification of litigation, pursuant to the terms of the policy approved by the Board in its meeting held on June 15, 2026 solely for the purpose of this Issue, this section of the Preliminary Placement Document also discloses (i) all outstanding criminal proceedings (including first information reports) involving our Company, (ii) all outstanding actions (including penalties and notices received) by regulatory and/or statutory authorities (including stock exchanges) alleging material violations of applicable law, involving our Company individually; (iii) economic offences where proceedings have been initiated against our Company; (iv) all outstanding civil proceedings involving our Company, which involve an amount equivalent to or above ₹ 1,536.98 lakhs, i.e., 5 % of the average of absolute value of profit or loss after tax as per the last three audited consolidated financial statements of our Company for the financial years ended March 31, 2026, March 31, 2025, and March 31, 2024. ("**Materiality Threshold**"); (v) other outstanding proceedings wherein a monetary liability is not determinable or quantifiable, or which does not exceed the Materiality Threshold, which if results in an adverse outcome would have a material adverse effect on the business, operations, performance, prospects, financial position or reputation of our Company.

Further, we have also disclosed: (i) details of any inquiries, inspections or investigations initiated or conducted under the Companies Act, 2013, or any previous companies law, in the last three years immediately preceding the year of issue of this Preliminary Placement Document, against our Company and its Subsidiaries; (ii) significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of the Company and its future operations; (iii) any prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last three years immediately preceding the year of issue of this Preliminary Placement Document for our Company and its Subsidiaries; (iv) details of material frauds committed against the Company in the last three years, and if so, the action taken by our Company; (v) details of default, if any, by our Company, including therein the amount involved, duration of default and present status, in repayment of: (a) statutory dues; (b) debentures and interest thereon; (c) deposits and interest thereon; or (d) loan from any bank or financial institution and interest thereon; (vi) details of default in annual filing of our Company under the Companies Act, 2013; (vii) all litigation or legal actions, pending or taken, by any ministry or department of the government or a statutory authority against the Promoter of our Company during the last three years immediately preceding the year of issue of the preliminary placement document and any direction issued by such ministry or department or statutory authority upon conclusion of such litigation or legal action, if any; and (viii) reservations, qualifications or adverse remarks of auditors in the last five Fiscals immediately preceding the year of the issue and their impact on the financial statements and financial position of our Company and the corrective steps taken and proposed to be taken by our Company for each of the said reservations or qualifications or adverse remarks.

It is clarified that for the purposes of the above, pre-litigation notices received by the Company or Promoters from third parties (excluding notices from statutory, regulatory or governmental authorities) shall not be considered as litigation till such time that the Company, is impleaded as a party in any such proceedings before any judicial/ arbitral forum or is notified by any governmental, statutory, or regulatory authority of any such proceeding that may be commenced.

Summary of the outstanding material legal proceedings

Particulars	Number of Cases	Amount involved (in ₹ lakhs)
Legal proceedings involving criminal liability	1	Nil
Legal proceedings involving material violations of statutory regulations	Nil	Nil
Economic offences	Nil	Nil
Legal proceedings exceeding the Materiality Threshold	1	1,925.78
Other material legal proceedings	Nil	Nil

A. **Litigation involving our Company**

Criminal proceedings against our Company

As on the date of this Preliminary Placement Document, there are no pending criminal proceedings initiated against our Company.

Criminal proceedings by our Company

Our Company filed a first information report dated November 8, 2019 ("**FIR**"), with the Gamharia Police Station, Jharkhand against certain individuals (the "**Accused**") for offences under Sections 341, 323, 147, 504, and 114 of the Indian Penal Code, 1860 ("**IPC**") alleging the use of criminal force and rioting by the Accused over an alleged non-payment of bonus by our Company. Pursuant to an order dated November 9, 2024 passed by the Court of the Chief Judicial Magistrate, Seraikela acquitting the Accused, our Company has filed an appeal dated April 2, 2025 before the District Court, Seraikela, challenging the order of the Court of the Chief Judicial Magistrate, Seraikela. The matter is currently pending.

Outstanding actions (including notices received) by regulatory and/ or statutory authorities alleging material violations of applicable law against our Company

As on the date of this Preliminary Placement Document, there are no outstanding actions by regulatory/ statutory authorities alleging material violations of applicable law against our Company.

Economic offences where proceedings have been initiated against our Company

As on the date of this Preliminary Placement Document, there are no economic offences where proceedings have been initiated against our Company.

Material civil proceedings initiated by our Company

As on the date of this Preliminary Placement Document, there are no pending material civil proceedings initiated by our Company which exceed the Materiality Threshold. Further, as on the date of this Preliminary Placement Document, there are no other outstanding proceedings wherein a monetary liability is not determinable or quantifiable, or which does not exceed the Materiality Threshold, which if results in an adverse outcome would have a material adverse effect on the business, operations, performance, prospects, financial position or reputation of our Company.

Material civil proceedings against our Company

Except as stated below, as on the date of this Preliminary Placement Document, there are no pending material civil proceedings initiated against our Company:

Our Company received a demand cum show cause notice dated July 25, 2024 ("**SCN**") from the CGST Commissionerate, Faridabad under Section 74 read with Section 122 of the Central Goods and Services Tax Act, 2017 ("**CGST Act**") alleging that our Company had undervalued its job work charges by not including the value of scrap generated during job work and retained by our Company for the period from July 2017 to Fiscal 2024 and raised a demand of GST amounting to ₹ 962.89 lakhs along with applicable interest and equivalent penalty of ₹ 962.89 lakhs. Thereafter, the Joint Commissioner, CGST & Central Excise, Faridabad vide its order dated December 31, 2024 ("**Order**") confirmed (a) a GST demand amounting to ₹ 962.89 lakhs, along with applicable interest and equivalent penalty on our Company; (b) a penalty of ₹ 50,000 on our Company; and (c) a penalty of ₹ 25,000 each imposed on certain directors and a manager of our Company. Aggrieved by the said Order, our Company filed an appeal dated March 26, 2025 against the Order before the Commissioner (Appeals), Gurugram together with separate appeals filed by the directors and manager of our Company in relation to the penalty levied upon them. The Commissioner (Appeals), Gurugram, by way of an order dated December 30, 2025, partially upheld the Order, confirming the GST demand of ₹ 962.89 lakhs along with applicable interest and equivalent penalty under Section 74 of the CGST Act. The matter is currently pending.

B. Significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of the Company and its future operations

As on the date of this Preliminary Placement Document, there are no significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of the Company and its future operations.

C. Litigation or legal action pending or taken by any ministry or department of the Government or a statutory authority against our Promoter during the last three years

As on the date of this Preliminary Placement Document there are no litigation or legal action pending or taken by any ministry or department of the Government or a statutory authority against our Promoter during the last three years.

D. Inquiries, inspections, or investigations initiated or conducted under the Companies Act, 2013 or any previous companies law in the last three years against our Company and Subsidiaries

As on the date of this Preliminary Placement Document there are no inquiries, inspections, or investigations initiated or conducted under the Companies Act, 2013 or any previous companies law in the last three years against our Company and Subsidiaries.

E. Prosecutions filed (whether pending or not) fines imposed, compounding of offences in the last three years against our Company and Subsidiaries

As on the date of this Preliminary Placement Document, there have been no prosecutions filed or fines imposed or offences compounded against our Company and Subsidiaries in the last three years immediately preceding the year of the Issue.

F. Details of acts of material frauds committed against our Company in the last three years

As of the date of this Preliminary Placement Document, there are no material frauds committed against our Company during the last three years.

G. Details of default, if any, by our Company including therein the amount involved, duration of default and present status, in repayment of: (a) statutory dues; (b) debentures and interests thereon; (c) deposits and interest thereon; or (d) loan from any bank or financial institution and interest thereon

As on the date of this Preliminary Placement Document, there are no pending defaults by our Company.

H. Details of defaults in annual filing of our Company under the Companies Act, 2013

As on the date of this Preliminary Placement Document, there are no defaults in annual filing of our Company under the Companies Act, 2013.

I. Reservations, qualifications or adverse remarks of auditors in the last five Fiscals immediately preceding the year of issue of this Preliminary Placement Document and their impact on the financial statements and financial positions of our Company and the corrective steps taken and proposed to be taken by our Company for each of the said reservations or qualifications or adverse remarks

There are no reservations, qualifications or adverse remarks of our Auditors in last five Fiscals immediately preceding the year of issue of this Preliminary Placement Document.

OUR STATUTORY AUDITORS

In terms of the provisions of Section 139 of the Companies Act, 2013, Sharp & Tannan, Chartered Accountants, were re-appointed as our Company's Statutory Auditors pursuant to a shareholders' resolution dated July 21, 2025, for a second term of five years.

Sharp & Tannan, Chartered Accountants, our Company's Statutory Auditors have audited the Audited Consolidated Financial Statements and have issued their audit reports which are included in this Preliminary Placement Document in the "***Financial Information***" on page 189.

The peer review certificate of our Statutory Auditors is valid as of the date of this Preliminary Placement Document.

FINANCIAL INFORMATION

Financial Statement	Page Number
Fiscal 2026 Audited Consolidated Financial Statements	F-1
Fiscal 2025 Audited Consolidated Financial Statements	F-84
Fiscal 2024 Audited Consolidated Financial Statements	F-169

INDEPENDENT AUDITORS' REPORT

To the members of Craftsman Automation Limited

Report on the Audit of the consolidated financial statements

Opinion

We have audited the accompanying consolidated financial statements of **Craftsman Automation Limited** (hereinafter referred to as the "Company" / "Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and a joint venture, which comprise the Consolidated Balance Sheet as at 31 March 2026, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income and Group's share of profit in joint venture), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended on that date 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 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its joint venture as at 31 March 2026, the consolidated profit and consolidated total comprehensive income, its consolidated cash flows and 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 ("Standards" or "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 Consolidated Financial Statements' section of our report.

We are independent of the Group and its joint venture 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 made 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 audit opinion on the consolidated 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 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.

S. No	Key audit matter description and principal audit procedures
1	Accounting for Property, Plant and Equipment Refer Notes D-a, D-c, E-a, 1.1, 1.2 and 2.6 in consolidated financial statements Property, plant and equipment including capital work in progress ('PPE') represents 49% of the Group's total assets. The capitalisation of PPE includes the fair value of the consideration given to acquire the asset (net of discounts and rebates) and any directly attributable costs of bringing the asset to working condition for its intended use (inclusive of non-refundable purchase taxes and duties). Depreciation is generally charged as per Schedule II to Companies Act, 2013. In respect of certain classes of PPE, the useful life has been ascertained based on technical review by a Chartered Engineer and assessment by the management. The Company carries out physical verification of PPE on an annual basis. The Company uses estimates and assumptions to determine the useful life of assets, residual value, and assess impairment loss (if any). The useful life of property, plant and equipment is determined by the technical team of the management taking into consideration the industry practice, the application and usage factors and past historical trend. The residual value at the end of the useful life of property, plant and equipment is estimated in determining the depreciable value of the asset. Impairment assessment of property, plant and equipment involves identification of Cash Generating Unit ('CGU') and estimating future cash flows arising out of such CGUs. Due to the material value of PPE to total assets and estimates/judgements involved in their valuation, the audit of accounting of Property, Plant and Equipment has been considered as a Key Audit Matter in the audit of these financial statements
	Our procedures relating to audit of accounting for Property, Plant and Equipment includes the following: • evaluating of design and implementation of controls and testing the operating effectiveness of the internal controls over: - measurement of initial recognition costs including costs of self-constructed PPE; - valuation of PPE and review of useful lives including depreciation rates applied; - periodic physical verification of property, plant and equipment by the management;

S. No	Key audit matter description and principal audit procedures
	• testing on sample basis the value of self-constructed assets with underlying documentation to assess compliance with applicable accounting standards; • wherever the useful life of a PPE considered is different from the useful life indicated in the Act, obtain confirmation from management's technical team for the useful life for the same; • reviewing the residual value of PPE considered by the management for consistency and appropriateness; • understanding the basis behind identification of Cash Generating Units by the management and review the future cash flow projections for the same; • checking the computation and correctness of the discounting factor applied for arriving at value in use and impairment thereof, if any; • checking the reasonableness of the assumptions made by the management in identifying CGUs, assessing the future cash flows, discount factor and impairment loss; • physically inspecting a sample of assets at one of the main units of the Company during the year to ensure existence of PPE; • reviewing the physical verification reports of the management and the treatment of discrepancies in the books of accounts / Fixed Asset Register, wherever applicable.

Information other than the consolidated financial statements and auditor's report thereon

The Board of Directors of the Company is responsible for preparation of the other information. The other information comprises the information included in the Annual Report (Board's Report, Management Discussion and Analysis and Report on Corporate Governance report) but does not include the standalone financial statements and our 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 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. We have nothing to report in this regard.

Responsibilities of Management and those charged with governance for the consolidated financial statements

The Board of Directors of the Holding Company is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated cash flows and consolidated changes in equity of the Group and

the joint venture in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group, and its joint venture and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its joint venture are responsible for assessing the ability of the Group and of its joint venture 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.

The respective Board of Directors of the companies included in the Group and its joint venture is responsible for overseeing the financial reporting process of the Group and its joint venture.

Auditor's responsibility for the audit of the consolidated financial statements

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

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

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal financial controls over financial reporting 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 have adequate internal financial controls over financial reporting system in place with reference to the financial statements 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 of the Holding Company;
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint venture 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 joint venture 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 joint venture 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 the Holding Company included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the 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.

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

The consolidated financial statements include the financial statements of four subsidiaries whose financial information reflect total assets of Rs. 1,24,156 lakhs and net assets of Rs. 85,341 lakhs as at 31 March 2026, total revenues of Rs. 1,65,680 lakhs, net profit after tax of Rs. 19,073 lakhs, total comprehensive income of Rs. 19,584 lakhs for the year ended 31 March 2026 and net cash inflows amounting to Rs. 495 lakhs for the year ended on that date and the Group's share of profit after tax of Rs. 112 lakhs and total comprehensive income of Rs. 112 lakhs for the year ended 31 March 2026 in respect of a joint venture. The financial statements of the four subsidiaries and a joint venture have not been audited by us. The financial statements of these subsidiaries and joint venture have been audited by other auditors whose reports have been furnished to us by the management of the Holding Company and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture, and our report in terms of sub-section (3) of Section 143 of the Act including report on Other information, in so far as it relates to the aforesaid subsidiaries and joint venture entity, is based on the reports of such other auditors.

Our opinion above on the consolidated financial statements and our report on other legal and regulatory requirements below, are not modified in respect of the above matter.

Report on other legal and regulatory requirements

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 of the aforesaid consolidated financial statements;
- (b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors except for the matters stated in paragraph (i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
- (c) the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Cash Flows and 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 Ind AS specified under section 133 of the Act and read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

- (e) on the basis of the written representations received from the directors of the Holding Company as on 31 March 2026 taken on record by the Board of Directors of the Holding Company and reports of the statutory auditors of subsidiaries and a joint venture incorporated in India, none of the directors of the Holding Company and the subsidiaries and a joint venture incorporated in India is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act;
- (f) with respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph (b) above on reporting under section 143(3)(b) and paragraph (i)(vi) below on reporting under Rule 11(g) of the Rules
- (g) with respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on our report of the Holding Company and subsidiaries and a joint venture incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting for those entities;
- (h) in our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries and joint ventures incorporated in India, the managerial remuneration for the year ended 31 March 2026 has been paid / provided by the Holding Company, its subsidiaries and joint venture incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (i) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Group, as detailed in Note 3.8 to the consolidated financial statements, has disclosed the impact of pending litigations on its consolidated financial position of the Group;
 - ii. the Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - iii. there were no amounts due which were required to be transferred to the Investor Education and Protection Fund by the Holding Company or subsidiaries and a joint venture incorporated in India;
 - iv. (a) the respective managements of the Holding Company and subsidiaries and a joint venture incorporated in India, whose financial statements have been audited under the Act, have represented 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 subsidiaries and a joint venture incorporated in India to or in any other person or entity, including foreign entity ("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 respective managements of the Holding Company and subsidiaries and a joint venture incorporated in India, whose financial statements have been audited under the Act, have represented 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 Holding Company or subsidiaries and a joint venture incorporated in India from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding 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;
 - (c) based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Holding Company and subsidiaries and a joint venture incorporated in India whose financial statements have been audited under the Act, 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 amount of dividend is in accordance with Sec 123 of the Act.
 - (a) The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.
 - (b) As stated in Note 1.20 to the consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed 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, and that performed by the respective auditors of subsidiaries and a joint venture which are companies incorporated in India whose financial statements have been audited under the Act, except for the instances mentioned below in respect of a subsidiary, the Company, subsidiaries and joint venture have used accounting software systems 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 software systems. Further, during the course of performing our procedures, we and respective auditors of the above referred subsidiaries and a joint venture did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention, wherever the trail was enabled.

Instances where software does not have the feature of recording audit trail (edit log) facility	No. of instances
at application and database level – payroll	One
at database level – accounting software	One

for SHARP & TANNAN
Chartered Accountants
(Firm's Registration No. 003792S)

Place: Coimbatore
Date: 07 May 2026

V. Viswanathan
Partner
Membership No. 215565
UDIN: 26215565YXRDGB3757

Annexure A to the Independent Auditor's Report

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Craftsman Automation Limited of even date)

Independent Auditors' Report on the internal financial controls over financial reporting under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of Craftsman Automation Limited ("the Holding Company") and its subsidiaries and a joint venture, which are incorporated in India, as of 31 March 2026 in conjunction with our audit of the consolidated financial statements of the Holding Company for the year ended on that date.

Management's responsibility for internal financial controls

The respective Board of Directors of the Holding Company and subsidiaries and a joint venture, which are incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Holding 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.

Auditors' responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and subsidiaries and a joint venture, which are incorporated in India, based on our audit. Our audit is conducted in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting 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 is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and subsidiaries and a joint venture, which are incorporated in India.

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 the consolidated financial statements for external purposes in 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 consolidated 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 consolidated 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Company and subsidiaries and a joint venture, which are incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as of 31 March 2026, based on the internal control over financial reporting criteria established by the Holding 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.

Other matters

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to three subsidiaries companies and a joint venture, which are companies incorporated in India, is based solely on the corresponding reports furnished to us by the auditors of such companies incorporated in India. Our opinion is not modified in respect of the above matters with respect to our reliance on the work done by and the reports of such other auditors.

for SHARP & TANNAN
Chartered Accountants
(Firm's Registration No. 003792S)

Place: Coimbatore
Date: 07 May 2026

V. Viswanathan
Partner
Membership No. 215565
UDIN: 26215565YXRDGB3757

(Rupees in Lakhs)

ASSETS	Note No.	As at March 31, 2026	As at March 31, 2025
Non-current assets			
Property, Plant and Equipment	1.1	3,98,074	3,06,351
Capital Work in progress	1.2	38,233	34,526
Intangible assets	1.3	3,508	3,156
Right-of-use Asset	1.4	47,044	38,520
Goodwill on Consolidation	1.5	19,006	19,006
Investments accounted for using equity method	1.6	578	467
Financial assets			
Investments	1.7	776	594
Security Deposits	1.8	7,277	6,033
Other Financial assets	1.9	10	27
Current tax assets (Net)	1.10	769	1,552
Other non-current assets	1.11	20,380	11,586
		5,35,655	4,21,818
Current assets			
Inventories	1.12	1,74,541	1,33,205
Financial assets			
Trade receivables	1.13	1,11,054	92,059
Cash and cash equivalents	1.14	14,483	9,742
Other bank balances	1.15	3,395	2,581
Security Deposits	1.16	100	90
Other Financial assets	1.17	1,496	2,386
Other Current assets	1.18	22,108	14,830
		3,27,177	2,54,893
Assets classified as held for sale	1.1A	34,998	34,933
Total Assets		8,97,830	7,11,644
EQUITY AND LIABILITIES			
EQUITY			
Equity Share capital	1.19	1,193	1,193
Other Equity	1.20	3,25,213	2,84,481
		3,26,406	2,85,674
Non-controlling interest	1.21	-	-
		3,26,406	2,85,674
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	1.22	2,41,098	1,65,186
Lease Liabilities	1.23	20,778	20,306
Other Non-Current Financial Liabilities	1.24	826	763
Provisions	1.25	-	336
Deferred tax liabilities (Net)	1.26	2,233	606
		2,64,935	1,87,197
Current liabilities			
Financial Liabilities			
Borrowings	1.27	92,965	40,240
Lease Liabilities	1.28	7,507	10,086
Trade payables			
(a) total outstanding dues of micro enterprises & small enterprises	1.29	4,726	4,449
(b) total outstanding dues of creditors other than micro enterprises & small enterprises		1,41,282	1,28,984
Other current Financial Liabilities	1.30	32,038	33,652
Current tax liabilities (Net)	1.31	4,862	1,162
Other current liabilities	1.32	20,497	18,040
Provisions	1.33	2,612	2,160
		3,06,489	2,38,773
Total Equity and Liabilities		8,97,830	7,11,644

The accompanying notes form an integral part of the consolidated financial statements

This is the Balance Sheet referred to in our report of even date

For SHARP & TANNAN

Chartered Accountants

Firm Registration No. 003792S

For and on behalf of the Board

V. Viswanathan
Partner
Membership No. 215565

R.Gauthamram
Whole Time Director
DIN : 06789004
Place: Illinois,USA
Date : May 07, 2026

S.Ravi
Chairman and Managing Director
DIN : 01257716
Place: Coimbatore
Date : May 07, 2026

Place : Coimbatore
Date : May 07, 2026

Shainshad Aduvanni
Company Secretary M.No.A27895
Place : Coimbatore
Date : May 07, 2026

C. B. Chandrasekar
Chief Financial Officer
Place: Coimbatore
Date : May 07, 2026

Craftsman Automation Limited
CIN - L28991TZ1986PLC001816
Consolidated Statement of Profit and loss for the year ended March 31, 2026

(Rupees in Lakhs)

Particulars	Note No.	Year ended	Year ended
		March 31, 2026	March 31, 2025
INCOME			
Revenue From Operations	2.1	8,06,927	5,69,048
Other Income	2.2	6,136	2,507
Total Income (A)		8,13,063	5,71,555
EXPENSES			
Cost of materials consumed	2.3	4,52,539	3,29,673
Changes in inventories of finished goods and work-in-progress	2.4	(12,343)	(19,466)
Employee benefits expense	2.5	58,728	43,626
Depreciation, amortization and impairment expense	2.6	44,385	34,702
Other expenses	2.7	1,84,244	1,31,944
Finance costs	2.8	30,897	21,664
Total expenses (B)		7,58,450	5,42,143
Profit before share of profit from JV and exceptional items (C=A-B)		54,613	29,412
Share of profit from JV (D)		112	100
Profit before exceptional items (E=C+D)		54,725	29,512
Exceptional items (F)	3.15	(1,295)	(2,547)
Profit before tax (G=E+F)		53,430	26,965
Tax expense:			
(1) Current Tax		13,489	7,697
(2) Deferred tax	3.3	1,542	(819)
		15,031	6,878
Profit for the year (H)		38,399	20,087
attributable to owners		38,399	19,457
attributable to non-controlling Interest		-	630
Other Comprehensive Income ('OCI')			
A (i) Items that will not be reclassified to profit or loss			
- Remeasurement of defined benefit plans		73	(755)
- Share of OCI of Joint Venture accounted for using equity method		-	(2)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(47)	70
B (i) Items that will be reclassified to profit or loss			
- Exchange differences in translating the financial statements of foreign operations		3,378	(122)
- The effective portion of gains or loss on hedging instruments in a cash flow hedge		162	675
(ii) Income tax relating to items that will be reclassified to profit or loss		(41)	(170)
Other Comprehensive Income for the year, net of tax (I)		3,525	(304)
attributable to owners		3,525	(301)
attributable to non-controlling Interest		-	(3)
Total Comprehensive Income for the year (Comprising Profit for the year and Other Comprehensive Income for the year) (H+I)		41,924	19,783
attributable to owners		41,924	19,156
attributable to non-controlling Interest		-	627
Earnings per equity share Basic & Diluted (Face value of ₹. 5/-)	3.5	160.96	83.68

The accompanying notes form an integral part of the consolidated financial statements

This is the Statement of Profit & Loss referred to in our report of even date

For SHARP & TANNAN

Chartered Accountants

Firm Registration No. 003792S

For and on behalf of the Board

V. Viswanathan
Partner
Membership No. 215565

R.Gauthamram
Whole Time Director
DIN : 06789004
Place: Illinois,USA
Date : May 07, 2026

S.Ravi
Chairman and Managing Director
DIN : 01257716
Place : Coimbatore
Date : May 07, 2026

Place : Coimbatore
Date : May 07, 2026

Shainshad Aduvanni
Company Secretary M.No.A27895
Place : Coimbatore
Date : May 07, 2026

C. B. Chandrasekar
Chief Financial Officer
Place : Coimbatore
Date : May 07, 2026

(Rupees in Lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Cash flows from operating activities		
Profit before taxation ('PBT')	53,430	26,965
<u>Adjustments to reconcile PBT to net cash flows:</u>		
Depreciation, amortization and impairment expense	44,385	34,745
Gain on sale of assets	(1,425)	(7)
Exchange difference on transaction/translation (loss/(gain))	(1,239)	(827)
Share of Profit of Joint Venture	(112)	(100)
Provision for :		
Doubtful debts	221	943
Warranty & Rejection	1,129	390
Slow moving inventory	932	447
Interest income (including fair value changes in financial instruments)	(205)	(1,000)
Government grant income	(6,034)	(4,421)
Liabilities no longer required written back	-	(68)
Assets no longer receivable written off	-	45
Interest expense (including fair value changes in financial instruments)	30,056	21,353
Operating cash flow before changes in working capital	1,21,138	78,465
Adjustments for:		
Increase/ (Decrease) in provisions	(1,485)	(897)
Increase/ (Decrease) in other financial liabilities	(6,027)	(16,608)
Increase/ (Decrease) in other current liabilities	1,952	1,851
Increase/ (Decrease) in Trade Payables and other Payables	11,804	10,152
(Increase)/ Decrease in other financial assets	(852)	713
(Increase)/ Decrease in other current assets	(6,616)	(7,464)
(Increase)/ Decrease in trade and other receivables	(17,555)	(16,171)
(Increase)/ Decrease in inventories	(41,055)	(14,346)
Cash generated from operations	61,304	35,695
Income taxes paid	(9,136)	(7,362)
Net cash from operating activities - A	52,168	28,333
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,18,101)	(98,878)
Purchase of Intangible Assets	(735)	(282)
Proceeds from sale of equipment	1,981	230
Consideration paid towards business combination	(14,585)	(43,624)
Purchase of investment in Equity Shares	(357)	(542)
Acquisition of Minority Interest	-	(25,000)
Interest received	481	1,271
Net cash used in investing activities - B	(1,31,316)	(1,66,825)
Cash flows from financing activities		
Proceeds from issue of shares	-	1,18,023
Proceeds from long-term borrowings	1,25,641	1,29,119
Repayment of long term borrowings	(42,396)	(71,992)
Net proceeds from / (repayments of) short-term borrowings	45,398	(6,431)
Principal payments towards lease liability	(13,537)	(5,609)
Interest paid (incl. interest on lease liability)	(31,167)	(21,391)
Dividend Paid	(1,193)	(2,377)
Net cash from/ (used in) financing activities- C	82,746	1,39,342
Net increase / (decrease) in cash and cash equivalents - (A+B+C)	3,598	850
Cash and cash equivalents at beginning of year	9,742	6,349
Cash and cash equivalents acquired in Business Combination	-	2,520
Effect of exchange rate changes on cash and cash equivalents	1,143	23
Cash and cash equivalents at end of year	14,483	9,742

Notes:

1. Reconciliation of Cash & Cash equivalents as per Cash Flow Statement

Cash & cash equivalents consists of:	As at March 31, 2026	As at March 31, 2025
Cash and cash equivalents (note : 1.14)	14,483	9,742
Total	14,483	9,742

The accompanying notes form an integral part of the consolidated financial statements

This is the Statement of Cash Flows referred to in our report of even date

For SHARP & TANNAN

Chartered Accountants

Firm Registration No. 003792S

For and on behalf of the Board

V. Viswanathan
Partner
Membership No. 215565

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Whole Time Director
DIN : 06789004
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Company Secretary M.No.A27895
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Date : May 07, 2026

C. B. Chandrasekar
Chief Financial Officer
Place : Coimbatore
Date : May 07, 2026

Craftsman Automation Limited
CIN - L28991TZ1986PLC001816
Consolidated Statement of Changes in Equity

(Rupees in Lakhs)

a. Equity Share Capital	Balance as at April 1, 2025	Changes in equity share capital during the year	Balance as at March 31, 2026
	1,193	-	1,193

(Rupees in Lakhs)

b. Other Equity	Reserves and Surplus				Other Reserves				Non-controlling Interest	Total
	Securities Premium Reserve	General Reserve	Retained Earnings	Share in Networth of Joint Venture	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Capital Reserve	Foreign Currency Translation Reserve		
Balance as at April 1, 2024	28,123	9,662	1,26,890	308	(321)	(253)	-	333	9,368	1,74,110
Profit for the year	-	-	19,357	100	-	-	-	-	630	20,087
Other Comprehensive Income	-	-	-	(2)	-	505	-	(122)	(3)	378
- Defined Benefit Plan	-	-	(682)	-	-	-	-	-	-	(682)
Total Comprehensive Income for the year	-	-	18,675	98	-	505	-	(122)	627	19,783
Issues of shares	1,17,886	-	-	-	-	-	-	-	-	1,17,886
Business Combination	-	-	-	-	-	-	79	-	-	79
Acquisition of Non-controlling Interest	-	-	(15,005)	-	-	-	-	-	(9,995)	(25,000)
Dividends	-	-	(2,377)	-	-	-	-	-	-	(2,377)
Balance as at March 31, 2025	1,46,009	9,662	1,28,183	406	(321)	252	79	211	-	2,84,481
Profit for the year	-	-	38,287	112	-	-	-	-	-	38,399
Other Comprehensive Income	-	-	-	-	-	121	-	3,378	-	3,499
- Defined Benefit Plan	-	-	26	-	-	-	-	-	-	26
Total Comprehensive Income for the year	-	-	38,313	112	-	121	-	3,378	-	41,924
Dividends	-	-	(1,192)	-	-	-	-	-	-	(1,192)
Balance as at March 31, 2026	1,46,009	9,662	1,65,304	518	(321)	373	79	3,589	-	3,25,213

The accompanying notes form an integral part of the consolidated financial statements

This is the Statement of Changes in Equity referred to in our report of even date
For SHARP & TANNAN
Chartered Accountants
Firm Registration No. 003792S

For and on behalf of the Board

V. Viswanathan
Partner
Membership No. 215565

R.Gauthamram
Whole Time Director
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C. B. Chandrasekar
Chief Financial Officer
Place : Coimbatore
Date : May 07, 2026

Notes annexed to and forming part of Consolidated Financial Statements:

A. CORPORATE INFORMATION

The Consolidated Financial Statements comprise of financial statements of Craftsman Automation Limited ('the Company or 'the holding Company') and its subsidiaries (collectively "the Group") and its joint venture for the year ended March 31, 2026. Craftsman Automation Private Limited was incorporated under the Companies Act, 1956 on July 18, 1986. The Company became a public limited Company from May 04, 2018. The Company is engaged in the business of manufacturing engineering components, sub-assemblies, products and rendering of contract manufacturing services to various industries.

B. Statement of Compliance

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') as notified under the Section 133 of the Companies Act, 2013 (the Act) read with the Companies (Indian Accounting Standards) Rules, 2015. The presentation of the financial statements is based on the requirement of the Companies Act, 2013.

C. BASIS OF PREPARATION

The items included in Consolidated Financial Statements of each of the entities consolidated are measured using the currency of the primary economic environment ('functional currency') in which each of the entities operates. The consolidated financial statements are presented in Indian Rupees ('INR') which is the functional and presentation currency of the Company and all values are rounded to the nearest lakhs, except where otherwise indicated. In the Consolidated Financial Statements, all assets, liabilities and transactions of Group entities with a functional currency other than the INR are translated into INR upon consolidation.

The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liability which have been measured at fair value

- i) Derivative financial instruments
- ii) Certain financial assets and liability measured at fair value (refer note. 3.6)
- iii) Defined Benefit Obligation.

D. MATERIAL ACCOUNTING POLICIES

S.No	MATERIAL ACCOUNTING POLICIES	D.	Reference in Balance sheet & Profit and Loss Notes
1	Property Plant and Equipment	a.	1.1
2	Inventories	b.	1.12
3	Impairment of assets	c.	1.1, 1.2,1.3,1.6 & 2.6
4	Revenue recognition	d.	2.1
5	Financial Instruments	e.	1.9,1.17,1.24,1.30,3.6
6	Segment reporting	f.	3.12

a. Property, Plant and Equipment

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

The cost of a self-constructed asset is determined using the same principles as for an acquired asset. If Company makes similar assets for sale in the normal course of business, the cost of the asset is usually the same as the cost of constructing an asset for sale. Internal margins are eliminated in arriving at such costs. Similarly, the cost of abnormal amounts of wasted material, labour, or other resources incurred in self-constructing an asset are not included in the cost of the asset. Borrowing Costs are recognized as a component of the carrying amount of a self-constructed item of PPE if it meets the recognition criteria under Ind AS.

Depreciation on Property, Plant and Equipment

The depreciable amount of PPE (being the gross carrying value less the estimated residual value) is depreciated on a systematic basis over its useful life.

In respect of certain classes of PPE, the Group uses different useful life other than those prescribed in Schedule II to the Act. The useful life of such class of PPE has been ascertained based on technical review by a Chartered Engineer and assessment by the Management as detailed in the following table

Classes of PPE	Useful life and basis of depreciation
New Plant and Machinery	8 to 20 Years
Used Plant and Machinery	8 to 10 Years
Tool holder, jigs, fixtures, patterns, dies, moulds and instruments and gauges	2 to 5 Years
Lease hold improvements	Over lease period

b. INVENTORY

The cost of inventory items is determined by using weighted average cost formula.

Tools are valued at cost till they are issued for usage in production process. In respect of issued tools which can be refurbished, the Group depending upon its useful life amortizes on a straight line basis over its useful life. Useful life determined for certain classes of tools is two to three years. Tools which are not refurbishable are charged off to Statement of Profit and Loss upon issue for usage. The “tools in use” are carried at cost less accumulated amortization.

The Group regularly assesses whether there is any indication of a diminution in the value of inventories. Such indications may include, but are not limited to, evidence of obsolescence, damage, changes in market conditions, or significant declines in selling prices. This policy applies to all inventories held by the company, including raw materials, work in progress, and finished goods. If there is objective evidence of a diminution in the value of inventories, the carrying amount of the inventories is reduced to their net realizable value.

c. IMPAIRMENT OF ASSETS

At the end of each reporting period, the Group determines whether there is any indication that its assets (PPE, intangible assets and investments in equity instruments subsidiaries and joint ventures carried at cost) have suffered an impairment loss with reference to their carrying amounts. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount exceeds the recoverable amount. Recoverable amount is higher of the fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

d. REVENUE RECOGNITION

Sale of Goods & Rendering of Services:

Revenue is recognised when a performance obligation in a customer contract has been satisfied by transferring control over the promised goods to the customer. Control over a promised good refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, those goods. Control is usually transferred upon shipment, delivery to, upon receipt of goods by the customer, in accordance with the individual delivery and acceptance terms agreed with the customers. The amount of revenue to be recognized (transaction price) is based on the consideration expected to be received in exchange for goods, excluding amounts collected on behalf of third parties such as goods and services tax or other taxes directly linked to sales.

Revenue from rendering of services is recognised over time as and when the customer receives the benefit of the Company's performance and the Company has an enforceable right to payment for services transferred. Unbilled revenue represents value of services performed in accordance with the contract terms but not billed as at the reporting date.

Other Operating revenues:

Other operating revenues comprise income from ancillary activities incidental to the operations of the Group and are recognised when the right to receive the income is established as per the terms of the contract.

e. FINANCIAL INSTRUMENTS

Group Derivative financial instruments:

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts and cross currency interest rate swaps. Further details of derivative financial instruments are disclosed in Note 3.6.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the Statement of Profit and Loss depends on the nature of the hedging relationship and the nature of the hedged item.

Hedge accounting:

The Group designates certain derivatives as hedging instruments in respect of foreign currency risk as cash flow hedges. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

Note 3.6b sets out details of the fair values of the derivative instruments used for hedging purposes.

Cash flow hedges:

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in Other Comprehensive Income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in the Statement of Profit and Loss, and is included in the "Other Income".

Amounts previously recognised in Other Comprehensive Income and accumulated in equity (relating to effective portion as described above) are reclassified to Statement of Profit or Loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity (but not as a reclassification adjustment) and are included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Any gain or loss recognised in Other Comprehensive Income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the Statement of Profit or Loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in the Statement of Profit and Loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting.

f. SEGMENT REPORTING

The Chief Operating Decision Maker (CODM) evaluates the Group's performance and allocates resources based on an analysis of various performance indicators of the reportable segments. The Group's reportable segments have been identified based on end consumption of the products sold or services rendered. The reportable segments are as follows:

• Powertrain	: This segment develops, manufactures, sells its goods and services of powertrain and related products to manufacturers of commercial / passenger vehicles, farm equipment, construction / mining equipment.
• Aluminium Products	: This segment develops, manufactures, sells its goods and services consisting of aluminium products to the manufacturers of two wheelers,

passenger vehicles and commercial vehicles and products for power transmission and other industrial usage.

- **Industrial & Engineering** : This segment develops, manufactures, sells its goods and services such as castings, gears, material handling equipment, special purpose machines, other general engineering products (together broadly termed as "High End Sub-assembly, Contract Manufacturing & Others") and storage products to various end user industries.

Segments that are not significant are categorised as "Others". Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment and as well as those which can be allocated on a reasonable basis. Operating segments are reported in a manner consistent with the internal reporting to the CODM of the Group.

e. OTHER ACCOUNTING POLICIES

a. PROPERTY, PLANT AND EQUIPMENT:

Recognition and Measurement:

All Property, Plant & Equipment (PPE) are stated at cost of acquisition / installation as adjusted for import duty waivers and foreign exchange losses / gains less accumulated depreciation and impairment losses.

Cost of acquisition / installation includes the fair value of the consideration given to acquire the asset (net of discounts and rebates) and any directly attributable costs of bringing the asset to working condition for its intended use (inclusive of non-refundable purchase taxes and duties).

The Company capitalizes the import duty waived in respect of capital equipment imported under the Export Promotion Capital Goods Scheme.

Foreign exchange gain /loss arising on foreign currency denominated borrowing which are not hedged that were incurred to acquire PPE are recorded as part of the cost of asset as per Ind AS 101 and depreciated over their remaining useful life. In respect of exchange gain or loss arising from foreign currency denominated borrowings which are hedged accounting has been done based on Hedge effectiveness either as derivative or cash flow hedge as per Ind AS 109.

Subsequent expenditure relating to an item of PPE is capitalised if it meets the recognition criteria.

The import duty waived on capital assets which are purchased under the Export Promotion Capital Goods (EPCG) schemes and which are capitalized are recorded as deferred revenue and recognized in Statement of Profit and Loss on a systematic basis over the periods in which the related performance obligations are fulfilled.

De-recognition:

An item of PPE is de-recognised at the time of its disposal or when it is assessed that no future economic benefit would accrue from it. The gain/ loss arising out of such disposal/retirement is taken to Statement of Profit and Loss.

b. INTANGIBLE ASSETS

An intangible asset is an identifiable non-monetary asset without physical substance.

An intangible asset with finite useful life that are acquired separately and where the useful life is 2 years or more is capitalized and carried at cost less accumulated amortization. Amortization is recognized on a straight line basis over the useful life of the asset. The class of asset and the estimated useful life is as follows

Description of the asset	Useful life and basis of amortization
Software – Acquired	5-10 Years
Technical Know-how - Acquired	8-10 years
Customer Relationship asset	7 years

Internally generated intangible assets

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale,
- the intention to complete the intangible asset and use or sell it,
- the ability to use or sell the intangible asset,
- how the intangible asset will generate probable future economic benefits,
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset, and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is recognised in the Statement of Profit and Loss in the period in which it is incurred. Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately. Development Expenditure recognized as intangible assets are amortized over a period of 3 years.

De-recognition

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in Statement of profit and loss when the asset is derecognised.

Goodwill

Goodwill on acquisition of business is included in intangible assets. Goodwill is not amortised but is tested for impairment annually, or if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses, if any.

c. LEASES

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group as a lessee:

The Group's lease asset classes primarily consist of leases for Machineries and buildings. The Group assesses whether a contract contains a lease, at inception of a contract. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through-out the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, 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 Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are amortised from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right-of-use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates of the entity. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the entity changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Group as a Lessor:

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the ROU asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

d. INVENTORIES:

The Group determines the cost for items that are not interchangeable or that have been segregated for specific contracts on an individual-item basis as per Ind AS 2, 'Inventories'.

The Group uses the same cost formula for all inventories of similar nature and use. The cost formula used is applied on a consistent basis from period to period.

Inventories are initially recognized at the lower of cost or net realisable value (NRV). Cost of inventories includes import duties, non-refundable taxes, transport and handling costs and any other directly attributable costs, less trade discounts, rebates and similar items. NRV is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated selling expenses.

Raw materials, components, stores and spares of inventory are measured at weighted average cost. Materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Work in progress and finished goods are valued at cost or Net Realizable Value whichever is lower. Cost includes direct materials, labour and a portion of manufacturing overheads. Saleable scrap is valued at the lowest of the net realizable value in the last two months.

The Group selects a reasonable basis for allocating overhead costs to inventory items. Common allocation bases include direct labor hours, machine hours, or direct material costs. Overheads refer to indirect costs incurred in the production process that cannot be directly traced to specific inventory items. These costs include, but are not limited to, factory overheads, utilities, depreciation of production equipment, and indirect labor costs. Overhead costs are allocated to inventory items using the above mentioned allocation basis.

e. FINANCIAL INSTRUMENTS:

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

Classification of financial assets:

The financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets are added to the fair value of the financial assets on initial recognition.

After initial recognition:

- i) Financial assets (other than investments and derivative instruments) are subsequently measured at amortised cost using the effective interest method.

Effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

- ii) Financial assets (i.e. derivative instruments and investments in instruments other than equity of Subsidiaries and joint ventures) are subsequently measured at fair value.

Such financial assets are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in other comprehensive income.

Investments in equity instruments other than joint venture:

The Group has valued the investments in equity instruments other than joint ventures at fair value through Other Comprehensive Income. Fair value of quoted instrument has been valued at market rate and in case of unquoted instrument it has been valued at book value of that Company based on Level 2 input.

In respect of investment in equity share capital of Group captive power companies which are made to comply with the provisions of Electricity Rules 2003, these investments are carried at cost as these investments can be sold back only at par.

Cash and cash equivalents:

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

Trade receivables:

Trade receivables are initially recognised at transaction value. Subsequently, these assets are held at amortised cost net of any expected credit losses. Loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e., expected cash shortfall.

Impairment of financial assets:

A financial asset is regarded as credit impaired when one or more events that may have a detrimental effect on estimated future cash flows of the asset have occurred. The Group applies the expected credit loss model for recognizing impairment loss on financial assets (i.e. the shortfall between the contractual cash flows that are due and all the cash flows (discounted) that the Group expects to receive).

De-recognition of financial assets:

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Statement of Profit and Loss.

Financial liabilities and equity instruments:

Classification as debt or equity

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued are recognised at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

All financial liabilities (other than derivative instruments) are subsequently measured at amortised cost using the effective interest method. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalized as a part of cost of an asset is included in the "Finance Costs".

De-recognition of financial liabilities:

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability de-recognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

f. PROVISIONS

The Group recognizes a provision when there is a present obligation to transfer economic benefits as a result of past events, it is probable (more likely than not) that such a transfer will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is certain that reimbursements will be received and the amount of the receivable can be measured reliably.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

A contingent liability is

(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or

(b) a present obligation that arises from past events but is not recognised because:

(i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

(ii) the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are disclosed in the Financial Statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote.

Provision for Warranty:

Provisions for expected cost of warranty obligations are recognized based on management's best estimate of the expenditure required to settle the obligation which takes into account the empirical data on the nature, frequency and average cost of warranty claims and regarding possible future incidences.

Provision for Rejection:

Provision for rejection on sales is recognised once the products are sold. Materials are rejected due to various reasons and are either re-processed and replaced to the customers depending on the type of rejections. These rejections get fulfilled within a period of 3 months and the provisions as at the reporting date represent the value of management's best estimate of possible rejections within the next one quarter.

g. REVENUE RECOGNITION

Dividend and Interest Income

Dividend income from investments is recognised when the Group's right to receive payment has been established (provided that it is probable that the 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 (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

h. GOVERNMENT GRANT

Government grants (including export incentives) are recognised only when there is reasonable assurance that the Group will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

Import duty waivers for capital assets purchased under Export Promotion Capital Goods schemes are recorded as deferred revenue and recognized in Statement of Profit and Loss on a systematic basis over the periods in which the related performance obligations are fulfilled.

i. EMPLOYEE BENEFITS

Defined contribution plans

Provident fund (PF):

Contribution towards PF is determined under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952 and charged to the Statement of Profit and Loss during the period of incurrence when the services are rendered by the employees.

Superannuation Fund:

The Group makes specified contributions towards Superannuation fund to the Life Insurance Corporation of India ('LIC'). 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.

Employee State Insurance (ESI):

Payments to defined contribution plans i.e., Group's contribution to employee state insurance and other funds are determined under the relevant schemes and / or statute and charged to the Statement of Profit and Loss in the period of incurrence when the services are rendered by the employees.

Defined benefit plans

Gratuity:

Accounting for defined benefit plans is based on actuarial assumptions and different valuation methods to measure the balance sheet obligation and the expense.

Where defined benefit plans are funded, the plan assets are measured at fair value. At each balance sheet date, the plan assets and the defined benefit obligations are remeasured. The Statement of Profit and Loss reflects the change in the surplus or deficit, except for contributions made to the plan and benefits paid by the plan, along with business combinations and Re-measurement gains and losses.

Re-measurement gains and losses comprise actuarial gains and losses, return on plan assets (comprise amounts included in net interest on the net defined benefit liability or asset) and any change in the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability or asset). Re-measurements are recognized in other comprehensive income.

The defined benefit costs are comprised of the following individual components:

- Service costs (including current and past service costs as well as gains/losses on curtailments and settlements)
- Net interest costs or income
- Re-measurement

The Group presents the first two components of defined benefit costs in the Statement of Profit and Loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

Re-measurement of net defined benefit liability/ asset pertaining to gratuity comprises actuarial gains/ losses (i.e. changes in the present value resulting from experience adjustments and effects of changes in actuarial assumptions) and is reflected immediately in the balance sheet with a charge or credit recognised in Other Comprehensive Income in the period in which they occur. Re-measurement recognised in Other Comprehensive Income is reflected immediately in retained earnings and is not reclassified to profit and loss.

Other long-term employee benefits:

Compensated Absences:

The employees can carry-forward a portion of the unutilized accrued compensated absences and utilize it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Group records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

Short-term employee benefits:

A liability is recognised for benefits accruing to employees in respect of salaries, wages, performance incentives, medical benefits and other short term benefits in the period the related service is rendered, at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Compensated leave absences:

Compensated leave absences that are not carried forward are encashed by employees at year end and are recognised in the Statement of Profit and Loss.

j. FOREIGN CURRENCY TRANSACTIONS

The Group's foreign operations are an integral part of the Company's activities. In preparing the financial statements, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in the Statement of profit and loss in the period in which they arise except for:

- Exchange differences on translation or settlement of long term foreign currency monetary items in respect of loans borrowed, which are not hedged, before April 1, 2016 at rates different from those at which they were initially recorded or reported in the previous financial statements, insofar as it relates to acquisition of depreciable assets, are adjusted to the cost of the assets and depreciated over remaining useful life of such assets. Where the borrowal is after April 1, 2016, such exchange difference is recognised in Statement of Profit and Loss. In other cases, where it has been hedged the same has been restated and adjusted against cash flow hedge of the respective derivative instruments.
- Exchange difference on translation of derivative instruments designated as cash flow hedge (see Note D.e for hedging accounting policies).

k. FOREIGN OPERATIONS

In the Group's Consolidated Financial Statements, all assets, liabilities and transactions of the Group entities with a functional currency other than the INR are translated into INR upon consolidation. The functional currency of Craftsman Europe BV & Craftsman Germany GmbH is EURO.

On consolidation, assets and liabilities have been translated into INR at the closing rate at the reporting date. Income and expenses have been translated into INR at the average rate over the reporting period.

Exchange differences are charged or credited to Other Comprehensive Income and recognised in the currency translation reserve in equity. On disposal of a foreign operation, the related cumulative translation differences recognised in equity are re-classified to Statement of Profit and Loss and are recognised as part of the gain or loss on disposal.

I. INCOME TAXES

Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred tax are recognised in profit and loss, except when they relate to items that are recognised in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognised in Other Comprehensive Income or directly in equity respectively.

Current Tax:

Current tax is determined on taxable profits for the year chargeable to tax in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 including other applicable tax laws that have been enacted or substantively enacted.

Deferred Tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax asset is recognised for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

f. CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The accounting policies which have the most significant effect on the figures disclosed in the financial statements are mentioned below and these should be read in conjunction with the disclosure of the significant Ind AS accounting policies provided below:

i. Useful life of Property, Plant and Equipment and Intangible assets

The assessment of the useful life of each asset by considering the historical experience and expectations regarding future operations and expected usage, estimated technical obsolescence, residual value, physical

wear and tear and the operating environment in which the asset is located needs significant judgement by the management. In case of intangible assets the useful life is determined based on the period over which future economic benefit will flow to the Group.

ii. **Tools in use**

The assessment of useful life of tools in use has been done considering the historical experience and estimated refurbishment cycle and operating environment.

iii. **Income Tax & Deferred Tax**

The calculation of income taxes requires judgement in interpreting tax rules and regulations. Management judgement is used to determine the amounts of deferred tax assets and liabilities and future tax liabilities to be recognized.

The Group estimates the possible utilisation of unabsorbed losses while recognising deferred tax asset considering the future business plans and economic environment.

iv. **Fair Value**

Certain financial instruments, such as investments in equity securities, derivative financial instruments and certain elements of borrowings, are carried in the financial statements at fair value, with changes in fair value reflected in the Statements of Profit and Loss. Fair values are estimated by reference to published price quotations or by using other valuation techniques that may include inputs that are not based on observable market data, such as discounted cash flows analysis.

v. **Measurement of defined benefit obligations**

Gratuity actuarial valuation considers various assumptions which are based on the past experience and general economic conditions.

vi. **Measurement and likelihood of occurrence of provisions and contingencies**

The provision for warranty and rejection have been done based on past experiences, product lifecycle maturity, reprocessing/repair cost.

g. PRINCIPLES OF CONSOLIDATION

The Consolidated Financial Statements relate to Craftsman Automation Limited, its subsidiaries and joint venture. Subsidiaries are all entities over which the Company exercises control. The Company exercises control if and only if it has the following:

- power over the entity;
- exposure, or rights, to variable returns from its involvement with the entity; and
- the ability to use its power over the entity to affect the amount of its returns.

The Consolidated Financial Statements have been prepared on the following basis:

- The Financial Statements of the Group have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-Group balances and intra-Group transactions and resulting unrealised profits, unrealised losses from intra-Group transactions are eliminated unless cost cannot be recovered.
- The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative

interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

- An associate is an entity over which the investor has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Investments in associates and joint ventures are accounted for using the equity method.
- Under the equity method, on initial recognition the investment in an associate or a joint venture is recognised at cost. The carrying amount of the investment in associates and joint ventures is increased or decreased to recognise the Group's share of the profit and loss after the date of acquisition.
- The Financial Statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.
- The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner, as the Company's Standalone Financial Statements.

Craftsman Automation Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2026
1.1 PROPERTY, PLANT & EQUIPMENT

(Rupees in Lakhs)

Asset Category	Freehold land	Building *	Plant & Machinery	Office Equipment	Furniture & Fixtures	Vehicles	Property, Plant & Equipment Total
Gross Block							
At April 1, 2024	11,596	38,586	2,97,752	3,800	615	212	3,52,561
Acquired in business combination	44,958	11,705	10,032	81	71	22	66,869
Additions	1,505	20,581	70,252	852	54	196	93,440
Disposals	-	-	1,462	-	-	-	1,462
Translation Reserve	(7)	(57)	25	4	-	-	(35)
At March 31, 2025	58,052	70,815	3,76,599	4,737	740	430	5,11,373
Acquired in business combination	8,183	6,575	-	-	-	-	14,758
Additions	2,871	34,353	80,284	745	90	214	1,18,557
Disposals	-	1,221	4,212	207	-	122	5,762
Translation Reserve	115	952	365	56	-	9	1,497
At March 31, 2026	69,221	1,11,474	4,53,036	5,331	830	531	6,40,423
Depreciation							
At April 1, 2024	-	7,288	1,29,866	1,649	356	58	1,39,217
Additions	-	2,322	29,050	648	51	34	32,105
Disposals	-	-	1,237	-	-	-	1,237
Translation Reserve	-	1	2	1	-	-	4
At March 31, 2025	-	9,611	1,57,681	2,298	407	92	1,70,089
Additions	-	3,385	36,649	851	59	98	41,042
Disposals	-	115	3,446	210	-	107	3,878
Translation Reserve	-	37	48	9	-	3	97
At March 31, 2026	-	12,918	1,90,932	2,948	466	86	2,07,350
Assets held for sale	(34,158)	(775)	(66)	-	-	-	(34,999)
At April 1, 2024	11,596	31,298	1,67,886	2,151	259	154	2,13,344
At March 31, 2025	23,894	60,429	2,18,918	2,439	333	338	3,06,351
At March 31, 2026	35,063	97,781	2,62,038	2,383	364	445	3,98,074

1.1A Asset Classified as held for sale

Assets classified as held for sale	Opening	Additions#	Deletions	Closing
FY 2024-25	-	34,933	-	34,933
FY 2025-26	34,933	66	-	34,999

#FY 2025: land of ₹34,158 lakhs, building of ₹ 775 lakhs held by subsidiary Sunbeam Lightweighting Solutions Limited at Gurgaon, Haryana.

#FY 2026: machinery of ₹ 66 lakhs held by subsidiary Sunbeam Lightweighting Solutions Limited.

1.3 OTHER INTANGIBLE ASSETS

(Rupees in Lakhs)

Asset Category	Computer Software	Product Development	Technical know-how	Customer Relationship	Intangible Assets Total
Gross Block					
At April 1, 2024	2,381	636	430	-	3,447
Acquired in business combination	60	-	12	2,684	2,756
Additions	36	-	240	-	276
Disposals	-	-	-	-	-
Translation Reserve	1	-	-	-	1
At March 31, 2025	2,478	636	682	2,684	6,480
Acquired in business combination	-	-	-	-	-
Additions	695	-	291	-	986
Disposals	1	-	-	-	1
Translation Reserve	19	-	-	-	19
At March 31, 2026	3,191	636	973	2,684	7,484
Depreciation					
At April 1, 2024	1,949	636	430	-	3,015
Additions	113	-	4	192	309
Disposals	-	-	-	-	-
Translation Reserve	-	-	-	-	-
At March 31, 2025	2,062	636	434	192	3,324
Additions	189	-	77	383	649
Disposals	1	-	-	-	1
Translation Reserve	4	-	-	-	4
At March 31, 2026	2,254	636	511	575	3,976
At April 1, 2024	432	-	-	-	432
At March 31, 2025	416	-	248	2,492	3,156
At March 31, 2026	937	-	462	2,109	3,508

1.2 CAPITAL WORK IN PROGRESS

(Rupees in Lakhs)

TANGIBLE - CWIP	INTANGIBLE - CWIP	Total Capital Work in Progress
17,916	-	17,916
1,452	159	1,611
33,668	-	33,668
18,627	-	18,627
-	2	2
34,409	161	34,570
-	-	-
38,802	63	38,865
34,943	235	35,178
-	20	20
38,268	9	38,277
Impairment of CWIP		
55	-	55
(11)	-	(11)
-	-	-
44	-	44
-	-	-
-	-	-
-	-	-
44	-	44
17,861	-	17,861
34,365	161	34,526
38,224	9	38,233

(a) CWIP ageing schedule**(Rupees In Lakhs)****As on March 31,2026**

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	37,665	539	29	-	38,233
Projects temporarily suspended	-	-	-	-	-
	37,665	539	29	-	38,233

As on March 31,2025

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	30,760	3,731	-	35	34,526
Projects temporarily suspended	-	-	-	-	-
	30,760	3,731	-	35	34,526

(b) For CWIP whose completion is overdue or has exceeded its cost compared to its original plan**As on March 31,2026**

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Various projects	394	-	-	-	394
	394	-	-	-	394

As on March 31,2025

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Various projects	3,661	-	-	-	3,661
	3,661	-	-	-	3,661

NOTE No. 1.4**RIGHT-OF-USE ASSETS****(Rupees in Lakhs)**

Particulars	As at March 31, 2026	As at March 31, 2025
Opening	38,522	25,927
Additions	11,275	14,977
Amortisation expense	(2,753)	(2,384)
Deletions	-	-
Closing	47,044	38,520

Refer note 3.10a for detailed disclosure

NOTE No. 1.5**GOODWILL ON CONSOLIDATION****(Rupees in Lakhs)**

Particulars	As at March 31, 2026	As at March 31, 2025
Opening	19,006	18,999
Add: Goodwill on business combination (Refer Note: 3.11)	-	7
Closing	19,006	19,006

NOTE No. 1.6**INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD**

Particulars	(Rupees in Lakhs)	
	As at March 31, 2026	As at March 31, 2025
Investment in Equity Shares of Joint Venture		
Carlstahl Craftsman Enterprises Private Ltd (30% stake)		
600,000 equity shares of Rs.10 each fully paid up	60	60
Recognition of opening value of investment in Joint venture	406	308
Share of current year profits in Joint Venture	112	99
	578	467

FINANCIAL ASSETS**NOTE No. 1.7****NON CURRENT INVESTMENTS**

Particulars	(Rupees in Lakhs)	
	As at March 31, 2026	As at March 31, 2025
Investment in Equity instruments (at Fair Value through OCI)		
Unquoted		
iEnergy Wind Farm (Theni) Private Ltd	1	1
8,875 equity shares of Rs. 10 each fully paid up		
TAGMA Centre of Excellence and Training	5	5
15 equity shares of Rs. 10 each fully paid up		
Hurricane Windfarms Pvt Limited (26% stake)*	4	4
39,000 equity shares of Rs. 10 each fully paid up		
Sulur Maharaja Solar Green Project Private Limited	22	22
2,18,700 equity shares of Rs. 10 each fully paid up		
Urvang Agro Private Limited	2	-
15,700 equity shares of Rs. 10 each fully paid up		
Alagendira Solar Energy Private Limited	3	-
26,000 equity shares of Rs. 10 each fully paid up		
LS Mill Solar Green Limited	1	-
13,930 equity shares of Rs. 10 each fully paid up		
RC Green Powers Private Limited	1	-
526 equity shares of Rs. 100 each fully paid up		
Dambo Farms Private Limited	2	-
15,600 Equity Shares of Rs.10 each fully paid-up		
Goldi Gold Private Limited	2	-
15,600 Equity Shares of Rs.10 each fully paid-up		
Silver Brook Farms Private Limited	2	-
22,010 Equity Shares of Rs.10 each fully paid-up		

NOTE No. 1.7**NON CURRENT INVESTMENTS (Contd..)****(Rupees in Lakhs)**

Particulars	As at March 31, 2026	As at March 31, 2025
Master Tex Export Private Limited 26,000 equity shares of Rs. 10 each fully paid up	3	-
Tara Green Power Private Limited 260 Equity Shares of Rs.100 each fully paid-up	-	-
Altium Solar 1 Private Limited 1,487 equity shares of Rs. 10 each fully paid up at cost of Rs.20,64,575	21	-
Altium Solar 3 Private Limited 2,600 equity shares of Rs. 10 each fully paid up at cost of Rs.1,34,35,500	134	-
East Square Energy India Private Limited 26,000 equity shares of Rs. 10 each fully paid up	3	-
Event Green Power Private Limited 4,200 equity shares of Rs. 10 each fully paid up	-	-
Viksha Green Energy Private Limited 2,356 equity shares of Rs. 10 each fully paid up	-	-
NSL Wind Power Company(Phoolwadi)Pvt Ltd 2,20,405 equity shares of Rs. 10 each fully paid up	22	22
Shri Dhanalakshmi Spinnintex Pvt Ltd 8,000 equity shares of Rs.100 each fully paid up	8	-
Maruti Suzuki Insurance Broking Private Limited # 2,91,118 equity shares of Rs.10 each fully paid up	9	9
Investments in LLP (at Fair Value through OCI)		
Kinathukadavu Water Project LLP	531	531
Total	776	594

*Note: The Company holds 26% equity stake in Hurricane Windfarms Pvt Ltd. As the shareholders agreement entered into with the promoters of Hurricane Windfarms Pvt Ltd contains restrictive covenants, the Company cannot exercise "Significant influence" in terms of Ind AS 28 and therefore is not classified under "Investments in Associates" and accordingly is not considered as a component for consolidated financial statements

#The Subsidiary, Sunbeam Lightweighting Solutions Limited, is holding an investment of 2,91,118 equity shares of Maruti Suzuki Insurance Broking Private Limited. This investment is held by the Subsidiary on behalf of the erstwhile promoters of Sunbeam Auto Private Limited. Accordingly, the Subsidiary does not have beneficial ownership of this investment. Any proceeds arising on the eventual disposal of this investment will be transferred to the erstwhile promoters. In line with the substance of this arrangement, there is a corresponding liability representing the obligation to transfer such proceeds.

Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	776	594
Aggregate amount of impairment in value of investments	-	-

NOTE No. 1.8
SECURITY DEPOSITS

(Rupees in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Rent Deposit	1,955	1,585
Other Deposits	5,322	4,448
Total	7,277	6,033

NOTE No. 1.9
OTHER NON-CURRENT FINANCIAL ASSETS

(Rupees in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Currency swap & Interest Rate Swap Derivative	-	17
Deposit with Bank having Original Maturity more than 12 months	10	10
Total	10	27

NOTE No. 1.10
CURRENT TAX ASSETS (NET)

(Rupees in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Advance payment of income tax less provisions	769	1,552

NOTE No. 1.11
OTHER NON CURRENT ASSETS
Unsecured, considered good unless otherwise stated

(Rupees in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Capital Advances	20,037	11,213
Less: Provision for doubtful advances	(45)	(28)
Prepaid Expenses	15	11
Advance to Employees-Non Current	3	27
Advances recoverable in cash or in kind of for value to be received	370	363
Total	20,380	11,586

NOTE No. 1.12
INVENTORIES

(Rupees in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Raw Materials and Components	63,484	42,342
Work-in-progress	50,485	41,463
Finished goods	16,138	13,575
Consumable Stores	11,824	8,876
Tools in use	7,185	6,464
Machinery Spares	23,891	18,491
Packing Materials	1,225	836
Stock in transit	309	1,158
Total	1,74,541	1,33,205

NOTE No. 1.13
TRADE RECEIVABLES

(Rupees in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Considered good - Secured	-	-
Considered good - Unsecured	1,11,054	92,059
Significant increase in Credit Risk	1,851	1,598
Credit impaired	59	73
Less: Expected Credit Loss allowance	(1,910)	(1,671)
Total	1,11,054	92,059

Receivables from related parties - refer note 3.7

Movement in Expected Credit Loss allowance is as follows :

Particulars	Opening	Allowance made during the year	write off during the year	Closing
2025-26	1,671	294	(55)	1,910
2024-25	646	1,585	(560)	1,671

(Rupees in Lakhs)

Particulars	Ageing as on March 31, 2026					
	a. Less than 6 Months	b. 6 months - 1 year	c. 1 - 2 years	d. 2 - 3 years	e. More than 3 years	Grand Total
Undisputed						
(i) Considered good	1,05,268	5,276	419	32	59	1,11,054
(ii) significant increase in credit	56	5	984	411	387	1,843
(ii) Credit impaired	-	-	-	19	-	19
Disputed						
(iv) Considered good	-	-	-	-	-	-
(v) significant increase in credit	-	-	-	-	8	8
(vi) Credit impaired	-	-	-	-	40	40
Gross Total						1,12,964
Less: Expected Credit Loss						(1,910)
Total						1,11,054

Particulars	Ageing as on March 31, 2025					
	a. Less than 6 Months	b. 6 months - 1 year	c. 1 - 2 years	d. 2 - 3 years	e. More than 3 years	Grand Total
Undisputed						
(i) Considered good	88,111	3,590	342	16	-	92,059
(ii) significant increase in credit	-	-	1,182	265	143	1,590
(ii) Credit impaired	-	1	26	3	3	33
Disputed						
(iv) Considered good	-	-	-	-	-	-
(v) significant increase in credit	-	-	-	-	8	8
(vi) Credit impaired	-	-	-	-	40	40
Gross Total						93,730
Less: Expected Credit Loss						(1,671)
Total						92,059

NOTE No. 1.14

CASH AND CASH EQUIVALENTS

(Rupees in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
a. Balances with banks	14,477	9,734
b. Cash on hand	6	8
Total	14,483	9,742

NOTE No. 1.15
OTHER BANK BALANCES

(Rupees in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Margin money deposits against Letter of Credit & Guarantee	3,319	2,507
Earmarked balances with banks	2	2
Other Deposits	74	72
Total	3,395	2,581

NOTE No. 1.16
SECURITY DEPOSIT-CURRENT

(Rupees in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Security Deposits	100	90

NOTE No. 1.17
OTHER CURRENT FINANCIAL ASSETS

(Rupees in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Currency swap, Interest Rate Swaps ('IRS') & Forward cover derivative	1,070	1,138
Interest receivable	236	157
Other receivable	190	1,091
Total	1,496	2,386

NOTE No. 1.18
OTHER CURRENT ASSETS

(Rupees in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
(Unsecured, considered good unless otherwise stated)		
Balances with Government Authorities	7,994	7,294
Advance to Suppliers (Other than Capital Goods)	10,254	4,551
Prepaid Expenses	3,127	2,265
Advance to Employees	397	328
Contract assets - Unbilled Revenue	299	340
Others	37	52
Total	22,108	14,830

NOTE No. 1.19
EQUITY SHARE CAPITAL

Particulars	As at March 31, 2026		As at March 31, 2025	
	Nos.	Amount	Nos.	Amount
<u>Authorised</u>				
Equity Shares of Rs.5 each	4,00,00,000	2,000	4,00,00,000	2,000
<u>Issued, called, subscribed & Paid Up</u>				
Equity Shares of Rs.5 each	2,38,55,583	1,193	2,38,55,583	1,193
Total	2,38,55,583	1,193	2,38,55,583	1,193

(a) The movement of equity shares is as below

Particulars	2025-26		2024-25	
	Nos.	Amount	Nos.	Amount
Shares outstanding at the beginning of the year	2,38,55,583	1,193	2,11,28,311	1,056
Additions due to issue of shares	-	-	27,27,272	136
Shares outstanding at the end of the year	2,38,55,583	1,193	2,38,55,583	1,193

(b) Rights, Preferences and Restrictions to equity shares

The Company has only one class of equity shares having a par value of Rs.5 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the shareholders will be entitled to receive the remaining assets of the Company, in proportion to their shareholding.

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

Name of the equity shareholder	As at March 31, 2026		As at March 31, 2025	
	No. of Shares	% of Holding	No. of Shares	% of Holding
S Ravi	1,05,00,000	44.01%	1,05,00,000	44.01%
S Murali	11,17,413	4.68%	11,17,413	4.68%
Total	1,16,17,413	48.70%	1,16,17,413	48.70%

(d) Details of Promoter's shareholding in the Company

Name of the Promoter	As at March 31, 2026			As at March 31, 2025		
	No. of Shares held	% of Holding	% Change	No. of Shares held	% of Holding	% Change
Promoter						
S Ravi	1,05,00,000	44%	0%	1,05,00,000	44%	-6%
Promoter Group						
Murali S	11,17,413	5%	0%	11,17,413	5%	0%
Chithra Ravi	200	0%	0%	200	0%	0%
Gautham Ram R	200	0%	0%	200	0%	0%
Mirthula R	200	0%	0%	200	0%	0%
Total	1,16,18,013	49%	0%	1,16,18,013	49%	-6%

(e) For the period of five years immediately preceding the balance sheet date**(i) Details of number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash**

- The Company has not allotted any shares pursuant to contracts without payment being received in cash

(ii) Details of number and class of shares allotted as fully paid up by way of bonus shares:

- The Company has not allotted any shares as fully paid up by way of bonus shares

(iii) Details of number and class of shares bought back:

- The Company has not bought back any shares during the period of 5 years immediately preceding the balance sheet date

(iv) Sub-division of shares:

- The Company has not sub-divided any shares during the period of 5 years immediately preceding the balance sheet date.

Qualified Institutions Placement ('QIP')

During the year 2024-25, the Company issued 27,27,272 equity shares of face value ₹5 each through Qualified Institutions Placement ('QIP') at an issue price of ₹4,400/- per share (including securities premium of ₹4,395/- per share) aggregating ₹1,20,000 lakhs.

NOTE No. 1.20
OTHER EQUITY

(Rupees in Lakhs)

Particulars		As at March 31, 2026	As at March 31, 2025
Reserves & Surplus			
Securities Premium	(i)	1,46,009	1,46,009
General Reserves	(ii)	9,662	9,662
Retained Earnings	(iii)	1,65,304	1,28,183
Total Reserves & Surplus		3,20,975	2,83,854
Cash Flow Hedging Reserve	(iv)	373	252
Equity instruments through Other Comprehensive Income	(v)	(321)	(321)
Foreign currency translation reserve	(vi)	3,589	211
Share of Networth in JV	(vii)	518	406
Capital Reserve on business combination	(viii)	79	79
Total		3,25,213	2,84,481

Additions and Deductions since the last balance sheet date:

(i) Securities Premium Account

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	1,46,009	28,123
Premium on fresh issue of shares	-	1,19,863
Issue expenses adjusted	-	(1,977)
Closing balance	1,46,009	1,46,009

(ii) General Reserve

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	9,662	9,662
Movement during the period	-	-
Closing Balance	9,662	9,662

(iii) Retained Earnings

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	1,28,183	1,26,890
Profit for the year	38,287	19,357
Items of other comprehensive income recognised directly in retained earnings:		
- Remeasurements of defined benefit obligation (net of tax)	26	(682)
Dividend (including dividend distribution tax)	(1,192)	(2,377)
Acquisition of Non-controlling Interest		(15,005)
Closing balance	1,65,304	1,28,183

(iv) Cash Flow Hedging Reserve

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	252	(253)
Changes in fair value of hedging instruments	162	675
Deferred Tax	(41)	(170)
Closing Balance	373	252

(v) Equity instruments through Other Comprehensive Income

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	(321)	(321)
Changes in fair value of FVOCI equity instruments	-	-
Closing Balance	(321)	(321)

(vi) Foreign currency translation reserve

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	211	333
Exchange differences in translating the financial statements of foreign operations	3,378	(122)
Closing Balance	3,589	211

(vii) Share of Networth in JV

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	406	308
Share of current year profits in Joint Venture	112	100
Share of Other Comprehensive Income in Joint Venture	-	(2)
Closing Balance	518	406

(viii) Capital reserve on business combination

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	79	-
Additions: Business Combination (Refer Note: 3.11)	-	79
Closing Balance	79	79

Refer "Statement of Changes in Equity" for additions/deletions in each of these items

A. Securities Premium represents premium received on equity shares issued, which can be utilised only in accordance with the provisions of the Companies Act, 2013 for specified purposes.

B. General reserve is created from time to time by transferring profits from retained earnings and can be utilised for purposes such as dividend pay-out, bonus issue, etc.

C. Retained Earnings includes Rs 5,542 lacs of revaluation reserve created due to Land revaluation on transition to Ind AS (April 01, 2015), which will not be available for distribution of profits

D. Cash flow hedge reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the hedging instruments that are recognised and accumulated in this reserve are reclassified to profit or loss only when the hedged transaction affects the profit or loss.

E. The amount that can be distributed by the Company as dividends to its equity shareholders is determined considering the requirements of the Companies Act, 2013 and the dividend distribution policy of the Company. Thus, the amount reported in General Reserve is not entirely distributable.

In respect of the year ended March 31, 2026, the Board of Directors has proposed a final dividend of Rs.11.25 per share of face value Rs.5 each to be paid on fully paid equity shares. This dividend is subject to approval by shareholders at the forth coming Annual General Meeting and has not been included as a liability in these financial statements. The proposed dividend is payable to all holders of fully paid equity shares. The total estimated dividend to be paid is Rs.2,684 lakhs.

NOTE No. 1.21 NON-CONTROLLING INTEREST

(Rupees in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	-	9,368
On business combination	-	-
Profit attributable to non-controlling Interest for the year	-	630
Other comprehensive income attributable to non-controlling interest for the year	-	(3)
Acquisition of non-controlling interest	-	(9,995)
Closing Balance	-	-

NOTE No. 1.22

LONG TERM BORROWINGS

(Rupees in Lakhs)

Particulars	As at March 31, 2026		As at March 31, 2025	
	Non-Current	Current *	Non-Current	Current *
Secured				
From Banks				
Rupee Term Loans	2,10,339	24,112	1,36,307	12,684
Foreign Currency Term Loans	-	4,374	3,942	3,935
	2,10,339	28,486	1,40,249	16,619
From NBFC				
Rupee Term Loans	30,759	2,393	24,657	1,807
Foreign Currency Term Loans	-	331	280	136
	30,759	2,724	24,937	1,943
Total	2,41,098	31,210	1,65,186	18,562

Notes:

1. The above long term borrowings are carried at amortised cost.

Particulars	As at March 31, 2026	As at March 31, 2025
Loans at amortised cost as at the end of the year (Current + Non-Current)	2,72,308	1,83,748
Add : Unamortised upfront fee paid as at the end of year	344	278
Gross loan outstanding as at the end of the year	2,72,652	1,84,026

2. Refer note no 3.9 for security and terms of borrowings.

* Taken to short term borrowings (Note 1.27)

Net Debt Reconciliation:
For the year ended March 31,2026

Particulars	Cash and cash equivalents	Instrument to hedge the finance liability**	Current Borrowing	Non - Current Borrowing plus current maturity of long term debt*	Lease Liability	Total
Balance as at 01 April, 2025	9,742	1,012	(21,970)	(1,83,858)	(30,393)	(2,25,467)
Acquisition of RoU asset	-	-	-	-	(11,430)	(11,430)
On Business Combination	-	-	-	-	-	-
Cash Flows	3,598	-	(39,832)	(88,672)	13,537	(1,11,369)
Fair Value changes	-	58	-	-	-	58
Foreign exchange adjustments	1,143	-	(223)	(175)	-	745
Interest expense & other charges	-	-	(7,820)	(19,028)	(2,306)	(29,154)
Interest & charges paid	-	-	8,036	18,661	2,306	29,003
Balance as at March 31,2026	14,483	1,070	(61,809)	(2,73,072)	(28,286)	(3,47,614)

For the year ended March 31, 2025

Particulars	Cash and cash equivalents	Instrument to hedge the finance liability**	Current Borrowing	Non - Current Borrowing plus current maturity of long term debt*	Lease Liability	Total
Balance as at April 01, 2024	6,349	684	(28,079)	(1,27,298)	(20,838)	(1,69,182)
Acquisition of RoU asset	-	-	-	-	(14,977)	(14,977)
On Business Combination	2,520	-	-	-	(155)	2,365
Cash Flows	850	-	6,431	(57,127)	5,609	(44,237)
Fair Value changes	-	328	-	-	-	328
Foreign exchange adjustments	23	-	24	(111)	-	(64)
Interest expense & other charges	-	-	(6,417)	(11,791)	(1,863)	(20,071)
Interest & charges paid	-	-	6,071	12,469	1,831	20,371
Balance as at March 31, 2025	9,742	1,012	(21,970)	(1,83,858)	(30,393)	(2,25,467)

*Includes the portion of "interest accrued but not due" pertaining to borrowings.

** does not include foreign currency forward contracts that are used for hedging liabilities that are operating cash flows

NOTE No. 1.23
LEASE LIABILITIES - NON-CURRENT
(Rupees in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Lease Liabilities - Non-current	20,778	20,306
Total	20,778	20,306

Refer Note No E.c & 3.10

NOTE No. 1.24**(Rupees in Lakhs)****NON-CURRENT FINANCIAL LIABILITIES- OTHERS**

Particulars	As at March 31, 2026	As at March 31, 2025
Currency swap & Interest Rate Swap Derivative	-	143
Rent Advance	2	2
Caution deposit from suppliers	206	-
Others	618	618
Total	826	763

Notes:

1. Currency swaps are for principal only and are cash flow hedge and hence are carried at fair value through OCI
2. Interest Rate Swap & Interest Rate Collar derivatives that are hedge effective are carried at fair value through OCI & others are carried at fair value through Statement of Profit & Loss
3. Rent advance is carried at amortized cost as it is not material to be fair valued

NOTE No. 1.25**LONG TERM PROVISIONS****(Rupees in Lakhs)**

Particulars	As at March 31, 2026	As at March 31, 2025
Other Provisions		
Provision for compensated absences	-	336
Total	-	336

NOTE No. 1.26**DEFERRED TAX LIABILITIES (NET)**

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred Tax Liabilities	22,470	20,586
Deferred Tax Assets	(20,237)	(19,980)
Total	2,233	606

Note : Refer Note No 3.3 for detailed deferred tax working and effective tax rate reconciliation

NOTE No. 1.27**SHORT TERM BORROWINGS****(Rupees in Lakhs)**

Particulars	As at March 31, 2026	As at March 31, 2025
Secured		
Loans repayable on demand from banks		
Rupee Loans	49,221	7,532
Foreign Currency Loans	2,681	81
Sub-total (A)	51,902	7,613
Unsecured		
Rupee Loans	9,853	5,000
Foreign Currency Loans	-	9,065
Sub-total (B)	9,853	14,065
Current maturities of long-term debt (C)	31,210	18,562
Total (A + B + C)	92,965	40,240

NOTE No. 1.28**LEASE LIABILITIES - CURRENT****(Rupees in Lakhs)**

Particulars	As at March 31, 2026	As at March 31, 2025
Lease Liabilities - Current	7,507	10,086
Total	7,507	10,086

NOTE No. 1.29**TRADE PAYABLES****(Rupees in Lakhs)**

Particulars	As at March 31, 2026	As at March 31, 2025
Due to Micro and Small Enterprises-(MSE)	4,726	4,449
Sub-total (A)	4,726	4,449
Due to Other Suppliers	1,34,033	1,23,028
Accrued Expenses	7,249	5,956
Sub-total (B)	1,41,282	1,28,984
Total (A + B)	1,46,008	1,33,433

Payables to related parties - refer note 3.7

Particulars	Ageing as on March 31, 2026				
	a. Less than 1 year	b. 1 - 2 years	c. 2 - 3 years	d. More than 3 years	Grand Total
(i) MSE	4,619	82	25	-	4,726
(ii) Others	1,32,909	683	202	239	1,34,033
(iii) Disputed dues - MSE	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-
Gross Total	1,38,759				
Accrued Expenses	7,249				
Total	1,46,008				

Particulars	Ageing as on March 31, 2025				
	a. Less than 1 year	b. 1 - 2 years	c. 2 - 3 years	d. More than 3 years	Grand Total
(i) MSE	4,429	20	-	-	4,449
(ii) Others	1,22,069	590	165	204	1,23,028
(iii) Disputed dues - MSE	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-
Gross Total	1,27,477				
Accrued Expenses	5,956				
Total	1,33,433				

NOTE No. 1.30

OTHER CURRENT FINANCIAL LIABILITIES

(Rupees in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Interest accrued but not due on borrowings	856	854
Creditors for capital goods and services	20,912	15,033
Employee related liabilities	6,754	14,270
Dues to directors	28	15
Dividend Payable	2	2
Others	3,486	3,478
Total	32,038	33,652

NOTE No. 1.31

CURRENT TAX LIABILITIES (NET)

(Rupees in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Income tax provisions less advance payment	4,862	1,162

NOTE No. 1.32
OTHER CURRENT LIABILITIES

(Rupees in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Advance from customers	18,090	11,974
Deferred Revenue- EPCG benefit	1,018	427
Statutory Dues	1,290	5,530
Others	99	109
Total	20,497	18,040

NOTE No. 1.33
SHORT TERM PROVISIONS

(Rupees in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for employee benefits		
Gratuity	1,305	1,042
Compensated absences	133	449
Other Provisions		
Provision for Warranty Cost	510	388
Provision for Rejection	664	281
Total	2,612	2,160

Note:

Movement in Provision for product warranties is as follows :

	Opening	Expired during the year	Warranty provided for current year	Closing
2025-26	388	388	510	510
2024-25	294	294	388	388

This provision is recognised once the products are sold. The estimated provision takes into account historical information, frequency and average cost of warranty claims and the estimate regarding possible future incidence of claims. The provision for warranty claims represents the present value of management's best estimate of the future obligations. The outstanding provision for product warranties as at the reporting date is for the balance unexpired period of the respective warranties on the various products which ranges upto one year.

Movement in Provision for Rejection is as follows :

	Opening	Expired during the year	Rejection provided for current year	Closing
2025-26	281	281	664	664
2024-25	196	196	281	281

This provision is recognised once the products are sold. Materials are rejected due to various reasons and either get re-processed or replaced to the customers depending on the type of rejections. These rejections gets fulfilled within a period of 3 months and the provisions represents the present value of management's best estimate of possible rejections within the next one quarter.

NOTE No. 2.1**REVENUE FROM OPERATIONS****(Rupees. In Lakhs)**

Particulars		March 31, 2026	March 31, 2025
Sale of products:	A.	6,88,922	4,67,168
Sale of services:			
Machining Charges		76,531	68,646
Service Charges		833	1,484
	B.	77,364	70,130
Other operating revenues:			
Sale of swarf & others		34,149	27,188
Duty Drawback		684	395
EPCG income on fulfilling obligation		4,880	3,662
Export Incentive under RoDTEP		928	505
	C.	40,641	31,750
Revenue from operations (A+B+C)		8,06,927	5,69,048

Refer Note no: 3.12 "Segment Reporting" for breakup of revenue from operations.

NOTE No. 2.2**OTHER INCOME****(Rupees. In Lakhs)**

Particulars		March 31, 2026	March 31, 2025
Interest Income from deposits measured at amortised cost		482	925
Interest Income due to unwinding of fair valued assets			
-Rent Advance		69	74
Net gain on sale of assets		1,430	7
Rental income		155	151
Exchange rate Gain/(Loss) on Transaction & Translation		2,742	1,133
MTM Gain / (Loss) - Derivative -(Net)		-	2
Others		1,258	215
Total		6,136	2,507

NOTE No. 2.3**COST OF MATERIALS CONSUMED****(Rupees. In Lakhs)**

Particulars		March 31, 2026	March 31, 2025
Cost of goods sold		4,43,484	3,24,802
Carriage inward		4,382	2,879
Sub Contract Charges		4,673	1,992
Total		4,52,539	3,29,673

NOTE No. 2.4**CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS****(Rupees. In Lakhs)**

Particulars	March 31, 2026	March 31, 2025
Inventory at the end of the year		
Work in Progress	50,485	41,463
Finished Goods	16,138	13,575
Sub total	66,623	55,038
Inventory at the beginning of the year		
Work in Progress	40,706	30,980
Finished Goods	13,574	4,592
Sub total	54,280	35,572
(Increase) / decrease in inventory	(12,343)	(19,466)

NOTE No. 2.5**EMPLOYEE BENEFITS EXPENSE****(Rupees. In Lakhs)**

Particulars	March 31, 2026	March 31, 2025
Salaries and wages	45,549	34,655
Contributions to Provident Fund & Employee State Insurance	3,310	1,983
Contribution to Gratuity fund	618	641
Managerial Remuneration	2,029	1,134
Staff welfare expenses	7,222	5,213
Total	58,728	43,626

NOTE No. 2.6**DEPRECIATION, AMORTIZATION AND IMPAIRMENT EXPENSE****(Rupees. In Lakhs)**

Particulars	March 31, 2026	March 31, 2025
Depreciation on Property, Plant & Equipment	40,828	31,867
Amortization of Intangible Assets	650	327
Amortization- Right-of-use Asset	2,753	2,445
Write off	154	74
Impairment expense / (reversal) of Capital Work in Progress	-	(11)
Total	44,385	34,702

NOTE No. 2.7**OTHER EXPENSES****(Rupees. In Lakhs)**

Particulars	March 31, 2026	March 31, 2025
Manufacturing Expenses		
Stores, Spares & tool consumed	42,660	31,171
Power & Fuel	52,305	36,757
Repairs & Maintenance		
- Machinery	14,063	12,104
- Building	1,603	949
- Others	3,889	3,013
Payment to contractors	30,173	18,296
Other manufacturing expenses	2,245	1,169
A.	1,46,938	1,03,459
Administrative Expenses		
Professional and Consultancy charges	3,865	3,994
Insurance Charges	1,427	831
Rates & Taxes	663	793
Software Licenses	1,646	993
General Administrative Expenses	2,921	1,983
De-recognition of Investment	-	30
Printing & Stationary	349	352
Postage & Telegrams	63	110
Rent	1,583	784
Telephone Expenses	262	223
Travelling Expenses	3,010	2,576
Directors' Sitting Fees	54	41
Remuneration to auditors#	272	272
Corporate Social Responsibility Expenses	776	755
Amounts written off		
Bad debts	55	560
Provisions for the year		
Doubtful advances	18	-
Warranty	113	99
Rejections	607	101
Doubtful debts	221	383
B.	17,905	14,880
Selling expenses		
Packing material consumed	6,461	4,908
Carriage Outward	11,697	7,808
Sales Promotion Expenses	1,243	889
C.	19,401	13,605
Total (A+B+C)	1,84,244	1,31,944

includes Audit fees paid by the subsidiaries to their respective auditors

NOTE No. 2.8**FINANCE COSTS****(Rupees. In Lakhs)**

Particulars	March 31, 2026	March 31, 2025
Interest expenses		
On Short Term Borrowings	7,830	6,417
On Long Term Borrowings at Amortised Cost	17,909	11,702
Others	1,097	472
Other Borrowing costs		
Unwinding of discounted Upfront fee on loans	130	89
Interest unwind - lease liability	2,306	1,863
Unwinding of Rent Advance	69	74
Bank charges	1,032	739
Net (gain)/loss on foreign currency transactions and translation	524	308
Total	30,897	21,664

Notes to Consolidated Financial Statements for the year ended 31 March 2026:

3.1 Subsidiaries and Joint Venture considered in the Consolidated Financial Statements:

Following Subsidiaries are considered in the Consolidated Financial Statements:

S.No	Name of the Subsidiary/Stepdown Subsidiary	Relationship	Country of Incorporation	% of Ownership Interest	
				March 31, 2026	March 31, 2025
1	DR Axion India Limited	Subsidiary	India	100%	100%
2	Sunbeam Lightweighting Solutions Limited	Subsidiary	India	100%	100%
3	Craftsman Germany Gmbh	Subsidiary	Germany	100%	100%
4	Craftsman Europe B.V	Subsidiary	Netherlands	100%	100%
5	Suprash Developers Private Limited, India*	Subsidiary of DR Axion India Limited	India	100%	-
6	Srikara Technologies Private Limited, India*	Subsidiary of Suprash Developers Private Limited	India	100%	-
7	Craftsman Fronberg Guss GmbH, Germany	Subsidiary of Craftsman Germany GmbH	Germany	100%	100%
8	Craftsman Fronberg Guss Immobilien GmbH, Germany	Subsidiary of Craftsman Germany GmbH	Germany	100%	100%

*w.e.f. December 20, 2025

Following Joint Venture is considered in the Consolidated Financial Statements:

S.No	Name of the Joint Venture	Country of Incorporation	% of Ownership Interest	
			March 31, 2026	March 31, 2025
1	Carl Stahl Craftsman Enterprises Private limited	India	30%	30%

3.2 Additional Information – Subsidiaries & Joint Ventures:

Additional Information, as required under Schedule III to the Companies Act, 2013 of entities consolidated as Subsidiaries & Joint Ventures

Name of the entity	March 31, 2026		March 31, 2025	
	As a % of consolidated Net Assets	Amount	As a % of consolidated Net Assets	Amount
Parent Company				
Craftsman Automation Limited	92.26%	3,01,150	97.99%	2,79,937
Domestic Subsidiaries				
DR Axion India Limited*	25.07%	81,836	17.90%	51,134
Sunbeam Lightweighting Solutions Limited	6.10%	19,912	3.76%	10,743
Foreign Subsidiaries				
Craftsman Europe B.V	1.08%	3,505	0.95%	2,724
Craftsman Germany Gmbh*	6.10%	19,912	5.38%	15,373
Joint Venture				
Carl Stahl Craftsman Enterprises Private Limited	0.16%	518	0.14%	406
Sub Total	130.77%	4,26,833	126.13%	3,60,317
Add/Less: Intragroup eliminations / adjustments	-30.77%	(1,00,427)	-26.13%	(74,643)
Total	100.00%	3,26,406	100.00%	2,85,674

*Including its subsidiaries.

Name of the entity	Rs. In Lakhs			
	March 31, 2026		March 31, 2025	
	As a % of consolidated Profit or Loss	Amount	As a % of consolidated Profit or Loss	Amount
Parent Company				
Craftsman Automation Limited	57.68%	22,147	46.65%	9,370
Domestic Subsidiaries				
DR Axion India Limited*	48.96%	18,799	63.28%	12,712
Sunbeam Lightweighting Solutions Limited	-10.51%	(4,036)	-10.46%	(2,101)
Foreign Subsidiaries				
Craftsman Europe B.V	0.71%	273	0.42%	85
Craftsman Germany GmbH*	4.34%	1,668	0.58%	117
Joint Venture				
Carlstahl Craftsman Enterprises Private Limited	0.29%	112	0.50%	100
Sub Total	101.47%	38,963	100.97%	20,283
Add/Less: Intragroup eliminations / adjustments	-1.47%	(564)	-0.97%	(196)
Total	100.00%	38,399	100.00%	20,087

*Including its subsidiaries.

Name of the entity	Rs. In Lakhs			
	March 31, 2026		March 31, 2025	
	As a % of consolidated OCI	Amount	As a % of consolidated OCI	Amount
Parent Company				
Craftsman Automation Limited	7.35%	259	-106.58%	324
Domestic Subsidiaries				
DR Axion India Limited*	0.11%	4	8.22%	(25)
Sunbeam Lightweighting Solutions Limited	-3.29%	(116)	157.57%	(479)
Foreign Subsidiaries				
Craftsman Europe B.V	14.41%	508	-20.72%	63
Craftsman Germany GmbH*	81.42%	2,871	60.86%	(185)
Joint Venture				
Carlstahl Craftsman Enterprises Private Limited	0.00%	-	0.33%	(1)
Sub Total	100.00%	3,526	99.67%	(303)
Add/Less: Intragroup eliminations / adjustments	0.00%	-	0.33%	(1)
Total	100.00%	3,526	100.00%	(304)

*Including its subsidiaries.

Name of the entity	Rs. In Lakhs			
	March 31, 2026		March 31, 2025	
	As a % of consolidated TCI	Amount	As a % of consolidated TCI	Amount
Parent Company				
Craftsman Automation Limited	53.44%	22,406	49.00%	9,694
Domestic Subsidiaries				
DR Axion India Limited*	44.85%	18,803	64.13%	12,687
Sunbeam Lightweighting Solutions Limited	-9.90%	(4,152)	-13.04%	(2,580)
Foreign Subsidiaries				
Craftsman Europe B.V	1.87%	782	0.75%	148
Craftsman Germany GmbH*	10.83%	4,539	-0.34%	(68)
Joint Venture				
Carlstahl Craftsman Enterprises Private Limited	0.27%	112	0.50%	99
Sub Total	101.35%	42,490	100.99%	19,980
Add/Less: Intragroup eliminations / adjustments	-1.35%	(565)	1.00%	197
Total	100.00%	41,925	100.00%	19,783

*Including its subsidiaries.

3.3 Income taxes

Income tax expense for the year reconciled to accounting profit

Particulars		Rs. In Lakhs	
		Year Ended March 31, 2026	Year Ended March 31, 2025
Profit before tax	a	53,430	26,965
Income tax rate	b	25.168%	25.168%
Income tax expenses	a*b	13,447	6,787
Effect of			
i) Expenses inadmissible for tax		406	349
ii) Difference in income tax rate of Subsidiaries		74	(306)
iii) Share of profit from JV		(28)	(25)
iv) Deferred Tax Assets pertaining to earlier years		1,041	-
v) Others		91	74
Income tax expense recognised in Statement of Profit & loss		15,031	6,878

Movement of deferred tax assets/ liabilities:

Rs. In Lakhs					
Movement during the year ended March 31, 2026	As at March 31, 2025	Recognised in P&L	Recognised in OCI	On Business Combination	As at March 31, 2026
Depreciation & Amortization	(14,521)	(3,146)	-	-	(17,667)
Provision for doubtful debts	414	57	-	-	471
Other Temporary Differences	13,501	1,550	(88)	-	14,963
Total	(606)	(1,539)	(88)	-	(2,233)

Movement during the year ended March 31 2025	As at March 31 2024	Recognised in P&L	Recognised in OCI	On Business Combination	As at March 31, 2025
Depreciation & Amortization	(13,758)	(763)	-	-	(14,521)
Provision for doubtful debts	160	254	-	-	414
Other Temporary Differences	450	1,327	(100)	11,824	13,501
Total	(13,148)	818	(100)	11,824	(606)

3.4 Employee Benefits

3.4 A) Defined Contribution Plan

The employee provident fund, employee state insurance and superannuation fund are in the nature of Defined Contribution Plan. The contribution made to these schemes are considered as expense in the Statement of Profit and Loss when the employee renders the related service.

The total expenses recognised in Statement of Profit or Loss of Rs. 3,310 lakhs (2024-25: Rs. 1,983 lakhs) represents contribution payable to these plans by the Group at rates specified in the rules of the plan.

3.4 B) Defined benefit plans

a. The Group extends defined benefit plan in the form of gratuity to employees. The Group makes annual contribution to gratuity fund administered by trustees and managed by SBI Life Insurance Company Ltd for the company and Aditya Birla Sun Life Insurance Company Ltd for DR Axion India Limited, Life Insurance Corporation of India for Sunbeam Lightweighting Solutions Limited and Federal Employment Agency in Germany for Craftsman Germany GmbH respectively. The Group's liability is determined based on actuarial valuation done at the year end as per projected unit credit method. The plan provides for a lump-sum payment to vested employees at retirement, death, while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service subject to the maximum of Rs.20 lakhs. Vesting occurs upon completion of five years of service.

These plans typically expose the Group to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.
Liquidity Risk	Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign / retire from the Group there can be strain on the cash flows.
Market Risk	Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate / government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.
Legislative Risk	Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation / regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

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

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Discount rate	6.90% to 7.55%	6.55% to 6.87%
Expected rate of salary increase	5.00% to 10.00%	5.00% to 10.00%
Attrition rate	5.00% to 10.00%	5.00% to 10.00%

The estimate of future salary increase take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

c. Amounts recognised in total comprehensive income in respect of these defined benefit plans are as follows:

Particulars	Rs. In Lakhs	
	2025-26 Rs. In Lakhs	2024-25 Rs. In Lakhs
Current Service Cost	596	452
Net interest expense/ (income)	47	50
Past Service Cost	387	
Component of defined benefit cost recognised in P&L	1,030	502
<u>Remeasurement on the net defined benefit liability comprising:</u>		
Actuarial (Gain)/loss arising from changes in financial assumptions	(285)	162
Actuarial (Gain)/ Losses due to Experience on Defined Benefit Obligation	243	358

Actuarial (Gain)/Loss arising from changes in financial assumptions due to demographic assumption changes in Defined Benefit Obligation	-	70
Return on Plan Assets (Greater) / Less than Discount rate	(32)	163
Components of defined benefit costs recognised in other comprehensive income	(74)	755
Total Defined Benefit Cost	956	1,257

d. The amount included in the balance sheet arising from the Group's obligation in respect of its defined benefit plans is as follows

Particulars	Rs. In Lakhs	
	As at Mar 31, 2026	As at Mar 31, 2025
Present value of defined benefit obligation	5,587	5,742
Fair value of plan assets	4,282	4,698
Net liability arising from defined benefit obligation (funded)	(1,305)	(1,044)

e. Movements in the present value of the defined benefit obligation in the current year were as follows:

Particulars	Rs. In Lakhs	
	Year ended Mar 31, 2026	Year ended Mar 31, 2025
Opening defined benefit obligation	5,742	2,895
Acquired on Business Combination	-	3,335
Current Service Cost	596	452
Interest Cost	382	332
Benefits paid	(1,479)	(1,864)
Actuarial (gain)/loss	(42)	592
Plan Amendments	388	
Closing defined benefit obligation	5,587	5,742

f. Movements in fair value of plan assets in the current year were as follows:

Particulars	Rs. In Lakhs	
	Year ended Mar 31, 2026	Year ended Mar 31, 2025
Opening fair value of plan assets	4,698	2,264
Acquired on Business Combination	-	2,649
Interest income of the assets	337	281
Employer contribution	694	1,531
Benefits payout	(1,478)	(1,864)
Actuarial gain/(loss)	31	(163)
Closing fair value of plan assets	4,282	4,698

g. The Group funds the cost of the gratuity expected to be earned on a yearly basis .

The actual return on plan assets was Rs. 368 lakhs (2024-25: Rs. 160 lakhs)

h. Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity analysis below has been determined based on reasonably possible changes of the respective assumption occurring at the end of the reporting year.

Rs. In Lakhs

	As at Mar 31, 2026	As at Mar 31, 2025
If the discount rate is 100 basis points higher/lower, the defined benefit obligation would		
• Decrease by (Mar 26: (2.40%) to (10.77%); Mar 25: (3.20%) to (9.93%))	(1,494)	(2,407)
• Increase by (Mar 26: 2.50% to 11.77% ; Mar 25: 3.50% to 11.66%)	1,651	2,606
If the expected salary is 100 basis points higher/lower, the defined benefit obligation would		
• Increase by (Mar 26: 2.50% to 10.25% ; Mar 25: 3.50% to 11.15%)	1,592	2,554
• Decrease by (Mar 26: (2.40%) to (9.65%) ; Mar 25: (3.30%) to (9.65%))	(1,442)	(2,374)
If the attrition rate is 100 basis points higher/lower, the defined benefit obligation would		
• Increase by (Mar 26: 0.50% to 1.69%; Mar 25: 0.70% to 1.51%)	1,242	2,213
• Decrease by (Mar 26: (0.50%) to (1.90%) ; Mar 25: (1.29%) to (1.75%))	(1,240)	(2,169)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of each reporting year, which is the same as that applied in calculating the defined benefit obligation liability recognized in the balance sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from previous year.

i. Funding arrangements

The Group has been fully funding the liability through a trust administered by an insurance company. Regular assessment of the increase in liability is made by the insurance company and contributions are being made to maintain the fund. Subject to credit risk of the insurance company & the asset liability mismatch risk of the investments, the Group will be able to meet the past service liability on the valuation date that falls due in the future.

The Group expects to make a contribution of Rs 668 lakhs (as at March 31, 2025: Rs 963 lakhs) to the defined benefit plans for the next financial year.

Information on the maturity profile of the liabilities:

Particulars	31 st Mar 2026	31 st Mar 2025
Weighted average duration of the DBO	5.50 -12.81 years Rs. Lakhs	3.00 -12.95 years Rs. Lakhs
Projected Benefit Obligation	5,589	5,743

j. Maturity Profile:

Rs. In Lakhs

FUTURE PAYOUTS	Present Value
Year (i)	561
Year (ii to v)	1,936
Next 5 year pay-outs(6-10yrs)	2,305
Pay-outs above ten years	9,032

3.5 Earnings per share (EPS)

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
	Rs.	Rs.
Earnings per share		
Basic earnings per share	160.96	83.68
Diluted earnings per share	160.96	83.68
Face value per share	5	5
Basic and diluted earnings per share	Rs. Lakhs	Rs. Lakhs
Profit for the year attributable to equity shareholders	38,399	19,457
	Nos.	Nos.
Total number of equity shares outstanding at the end of the year	2,38,55,583	2,38,55,583
Weighted average number of equity shares used in the calculation of basic earnings per share after adjustment for effect of dilution	2,38,55,583 2,38,55,583	2,32,50,353 2,32,50,353

3.6 Financial Instruments:

3.6a Capital Management:

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

The Group manages its capital structure and makes adjustments to it, in light of changes to economic conditions and the strategic objectives of the Group. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, buy back shares and cancel them, or issue new shares. The Group finances its operations by a combination of retained profit, bank borrowings, disposals of property assets and leases.

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

The Debt to equity ratio as at end of the year is given below:

Particulars	Rs. In Lakhs	
	As at March 31, 2026	As at March 31, 2025
Debt (long-term and short-term borrowings including current maturities)	3,34,063	2,05,426
Equity	3,26,406	2,85,674
Debt Equity Ratio	1.02	0.72

3.6b Financial risk management

In course of its business, the Group is exposed to certain financial risks that could have significant influence on the Group's business and operational / financial performance. These include market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

The Board of Directors reviews and approves risk management framework and policies for managing these risks and monitors suitable mitigating actions taken by the management to minimise potential adverse effects and achieve greater predictability to earnings.

In line with the overall risk management framework and policies, the treasury function provides services to the business, monitors and manages through an analysis of the exposures by degree and magnitude of risks.

The Group uses derivative financial instruments to hedge risk exposures in accordance with the Group's policies as approved by the board of directors.

i. Market Risk

Market risk is the risk that changes in market prices, liquidity and other factors that could have an adverse effect on realizable fair values or future cash flows to the Group. The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates as future specific market changes cannot be normally predicted with reasonable accuracy

A. Foreign currency risk management:

The Group undertakes transactions denominated in foreign currencies and thus it is exposed to exchange rate fluctuations. The Group actively manages its currency rate exposures, arising from transactions entered and denominated in foreign currencies, through treasury division and uses derivative instruments such as foreign currency forward contracts to mitigate the risks from such exposures. The use of derivative instruments is subject to limits and regular monitoring by Management. The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

Assets	Currency	As at March 31, 2026		As at March 31, 2025	
		Amount in Foreign currency (Lakhs)	Amount in Rs (Lakhs)	Amount in Foreign currency (Lakhs)	Amount in Rs (Lakhs)
Receivables	USD	161	15,264	126	10,738
	EUR	40	4,316	31	2,908
	GBP	1	69	-	-
Other receivables (EEFC accounts)	USD	6	528		
	EUR	5	571		
Total Receivables (A)			20,748		13,646
Hedged by derivative contracts (B)		-	-	-	-
Unhedged receivables (C=A-B)			20,748		13,646

Liabilities	Currency	As at March 31, 2026		As at March 31, 2025	
		Amount in Foreign currency (Lakhs)	Amount in Rs (Lakhs)	Amount in Foreign currency (Lakhs)	Amount in Rs (Lakhs)
Payable (trade & other)	USD	44	4,153	67	5,726
	JPY	5,181	3,080	12,161	6,930
	EUR	28	3,032	20	1,880
	GBP	0.39	49	0.34	37
Borrowings (ECB and Others)	USD	56	5,325	210	17,949
Total Payables (A)			15,639		32,522
Hedges by derivative contracts (B)	USD	23	2,188	46	3,945
Unhedged payables (C=A-B)			13,451		28,577

B. Foreign currency sensitivity analysis:

Movement in the functional currencies of the various operations of the Group against major foreign currencies may impact the Group's revenues from its operations. Any weakening of the functional currency may impact the Group's cost of imports and cost of borrowings and consequently may increase the cost of financing the Group's capital expenditures.

The foreign exchange rate sensitivity is calculated for each currency by aggregation of the net foreign exchange rate exposure of a currency and a parallel foreign exchange rates shift in the foreign exchange rates of each currency by 1%, which represents Management's assessment of the reasonably possible change in foreign exchange rates.

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments. The following table details the Group's sensitivity movement in the unhedged foreign exposure:

Currency	Rs. Lakhs	
	1% Strengthening of FC	
	As at March 31, 2026	As at March 31, 2025
USD	85	(90)
GBP	0.20	(0.37)
EUR	19	10
JPY	(31)	(69)
	73	(149)

A depreciation of foreign currencies would have the opposite effect to the impact in the table above.

Interest rate risk management:

The Group is exposed to interest rate risk pertaining to funds borrowed at both fixed and floating interest rates. The risk of floating interest rates in foreign currency loans is managed by the Group by the use of interest rate swap contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies.

Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates at the end of the reporting period. For floating rate liabilities which are unhedged, the analysis is prepared assuming that the amount of the liability as at the end of the reporting period was outstanding for the whole year. An increase or decrease of 50 basis point in rupee interest rates and 25 basis points in USD SOFR rate is used when reporting interest rate risk internally to key management personnel and represents Management's assessment of the reasonably possible change in interest rates.

A decrease in interest rates would have the opposite effect to the impact in the table above.

Base Rate	Increase in Base rate	Effect of Change in interest rates		Outstanding as on	
		As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
USD SOFR	25 bps	4	7	1,458	2,626
INR Baserate	50 bps	1,413	877	2,82,604	1,75,454
		1,417	884	2,84,062	1,78,080

Interest rate on all USD loans are hedged with either IRS or IRC and hence are not exposed to risk due to interest rate fluctuations.

Foreign currency and interest rate sensitivity analysis for swap contracts:

The Group has taken interest rate swaps ('IRS') to hedge the interest rate risks. The marked-to-market gain as at March 31, 2026 is Rs. 11 lakhs (March 31, 2025 is Rs.47 lakhs). The amount of loss recognised in OCI for the year ended March 31, 2026 is Rs. 36 lakhs (March 31, 2025 is Rs. 118 lakhs) and the amount of gain recognised in Statement of Profit and Loss for the ineffective portion of cash flow hedge for the year ended March 31, 2026 is Rs. NIL (March 31, 2025: Rs. NIL).

In addition to the above, the Group has an Interest Rate Collar ('IRC'), to hedge the interest rate risks. The marked-to-market gain as at March 31, 2026 is Rs. 11 lakhs (March 31, 2025 is Rs.38 lakhs). The amount of loss recognised in OCI for the year ended March 31, 2026 is Rs. 27 lakhs (March 31, 2025 is loss Rs.52 lakhs).

In case of currency swaps, the effective portion of cash flow hedges, is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in Statement of Profit and Loss. Amounts recognised as OCI are transferred to Statement of Profit and Loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs when the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability. The mark-to-market gain as at March 31, 2026 is Rs. NIL (March 31, 2025: Rs. NIL). The amount recognised in OCI for the year ended March 31, 2026 is Rs. NIL (March 31, 2025: Nil).

Further, the Group has call options for principal payments of two of its foreign currency loan which are designated as a cash flow hedge. The marked-to-market gain as at March 31, 2026 is Rs. 1047 lakhs (March 31, 2025: gain of Rs. 926 lakhs). The amount of gain recognised in OCI for the year March 31, 2026 is Rs. 121 lakhs (March 31, 2025 – gain of Rs. 449 lakhs). Also, the effect given to OCI on account of restatement gain of the underlying foreign currency loans for the year ended March 31, 2026 is Rs. 104 lakhs (March 31, 2025 : 346 lakhs).

Credit Risk:

Credit risk is the risk of financial loss to the Group if a customer or counter-party fails to meet its contractual obligations.

- **Trade receivables:**

The Group periodically assesses the financial reliability of customers taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivable. These include customers, which have high credit-ratings assigned by international and domestic credit-rating agencies. Individual risk limits are set accordingly. The Group's trade and other receivables, including loans under customer financing activities, consists of a large number of customers, across geographies.

The Group has used a practical expedient by computing the expected credit loss allowance for trade receivable based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information.

Movement in Credit loss allowance

Particulars	Rs. In Lakhs	
	As at March 31, 2026	As at March 31, 2025
Balance as at beginning of the year	1,671	646
Allowance for bad and doubtful debts during the year	294	945
Trade receivables written off during the year	(55)	(560)
On Business combination	-	640
Balance as at the end of the year	1,910	1,671

Other financial assets:

a. Bhatia Coke & Energy Limited

Bhatia Coke & Energy Limited is under "Corporate Insolvency resolution process" as per the MCA website. Also, the management of the Company is taken over by an insolvency professional appointed by the National Company Law Tribunal (NCLT)

Given this, the Company has fair valued the investment to NIL in FY 2020-21.

None of the Group's other cash equivalents, including time deposits with banks, are past due or impaired.

Movement in Provision for advances:

Particulars	Rs. In Lakhs	
	As at March 31, 2026	As at March 31, 2025
Balance as at beginning of the year	28	28
Allowance for doubtful advances made during the year	17	-
Advances written off during the year	-	-
Balance as at the end of the year	45	28

Refer note: 1.11 and 1.18 of the financial statements.

ii. Liquidity Risk:

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Group has obtained fund and non-fund based working capital limits from various banks. The Group invests its surplus funds in bank fixed deposit, which carry minimal mark to market risks.

The table below summarizes the maturity profile remaining contractual maturity period at the balance sheet date for its non-derivative financial liabilities based on the discounted cash flows.

As at March 31, 2026	Rs. In Lakhs			
	Due within 1 year	Due between 2 and 5 years	Due beyond 5 years	Total Amount
Bank and other borrowings	92,965	1,46,885	94,213	3,34,063
Interest payments on borrowings	17,290	33,305	1,353	51,948
Lease liability	7,507	12,885	7,893	28,285
Trade Payables	1,46,008	-	-	1,46,008

As at March 31, 2025	Rs. In Lakhs			
	Due within 1 year	Due between 2 and 5 years	Due beyond 5 years	Total Amount
Bank and other borrowings	40,240	1,42,489	22,697	2,05,426
Interest payments on borrowings	14,756	30,039	1,258	46,053
Lease liability	10,086	11,915	8,391	30,392
Trade Payables	1,33,433	-	-	1,33,433

The table below summarizes the maturity profile for its derivative financial assets and liabilities based on the undiscounted contractual net cash inflows and outflows on derivative liabilities that settle on a net basis or gross basis.

				Rs. In Lakhs
As at March 31, 2026	Due within 1 year	Due between 2 and 5 years	Due beyond 5 years	Carrying Amount
Currency & Interest Rate - Swaps & Options	1,070	-	-	1,070
As at March 31, 2025	Due within 1 year	Due between 2 and 5 years	Due beyond 5 years	Carrying Amount
Currency & Interest Rate - Swaps & Options	1,138	(126)	-	1,012

3.6c Categories of Financial assets and liabilities:

			Rs. Lakhs
Particulars	As at March 31, 2026	As at March 31, 2025	
Financial Assets			
a. <u>Measured at amortized cost:</u>			
Cash and cash equivalents	14,483	9,742	
Other bank balances & Interest receivable	3,641	2,748	
Trade Receivables	1,11,054	92,059	
Security Deposit	7,377	6,123	
Other receivables	190	1,091	
b. <u>Mandatorily maintained at fair value through other comprehensive income (FVTOCI)</u>			
Investments	776	594	
Currency swaps & options and IRS & IRC	1,070	1,155	

			Rs. Lakhs
Particulars	As at March 31, 2026	As at March 31, 2025	
Financial Liabilities			
a. <u>Measured at amortized cost:</u>			
Borrowings	3,34,063	2,05,426	
Lease Liability	28,285	30,392	
Trade Payables	1,46,008	1,33,433	
Other Financial Liabilities	32,864	34,272	
b. <u>Mandatorily maintained at fair value through other comprehensive income (FVTOCI)</u>			
Currency Swaps & IRS	-	143	

3.6d Fair value measurements:

i) Financial assets and financial liabilities that are measured at fair value on a recurring basis as at the end of each reporting period:

The fair value of financial instruments as referred to in note above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

- Level 1 : Quoted Price for identical instruments in an active market
- Level 2 : Directly or indirectly observable market inputs, Other than level 1 inputs and
- Level 3 : Inputs which are not based on observable market data

For assets and liabilities that are measured at fair value as at balance sheet date., the classification of fair value calculation by category is summarized below:

As at March 31, 2026				Rs. In Lakhs
	Level 1	Level 2	Level 3	Total
Asset at fair value				
Investments measured at				
i) fair value through OCI	-	-	776	776
ii) fair value through P&L	-	-	-	-
Derivative Instruments measured at				
i) fair value through OCI	-	1,070	-	1,070
ii) fair value through P&L	-	-	-	-
Liabilities at fair value				
Derivative Instruments measured at				
i) fair value through OCI	-	-	-	-
ii) fair value through P&L	-	-	-	-

As at March 31, 2025

Rs. In Lakhs

	Level 1	Level 2	Level 3	Total
Asset at fair value				
Investments measured at				
i) fair value through OCI	-	-	594	594
ii) fair value through P&L	-	-	-	-
Derivative Instruments measured at				
i) fair value through OCI	-	1,155	-	1,155
ii) fair value through P&L	-	-	-	-
Liabilities at fair value				
Derivative Instruments measured at				
i) fair value through OCI	-	143	-	143
ii) fair value through P&L	-	-	-	-

Calculation of Fair Values:

The fair values of the financial assets and liabilities are defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent with those used.

3.7 Related party disclosure

a) Related parties

Joint Ventures

Carl Stahl Craftsman Enterprises Private Limited

Key Management Personnel

Mr. Srinivasan Ravi, Chairman And Managing Director
Mr. Ravi Gauthamram, Whole Time Director
Mr. Sundararaman Kalyanaraman, Independent Director
Mrs. Vijaya Sampath, Independent Director
Mr. T S V Rajagopal, Independent Director
Mrs. Rajeswari Karthigeyan, Independent Director
Mr. C.B.Chandrasekar, Chief Financial Officer
Mr. Thiyagaraj Damodharaswamy, Chief Operating Officer
Mr. Shainshad Aduvanni, Company Secretary

b) Related Party Transactions – Summary:

Transactions during the year	Rs. In Lakhs			
	Joint Ventures		Key Management Personnel	
	25-26	24-25	25-26	24-25
Purchase of Goods & Services	567	501	-	-
Sale of Goods & Services	7,211	5,916	-	-
Remuneration to key management personnel	-	-	1,018	989
Commission	-	-	962	149
Sitting Fee	-	-	29	27
Rental Income	2	2	-	-

Balances as at the end of the year	Rs. In Lakhs			
	Joint Ventures		Key Management Personnel	
	March 31,2026	March 31,2025	March 31,2026	March 31,2025
Trade Receivables	297	983	-	-
Remuneration payable	-	-	28	15

c) Significant Related Party Transactions:

Particulars	Rs. In Lakhs	
	Year Ended March 31, 2026	Year Ended March 31, 2025
Purchase of Goods & Services <i>Carl Stahl Craftsman Enterprises Private Limited</i>	567	501
Sale of Goods & Services <i>Carl Stahl Craftsman Enterprises Private Limited</i>	7,211	5,916
Remuneration to key management personnel <i>Executive Directors</i>	712	698
<i>Chief Financial Officer</i>	136	131
<i>Chief Operating Officer</i>	133	125
<i>Company Secretary</i>	38	35
Commission <i>Executive Directors</i>	882	87
<i>Non-Executive Directors</i>	80	62
Sitting Fee <i>Non-Executive Directors</i>	29	27
Rent Income <i>Carl Stahl Craftsman Enterprises Private Limited</i>	2	2

Note: Remuneration to KMP does not include gratuity contribution which is determined actuarially on an overall basis for the holding Company and subsidiary and accordingly has not been considered.

d) Balances of Related Parties as at end of the year

Particulars	Rs. In Lakhs	
	As at March 31, 2026	As at March 31, 2025
Trade Receivable		
Carl Stahl Craftsman Enterprises Private Limited	297	983
Remuneration payable		
Chairman and Managing Director	28	15

3.8 Contingent Liabilities and Commitments

a) Contingent Liabilities

Contingent Liabilities	Rs. In Lakhs	
	As at March 31, 2026	As at March 31, 2025
a. Claims against the Company not acknowledged as debt		
Excise Duty	35	22
Value Added Tax	315	315
Service tax	67	121
Goods and Service Tax	2,400	2,247
Income tax	494	494
Customs	4	-
b. Sales Bills discounted	15,670	8,646

b) Commitments

Commitment on Capital Account not provided as on 31 March 2026: Rs. 78,543 lakhs; 31 March 2025: Rs. 49,094 lakhs.

3.9 Non-Current Borrowings:

Rs. In Lakhs

Borrowings	As at March 31, 2026			Particulars of Repayment		As at March 31, 2025		
	Non-Current	Current Maturity	Total			Non-Current	Current Maturity	Total
				Instalments	Amount/Inst nos.			
* IFC - ECB	-	4,374	4,374	Half-yearly	USD 11.54 / 13	3,942	3,935	7,877
# EXIM TL-1	5,405	1,614	7,019	Quarterly	INR 541.67 / 24	7,561	1,610	9,171
^ FEDERAL TL-1	5,728	2,083	7,811	Quarterly	INR 520.83 / 24	7,811	(1)	7,810
# SBI - TL1	6,099	-	6,099	Monthly	INR 139/72	7,767	278	8,044
# Indian Bank TL-1	4,258	28	4,286	Monthly	INR 185/54	7,033	49	7,083
# Axis TL-1	2,972	1,665	4,637	Quarterly	INR 363/24	5,887	(1)	5,887
# HDFC TL-1	7,292	-	7,292	Quarterly	INR 521/24	9,375	(0)	9,375
^ Bajaj TL-1	2,998	-	2,998	Quarterly	INR 250/20	3,998	(1)	3,996
# IOB TL-1	6,631	-	6,631	Monthly	INR 139/71 , 131/1	7,486	1,668	9,154
^ FEDERAL TL-2	13,416	(3)	13,413	Quarterly	INR 833/24	16,582	(4)	16,579
^ Axis TL-2	7,500	1,667	9,167	Quarterly	INR 385/26	8,846	1,154	10,000
^ KMBL TL-1	10,824	-	10,824	Monthly	INR 158/72	10,404	946	11,350
^ Bajaj TL-2	10,491	-	10,491	Quarterly	INR 750/20	13,491	1,496	14,987
^ IndusInd TL-1	7,600	1,550	9,150	Quarterly	INR 125/2 , 300/4 , 475/18	9,150	850	10,000
^ SBI - TL2	15,483	939	16,422	Quarterly	INR 816/23, 824/1	18,784	858	19,642
^ HDFC TL-2	19,694	-	19,694	Quarterly	INR 1000/20	-	-	-
^ AXIS TL-3	13,068	1,862	14,930	Quarterly	INR 623/24	-	-	-
^ IDBI TL-1	13,711	1,241	14,952	Quarterly	INR 624/24	-	-	-
^ KBL TL-1	9,185	796	9,981	Quarterly	INR 400/25	-	-	-
^ Indian Bank TL-2	18,889	1,205	20,094	Monthly	INR 278/72	-	-	-
@ SBI - TL3	19,151	829	19,980	Quarterly	INR 834/23, 817/1	-	-	-
^ SBI - TL4	29	1	30	Quarterly	INR 416/24	-	-	-
* DR HDFC TL-1	-	625	625	Quarterly	INR 312.50/24	626	1,249	1,875
* DR HDFC TL-2	1,485	848	2,333	Quarterly	INR 216.08/16	2,324	848	3,172
* DR Axis TL-1	581	831	1,412	Quarterly	INR 208.33/24	2,920	830	3,750
^ DR Bajaj TL-1	11,971	518	12,489	Quarterly	INR 520.83/24	-	-	-
^ DR Axis TL-2	377	-	377	Quarterly	INR 782.61/23	-	-	-
! SB Kotak TL-1	4,326	624	4,950	Monthly	INR 69.33/72	-	-	-
! SB Kotak TL-2	4,112	831	4,943	Monthly	INR 69.21/72	2,024	-	2,024
! SB RBL WCTL	4,940	2,852	7,792	Monthly	INR 237.69/42	7,753	2,139	9,892
& SB Yes Bank Term loan	3,729	999	4,728	Quarterly	INR 249.82/20	3,972	210	4,182
! SB Tata Capital WCTL	5,299	1,875	7,174	Monthly	INR 156.25/48	7,169	312	7,481
! SB Federal TL-1	2,116	375	2,491	Monthly	INR 41.67/60	-	-	-
! SB Federal TL-2	1,738	650	2,388	Monthly	INR 40.07/60	-	-	-
CG Financing through lease- Nord Leasing GmbH, NA Germany	-	331	331	Monthly	EMI INR 14 Lakhs/28	280	136	416
Total	2,41,098	31,210	2,72,308			1,65,186	18,562	1,83,748

ECB – External Commercial Borrowings ; FCTL- Foreign Currency Term Loan ; TL – Rupee Term Loans;

DR – Loans of the subsidiary DR Axion India Limited.

SB – Loans of the Subsidiary Sunbeam Lightweighting Solutions Limited

CG- "Financing through lease of the subsidiary Craftsman Germany GmbH

The balances mentioned above are at amortised cost: Refer note 1.22

*: Secured by first pari passu charge on fixed assets and a second pari passu charge on current assets of the Company.

#: Secured by first pari passu charge on moveable fixed assets and second pari passu charge on current assets of the Company.

^: Secured by first pari passu charge on moveable fixed assets of the Company.

@: Secured by first pari passu charge on Current assets of the Company.

! SB: secured by First Pari Passu charge on all existing & future movable fixed Assets and Immovable Fixed assets (Other than Gurgaon Property) of the company and Second Parri passu charge on the entire current assets of the company (present & Future).

& SB: Secured by First Pari Passu charge by way of equitable mortgage on all movable fixed Assets (excluding vehicle) and Immovable Fixed assets (Other than Gurgaon Property) of the company and Second Parri passu charge on the current assets of the company.

3.10 Leases:

3.10a Group as lessee

(i) Following are the changes in the carrying value of right of use assets

For the year ended March 31, 2026:

Rs. In Lakhs	
Particulars	Land & Buildings
Balance as at 1 April 2025	38,520
Additions on business combination	-
Additions	11,277
Amortization/ expense	(2,753)
Deletion	-
Balance as of 31 March 2026	47,044

For the year ended March 31, 2025:

Particulars	Land & Buildings
Balance as at 1 April 2024	23,896
Additions on business combination	2,031
Additions	14,977
Amortization/ expense	(2,384)
Deletion	-
Balance as of 31 March 2025	38,520

(ii) The aggregate amortization expense on ROU assets is included under depreciation, amortization and impairment expense in the statement of Profit and Loss.

(iii) The following is the break-up of current and non-current lease liabilities:

Particulars	Rs. In Lakhs	
	As at March 31, 2026	As at March 31, 2025
Current lease liabilities	7,507	20,306
Non-current lease liabilities	20,778	10,086
Total	28,285	30,392

(iv) The following is the movement in lease liabilities during the year:

Particulars	Rs. Lakhs	
	2025-26	2024-25
Balance as at the beginning of the year	30,392	20,839
Additions	11,277	14,977
Additions on account of business combination	-	155
Finance cost accrued during the year	2,306	1,863
Deletion	-	-
Payment of lease liabilities	(15,690)	(7,442)
Balance as at the end of the year	28,285	30,392

(v) The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	Rs. In Lakhs	
	As at March 31, 2026	As at March 31, 2025
Less than one year	9,064	8,228
One to five years	13,744	18,020
More than five years	22,230	16,536
Total	45,038	42,784

(vi) The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

(vii) Rental expense recorded for short-term leases was ₹ 1,583 lakhs for the year ended March 31, 2026. (March 31, 2025: ₹ 784 lakhs)

(viii) Total cash outflow for leases including short-term was ₹ 17,273 lakhs for the year ended March 31, 2026. (March 31, 2025: ₹ 8,226 lakhs).

3.10b Group as lessor

Group has provided a portion of its building on operating lease to MC Machinery Systems India Private Limited (formerly known as MC Craftsman Machinery Private Ltd) & Carlstahl Craftsman Enterprises Private Limited for a period of 3 years and 5 years respectively.

Non-Cancellable Operating lease commitment	Rs. In Lakhs	
	As at March 31, 2026	As at March 31, 2025
Not later than 1 year	108	122
Later than 1 year but not later than 5 years	128	58
Later than 5 years	-	-

3.11 Business Combination:

On December 20, 2025, DR Axion India Limited, wholly owned subsidiary of the company, acquired 100% equity of Suprash Developers Private Limited comprising 22,850 equity shares of Rs. 10 each along with its wholly owned subsidiary "Srikara Technologies Private Limited" for a total consideration of Rs. 14,585 lakhs.

On October 09, 2024, the Company acquired 100% of total securities of Sunbeam Lightweighting Solutions Limited ('SLSL') comprising 853,147,112 equity shares of Rs. 10 each and 135,380,000 compulsorily convertible preference shares of Rs.10 each for Re. 1 and subscribed to 37,60,00,000 Optionally Convertible Debentures of ₹10 each i.e., a total consideration of Rs. 37,600 lakhs. The acquisition significantly expands the Company's manufacturing footprint in northern & western India and has provided the Company with valuable & new customer relationships in aluminium products including export customers. SLSL is primarily engaged in design, development, manufacturing, assembly and sale of aluminium components for the automotive industry catering to both domestic and international markets.

On July 22, 2024, the Company acquired 100% of equity of Craftsman Germany GmbH, Germany (CGG) comprising 25,000 shares of EUR 1 each for a consideration of EUR 57,000 (or INR 52 Lakhs). CGG was acquired with a view to expand the Company's business presence and operations in the European market and to explore opportunities for potential acquisition of assets in Germany. CGG is the immediate holding company of Craftsman Fronberg GmbH (CFG) which is engaged in manufacturing of cast iron components for stationary engines.

On October 01, 2024, CGG acquired 100% of equity of Craftsman Fronberg Guss Immobilien GmbH (CFG) for a consideration of EUR 6,400,000 (or INR 5,972 Lakhs). Consequently CFG has become step-down subsidiary to the Company. CFG holds the immovable assets on which the operations of CFG is carried.

Rs. In Lakhs

Particulars	Suprash Developers Private Limited, India	Sunbeam Lightweighting Solutions Limited, India	Craftsman Germany GmbH, Germany	Craftsman Fronberg Guss Immobilien GmbH, Germany
Consideration transferred	14,585	37,600	52	5,972
Non-controlling interest in the acquired entity	-	-	-	-
Less : Net identifiable assets acquired	14,585	37,600	45	6,051
Goodwill on consolidation	-	-	7	-
Capital Reserve on consolidation	-	-	-	79

Rs. In Lakhs

Net identifiable assets acquired	Suprash Developers Private Limited, India	Sunbeam Lightweighting Solutions Limited, India	Craftsman Germany GmbH, Germany	Craftsman Fronberg Guss Immobilien GmbH, Germany
Property, Plant & Equipment	-	65,104	-	5,972
Other Non-current Assets	-	16,694	-	-
Current Assets	14,585	38,314	45	254
Non-current liabilities	-	(904)	-	-175
Current Liabilities	-	81,608	-	-
	14,585	37,600	45	6,051

Rs. In Lakhs

Revenue and profit contribution for year ended March 31, 2026	Suprash Developers Private Limited, India	Srikara Technologies Private Limited, India
Contribution between Acquisition date and March 31, 2026		
Revenue	79	77
Profit before tax	77	74
If the acquisition had occurred on April 01, 2025		
Proforma Revenue	79	77
Proforma Profit before tax	76	58

Rs. In Lakhs

Revenue and profit contribution for year ended March 31, 2025	Sunbeam Lightweighting Solutions Limited, India	Craftsman Germany GmbH, Germany	Craftsman Fronberg Guss Immobilien GmbH, Germany
Contribution between Acquisition date and March 31, 2025			
Revenue	58,462	13,054	-
Profit before tax	(3,171)	301	-
If the acquisition had occurred on April 01, 2024			
Proforma Revenue	1,23,746	13,054	-
Proforma Profit before tax	(23,190)	301	-

In the FY 2024-25 Company has incurred a sum total of ₹ 1,243 Lakhs towards various consultancy, diligence and legal fee in relation to the above acquisitions which is part of the "Professional and Consultancy charges" under "Other Expenses" in the Statement of Profit and Loss. Apart from the above, the Company has also incurred costs in the form of management/employee time, travelling, boarding and other expenses in relation to these acquisitions which cannot be measured.

3.12 Segment Reporting:

The Group has reported segment information as per Indian Accounting Standard 108 "Operating Segments" (Ind AS 108) read with SEBI's circular CIR/CFD/FAC/62/2016 dated 05 July 2016. Accordingly, the Group has identified the reportable segments based on end consumption of the products sold or services rendered and is consistent with performance assessment and resource allocation by the management. Segment revenue comprises sales and operational income allocable specifically to a segment. Un-allocable expenditure mainly includes corporate expenses, finance cost and other expenses. Un-allocable income primarily includes other income.

Rs. In Lakhs		
Segment Revenue	Year Ended March 31, 2026	Year Ended March 31, 2025
Powertrain	2,17,890	1,81,148
Aluminium Products	4,78,875	3,03,275
Industrial & Engineering	1,10,162	84,625
Total revenue as per Statement of Profit and Loss	8,06,927	5,69,048

Rs. In Lakhs		
Segment Profit or Loss	Year Ended March 31, 2026	Year Ended March 31, 2025
Powertrain	36,131	25,124
Aluminium Products	49,424	31,170
Industrial & Engineering	4,856	1,853
Total Segments	90,411	58,147
Less: Unallocable Expenditure	(11,037)	(9,578)
Add: Other Income	6,248	2,607
Earnings Before Interest & Tax	85,622	51,176
Less: Finance Costs	(30,897)	(21,664)
Profit Before Tax	54,725	29,512
Less: Exceptional Item	(1,295)	(2,547)
Profit before Tax	53,430	26,965

Rs. In Lakhs		
Segment Assets	As at March 31, 2026	As at March 31, 2025
Powertrain	2,37,553	1,96,416
Aluminium Products	4,79,583	3,60,237
Industrial & Engineering	1,29,914	1,12,229
Total Segments	8,47,050	6,68,882
Unallocable Assets	50,780	42,762
Total Assets as per Balance Sheet	8,97,830	7,11,644

Rs. In Lakhs		
Segment Liabilities	As at March 31, 2026	As at March 31, 2025
Powertrain	1,46,979	1,06,183
Aluminium Products	2,73,845	2,16,955
Industrial & Engineering	1,05,450	72,277
Total Segments	5,26,274	3,95,415
Unallocable Liabilities	45,150	30,555
Total Liabilities as per Balance Sheet	5,71,424	4,25,970

Other Disclosures as required under schedule III to the Companies Act, 2013

3.13 Ratio Analysis

Ratios	As at March 31, 2026	As at March 31, 2025	% Variance
(a) Current Ratio	1.07	1.07	0%
(b) Debt-Equity Ratio	1.02	0.72	42%
(c) Debt Service Coverage Ratio	1.50	1.67	-10%
(d) Return on Equity Ratio	13%	9%	41%
(e) Inventory turnover ratio	5.24	4.80	9%
(f) Trade Receivables turnover ratio	7.95	7.60	5%
(g) Trade payables turnover ratio	3.31	3.62	-9%
(h) Net capital turnover ratio **	7	9	-22%
(i) Net profit ratio	4.8%	3.5%	35%
(j) Return on Avg Capital employed	16%	12%	29%
(k) Return on investment #	NA	NA	NA

** Net working capital does not include short term borrowings of Rs. 92,965 lakhs (31 March 2025: Rs. 40,240 lakhs) and Current maturity of lease Rs. 7,507 lakhs (31 March 2025: Rs. 10,086 lakhs).

Investments are made only for production and product related. Hence ROI is not applicable

Ratios	Formula (Numerator/Denominator)	Remarks for 25% change
(a) Current Ratio	Current Assets / Current Liabilities	NA
(b) Debt-Equity Ratio	Total Debt/Shareholders' Equity	Increase in Debt for Capex Requirements
(c) Debt Service Coverage Ratio	Earnings available for debt service / Debt Service Debt service = Interest & Lease Payments + Principal Repayments	NA
(d) Return on Equity Ratio	Net Profits after taxes/Average Shareholders' Equity	Increase in Profit after tax in FY25-26
(e) Inventory turnover ratio	Sales/ Average Inventory	NA
(f) Trade Receivables turnover ratio	Sales / Average Accounts Receivable	NA
(g) Trade payables turnover ratio	Purchases / Trade Payables	NA
(h) Net capital turnover ratio **	Net Sales/Net Working Capital	NA
(i) Net profit ratio	Net Profit/ Net Sales	Increase in Profit after tax in FY25-26
(j) Return on Capital employed	Earning before interest and taxes/Avg. Capital Employed Avg. Capital employed = Avg.Total Assets- Avg. Current Liabilities	Increase in EBIT in FY 25-26
(k) Return on investment #	NA	NA

3.14) On 21 November 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020- consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations. The Company has assessed and disclosed the incremental impact of these changes on the basis of actuarial valuation obtained and the best information available, consistent with the guidance provided by the Institute of Chartered Accountants of India.

3.15) Exceptional Items:

Exceptional items represent:

- expenses incurred by subsidiary, Sunbeam Lightweighting Solutions Limited, in relation to relocation of its Gurgaon facility and transfer of control to the Company amounting to Rs. 873 Lakhs (FY 2024-25: Rs. 2,547 Lakhs).
- The incremental impact in the provision for defined benefit obligation arising on account of change in the wage definition Rs. 422 Lakhs (FY 2024-25: Nil). The Group continues to monitor the finalisation of Central / State Rules and clarifications from the Government on other aspects of the Labour Code and would provide appropriate accounting effect on the basis of such developments as needed.

3.16) Audit Trail:

According to proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The audit trail requirement has been complied with by all the Group companies except one subsidiary, wherein the audit trail (edit logs) was not enabled. The subsidiary is in the process for enabling the audit trail.

- 3.17.a)** No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- 3.17.b)** The Group has not been declared as a wilful defaulter by any bank or financial institution or government or any government authority.
- 3.17.c)** As per the information available with the Group, there has been no transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the year (Previous Year – Nil).
- 3.17.d)** There has been no charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.
- 3.17.e)** The quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.
- 3.17.f)** During the year, the Group has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall
- 1) 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)
 - 2) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall
 - 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) provided any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (Previous Year – Nil)
- 3.17.g)** The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year ended March 31, 2026. (Previous Year – Nil).
- 3.17.h)** There are no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of accounts.
- 3.17.i)** The Group has complied with the number of layers prescribed under the Companies Act, where applicable.

3.17.j) The Board of Directors on March 11, 2026 have approved a Composite Scheme of Arrangement. The scheme envisages Amalgamation of DR Axion India Limited (DRAIL) into Sunbeam Lightweighting Solutions Limited, subject to receipt of approval from National Company Law Tribunal. The appointed date being considered in the proposed scheme is 1st April 2026. As at March 31, 2026, the approval from the NCLT is awaited.

The scheme also envisages Amalgamation of Suprash Developers Private Limited (Subsidiary of DRAIL) with DR Axion India Limited and also Srikara Technologies Private Limited (Step-Down Subsidiary of DRAIL) with DR Axion India Limited, as both the Subsidiary and Step-down subsidiary are engaged in holding land parcels which have been leased to DR Axion India Limited for the development and expansion of its manufacturing facilities, subject to receipt of approval from National Company Law Tribunal. The appointed date being considered in the proposed scheme is December 19, 2025. As at March 31, 2026, the approval from the NCLT is awaited.

The consolidation is also expected to simplify the corporate structure and improve managerial focus and operational efficiency.

3.18) Certain comparative figures have been reclassified to conform to the current year presentation. On account of acquisition of the entities during the year ended 31 March 2025 and 31 March 2026, the consolidated financial statements for the year ended 31 March 2026 are not comparable with those of the year ended 31 March 2025 to that extent.

For SHARP & TANNAN

Chartered Accountants

Firm Registration No. 003792S

For and on behalf of the Board

V. Viswanathan
Partner
Membership No. 215565

R.Gauthamram
Whole Time Director
DIN : 06789004
Place: Illinois,USA
Date : May 07, 2026

S.Ravi
Chairman and Managing Director
DIN : 01257716
Place: Coimbatore
Date : May 07, 2026

Place : Coimbatore
Date : May 07, 2026

Shainshad Aduvanni
Company Secretary
M.No.A27895
Place : Coimbatore
Date : May 07, 2026

C.B. Chandrasekar
Chief Financial Officer
Place : Coimbatore
Date : May 07, 2026

INDEPENDENT AUDITORS' REPORT

To the members of Craftsman Automation Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Craftsman Automation Limited** (hereinafter referred to as the "Company" / "Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and a joint venture, which comprise the Consolidated Balance Sheet as at 31 March 2025, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income and Group's share of profit in joint venture), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended on that date 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 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its joint venture as at 31 March 2025, the consolidated profit and consolidated total comprehensive income, its consolidated cash flows and 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 ("Standards" or "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 Consolidated Financial Statements' section of our report.

We are independent of the Group and its joint venture 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 made 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 audit opinion on the consolidated 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 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.

S. No	Key audit matter description and principal audit procedures
1	Accounting for Property, Plant and Equipment Refer Notes D-a, D-c, E-a, 1.1, 1.2 and 2.6 in consolidated financial statements Property, plant and equipment including capital work in progress ('PPE') represents 48% of the Group's total assets. The capitalisation of PPE includes the fair value of the consideration given to acquire the asset (net of discounts and rebates) and any directly attributable costs of bringing the asset to working condition for its intended use (inclusive of non-refundable purchase taxes and duties). Depreciation is generally charged as per Schedule II to Companies Act, 2013. In respect of certain classes of PPE, the useful life has been ascertained based on technical review by a Chartered Engineer and assessment by the management. The Company carries out physical verification of PPE on an annual basis. The Company uses estimates and assumptions to determine the useful life of assets, residual value, assess impairment loss (if any). The useful life of property, plant and equipment is determined by the technical team of the management taking into consideration the industry practice, the application and usage factors and past historical trend. The residual value at the end of the useful life of property, plant and equipment is estimated in determining the depreciable value of the asset. Impairment assessment of property, plant and equipment involves identification of Cash Generating Unit ('CGU') and estimating future cash flows arising of out of such CGUs. Due to the material value of PPE to total assets and estimates/judgements involved in their valuation, the audit of accounting of Property, Plant and Equipment has been considered as a Key Audit Matter in the audit of these financial statements
	Our procedures relating to audit of accounting for Property, Plant and Equipment includes the following:

S. No	Key audit matter description and principal audit procedures
	- evaluating of design and implementation of controls and testing the operating effectiveness of the internal controls over: - measurement of initial recognition costs including costs of self-constructed PPE; - valuation of PPE and review of useful lives including depreciation rates applied; - periodic physical verification of property, plant and equipment by the management; - testing on sample basis the value of self-constructed assets with underlying documentation to assess compliance with applicable accounting standards; - wherever the useful life of a PPE considered is different from the useful life indicated in the Act, obtain confirmation from management's technical team for the useful life for the same; - reviewing the residual value of PPE considered by the management for consistency and appropriateness; - understanding the basis behind identification of Cash Generating Units by the management and review the future cash flow projections for the same; - checking the computation and correctness of the discounting factor applied for arriving at value in use and impairment thereof, if any; - checking the reasonableness of the assumptions made by the management in identifying CGUs, assessing the future cash flows, discount factor and impairment loss; - physically inspecting a sample of assets at one of the main units of the Company during the year to ensure existence of PPE; - reviewing the physical verification reports of the management and the treatment of discrepancies in the books of accounts / Fixed Asset Register, wherever applicable.
2	Accounting for Business Combinations Refer 3.11 in consolidated financial statements During the year, the Company acquired 100% stake in Sunbeam Lightweighting Solutions Private Limited ('SLSPL') and Craftsman Germany GmbH, Germany which in turn invested in its subsidiaries Craftsman Fronberg Guss GmbH and Craftsman Fronberg Immobilien GmbH ('German entities'). These transactions are significant due to their complexity and material impact on the consolidated financial statements. The accounting for these business combinations involves several complex judgments and estimates, including: - determining the appropriate accounting acquirer and the exact date when control was obtained, in accordance with Ind AS 103 – Business Combinations - evaluating whether the Company has obtained control over the acquired entities, considering factors such as decision-making rights, board composition, and contractual arrangements. - allocating the purchase consideration to identifiable assets acquired and liabilities

S. No	Key audit matter description and principal audit procedures
	assumed at their acquisition-date fair values, which requires significant estimation and judgment (Purchase price allocation). • recognition and measurement of goodwill / gain on bargain purchase arising from the business combinations, which involves determining the excess of the consideration transferred over the net identifiable assets acquired or otherwise • ensuring adequate disclosures related to the business combinations, including the nature and financial effects of the acquisitions, as required by Ind AS 103
	Our procedures related to audit of accounting for the business combinations include • assessing the terms of the acquisition agreements and other relevant documents to determine whether the Holding Company obtained control over the acquired entities, in line with the criteria set out in Ind AS 110 – Consolidated Financial Statements • verifying the acquisition dates by examining the dates on which the Holding Company obtained control over the acquired entities, considering factors such as transfer of voting rights and board control in accordance with Ind AS 103 – Business Combinations • reviewing the calculation of the total purchase consideration, including any contingent consideration arrangements, and evaluating their fair value measurements • assessing the methodologies and assumptions used by management of the Company in the fair valuation of identifiable assets acquired and liabilities assumed (Purchase price allocation): • verifying the computation of the goodwill / gain on bargain purchase arising from the acquisitions and assessed the reasonableness of the underlying assumptions • reviewing the disclosures in the consolidated financial statements related to the business combinations to ensure compliance with the disclosure requirements of Ind AS 103.

Information Other than the Consolidated Financial Statements and Auditor's Report thereon

The Board of Directors of the Company is responsible for preparation of the other information. The other information comprises the information included in the Annual Report (Board's Report, Management Discussion and Analysis and Report on Corporate Governance report) but does not include the standalone financial statements and our report thereon. The Annual Report is expected to be made available to us after the date of this Auditors' Report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

Responsibilities of Management and those charged with Governance for the Consolidated Financial Statements

The Board of Directors of the Holding Company is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated cash flows and consolidated changes in equity of the Group and the joint venture in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group, and its joint venture and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its joint venture are responsible for assessing the ability of the Group and of its joint venture 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.

The respective Board of Directors of the companies included in the Group and its joint venture is responsible for overseeing the financial reporting process of the Group and its joint venture.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

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

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

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal financial controls over financial reporting 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 have adequate internal financial controls over financial reporting system in place with reference to the financial statements 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 of the Holding Company;
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint venture 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 joint venture 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 joint venture 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 the Holding Company included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the 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.

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

The consolidated financial statements include the financial statements of two subsidiaries whose financial information reflect total assets of Rs. 76,356 lakhs and net assets of Rs. 53,858 lakhs as at 31 March 2025, total revenues of Rs. 1,31,503 lakhs, net profit after tax of Rs. 12,797 lakhs, total comprehensive income of Rs. 12,835 lakhs for the year ended 31 March 2025 and net cash outflows amounting to Rs. 1,485 lakhs for the year ended on that date and the Group's share of profit after tax of Rs. 100 lakhs and total comprehensive income of Rs. 98 lakhs for the year ended 31 March 2025 in respect of a joint venture. The financial statements of the two subsidiaries and a joint venture have not been audited by us. The financial statements of these subsidiaries and joint venture have been audited by other auditors whose reports have been furnished to us by the management of the Holding Company and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture, and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information, in so far as it relates to the aforesaid subsidiaries and joint venture entity, is based on the reports of such other auditors.

Our opinion above on the consolidated financial statements and our report on other legal and regulatory requirements below, are not modified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

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 of the aforesaid consolidated financial statements;
- (b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors except for the matters stated in paragraph (i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
- (c) the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Cash Flows and 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 Ind AS specified under section 133 of the Act and read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) on the basis of the written representations received from the directors of the Holding Company as on 31 March 2025 taken on record by the Board of Directors of the Holding Company and reports of the statutory auditors of subsidiaries and a joint venture incorporated in India, none of the directors of the Holding Company and the subsidiaries and a joint venture incorporated in India is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164(2) of the Act;
- (f) with respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph (b) above on reporting under section 143(3)(b) and paragraph (i)(vi) below on reporting under Rule 11(g) of the Rules
- (g) with respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on our report of the Holding Company and subsidiaries and a joint venture incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting for those entities;

- (h) in our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries and joint ventures incorporated in India, the managerial remuneration for the year ended 31 March 2025 has been paid / provided by the Holding Company, its subsidiaries and joint venture incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (i) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. the Group, as detailed in Note 3.8 to the consolidated financial statements, has disclosed the impact of pending litigations on its consolidated financial position of the Group;
 - ii. the Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - iii. there were no amounts due which were required to be transferred to the Investor Education and Protection Fund by the Holding Company or subsidiaries and a joint venture incorporated in India;
 - iv. (a) the respective managements of the Holding Company and subsidiaries and a joint venture incorporated in India, whose financial statements have been audited under the Act, have represented 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 subsidiaries and a joint venture incorporated in India to or in any other person or entity, including foreign entity ("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 respective managements of the Holding Company and subsidiaries and a joint venture incorporated in India, whose financial statements have been audited under the Act, have represented 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 Holding Company or subsidiaries and a joint venture incorporated in India from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding 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;

- (c) based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Holding Company and subsidiaries and a joint venture incorporated in India whose financial statements have been audited under the Act, 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 amount of dividend is in accordance with Sec 123 of the Act.
 - (a) The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with Section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.
 - (b) As stated in Note 1.20 to the consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed 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, and that performed by the respective auditors of subsidiaries and a joint venture which are companies incorporated in India whose financial statements have been audited under the Act, except for the instances mentioned below in respect of a subsidiary, the Company, subsidiaries and joint venture have used accounting software systems 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 software systems. Further, during the course of performing our procedures, we and respective auditors of the above referred subsidiaries and a joint venture did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention, wherever the trail was enabled.

Instances where software does not have the feature of recording audit trail (edit log) facility	No. of instances
at application and database level – payroll	One
at database level – accounting software	One

for SHARP & TANNAN
Chartered Accountants
(Firm's Registration No. 003792S)

Place: Coimbatore
Date: 07 May 2025

V. Viswanathan
Partner
Membership No. 215565
UDIN: 25215565BMINIT3160

Annexure A to the Independent Auditor's Report

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Craftsman Automation Limited of even date)

Independent Auditors' Report on the Internal Financial Controls over financial reporting under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of Craftsman Automation Limited ("the Holding Company") and its subsidiaries and a joint venture, which are incorporated in India, as of 31 March 2025 in conjunction with our audit of the consolidated financial statements of the Holding Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and subsidiaries and a joint venture, which are incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Holding 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and subsidiaries and a joint venture, which are incorporated in India, based on our audit. Our audit is conducted in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting 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 is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and subsidiaries and a joint venture, which are incorporated in India.

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 the consolidated financial statements for external purposes in 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 consolidated 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 consolidated 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Company and subsidiaries and a joint venture, which are incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as of 31 March 2025, based on the internal control over financial reporting criteria established by the Holding 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.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to two subsidiaries company and a joint venture, which are companies incorporated in India, is based solely on the corresponding reports furnished to us by the auditors of such companies incorporated in India. Our opinion is not modified in respect of the above matters with respect to our reliance on the work done by and the reports of such other auditors.

for SHARP & TANNAN
Chartered Accountants
(Firm's Registration No. 003792S)

Place: Coimbatore
Date: 07 May 2025

V. Viswanathan
Partner
Membership No. 215565
UDIN: 25215565BMINIT3160

Craftsman Automation Limited
CIN - L28991TZ1986PLC001816
Consolidated Balance Sheet as at March 31, 2025

(Rupees in Lakhs)

ASSETS	Note No.	As at March 31, 2025	As at March 31, 2024
Non-current assets			
Property, Plant and Equipment	1.1	3,06,351	2,13,344
Capital Work in progress	1.2	34,526	17,861
Intangible assets	1.3	3,156	432
Right-of-use Asset	1.4	38,520	23,896
Goodwill on Consolidation	1.5	19,006	18,999
Investments accounted for using equity method	1.6	467	368
Financial assets			
Investments	1.7	594	79
Security Deposits	1.8	6,033	4,919
Other Financial assets	1.9	27	94
Current tax assets (Net)	1.10	1,552	828
Other non-current assets	1.11	11,586	11,456
		4,21,818	2,92,276
Current assets			
Inventories	1.12	1,33,205	1,04,082
Financial assets			
Trade receivables	1.13	92,059	57,663
Cash and cash equivalents	1.14	9,742	6,349
Other bank balances	1.15	2,581	1,953
Security Deposits	1.16	90	97
Other Financial assets	1.17	2,386	961
Other Current assets	1.18	14,830	7,193
		2,54,893	1,78,298
Assets classified as held for sale	1.1A	34,933	-
Total Assets		7,11,644	4,70,574
EQUITY AND LIABILITIES			
EQUITY			
Equity Share capital	1.19	1,193	1,056
Other Equity	1.20	2,84,481	1,64,742
Equity attributable to owners		2,85,674	1,65,798
Non-controlling interest	1.21	-	9,368
		2,85,674	1,75,166
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	1.22	1,65,186	1,12,484
Lease Liabilities	1.23	20,306	16,486
Other Non-Current Financial Liabilities	1.24	763	211
Provisions	1.25	336	-
Deferred tax liabilities (Net)	1.26	606	13,148
		1,87,197	1,42,329
Current liabilities			
Financial Liabilities			
Borrowings	1.27	40,240	42,159
Lease Liabilities	1.28	10,086	4,353
Trade payables			
(a) total outstanding dues of micro enterprises & small enterprises	1.29	4,449	1,178
(b) total outstanding dues of creditors other than micro enterprises & small enterprises		1,28,984	78,886
Other current Financial Liabilities	1.30	33,652	14,595
Current tax liabilities (Net)	1.31	1,162	912
Other current liabilities	1.32	18,040	9,875
Provisions	1.33	2,160	1,121
		2,38,773	1,53,079
Total Equity and Liabilities		7,11,644	4,70,574

The accompanying notes form an integral part of the consolidated financial statements

This is the Balance Sheet referred to in our report of even date

For SHARP & TANNAN

Chartered Accountants

Firm Registration No. 003792S

For and on behalf of the Board

V. Viswanathan
Partner
Membership No. 215565

R.Gauthamram
Whole Time Director
DIN : 06789004

S.Ravi
Chairman and Managing Director
DIN : 01257716

Place : Coimbatore
Date : May 07, 2025

Shainshad Aduvanni
Company Secretary
M.No.A27895

C. B. Chandrasekar
Chief Financial Officer

Place : Coimbatore
Date : May 07, 2025

Craftsman Automation Limited
CIN - L28991TZ1986PLC001816

Consolidated Statement of Profit and loss for the year ended March 31, 2025

(Rupees in Lakhs)

Particulars	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
INCOME			
Revenue From Operations	2.1	5,69,048	4,45,173
Other Income	2.2	2,507	1,724
Total Income (A)		5,71,555	4,46,897
EXPENSES			
Cost of materials consumed	2.3	3,29,673	2,52,153
Changes in inventories of finished goods and work-in-progress	2.4	(19,466)	(15,022)
Employee benefits expense	2.5	43,626	28,846
Depreciation, amortization and impairment expense	2.6	34,702	27,769
Other expenses	2.7	1,31,944	91,313
Finance costs	2.8	21,664	17,454
Total expenses (B)		5,42,143	4,02,513
Profit before share of profit from JV and exceptional items (C=A-B)		29,412	44,384
Share of profit from JV (D)		100	85
Profit before exceptional items (E=D-C)		29,512	44,469
Exceptional items (F)	3.15	(2,547)	-
Profit before tax (G= E-F)		26,965	44,469
Tax expense:			
(1) Current Tax	3.3	7,697	11,702
(2) Deferred tax		(819)	(966)
		6,878	10,736
Profit for the year (H)		20,087	33,733
attributable to owners		19,457	30,447
attributable to non-controlling Interest		630	3,286
Other Comprehensive Income ('OCI')			
A (i) Items that will not be reclassified to profit or loss			
- Remeasurement of defined benefit plans		(755)	(316)
- Share of OCI of Joint Venture accounted for using equity method		(2)	1
(ii) Income tax relating to items that will not be reclassified to profit or loss		70	79
B (i) Items that will be reclassified to profit or loss			
- Exchange differences in translating the financial statements of foreign operations		(122)	16
- The effective portion of gains or loss on hedging instruments in a cash flow hedge		675	321
(ii) Income tax relating to items that will be reclassified to profit or loss		(170)	(81)
Other Comprehensive Income for the year, net of tax (I)		(304)	20
attributable to owners		(301)	38
attributable to non-controlling Interest		(3)	(18)
Total Comprehensive Income for the year (Comprising Profit for the year and Other Comprehensive Income for the year) (H+I)		19,783	33,753
attributable to owners		19,156	30,485
attributable to non-controlling Interest		627	3,268
Earnings per equity share Basic & Diluted (Face value of ₹. 5/-)	3.5	83.68	144.11

The accompanying notes form an integral part of the consolidated financial statements

This is the Statement of Profit & Loss referred to in our report of even date

For SHARP & TANNAN

Chartered Accountants

Firm Registration No. 003792S

For and on behalf of the Board

V. Viswanathan
Partner
Membership No. 215565

R.Gauthamram
Whole Time Director
DIN : 06789004

S.Ravi
Chairman and Managing Director
DIN : 01257716

Place : Coimbatore
Date : May 07, 2025

Shainshad Aduvanni
Company Secretary
M.No.A27895

C. B. Chandrasekar
Chief Financial Officer

Place : Coimbatore
Date : May 07, 2025
F - 99

Craftsman Automation Limited
CIN - L28991TZ1986PLC001816
Consolidated Cashflow Statement for the year ended March 31, 2025

Particulars	(Rupees in Lakhs)	
	Year ended March 31, 2025	Year ended March 31, 2024
Cash flows from operating activities		
Profit before taxation ('PBT')	26,965	44,469
<u>Adjustments to reconcile PBT to net cash flows:</u>		
Depreciation, amortization and impairment expense	34,745	27,769
Gain on sale of assets	(7)	(107)
Exchange difference on transaction/translation (loss/(gain))	(827)	(1,042)
Share of Profit of Joint Venture	(100)	(85)
Provision for :		
Doubtful debts	943	(94)
Warranty & Rejection	390	88
Slow moving inventory	447	393
Interest income (including fair value changes in financial instruments)	(1,000)	(299)
Government grant income	(4,421)	(3,120)
Liabilities no longer required written back	(68)	-
Assets no longer receivable written off	45	-
Interest expense (including fair value changes in financial instruments)	21,353	17,349
Operating cash flow before changes in working capital	78,465	85,321
Adjustments for:		
Increase/ (Decrease) in provisions	(897)	8
Increase/ (Decrease) in other financial liabilities	(16,608)	(867)
Increase/ (Decrease) in other current liabilities	1,851	(1,251)
Increase/ (Decrease) in Trade Payables and other Payables	10,152	9,074
(Increase)/ Decrease in other financial assets	713	(1,661)
(Increase)/ Decrease in other current assets	(7,464)	(568)
(Increase)/ Decrease in trade and other receivables	(16,171)	(3,095)
(Increase)/ Decrease in inventories	(14,346)	(20,876)
Cash generated from operations	35,695	66,085
Income taxes paid	(7,362)	(14,754)
Net cash from operating activities - A	28,333	51,331
Cash flows from investing activities		
Purchase of property, plant and equipment	(98,878)	(62,905)
Purchase of Intangible Assets	(282)	(195)
Proceeds from sale of equipment	230	292
Consideration paid towards business combination	(43,624)	-
Purchase of investment in Equity Shares	(542)	(18)
Acquisition of Minority Interest	(25,000)	-
Interest received	1,271	233
Net cash used in investing activities - B	(1,66,825)	(62,593)
Cash flows from financing activities		
Proceeds from issue of shares	1,18,023	-
Proceeds from long-term borrowings	1,29,119	47,716
Repayment of long term borrowings	(71,992)	(23,296)
Net proceeds from / (repayments of) short-term borrowings	(6,431)	14,955
Principal payments towards lease liability	(5,609)	(4,995)
Interest paid (incl. interest on lease liability)	(21,391)	(17,180)
Dividend Paid	(2,377)	(2,377)
Net cash from/ (used in) financing activities- C	1,39,342	14,823
Net increase / (decrease) in cash and cash equivalents - (A+B+C)	850	3,561
Cash and cash equivalents at beginning of year	6,349	2,732
Cash and cash equivalents acquired in Business Combination	2,520	-
Effect of exchange rate changes on cash and cash equivalents	23	56
Cash and cash equivalents at end of year	9,742	6,349

Notes:**1. Reconciliation of Cash & Cash equivalents as per Cash Flow Statement**

Cash & cash equivalents consists of:	As at March 31, 2025	As at March 31, 2024
Cash and cash equivalents (note : 1.14)	9,742	6,349
Total	9,742	6,349

2. Refer to note: 1.22 for Net Debt Reconciliation

The accompanying notes form an integral part of the consolidated financial statements

This is the Statement of Cash Flows referred to in our report of even date

For SHARP & TANNAN

Chartered Accountants

Firm Registration No. 003792S

For and on behalf of the Board

V. Viswanathan
Partner
Membership No. 215565

R.Gauthamram
Whole Time Director
DIN : 06789004

S.Ravi
Chairman and Managing Director
DIN : 01257716

Place : Coimbatore
Date : May 07, 2025

Shainshad Aduvanni
Company Secretary
M.No.A27895

C. B. Chandrasekar
Chief Financial Officer

Place : Coimbatore
Date : May 07, 2025

Craftsman Automation Limited
CIN - L28991TZ1986PLC001816
Consolidated Statement of Changes in Equity

(Rupees in Lakhs)

a. Equity Share Capital	Balance as at April 1, 2024	Changes in equity share capital during the period	Balance as at March 31, 2025
	1,056	137	1,193

b. Other Equity	Reserves and Surplus			Other Reserves					Non-controlling Interest	Total
	Securities Premium Reserve	General Reserve	Retained Earnings	Share in Networth of Joint Venture	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Capital Reserve	Foreign Currency Translation Reserve		
Balance as at April 1, 2023	28,123	9,662	99,124	222	(321)	(493)	-	317	6,100	1,42,734
Profit for the year	-	-	30,362	85	-	-	-	-	3,286	33,733
Other Comprehensive Income	-	-	-	1	-	240	-	16	(18)	239
- Defined Benefit Plan	-	-	(219)	-	-	-	-	-	-	(219)
Total Comprehensive Income for the year	-	-	30,143	86	-	240	-	16	3,268	33,753
Dividends	-	-	(2,377)	-	-	-	-	-	-	(2,377)
Balance as at March 31, 2024	28,123	9,662	1,26,890	308	(321)	(253)	-	333	9,368	1,74,110
Profit for the year	-	-	19,357	100	-	-	-	-	630	20,087
Other Comprehensive Income	-	-	-	(2)	-	505	-	(122)	(3)	378
- Defined Benefit Plan	-	-	(682)	-	-	-	-	-	-	(682)
Total Comprehensive Income for the period	-	-	18,675	98	-	505	-	(122)	627	19,783
Issues of shares	1,17,886	-	-	-	-	-	-	-	-	1,17,886
Business Combination	-	-	-	-	-	-	79	-	-	79
Acquisition of Non-controlling Interest	-	-	(15,005)	-	-	-	-	-	(9,995)	(25,000)
Dividends	-	-	(2,377)	-	-	-	-	-	-	(2,377)
Balance as at March 31, 2025	1,46,009	9,662	1,28,183	406	(321)	252	79	211	-	2,84,481

The accompanying notes form an integral part of the consolidated financial statements

This is the Statement of Changes in Equity referred to in our report of even date

For SHARP & TANNAN

Chartered Accountants

Firm Registration No. 003792S

For and on behalf of the Board

V. Viswanathan
Partner
Membership No. 215565

R.Gauthamram
Whole Time Director
DIN : 06789004

S.Ravi
Chairman and Managing Director
DIN : 01257716

Place : Coimbatore
Date : May 07, 2025

Shainshad Aduvanni
Company Secretary
M.No.A27895

C. B. Chandrasekar
Chief Financial Officer

Place : Coimbatore
Date : May 07, 2025

Notes annexed to and forming part of Consolidated Financial Statements:

A. CORPORATE INFORMATION

The Consolidated Financial Statements comprise of financial statements of Craftsman Automation Limited ('the Company or 'the holding Company') and its subsidiaries (collectively "the Group") and its joint venture for the year ended March 31, 2025. Craftsman Automation Private Limited was incorporated under the Companies Act, 1956 on July 18, 1986. The Company became a public limited Company from May 04, 2018. The Company is engaged in the business of manufacturing engineering components, sub-assemblies, products and rendering of contract manufacturing services to various industries.

B. Statement of Compliance

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') as notified under the Section 133 of the Companies Act, 2013 (the Act) read with the Companies (Indian Accounting Standards) Rules, 2015. The presentation of the financial statements is based on the requirement of the Companies Act, 2013.

C. BASIS OF PREPARATION

The items included in Consolidated Financial Statements of each of the entities consolidated are measured using the currency of the primary economic environment ('functional currency') in which each of the entities operates. The consolidated financial statements are presented in Indian Rupees ('INR') which is the functional and presentation currency of the Company and all values are rounded to the nearest lakhs, except where otherwise indicated. In the Consolidated Financial Statements, all assets, liabilities and transactions of Group entities with a functional currency other than the INR are translated into INR upon consolidation.

The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liability which have been measured at fair value

- i) Derivative financial instruments
- ii) Certain financial assets and liability measured at fair value (refer note. 3.6)
- iii) Defined Benefit Obligation.

D. MATERIAL ACCOUNTING POLICIES

S.No	MATERIAL ACCOUNTING POLICIES	D.	Reference in Balance sheet & Profit and Loss Notes
1	Property Plant and Equipment	a.	1.1
2	Inventories	b.	1.12
3	Impairment of assets	c.	1.1, 1.2,1.3,1.6 & 2.6
4	Revenue recognition	d.	2.1
5	Financial Instruments	e.	1.9,1.17,1.24,1.29,3.6
6	Segment reporting	f.	3.13

a. Property Plant and Equipment

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

The cost of a self-constructed asset is determined using the same principles as for an acquired asset. If Company makes similar assets for sale in the normal course of business, the cost of the asset is usually the same as the cost of constructing an asset for sale. Internal margins are eliminated in arriving at such costs. Similarly, the cost of abnormal amounts of wasted material, labour, or other resources incurred in self-constructing an asset are not included in the cost of the asset. Borrowing Costs are recognized as a component of the carrying amount of a self-constructed item of PPE if it meets the recognition criteria under Ind AS.

Depreciation on Plant Property and Equipment

The depreciable amount of PPE (being the gross carrying value less the estimated residual value) is depreciated on a systematic basis over its useful life.

In respect of certain classes of PPE, the Group uses different useful life other than those prescribed in Schedule II to the Act. The useful life of such class of PPE has been ascertained based on technical review by a Chartered Engineer and assessment by the Management as detailed in the following table

Classes of PPE	Useful life and basis of depreciation
New Plant and Machinery	8 to 20 Years
Used Plant and Machinery	8 to 10 Years
Tool holder, jigs, fixtures, patterns, dies, moulds and instruments and gauges	2 to 5 Years
Lease hold improvements	Over lease period

b. INVENTORY

The cost of inventory items is determined by using weighted average cost formula.

Tools are valued at cost till they are issued for usage in production process. In respect of issued tools which can be refurbished, the Group depending upon its useful life amortizes on a straight line basis over its useful life. Useful life determined for certain classes of tools is two to three years. Tools which are not refurbishable are charged off to Statement of Profit and Loss upon issue for usage. The “tools in use” are carried at cost less accumulated amortization.

The Group regularly assesses whether there is any indication of a diminution in the value of inventories. Such indications may include, but are not limited to, evidence of obsolescence, damage, changes in market conditions, or significant declines in selling prices. This policy applies to all inventories held by the company, including raw materials, work in progress, and finished goods. If there is objective evidence of a diminution in the value of inventories, the carrying amount of the inventories is reduced to their net realizable value.

c. IMPAIRMENT OF ASSETS

At the end of each reporting period, the Group determines whether there is any indication that its assets (PPE, intangible assets and investments in equity instruments subsidiaries and joint ventures carried at cost) have suffered an impairment loss with reference to their carrying amounts. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount exceeds the recoverable amount. Recoverable amount is higher of the fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

d. REVENUE RECOGNITION

Sale of Goods & Rendering of Services:

Revenue is recognised when a performance obligation in a customer contract has been satisfied by transferring control over the promised goods to the customer. Control over a promised good refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, those goods. Control is usually transferred upon shipment, delivery to, upon receipt of goods by the customer, in accordance with the individual delivery and acceptance terms agreed with the customers. The amount of revenue to be recognized (transaction price) is based on the consideration expected to be received in exchange for goods, excluding amounts collected on behalf of third parties such as goods and services tax or other taxes directly linked to sales.

Revenue from rendering of services is recognised over time as and when the customer receives the benefit of the Company's performance and the Company has an enforceable right to payment for services transferred. Unbilled revenue represents value of services performed in accordance with the contract terms but not billed as at the reporting date.

Other Operating revenues:

Other operating revenues comprise income from ancillary activities incidental to the operations of the Group and are recognised when the right to receive the income is established as per the terms of the contract.

e. FINANCIAL INSTRUMENTS

Group Derivative financial instruments:

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts and cross currency interest rate swaps. Further details of derivative financial instruments are disclosed in Note 3.6.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in Statement of Profit or Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the Statement of Profit or Loss depends on the nature of the hedging relationship and the nature of the hedged item.

Hedge accounting:

The Group designates certain derivatives as hedging instruments in respect of foreign currency risk as cash flow hedges. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

Note 3.6b sets out details of the fair values of the derivative instruments used for hedging purposes.

Cash flow hedges:

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in Other Comprehensive Income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in the Statement of Profit or Loss, and is included in the "Other Income".

Amounts previously recognised in Other Comprehensive Income and accumulated in equity (relating to effective portion as described above) are reclassified to Statement of Profit or Loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity (but not as a reclassification adjustment) and are included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Any gain or loss recognised in Other Comprehensive Income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the Statement of Profit or Loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in the Statement of Profit or Loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting.

f. SEGMENT REPORTING

The Chief Operating Decision Maker (CODM) evaluates the Group's performance and allocates resources based on an analysis of various performance indicators of the reportable segments. The Group's reportable segments have been identified based on end consumption of the products sold or services rendered. The reportable segments are as follows:

• Powertrain	: This segment develops, manufactures, sells its goods and services of powertrain and related products to manufacturers of commercial / passenger vehicles, farm equipment, construction / mining equipment.
• Aluminium Products	: This segment develops, manufactures, sells its goods and services consisting of aluminium products to the manufacturers of two wheelers,

passenger vehicles and commercial vehicles and products for power transmission and other industrial usage.

- **Industrial & Engineering** : This segment develops, manufactures, sells its goods and services such as castings, gears, material handling equipment, special purpose machines, other general engineering products (together broadly termed as "High End Sub-assembly, Contract Manufacturing & Others") and storage products to various end user industries.

Segments that are not significant are categorised as "Others". Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment and as well as those which can be allocated on a reasonable basis. Operating segments are reported in a manner consistent with the internal reporting to the CODM of the Group.

E OTHER ACCOUNTING POLICIES

a. Property Plant and Equipment:

Recognition and Measurement:

All Property Plant & Equipment (PPE) are stated at cost of acquisition / installation as adjusted for import duty waivers and foreign exchange losses / gains less accumulated depreciation and impairment losses.

Cost of acquisition / installation includes the fair value of the consideration given to acquire the asset (net of discounts and rebates) and any directly attributable costs of bringing the asset to working condition for its intended use (inclusive of non-refundable purchase taxes and duties).

The Company capitalizes the import duty waived in respect of capital equipment imported under the Export Promotion Capital Goods Scheme.

Foreign exchange gain /loss arising on foreign currency denominated borrowing which are not hedged that were incurred to acquire PPE are recorded as part of the cost of asset as per Ind AS 101 and depreciated over their remaining useful life. In respect of exchange gain or loss arising from foreign currency denominated borrowings which are hedged accounting has been done based on Hedge effectiveness either as derivative or cash flow hedge as per Ind AS 109.

Subsequent expenditure relating to an item of PPE is capitalised if it meets the recognition criteria.

The import duty waived on capital assets which are purchased under the Export Promotion Capital Goods (EPCG) schemes and which are capitalized are recorded as deferred revenue and recognized in Statement of Profit and Loss on a systematic basis over the periods in which the related performance obligations are fulfilled.

De-recognition:

An item of PPE is de-recognised at the time of its disposal or when it is assessed that no future economic benefit would accrue from it. The gain/ loss arising out of such disposal/retirement is taken to Statement of Profit or Loss.

b. INTANGIBLE ASSETS

An intangible asset is an identifiable non-monetary asset without physical substance.

An intangible asset with finite useful life that are acquired separately and where the useful life is 2 years or more is capitalized and carried at cost less accumulated amortization. Amortization is recognized on a straight line basis over the useful life of the asset. The class of asset and the estimated useful life is as follows

Description of the asset	Useful life and basis of amortization
Software – Acquired	5-10 Years
Technical Know-how - Acquired	8-10 years

Internally generated intangible assets

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale,
- the intention to complete the intangible asset and use or sell it,
- the ability to use or sell the intangible asset,
- how the intangible asset will generate probable future economic benefits,
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset, and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is recognised in the Statement of Profit or Loss in the period in which it is incurred. Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately. Development Expenditure recognized as intangible assets are amortized over a period of 3 years.

De-recognition

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in Statement of profit or loss when the asset is derecognised.

Goodwill

Goodwill on acquisition of business is included in intangible assets. Goodwill is not amortised but is tested for impairment annually, or if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses, if any.

c. LEASES

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group as a lessee:

The Group's lease asset classes primarily consist of leases for Machineries and buildings. The Group assesses whether a contract contains a lease, at inception of a contract. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through-out the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, 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 Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are amortised from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right-of-use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates of the entity. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the entity changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Group as a Lessor:

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the ROU asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

d. INVENTORIES:

The Group determines the cost for items that are not interchangeable or that have been segregated for specific contracts on an individual-item basis as per Ind AS 2, 'Inventories'.

The Group uses the same cost formula for all inventories of similar nature and use. The cost formula used is applied on a consistent basis from period to period.

Inventories are initially recognized at the lower of cost and net realisable value (NRV). Cost of inventories includes import duties, non-refundable taxes, transport and handling costs and any other directly attributable costs, less trade discounts, rebates and similar items. NRV is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated selling expenses.

Raw materials, components, stores and spares of inventory are measured at weighted average cost. Materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Work in progress and finished goods are valued at-cost or Net Realizable Value whichever is lower. Cost includes direct materials, labour and a portion of manufacturing overheads. Saleable scrap is valued at the lowest of the net realizable value in the last two months.

The Group selects a reasonable basis for allocating overhead costs to inventory items. Common allocation bases include direct labor hours, machine hours, or direct material costs. Overheads refer to indirect costs incurred in the production process that cannot be directly traced to specific inventory items. These costs include, but are not limited to, factory overheads, utilities, depreciation of production equipment, and indirect labor costs. Overhead costs are allocated to inventory items using the above mentioned allocation basis.

e. FINANCIAL INSTRUMENTS:

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit or Loss.

Classification of financial assets:

The financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets are added to the fair value of the financial assets on initial recognition.

After initial recognition:

- i) Financial assets (other than investments and derivative instruments) are subsequently measured at amortised cost using the effective interest method.

Effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

- ii) Financial assets (i.e. derivative instruments and investments in instruments other than equity of Subsidiaries and joint ventures) are subsequently measured at fair value.

Such financial assets are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in other comprehensive income.

Investments in equity instruments other than joint venture:

The Group has valued the investments in equity instruments other than joint ventures at fair value through Other Comprehensive Income. Fair value of quoted instrument has been valued at market rate and in case of unquoted instrument it has been valued at book value of that Company based on Level 2 input.

In respect of investment in equity share capital of Group captive power companies which are made to comply with the provisions of Electricity Rules 2003, these investments are carried at cost as these investments can be sold back only at par.

Cash and cash equivalents:

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

Trade receivables:

Trade receivables are initially recognised at transaction value. Subsequently, these assets are held at amortised cost net of any expected credit losses. Loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e., expected cash shortfall.

Impairment of financial assets:

A financial asset is regarded as credit impaired when one or more events that may have a detrimental effect on estimated future cash flows of the asset have occurred. The Group applies the expected credit loss model for recognizing impairment loss on financial assets (i.e. the shortfall between the contractual cash flows that are due and all the cash flows (discounted) that the Group expects to receive).

De-recognition of financial assets:

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Statement of Profit and Loss.

Financial liabilities and equity instruments:

Classification as debt or equity

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued are recognised at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the Statement of Profit or Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

All financial liabilities (other than derivative instruments) are subsequently measured at amortised cost using the effective interest method. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalized as a part of cost of an asset is included in the "Finance Costs".

De-recognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability de-recognised and the consideration paid and payable is recognised in the Statement of Profit or Loss.

f. PROVISIONS

The Group recognizes a provision when there is a present obligation to transfer economic benefits as a result of past events, it is probable (more likely than not) that such a transfer will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is certain that reimbursements will be received and the amount of the receivable can be measured reliably.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

A contingent liability is

(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or

(b) a present obligation that arises from past events but is not recognised because:

(i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

(ii) the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are disclosed in the Financial Statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote.

Provision for Warranty:

Provisions for expected cost of warranty obligations are recognized based on management's best estimate of the expenditure required to settle the obligation which takes into account the empirical data on the nature, frequency and average cost of warranty claims and regarding possible future incidences.

Provision for Rejection:

Provision for rejection on sales is recognised once the products are sold. Materials are rejected due to various reasons and are either re-processed and replaced to the customers depending on the type of rejections. These rejections get fulfilled within a period of 3 months and the provisions as at the reporting date represent the value of management's best estimate of possible rejections within the next one quarter.

g. REVENUE RECOGNITION

Dividend and Interest Income

Dividend income from investments is recognised when the Group's right to receive payment has been established (provided that it is probable that the 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 (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

h. GOVERNMENT GRANT

Government grants (including export incentives) are recognised only when there is reasonable assurance that the Group will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised in the Statement of Profit or Loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

Import duty waivers for capital assets purchased under Export Promotion Capital Goods schemes are recorded as deferred revenue and recognized in Statement of Profit and Loss on a systematic basis over the periods in which the related performance obligations are fulfilled.

i. EMPLOYEE BENEFITS

Defined contribution plans

Provident fund (PF):

Contribution towards PF is determined under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952 and charged to the Statement of Profit and Loss during the period of incurrence when the services are rendered by the employees.

Superannuation Fund:

The Group makes specified contributions towards Superannuation fund to the Life Insurance Corporation of India ('LIC'). 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.

Employee State Insurance (ESI):

Payments to defined contribution plans i.e., Group's contribution to employee state insurance and other funds are determined under the relevant schemes and / or statute and charged to the Statement of Profit and Loss in the period of incurrence when the services are rendered by the employees.

Defined benefit plans

Gratuity:

Accounting for defined benefit plans is based on actuarial assumptions and different valuation methods to measure the balance sheet obligation and the expense.

Where defined benefit plans are funded, the plan assets are measured at fair value. At each balance sheet date, the plan assets and the defined benefit obligations are remeasured. The Statement of Profit & Loss reflects the change in the surplus or deficit, except for contributions made to the plan and benefits paid by the plan, along with business combinations and Re-measurement gains and losses.

Re-measurement gains and losses comprise actuarial gains and losses, return on plan assets (comprise amounts included in net interest on the net defined benefit liability or asset) and any change in the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability or asset). Re-measurements are recognized in other comprehensive income.

The defined benefit costs are comprised of the following individual components:

- Service costs (including current and past service costs as well as gains/losses on curtailments and settlements)
- Net interest costs or income
- Re-measurement

The Group presents the first two components of defined benefit costs in the Statement of Profit or Loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

Re-measurement of net defined benefit liability/ asset pertaining to gratuity comprises actuarial gains/ losses (i.e. changes in the present value resulting from experience adjustments and effects of changes in actuarial assumptions) and is reflected immediately in the balance sheet with a charge or credit recognised in Other Comprehensive Income in the period in which they occur. Re-measurement recognised in Other Comprehensive Income is reflected immediately in retained earnings and is not reclassified to profit or loss.

Other long-term employee benefits:

Compensated Absences:

The employees can carry-forward a portion of the unutilized accrued compensated absences and utilize it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Group records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

Short-term employee benefits:

A liability is recognised for benefits accruing to employees in respect of salaries, wages, performance incentives, medical benefits and other short term benefits in the period the related service is rendered, at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Compensated leave absences:

Compensated leave absences that are not carried forward are encashed by employees at year end and are recognised in the Statement of Profit and Loss.

j. FOREIGN CURRENCY TRANSACTIONS

The Group's foreign operations are an integral part of the Company's activities. In preparing the financial statements, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in the Statement of profit or loss in the period in which they arise except for:

- Exchange differences on translation or settlement of long term foreign currency monetary items in respect of loans borrowed, which are not hedged, before April 1, 2016 at rates different from those at which they were initially recorded or reported in the previous financial statements, insofar as it relates to acquisition of depreciable assets, are adjusted to the cost of the assets and depreciated over remaining useful life of such assets. Where the borrowal is after April 1, 2016, such exchange difference is recognised in Statement of Profit and Loss. In other cases, where it has been hedged the same has been restated and adjusted against cash flow hedge of the respective derivative instruments.
- Exchange difference on translation of derivative instruments designated as cash flow hedge (see Note D.e for hedging accounting policies).

k. FOREIGN OPERATIONS

In the Group's Consolidated Financial Statements, all assets, liabilities and transactions of the Group entities with a functional currency other than the INR are translated into INR upon consolidation. The functional currency of Craftsman Europe BV & Craftsman Germany GmbH is EURO.

On consolidation, assets and liabilities have been translated into INR at the closing rate at the reporting date. Income and expenses have been translated into INR at the average rate over the reporting period.

Exchange differences are charged or credited to Other Comprehensive Income and recognised in the currency translation reserve in equity. On disposal of a foreign operation, the related cumulative translation differences recognised in equity are re-classified to Statement of Profit and Loss and are recognised as part of the gain or loss on disposal.

I. INCOME TAXES

Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognised in Other Comprehensive Income or directly in equity respectively.

Current Tax:

Current tax is determined on taxable profits for the year chargeable to tax in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 including other applicable tax laws that have been enacted or substantively enacted.

Deferred Tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax asset is recognised for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

F Critical Accounting judgement and key sources of estimation uncertainty

The accounting policies which have the most significant effect on the figures disclosed in the financial statements are mentioned below and these should be read in conjunction with the disclosure of the significant Ind AS accounting policies provided below:

i. Useful life of Property, Plant and Equipment and Intangible assets

The assessment of the useful life of each asset by considering the historical experience and expectations regarding future operations and expected usage, estimated technical obsolescence, residual value, physical

wear and tear and the operating environment in which the asset is located needs significant judgement by the management. In case of intangible assets the useful life is determined based on the period over which future economic benefit will flow to the Group.

ii. **Tools in use**

The assessment of useful life of tools in use has been done considering the historical experience and estimated refurbishment cycle and operating environment.

iii. **Income Tax & Deferred Tax**

The calculation of income taxes requires judgement in interpreting tax rules and regulations. Management judgement is used to determine the amounts of deferred tax assets and liabilities and future tax liabilities to be recognized.

The Group estimates the possible utilisation of unabsorbed losses while recognising deferred tax asset considering the future business plans and economic environment.

iv. **Fair Value**

Certain financial instruments, such as investments in equity securities, derivative financial instruments and certain elements of borrowings, are carried in the financial statements at fair value, with changes in fair value reflected in the Statements of Profit & Loss. Fair values are estimated by reference to published price quotations or by using other valuation techniques that may include inputs that are not based on observable market data, such as discounted cash flows analysis.

v. **Measurement of defined benefit obligations**

Gratuity actuarial valuation considers various assumptions which are based on the past experience and general economic conditions.

vi. **Measurement and likelihood of occurrence of provisions and contingencies**

The provision for warranty and rejection have been done based on past experiences, product lifecycle maturity, reprocessing/repair cost.

G. PRINCIPLES OF CONSOLIDATION

The Consolidated Financial Statements relate to Craftsman Automation Limited, its subsidiaries and joint venture. Subsidiaries are all entities over which the Company exercises control. The Company exercises control if and only if it has the following:

- power over the entity;
- exposure, or rights, to variable returns from its involvement with the entity; and
- the ability to use its power over the entity to affect the amount of its returns.

The Consolidated Financial Statements have been prepared on the following basis:

- The Financial Statements of the Group have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-Group balances and intra-Group transactions and resulting unrealised profits, unrealised losses from intra-Group transactions are eliminated unless cost cannot be recovered.
- The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative

interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

- An associate is an entity over which the investor has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Investments in associates and joint ventures are accounted for using the equity method.
- Under the equity method, on initial recognition the investment in an associate or a joint venture is recognised at cost. The carrying amount of the investment in associates and joint ventures is increased or decreased to recognise the Group's share of the profit or loss after the date of acquisition.
- The Financial Statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.
- The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner, as the Company's Standalone Financial Statements.

(Rupees in Lakhs)

Asset Category	Freehold land	Building *	Plant & Machinery	Office Equipment	Furniture & Fixtures	Vehicles	Property, Plant & Equipment Total
Gross Block							
At April 1, 2023	9,473	31,456	2,56,204	2,214	575	187	3,00,109
Additions	2,123	7,289	43,800	1,586	40	25	54,863
Disposals	-	159	2,252	-	-	-	2,411
Translation Reserve	-	-	-	-	-	-	-
At March 31, 2024	11,596	38,586	2,97,752	3,800	615	212	3,52,561
Acquired in business combination	44,958	11,705	10,032	81	71	22	66,869
Additions	1,505	20,581	70,252	852	54	196	93,440
Disposals	-	-	1,462	-	-	-	1,462
Translation Reserve	(7)	(57)	25	4	-	-	(35)
At March 31, 2025	58,052	70,815	3,76,599	4,737	740	430	5,11,373
Depreciation							
At April 1, 2023	-	6,189	1,08,374	1,323	312	33	1,16,231
Additions	-	1,258	23,559	326	44	25	25,212
Disposals	-	159	2,067	-	-	-	2,226
Translation Reserve	-	-	-	-	-	-	-
At March 31, 2024	-	7,288	1,29,866	1,649	356	58	1,39,217
Additions	-	2,322	29,050	648	51	34	32,105
Disposals	-	-	1,237	-	-	-	1,237
Translation Reserve	-	1	2	1	-	-	4
At March 31, 2025	-	9,611	1,57,681	2,298	407	92	1,70,089
Assets held for sale	(34,158)	(775)	-	-	-	-	(34,933)
At April 1, 2023	9,473	25,267	1,47,830	891	263	154	1,83,878
At March 31, 2024	11,596	31,298	1,67,886	2,151	259	154	2,13,344
At March 31, 2025	23,894	60,429	2,18,918	2,439	333	338	3,06,351

1.1A ASSETS CLASSIFIED AS HELD FOR SALE

	Opening	Additions#	Deletions	Closing
FY 2023-24	-	-	-	-
FY 2024-25	-	34,933	-	34,933

Includes land of ₹ 34,158 lakhs and building of ₹ 775 lakhs held by Subsidiary, Sunbeam Lightweighting Solutions Private Limited at Gurgaon, Haryana.

1.3 OTHER INTANGIBLE ASSETS

(Rupees in Lakhs)

Asset Category	Computer Software	Product Development	Technical know-how	Customer Relationship	Intangible Assets Total
Gross Block					
At April 1, 2023	2,184	636	430	-	3,250
Additions	197	-	-	-	197
Disposals	-	-	-	-	-
Translation Reserve	-	-	-	-	-
At March 31, 2024	2,381	636	430	-	3,447
Acquired in business combination	60	-	12	2,684	2,756
Additions	36	-	240	-	276
Disposals	-	-	-	-	-
Translation Reserve	1	-	-	-	1
At March 31, 2025	2,478	636	682	2,684	6,480
Depreciation					
At April 1, 2023	1,869	636	430	-	2,935
Additions	80	-	-	-	80
Disposals	-	-	-	-	-
Translation Reserve	-	-	-	-	-
At March 31, 2024	1,949	636	430	-	3,015
Additions	113	-	4	192	309
Disposals	-	-	-	-	-
Translation Reserve	-	-	-	-	-
At March 31, 2025	2,062	636	434	192	3,324
At April 1, 2023	315	-	-	-	315
At March 31, 2024	432	-	-	-	432
At March 31, 2025	416	-	248	2,492	3,156

1.2 CAPITAL WORK IN PROGRESS

(Rupees in Lakhs)

TANGIBLE - CWIP	INTANGIBLE - CWIP	Total Capital Work in Progress
9,674	-	9,674
16,452	-	16,452
8,210	-	8,210
-	-	-
17,916	-	17,916
1,452	159	1,611
33,668	-	33,668
18,627	-	18,627
-	2	2
34,409	161	34,570
Impairment of CWIP		
11	-	11
44	-	44
-	-	-
-	-	-
55	-	55
(11)	-	(11)
-	-	-
-	-	-
44	-	44
9,663	-	9,663
17,861	-	17,861
34,365	161	34,526

(a) CWIP ageing schedule**As on March 31, 2025**

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	30,760	3,731	-	35	34,526
Projects temporarily suspended	-	-	-	-	-
	30,760	3,731	-	35	34,526

As on March 31, 2024

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	16,452	1,409	-	-	17,861
Projects temporarily suspended	-	-	-	-	-
	16,452	1,409	-	-	17,861

(b) For CWIP whose completion is overdue or has exceeded its cost compared to its original plan**As on March 31, 2025**

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Various machines	3,661	-	-	-	3,661
	3,661	-	-	-	3,661

As on March 31, 2024**NIL****NOTE No. 1.4****RIGHT-OF-USE ASSETS****(Rupees in Lakhs)**

Particulars	As at March 31, 2025	As at March 31, 2024
Opening	25,927	9,196
Additions	14,977	17,088
Amortisation expense	(2,384)	(2,382)
Deletions	-	(6)
Closing	38,520	23,896

Refer note:3.10a for detailed disclosures

NOTE No. 1.5
GOODWILL ON CONSOLIDATION

(Rupees in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening	18,999	18,999
Add: Goodwill on business combination (Refer Note: 3.11)	7	-
Total	19,006	18,999

Refer Note: 3.11

NOTE No. 1.6
INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

(Rupees in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Investment in Equity Shares of Joint Venture		
Carlstahl Craftsman Enterprises Private Ltd (30% stake)		
600,000 equity shares of Rs.10 each fully paid up	60	60
Recognition of opening value of investment in Joint venture	308	222
Share of current year profits in Joint Venture	99	86
Total	467	368

FINANCIAL ASSETS

NOTE No. 1.7
NON CURRENT INVESTMENTS

(Rupees in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Investment in Equity instruments (at Fair Value through OCI)		
Unquoted		
iEnergy Wind Farm (Theni) Private Ltd		
8,875 equity shares of Rs. 10 each fully paid up (5,975 equity shares of Rs.10 each fully paid up)	1	1
TAGMA Centre of Excellence and Training		
15 equity shares of Rs.10 each fully paid up	5	5
Hurricane Windfarms Pvt Limited (26% stake)*	4	4
39,000 equity shares of Rs.10 each fully paid up		
Sulur Maharaja Solar Green Project Private Limited	22	22
218,700 equity shares of Rs. 10 each fully paid up		
Kamachi Industries Ltd	-	30
(298800 Equity Shares of Rs.10 each fully paid-up)		

NSL Wind Power Company(Phoolwadi)Pvt Ltd (1,68,905(2,06,905) Equity Shares of Rs.10 each fully paid-up)	22	17
Maruti Suzuki Insurance Broking Private Limited # 291,118 equity shares of Rs. 10 each fully paid up	9	-
Investments in LLP (at Fair Value through OCI) Kinathukadavu Water Project LLP	531	-
Total	594	79

*Note: The Company holds 26% equity stake in Hurricane Windfarms Pvt Ltd. As the shareholders agreement entered into with the promoters of Hurricane Windfarms Pvt Ltd contains restrictive covenants, the Company cannot exercise "Significant influence" in terms of Ind AS 28 and therefore is not classified under "Investments in Associates" and accordingly is not considered as a component for consolidated financial statements

The Subsidiary, Sunbeam Lightweighting Solutions Private Limited, is holding an investment of 291,118 equity shares of Maruti Suzuki Insurance Broking Private Limited. This investment is held by the Subsidiary on behalf of the erstwhile promoters of Sunbeam Auto Private Limited. Accordingly, the Subsidiary does not have beneficial ownership of this investment. Any proceeds arising on the eventual disposal of this investment will be transferred to the erstwhile promoters. In line with the substance of this arrangement, a corresponding liability representing the obligation to transfer such proceeds.

Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments including deemed equity	594	79
Aggregate amount of impairment in value of investments	-	-

NOTE No. 1.8
SECURITY DEPOSITS

Particulars	As at March 31, 2025	As at March 31, 2024
Rent Deposit	1,585	1,791
Other Deposits	4,448	3,128
Total	6,033	4,919

NOTE No. 1.9**OTHER NON-CURRENT FINANCIAL ASSETS**

Particulars	As at March 31, 2025	As at March 31, 2024
Currency swap & Interest Rate Swap Derivative	17	84
Deposit with Bank having Original Maturity more than 12 months*	10	10
Total	27	94

NOTE No. 1.10**CURRENT TAX ASSETS (NET)**

Particulars	As at March 31, 2025	As at March 31, 2024
Advance payment of income tax less provisions	1,552	828

NOTE No. 1.11**OTHER NON CURRENT ASSETS**

Unsecured, considered good unless otherwise stated

Particulars	As at March 31, 2025	As at March 31, 2024
Capital Advances	11,213	11,484
Less: Provision for doubtful advances	(28)	(28)
Prepaid Expenses	11	-
Advance to Employees-Non Current	27	-
Advances recoverable in cash or in kind of for value to be received	363	-
Total	11,586	11,456

NOTE No. 1.12**INVENTORIES**

Particulars	As at March 31, 2025	As at March 31, 2024
Raw Materials and Components	42,342	40,790
Work-in-progress	41,463	30,980
Finished goods	13,575	3,523
Consumable Stores	8,876	5,600
Tools in use	6,464	3,689
Machinery Spares	18,491	18,003
Packing Materials	836	714
Stock in transit	1,158	783
Total	1,33,205	1,04,082

NOTE No. 1.13
TRADE RECEIVABLES

Particulars	As at March 31, 2025	As at March 31, 2024
Considered good - Secured	-	-
Considered good - Unsecured	92,059	57,663
Significant increase in Credit Risk	1,598	606
Credit impaired	73	40
Less: Expected Credit Loss allowance	(1,671)	(646)
Total	92,059	57,663

Receivables from related parties - refer note 3.7

Movement in Expected Credit Loss allowance is as follows :

	Opening	Allowance made during the year	write off during the year	Closing
2024-25	646	1,585	(560)	1,671
2023-24	740	(94)	-	646

Particulars	Ageing as on March 31, 2025					Grand Total
	a. Less than 6 Months	b. 6 months 1 year	c. 1 - 2 years	d. 2 - 3 years	e. More than 3 years	
Undisputed						
(i) Considered good	88,112	3,590	342	16	-	92,059
(ii) significant increase in credit risk	-	-	1,181	265	143	1,590
(ii) Credit impaired	-	1	26	3	3	33
Disputed						
(iv) Considered good	-	-	-	-	-	-
(v) significant increase in credit risk	-	-	-	-	8	8
(vi) Credit impaired	-	-	-	-	40	40
Gross Total						93,730
Less: Expected Credit Loss						(1,671)
Total						92,059

Particulars	Ageing as on March 31, 2024					Grand Total
	a. Less than 6 Months	b. 6 months 1 year	c. 1 - 2 years	d. 2 - 3 years	e. More than 3 years	
Undisputed						
(i) Considered good	55,042	2,277	346	-	-	57,665
(ii) significant increase in credit risk	-	-	339	132	121	592
(ii) Credit impaired	-	-	-	-	-	-
Disputed						
(iv) Considered good	-	-	-	-	-	-
(v) significant increase in credit risk	-	-	-	-	12	12
(vi) Credit impaired	-	-	-	-	40	40
Gross Total						58,309
Less: Expected Credit Loss						(646)
Total						57,663

NOTE No. 1.14
CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2025	As at March 31, 2024
a. Balances with banks	9,734	6,345
b. Cash on hand	8	4
Total	9,742	6,349

NOTE No. 1.15
OTHER BANK BALANCES

Particulars	As at March 31, 2025	As at March 31, 2024
Margin money deposits against Letter of Credit & Guarantee	2,507	1,887
Earmarked balances with banks	2	-
Other Deposits	72	66
Total	2,581	1,953

NOTE No. 1.16
SECURITY DEPOSIT-CURRENT

Particulars	As at March 31, 2025	As at March 31, 2024
Security Deposits	90	97

NOTE No. 1.17
OTHER CURRENT FINANCIAL ASSETS

Particulars	As at March 31, 2025	As at March 31, 2024
Currency swap, Interest Rate Swaps ('IRS') & Forward cover derivative	1,138	859
Interest receivable	157	98
Other receivable	1,091	4
Total	2,386	961

NOTE No. 1.18
OTHER CURRENT ASSETS

Particulars	As at	As at
	March 31, 2025	March 31, 2024
(Unsecured, considered good unless otherwise stated)		
Balances with Government Authorities	7,294	1,770
Advance to Suppliers (Other than Capital Goods)	4,551	3,782
Prepaid Expenses	2,265	1,214
Advance to Employees	328	150
Contract assets - Unbilled Revenue	340	143
Others	52	134
Total	14,830	7,193

NOTE No. 1.19
EQUITY SHARE CAPITAL

Particulars	As at March 31, 2025		As at March 31, 2024	
	Nos.	Amount	Nos.	Amount
<u>Authorised</u>				
Equity Shares of Rs.5 each	4,00,00,000	2,000	4,00,00,000	2,000
<u>Issued, called, subscribed & Paid Up</u>				
Equity Shares of Rs.5 each	2,38,55,583	1,193	2,11,28,311	1,056
Total	2,38,55,583	1,193	2,11,28,311	1,056

(a) The movement of equity shares is as below

Particulars	2024-25		2023-24	
	Nos.	Amount	Nos.	Amount
Shares outstanding at the beginning of the year	2,11,28,311	1,056	2,11,28,311	1,056
Additions due to issue of shares	27,27,272	136	-	-
Shares outstanding at the end of the year	2,38,55,583	1,193	2,11,28,311	1,056

(b) Rights, Preferences and Restrictions to equity shares

The Company has only one class of equity shares having a par value of Rs.5 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the shareholders will be entitled to receive the remaining assets of the Company, in proportion to their shareholding.

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

Name of the equity shareholder	As at March 31, 2025		As at March 31, 2024	
	No. of Shares	% of Holding	No. of Shares	% of Holding
S Ravi	1,05,00,000	44.01%	1,05,00,000	49.70%
S Murali	11,17,413	4.68%	11,17,413	5.29%
Total	1,16,17,413	48.70%	1,16,17,413	54.99%

Details of Promoter's shareholding in the Company

Name of the Promoter	As at March 31, 2025			As at March 31, 2024		
	No. of Shares held	% of Holding	% Change	No. of Shares held	% of Holding	% Change
Promoter						
S Ravi	1,05,00,000	44%	-6%	1,05,00,000	50%	0%
Promoter Group						
Murali S	11,17,413	5%	0%	11,17,413	5%	-4%
Chithra Ravi	200	0%	0%	200	0%	0%
Gautham Ram R	200	0%	0%	200	0%	0%
Mirthula R	200	0%	0%	200	0%	0%
Total	1,16,18,013	49%	-6%	1,16,18,013	55%	-4%

(e) For the period of five years immediately preceding the balance sheet date

(i) Details of number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash

- The Company has not allotted any shares pursuant to contracts without payment being received in cash

(ii) Details of number and class of shares allotted as fully paid up by way of bonus shares:

- The Company has not allotted any shares as fully paid up by way of bonus shares

(iii) Details of number and class of shares bought back:

- The Company has not bought back any shares during the period of 5 years immediately preceding the balance sheet date

Qualified Institutions Placement ('QIP')

During the year 2024-25, the Company issued 27,27,272 equity shares of face value ₹5 each through Qualified Institutions Placement ('QIP') at an issue price of ₹4,400/- per share (including securities premium of ₹4,395/- per share) aggregating ₹1,20,000 lakhs.

NOTE No. 1.20
OTHER EQUITY

Particulars		As at March 31, 2025	As at March 31, 2024
Reserves & Surplus			
Securities Premium	(i)	1,46,009	28,123
General Reserves	(ii)	9,662	9,662
Retained Earnings	(iii)	1,28,183	1,26,890
Total Reserves & Surplus		2,83,854	1,64,675
Cash Flow Hedging Reserve	(iv)	252	(253)
Equity instruments through Other Comprehensive Income	(v)	(321)	(321)
Foreign currency translation reserve		211	333
Share of Networth in JV		406	308
Capital Reserve on business combination		79	-
Total		2,84,481	1,64,742

Additions and Deductions since the last balance sheet date:

(i) Securities Premium Account

	As at March 31, 2025	As at March 31, 2024
Opening balance	28,123	28,123
Premium on fresh issue of shares	1,19,863	-
Issue expenses adjusted	(1,977)	-
Closing balance	1,46,009	28,123

(ii) Retained Earnings

	As at March 31, 2025	As at March 31, 2024
Opening balance	1,26,890	99,124
Profit for the year	19,357	30,362
Items of other comprehensive income recognised directly in retained earnings:		
- Remeasurements of defined benefit obligation (net of tax)	(682)	(219)
Dividend (including dividend distribution tax)	(2,377)	(2,377)
Acquisition of Non-controlling Interest	(15,005)	-
Closing balance	1,28,183	1,26,890

(iii) Cash Flow Hedging Reserve

	As at March 31, 2025	As at March 31, 2024
Opening balance	(253)	(493)
Changes in fair value of hedging instruments	675	321
Deferred Tax	(170)	(81)
Closing Balance	252	(253)

(iv) Equity instruments through Other Comprehensive Income

	As at March 31, 2025	As at March 31, 2024
Opening balance	(321)	(321)
Changes in fair value of FVOCI equity instruments	-	-
Closing Balance	(321)	(321)

(v) Foreign currency translation reserve

	As at March 31, 2025	As at March 31, 2024
Opening balance	333	317
Exchange differences in translating the financial statements of foreign operations	(122)	16
Closing Balance	211	333

(vi) Share of Networth in JV

	As at March 31, 2025	As at March 31, 2024
Opening balance	308	222
Share of current year profits in Joint Venture	100	85
Share of Other Comprehensive Income in Joint Venture	(2)	1
Closing Balance	406	308

(vii) Capital Reserve on business combination

	As at March 31, 2025	As at March 31, 2024
Opening balance	-	-
Additions: Business Combination (Refer Note: 3.11)	79	-
Closing Balance	79	-

Refer "Statement of Changes in Equity" for additions/deletions in each of these items

A. Securities Premium represents premium received on equity shares issued, which can be utilised only in accordance with the provisions of the Companies Act, 2013 for specified purposes.

B. General reserve is created from time to time by transferring profits from retained earnings and can be utilised for purposes such as dividend pay-out, bonus issue, etc.

C. Retained Earnings includes Rs 5,542 lacs of revaluation reserve created due to Land revaluation on transition to Ind AS (01.04.2015), which will not be available for distribution of profits

D. Cash flow hedge reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the hedging instruments that are recognised and accumulated in this reserve are reclassified to profit or loss only when the hedged transaction affects the profit or loss.

E. The amount that can be distributed by the Company as dividends to its equity shareholders is determined considering the requirements of the Companies Act, 2013 and the dividend distribution policy of the Company. Thus, the amount reported in General Reserve is not entirely distributable.

In respect of the year ended March 31, 2025, the Board of Directors has proposed a final dividend of Rs.5 per share of face value Rs.5 each to be paid on fully paid equity shares. This dividend is subject to approval by shareholders at the forth coming Annual General Meeting and has not been included as a liability in these financial statements. The proposed dividend is payable to all holders of fully paid equity shares. The total estimated dividend to be paid is Rs.1,193 lakhs.

NOTE No. 1.21

NON-CONTROLLING INTEREST

Particulars	As at March 31, 2025	As at March 31, 2024
Opening	9,368	6,100
On business combination	-	
Profit attributable to non-controlling Interest for the year	630	3,286
Other comprehensive income attributable to non-controlling interest for the year	(3)	(18)
Acquisition of non-controlling interest	(9,995)	-
	-	9,368

NOTE No. 1.22

LONG TERM BORROWINGS

Particulars	As at March 31, 2025		As at March 31, 2024	
	Non-Current	Current *	Non-Current	Current *
Secured				
From Banks				
Rupee Term Loans	1,36,307	12,684	69,923	8,997
Foreign Currency Term Loans	3,942	3,935	8,725	4,663
	1,40,249	16,619	78,648	13,660
From NBFC/Others				
Rupee Term Loans	24,657	1,807	33,836	478
Foreign Currency Term Loans	280	136		
	24,937	1,943	33,836	478
Total	1,65,186	18,562	1,12,484	14,138

Notes:

1. The above long term borrowings are carried at amortised cost.

	31-Mar-25	31-Mar-24
Loans at amortised cost as at the end of the year (Current + Non-Current)	1,83,748	1,26,622
Add : Unamortised upfront fee paid as at the end of year	278	134
Gross loan outstanding as at the end of the year	1,84,026	1,26,756

2. Refer note no 3.9 for security and terms of borrowings.

* Taken to short term borrowings (Note 1.27)

Net Debt Reconciliation:
For the year ended March 31, 2025

Particulars	Cash and cash equivalents	Instrument to hedge the finance liability**	Current Borrowing	Non - Current Borrowing plus current maturity of long term debt*	Lease Liability	Total
Balance as at 01 April 24	6,349	684	(28,079)	(1,27,298)	(20,838)	(1,69,182)
Acquisition of RoU asset	-	-	-	-	(14,977)	(14,977)
On Business Combination	2,520	-	-	-	(155)	2,365
Cash Flows	850	-	6,431	(57,127)	5,609	(44,237)
Fair Value changes	-	328	-	-	-	328
Foreign exchange adjustments	23	-	24	(111)	-	(64)
Interest expense & other charges	-	-	(6,417)	(11,791)	(1,863)	(20,071)
Interest & charges paid	-	-	6,071	12,469	1,831	20,371
Balance as at 31 March 25	9,742	1,012	(21,970)	(1,83,858)	(30,393)	(2,25,467)

For the year ended March 31, 2024

Particulars	Cash and cash equivalents	Instrument to hedge the finance liability**	Current Borrowing	Non - Current Borrowing plus current maturity of long term debt*	Lease Liability	Total
Balance as at 01 April 23	2,732	561	(13,097)	(1,02,929)	(8,751)	(1,21,484)
Acquisition of RoU asset	-	-	-	-	(17,088)	(17,088)
Pre-closure of leases	-	-	-	-	6	6
Cash Flows	3,561	-	(14,955)	(24,420)	4,995	(30,819)
Fair Value changes	-	123	-	-	-	123
Foreign exchange adjustments	56	-	(18)	103	-	141
Interest expense & other charges	-	-	(5,338)	(10,066)	(1,283)	(16,687)
Interest & charges paid	-	-	5,329	10,014	1,283	16,626
Balance as at 31 March 24	6,349	684	(28,079)	(1,27,298)	(20,838)	(1,69,182)

*Includes the portion of "interest accrued but not due" pertaining to borrowings.

** does not include foreign currency forward contracts that are used for hedging liabilities that are operating cash flows

NOTE No. 1.23

LEASE LIABILITIES - NON-CURRENT

Particulars	As at March 31, 2025	As at March 31, 2024
Lease Liabilities - Non-current	20,306	16,486
Total	20,306	16,486

Refer Note No E.c & 3.10

NOTE No. 1.24**NON-CURRENT FINANCIAL LIABILITIES- OTHERS**

Particulars	As at March 31, 2025	As at March 31, 2024
Currency swap & Interest Rate Swap Derivative	143	209
Rent Advance	2	2
Others	618	-
Total	763	211

Notes:

1. Currency swaps are for principal only and are cash flow hedge and hence are carried at fair value through OCI
2. Interest Rate Swap & Interest Rate Collar derivatives that are hedge effective are carried at fair value through OCI & others are carried at fair value through Statement of Profit & Loss
3. Rent advance is carried at amortized cost as it is not material to be fair valued

NOTE No. 1.25**LONG TERM PROVISIONS**

Particulars	As at March 31, 2025	As at March 31, 2024
Other Provisions		
Provision for compensated absences	336	-
Total	336	-

NOTE No. 1.26**DEFERRED TAX LIABILITIES (NET)**

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred Tax Liabilities	20,586	14,755
Deferred Tax Assets	(19,980)	(1,607)
Total	606	13,148

Note : Refer Note No 3.3 for detailed deferred tax working and effective tax rate reconciliation

NOTE No. 1.27**SHORT TERM BORROWINGS**

Particulars	As at March 31, 2025	As at March 31, 2024
Loans repayable on demand from banks		
Secured		
Rupee Loans	7,532	27,187
Foreign Currency Loans	81	834
Sub-total (A)	7,613	28,021
Unsecured		
Rupee Loans	5,000	-
Foreign Currency Loans - Unsecured	9,065	-
Sub-total (B)	14,065	-
Current maturities of long-term debt (C)	18,562	14,138
Total (A + B + C)	40,240	42,159

NOTE No. 1.28
LEASE LIABILITIES - CURRENT

Particulars	As at March 31, 2025	As at March 31, 2024
Lease Liabilities - Current	10,086	4,353
Total	10,086	4,353

NOTE No. 1.29
TRADE PAYABLES

Particulars	As at March 31, 2025	As at March 31, 2024
Due to Micro and Small Enterprises-(MSE)	4,449	1,178
Sub-total (A)	4,449	1,178
Due to Other Suppliers	1,23,028	76,744
Accrued Expenses	5,956	2,142
Sub-total (B)	1,28,984	78,886
Total (A + B)	1,33,433	80,064

Payables to related parties - refer note 3.7

Particulars	Ageing as on March 31,2025				
	a. Less than 1 year	b. 1 - 2 years	c. 2 - 3 years	d. More than 3 years	Grand Total
(i) MSE	4,429	20	-	-	4,449
(ii) Others	1,22,069	590	165	204	1,23,028
(iii) Disputed dues - MSE	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-
Gross Total					1,27,477
Accrued Expenses					5,956
Total					1,33,433

Particulars	Ageing as on March 31,2024				
	a. Less than 1 year	b. 1 - 2 years	c. 2 - 3 years	d. More than 3 years	Grand Total
(i) MSE	1,178	-	-	-	1,178
(ii) Others	76,348	259	113	24	76,744
(iii) Disputed dues - MSE	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-
Gross Total					77,922
Accrued Expenses					2,142
Total					80,064

NOTE No. 1.30**OTHER CURRENT FINANCIAL LIABILITIES**

Particulars	As at March 31, 2025	As at March 31, 2024
Interest accrued but not due on borrowings	854	733
Currency swap , Interest Rate Swap & Forward cover derivative	-	50
Creditors for capital goods and services	15,033	9,463
Employee related liabilities	14,270	2,781
Dues to directors	15	8
Dividend Payable	2	-
Others	3,478	1,560
Total	33,652	14,595

NOTE No. 1.31**CURRENT TAX LIABILITIES (NET)**

Particulars	As at March 31, 2025	As at March 31, 2024
Income tax provisions less advance payment	1,162	912

NOTE No. 1.32**OTHER CURRENT LIABILITIES**

Particulars	As at March 31, 2025	As at March 31, 2024
Advance from customers	11,974	6,433
Deferred Revenue- EPCG benefit	427	-
Statutory Dues	5,530	3,442
Others	109	-
Total	18,040	9,875

NOTE No. 1.33**SHORT TERM PROVISIONS**

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for employee benefits		
Gratuity	1,042	631
Compensated absences- Current	449	-
Other Provisions		
Provision for Warranty Cost	388	294
Provision for Rejection	281	196
Total	2,160	1,121

Movement in Provision for product warranties is as follows :

	Opening	Expired during the year	Warranty provided for current year	Closing
2024-25	294	294	388	388
2023-24	214	214	294	294

This provision is recognised once the products are sold. The estimated provision takes into account historical information, frequency and average cost of warranty claims and the estimate regarding possible future incidence of claims. The provision for warranty claims represents the present value of management's best estimate of the future obligations. The outstanding provision for product warranties as at the reporting date is for the balance unexpired period of the respective warranties on the various products which ranges upto one year.

Movement in Provision for Rejection is as follows :

	Opening	Expired during the year	Rejection provided for current year	Closing
2024-25	196	196	281	281
2023-24	196	196	196	196

This provision is recognised once the products are sold. Materials are rejected due to various reasons and either get re processed or replaced to the customers depending on the type of rejections. These rejections gets fulfilled within a period of 3 months and the provisions represents the present value of management's best estimate of possible rejections within the next one quarter.

NOTE No. 2.1
REVENUE FROM OPERATIONS

Particulars	March 31, 2025	March 31, 2024
Sale of products;		
Domestic Sales	4,27,674	3,27,570
Export Sales	39,494	19,786
A.	4,67,168	3,47,356
Sale of services;		
Machining Charges	68,646	67,632
Service Charges	1,484	593
B.	70,130	68,225
Other operating revenues;		
Sale of swarf & others	27,188	26,472
Duty Drawback	395	333
EPCG income on fulfilling obligation	3,662	2,540
Export Incentive under RoDTEP	505	247
C.	31,750	29,592
Revenue from operations (A+B+C)	5,69,048	4,45,173

Refer Note no: 3.13 "Segment Reporting" for breakup of revenue from operations.

NOTE No. 2.2
OTHER INCOME

Particulars	March 31, 2025	March 31, 2024
Interest Income from deposits measured at amortised cost	925	234
Interest Income due to unwinding of fair valued assets		
-Rent Advance	74	66
Net gain on sale of assets	7	107
Rental income	151	30
Exchange rate Gain/(Loss) on Transaction & Translation	1,133	1,155
MTM Gain / (Loss) - Derivative -(Net)	2	-
Others	215	132
Total	2,507	1,724

NOTE No. 2.3
COST OF MATERIALS CONSUMED

Particulars	March 31, 2025	March 31, 2024
Cost of goods sold	3,24,802	2,48,640
Carriage inward	2,879	2,185
Sub Contract Charges	1,992	1,328
Total	3,29,673	2,52,153

NOTE No. 2.4**CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS**

Particulars	March 31, 2025	March 31, 2024
Inventory at the end of the year		
Work in Progress	41,463	30,980
Finished Goods	13,575	4,592
Sub total	55,038	35,572
Inventory at the beginning of the year		
Work in Progress	30,980	17,299
Finished Goods	4,592	3,251
Sub total	35,572	20,550
(Increase) / decrease in inventory	(19,466)	(15,022)

NOTE No. 2.5**EMPLOYEE BENEFITS EXPENSE**

Particulars	March 31, 2025	March 31, 2024
Salaries and wages	34,655	22,226
Contributions to Provident Fund & Employee State Insurance	1,983	724
Contribution to Gratuity fund	641	313
Managerial Remuneration	1,134	1,506
Staff welfare expenses	5,213	4,077
Total	43,626	28,846

NOTE No. 2.6**DEPRECIATION, AMORTIZATION AND IMPAIRMENT EXPENSE**

Particulars	March 31, 2025	March 31, 2024
Depreciation on Property, Plant & Equipment	31,867	24,984
Amortization of Intangible Assets	327	80
Amortization- Right-of-use Asset	2,445	2,382
Write off	74	279
Impairment expense / (reversal) of Capital Work in Progress	(11)	44
Total	34,702	27,769

NOTE No. 2.7**OTHER EXPENSES**

Particulars	March 31, 2025	March 31, 2024
Manufacturing Expenses		
Stores, Spares & tool consumed	31,171	22,916
Power & Fuel	36,757	26,251
Repairs & Maintenance		
- Machinery	12,104	10,968
- Building	949	1,041
- Others	3,013	3,045
Payment to contractors	18,296	9,271
Other manufacturing expenses	1,169	943
A. 1,03,459	1,03,459	74,435

Administrative Expenses		
Professional and Consultancy charges	3,994	1,975
Insurance Charges	831	498
Rates & Taxes	793	217
Software Licenses	993	720
General Administrative Expenses	1,983	1,094
De-recognition of Investment	30	
Printing & Stationary	352	258
Postage & Telegrams	110	70
Rent	784	268
Telephone Expenses	223	178
Travelling Expenses	2,576	1,443
Directors' Sitting Fees	41	28
Remuneration to auditors #	272	106
Corporate Social Responsibility Expenses	755	576
Amounts written off		
Bad debts	560	-
Provisions for the year		
Warranty	99	83
Rejections	101	(1)
Doubtful debts	383	(94)
B.	14,880	7,419
Selling expenses		
Packing material consumed	4,908	4,159
Carriage Outward	7,808	4,834
Sales Promotion Expenses	889	466
C.	13,605	9,459
Total (A+B+C)	1,31,944	91,313

includes Audit fees paid by the subsidiaries to their respective auditors.

NOTE No. 2.8

FINANCE COSTS

Particulars	March 31, 2025	March 31, 2024
Interest expenses		
On Short Term Borrowings	6,417	5,338
On Long Term Borrowings at Amortised Cost	11,702	10,066
Others	472	196
Other Borrowing costs		
Unwinding of discounted Upfront fee on loans	89	84
Interest unwind - lease liability	1,863	1,283
Unwinding of Rent Advance	74	66
Bank charges	739	308
Net (gain)/loss on foreign currency transactions and translation	308	113
Total	21,664	17,454

Notes to Consolidated Financial Statements for the year ended 31 March 2025:

3.1 Subsidiaries and Joint Venture considered in the Consolidated Financial Statements:

Following Subsidiaries are considered in the Consolidated Financial Statements:

S.No	Name of the Subsidiary	Country of Incorporation	% of Ownership Interest	
			March 31, 2025	March 31, 2024
1	DR Axion India Private Limited	India	100%	76%
2	Sunbeam Lightweighting Solutions Private Limited	India	100%	-
3	Craftsman Germany Gmbh	Germany	100%	-
4	Craftsman Europe B.V	Netherlands	100%	100%

Following Joint Venture is considered in the Consolidated Financial Statements:

S.No	Name of the Joint Venture	Country of Incorporation	% of Ownership Interest	
			March 31, 2025	March 31, 2024
1	Carl Stahl Craftsman Enterprises Private limited	India	30%	30%

3.2 Additional Information – Subsidiaries & Joint Ventures:

Additional Information, as required under Schedule III to the Companies Act, 2013 of entities consolidated as Subsidiaries & Joint Ventures

Name of the entity	March 31, 2025		March 31, 2024	
	As a % of consolidated Net Assets	Amount	As a % of consolidated Net Assets	Amount
Parent Company				
Craftsman Automation Limited	97.99%	2,79,937	88.26%	1,54,598
Domestic Subsidiaries				
DR Axion India Private Limited	17.90%	51,134	22.22%	38,927
Sunbeam Lightweighting Solutions Private Limited	3.76%	10,743	-	-
Foreign Subsidiaries				
Craftsman Europe B.V	0.95%	2,724	1.47%	2,577
Craftsman Germany Gmbh	5.38%	15,373	-	-
Joint Venture				
Carlstahl Craftsman Enterprises Private Limited	0.14%	406	0.18%	308
Sub Total	126.13%	3,60,317	112.13%	1,96,410
Add/Less: Intragroup eliminations / adjustments	-26.13%	(74,643)	-12.13%	(21,244)
Total	100.00%	2,85,674	100.00%	1,75,166

Name of the entity	March 31, 2025		March 31, 2024	
	As a % of consolidated Profit or Loss	Amount	As a % of consolidated Profit or Loss	Amount
Parent Company				
Craftsman Automation Limited	46.65%	9,370	58.58%	19,759
Domestic Subsidiaries				
DR Axion India Private Limited	63.28%	12,712	40.58%	13,690
Sunbeam Lightweighting Solutions Private Limited	-10.46%	(2,101)	-	-
Foreign Subsidiaries				
Craftsman Europe B.V	0.42%	85	0.64%	216
Craftsman Germany Gmbh	0.58%	117	-	-
Joint Venture				
Carlstahl Craftsman Enterprises Private Limited	0.50%	100	0.25%	85
Sub Total	100.97%	20,283	100.05%	33,750
Add/Less: Intragroup eliminations / adjustments	-0.97%	(196)	-0.05%	(18)
Total	100.00%	20,087	100.00%	33,732

Name of the entity	March 31, 2025		March 31, 2024	
	As a % of consolidated OCI	Amount	As a % of consolidated OCI	Amount
Parent Company				
Craftsman Automation Limited	-106.58%	324	390.00%	78
Domestic Subsidiaries				
DR Axion India Private Limited	8.22%	(25)	-380.00%	(76)
Sunbeam Lightweighting Solutions Private Limited	157.57%	(479)	-	-
Foreign Subsidiaries				
Craftsman Europe B.V	-20.72%	63	85.00%	17
Craftsman Germany Gmbh	60.86%	(185)	-	-
Joint Venture				
Carlstahl Craftsman Enterprises Private Limited	0.33%	(1)	5.00%	1
Sub Total	99.67%	(303)	100.00%	20
Add/Less: Intragroup eliminations / adjustments	0.33%	(1)	-	-
Total	100.00%	(304)	100.00%	20

Name of the entity	Rs. Lakhs			
	March 31, 2025		March 31, 2024	
	As a % of consolidated TCI	Amount	As a % of consolidated TCI	Amount
Parent Company				
Craftsman Automation Limited	49.00%	9,694	58.77%	19,837
Domestic Subsidiaries				
DR Axion India Private Limited	64.13%	12,687	40.34%	13,614
Sunbeam Lightweighting Solutions Private Limited	-13.04%	(2,580)	-	-
Foreign Subsidiaries				
Craftsman Europe B.V	0.75%	148	0.69%	233
Craftsman Germany Gmbh	-0.34%	(68)	-	-
Joint Venture				
Carlstahl Craftsman Enterprises Private Limited	0.50%	99	0.25%	86
Sub Total	100.99%	19,980	100.05%	33,770
Add/Less: Intragroup eliminations / adjustments	-0.99%	(197)	-0.05%	(18)
Total	100.00%	19,783	100.00%	33,752

3.3 Income taxes

Income tax expense for the year reconciled to accounting profit

		Rs. Lakhs	
		Year Ended March 31, 2025	Year Ended March 31, 2024
Profit before tax	a	26,965	44,469
Income tax rate	b	25.168%	25.168%
Income tax expenses	a*b	6,787	11,192
Effect of			
i) Effect of expenses inadmissible for tax		349	129
ii) Effect of Lower income tax of Subsidiaries		(306)	(10)
iii) Effect of Share of profit from JV		(25)	(21)
iv) Effect of change in tax rate		-	(510)
v) Others		74	(44)
Income tax expense recognised in Statement of Profit & loss		6,878	10,736

Movement of deferred tax assets/ liabilities:

					Rs. Lakhs
Movement during the year ended March 31 2025	As at March 31, 2024	Recognised in P&L	Recognised in OCI	On business combination	As at March 31, 2025
Depreciation & Amortization	(13,758)	(763)	-	-	(14,521)
Provision for doubtful debts	160	254	-	-	414
Other Temporary Differences	450	1,327	(100)	11,824	13,501
	(13,148)	818	(100)	11,824	(606)

					Rs. Lakhs
Movement during the year ended March 31 2024	As at March 31, 2023	Recognised in P&L	Recognised in OCI		As at March 31, 2024
Depreciation & Amortization	(14,528)	770	-		(13,758)
Provision for doubtful debts	184	(24)	-		160
Other Temporary Differences	232	220	(2)		450
	(14,112)	966	(2)		(13,148)

3.4 Employee Benefits

The Union Ministry of Labour issued draft rules under section 67 of the Code on Wages Act on 7 July 2020 in the Gazette and the Act is yet to be effective

The three labour codes, the Occupational Health, Safety and Working Conditions Code 2020, the Industrial Relations Code 2020 and the Code on Social Security 2020 have been passed by the parliament and have also received the assent of the President of India on 28 September 2020. However, the date on which these Codes will come into effect has not been notified. The Group will assess the impact of these Codes and will record any related impact in the period these Codes become effective.

3.4 A) Defined Contribution Plan

The employee provident fund, employee state insurance and superannuation fund are in the nature of Defined Contribution Plan. The contribution made to these schemes are considered as expense in the Statement of Profit and Loss when the employee renders the related service.

The total expenses recognised in Statement of Profit or Loss of Rs. 1,983 lakhs (2023-24: Rs. 724 lakhs) represents contribution payable to these plans by the Group at rates specified in the rules of the plan.

3.4 B) Defined benefit plans

a. The Group extends defined benefit plan in the form of gratuity to employees. The Group makes annual contribution to gratuity fund administered by trustees and managed by SBI Life Insurance Company Ltd for

the company and Aditya Birla Sun Life Insurance Company Ltd for DR Axion India Private Limited, Life Insurance Corporation of India for Sunbeam Lightweighting Solutions Private Limited and Federal Employment Agency in Germany for Craftsman Germany GmbH respectively. The Group's liability is determined based on actuarial valuation done at the year end as per projected unit credit method. The plan provides for a lump-sum payment to vested employees at retirement, death, while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service subject to the maximum of Rs.20 lakhs. Vesting occurs upon completion of five years of service.

These plans typically expose the Group to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.
Liquidity Risk	Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign / retire from the Group there can be strain on the cash flows.
Market Risk	Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate / government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.
Legislative Risk	Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation / regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

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

	As at Mar 31, 2025	As at Mar 31, 2024
Discount rate	6.55% to 6.87%	7.23% to 7.24%
Expected rate of salary increase	5.00% to 10.00%	5.00% to 10.00%
Attrition rate	5.00% to 10.00%	5.00%

The estimate of future salary increase take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

c. Amounts recognised in total comprehensive income in respect of these defined benefit plans are as follows:

	Rs. In Lakhs	
	2024-25 Rs. In Lakhs	2023-24 Rs. In Lakhs
Current Service Cost	452	304
Net interest expense/ (income)	50	9
Component of defined benefit cost recognised in P&L	502	313
<u>Remeasurement on the net defined benefit liability comprising:</u>		
Actuarial (Gain)/loss arising from changes in financial assumptions	164	98
Actuarial (Gain)/ Losses due to Experience on Defined Benefit Obligation	358	212
Actuarial (Gain)/Loss arising from changes in financial assumptions due to demographic assumption changes in Defined Benefit Obligation	70	1
Return on Plan Assets (Greater) / Less than Discount rate	163	5
Components of defined benefit costs recognised in other comprehensive income	755	316
Total Defined Benefit Cost	1,257	629

d. The amount included in the balance sheet arising from the Group's obligation in respect of its defined benefit plans is as follows

	Rs. In Lakhs	
	As at Mar 31, 2025	As at Mar 31, 2024
Present value of defined benefit obligation	5,742	2,895
Fair value of plan assets	4,698	2,264
Net liability arising from defined benefit obligation (funded)	(1,044)	(629)

e. Movements in the present value of the defined benefit obligation in the current year were as follows:

	Rs. In Lakhs	
	Year ended Mar 31, 2024	Year ended Mar 31, 2023
Opening defined benefit obligation	2,895	2,256
Acquired on Business Combination	3,335	
Current Service Cost	452	304
Interest Cost	332	158
Benefits paid	(1864)	(135)
Actuarial (gain)/loss	592	312
Closing defined benefit obligation	5,742	2,895

f. Movements in fair value of plan assets in the current year were as follows:

	Rs. In Lakhs	
	Year ended Mar 31, 2025	Year ended Mar 31, 2024
Opening fair value of plan assets	2,264	1988
Acquired on Business Combination	2,649	-
Interest income of the assets	281	149
Employer contribution	1,531	268
Benefits payout	(1,864)	(135)
Actuarial gain/(loss)	(163)	(6)
Closing fair value of plan assets	4,698	2,264

g. The Group funds the cost of the gratuity expected to be earned on a yearly basis .

The actual return on plan assets was Rs. 160 lakhs (2023-24: Rs. 144 lakhs)

h. Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity analysis below has been determined based on reasonably possible changes of the respective assumption occurring at the end of the reporting year.

	Rs. In Lakhs	
	As at Mar 31, 2025	As at Mar 31, 2024
If the discount rate is 100 basis points higher/lower, the defined benefit obligation would		
• Decrease by (Mar 25: (3.20%) to (9.93%); Mar 24: (8.64%) to (9.83%))	(2,407)	(254)
• Increase by (Mar 25: 3.50% to 11.66% ; Mar 24: 10.04% to 11.55%)	2,606	296
If the expected salary is 100 basis points higher/lower, the defined benefit obligation would		
• Increase by (Mar 25: 3.50% to 11.15% ; Mar 24: 8.46% to 11.08%)	2,554	254
• Decrease by (Mar 24: (3.30%) to (9.65%) ; Mar 24: (7.63%) to (9.56%))	(2,374)	(228)
If the attrition rate is 100 basis points higher/lower, the defined benefit obligation would		
• Increase by (Mar 25: 0.70% to 1.51%; Mar 24: 1.43% to 2.18%)	2,213	44
• Decrease by (Mar 25: (1.29%) to (1.75%) ; Mar 24: (1.62%) to (2.53%))	(2,169)	(50)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of each reporting year, which is the same as that applied in calculating the defined benefit obligation liability recognized in the balance sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from previous year.

i. Funding arrangements

The Group has been fully funding the liability through a trust administered by an insurance company. Regular assessment of the increase in liability is made by the insurance company and contributions are being made to maintain the fund. Subject to credit risk of the insurance company & the asset liability mismatch risk of the investments, the Group will be able to meet the past service liability on the valuation date that falls due in the future.

The Group expects to make a contribution of Rs 963 lakhs (as at March 31, 2024: Rs 381 lakhs) to the defined benefit plans for the next financial year.

Information on the maturity profile of the liabilities:

Particulars	31st Mar 2024	31st Mar 2024
Weighted average duration of the DBO	3.00 -12.95 years	12.37-12.82 years
	Rs. Lakhs	Rs. Lakhs
Projected Benefit Obligation	5,743	2,895

j. Maturity Profile:

Rs. Lakhs	
FUTURE PAYOUTS	Present Value
Year (i)	1,509
Year (ii to v)	1,364
Next 5 year pay-outs(6-10yrs)	1,268
Pay-outs above ten years	2,272

3.5 Earnings per share (EPS)

	Year Ended March 31, 2025	Year Ended March 31, 2024
	Rs.	Rs.
Earnings per share		
Basic earnings per share	83.68	144.11
Diluted earnings per share	83.68	144.11
Face value per share	5	5
Basic and diluted earnings per share	Rs. Lakhs	Rs. Lakhs
Profit for the year attributable to equity shareholders	19,457	30,447
	Nos.	Nos.
Total number of equity shares outstanding at the end of the year	2,38,55,583	2,11,28,311
Weighted average number of equity shares used in the calculation of basic earnings per share after adjustment for effect of dilution	2,32,50,353 2,32,50,353	2,11,28,311 2,11,28,311

3.6 Financial Instruments:

3.6a Capital Management:

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

The Group manages its capital structure and makes adjustments to it, in light of changes to economic conditions and the strategic objectives of the Group. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, buy back shares and cancel them, or issue new shares. The Group finances its operations by a combination of retained profit, bank borrowings, disposals of property assets and leases.

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

The Debt to equity ratio as at end of the year is given below:

	Rs. Lakhs	
	As at March 31, 2025	As at March 31, 2024
Debt (long-term and short-term borrowings including current maturities)	2,05,426	1,54,643
Equity	2,85,674	1,75,166
Debt Equity Ratio	0.72	0.88

3.6b Financial risk management

In course of its business, the Group is exposed to certain financial risks that could have significant influence on the Group's business and operational / financial performance. These include market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

The Board of Directors reviews and approves risk management framework and policies for managing these risks and monitors suitable mitigating actions taken by the management to minimise potential adverse effects and achieve greater predictability to earnings.

In line with the overall risk management framework and policies, the treasury function provides services to the business, monitors and manages through an analysis of the exposures by degree and magnitude of risks.

The Group uses derivative financial instruments to hedge risk exposures in accordance with the Group's policies as approved by the board of directors.

i. Market Risk

Market risk is the risk that changes in market prices, liquidity and other factors that could have an adverse effect on realizable fair values or future cash flows to the Group. The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates as future specific market changes cannot be normally predicted with reasonable accuracy

A. Foreign currency risk management:

The Group undertakes transactions denominated in foreign currencies and thus it is exposed to exchange rate fluctuations. The Group actively manages its currency rate exposures, arising from transactions entered and denominated in foreign currencies, through treasury division and uses derivative instruments such as foreign currency forward contracts to mitigate the risks from such exposures. The use of derivative instruments is subject to limits and regular monitoring by Management. The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

Assets	Currency	As at March 31, 2025		As at March 31, 2024	
		Amount in Foreign currency (Lakhs)	Amount in Rs (Lakhs)	Amount in Foreign currency (Lakhs)	Amount in Rs (Lakhs)
Receivables	USD	126	10,738	37	3,108
	EUR	31	2,908	8	744
	GBP	-	-	0.04	4
Total Receivables (A)			13,646		3,856
Hedged by derivative contracts (B)		-	-	-	-
Unhedged receivables (C=A-B)			13,646		3,856

Liabilities	Currency	As at March 31, 2025		As at March 31, 2024	
		Amount in Foreign currency (Lakhs)	Amount in Rs (Lakhs)	Amount in Foreign currency (Lakhs)	Amount in Rs (Lakhs)
Payable (trade & other)	USD	67	5,726	62	5,130
	JPY	12,161	6,930	3,314	1,826
	EUR	20	1,880	29	2,636
	GBP	0.34	37	0.03	3
Borrowings (ECB and Others)	USD	210	17,949	171	14,254
Total Payables (A)			32,522		23,849
Hedges by derivative contracts (B)	USD	46	3,945	92	7,648
	EUR	-	-	14	1,260
Unhedged payables (C=A-B)			28,577		14,941

B. Foreign currency sensitivity analysis:

Movement in the functional currencies of the various operations of the Group against major foreign currencies may impact the Group's revenues from its operations. Any weakening of the functional currency may impact the Group's cost of imports and cost of borrowings and consequently may increase the cost of financing the Group's capital expenditures.

The foreign exchange rate sensitivity is calculated for each currency by aggregation of the net foreign exchange rate exposure of a currency and a parallel foreign exchange rates shift in the foreign exchange rates of each currency by 1%, which represents Management's assessment of the reasonably possible change in foreign exchange rates.

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments. The following table details the Group's sensitivity movement in the unhedged foreign exposure:

Currency	1% Strengthening of FC		Rs. Lakhs
	As at March 31, 2025	As at March 31, 2024	
USD	(90)	(86)	
GBP	(0.37)	0.01	
EUR	10	(6)	
JPY	(69)	(18)	
	(149)	(110)	

A depreciation of foreign currencies would have the opposite effect to the impact in the table above.

The following table details the forward foreign currency contracts outstanding at the end of the reporting period:

Cash Flow Hedges	(Rs. Lakhs)					
	Foreign Currency		Equivalent value		Fair value of contracts	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Sell EUR	-	14	-	1,310	-	1,260

Note:

The MTM of the above has been included in the balance sheet under 'Other Current Financial Asset'. [Refer Note 1.17] as on March 31, 2025.

Interest rate risk management:

The Group is exposed to interest rate risk pertaining to funds borrowed at both fixed and floating interest rates. The risk of floating interest rates in foreign currency loans is managed by the Group by the use of interest rate swap contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies.

Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates at the end of the reporting period. For floating rate liabilities which are unhedged, the analysis is prepared assuming that the amount of the liability as at the end of the reporting period was outstanding for the whole year. An increase or decrease of 50 basis point in rupee interest rates and 25 basis points in USD SOFR rate is used when reporting interest rate risk internally to key management personnel and represents Management's assessment of the reasonably possible change in interest rates.

A decrease in interest rates would have the opposite effect to the impact in the table above.

Base Rate	Increase in Base rate	(Rs. Lakhs)			
		Effect of Change in interest rates		Outstanding as on	
		As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
USD SOFR	25 bps	7	14	2,626	5,711
INR Baserate	50 bps	877	470	1,75,454	94,041
		884	484	1,78,080	99,752

Interest rate on all USD loans are hedged with either IRS or IRC and hence are not exposed to risk due to interest rate fluctuations.

Foreign currency and interest rate sensitivity analysis for swap contracts:

The Group has taken interest rate swaps ('IRS') to hedge the interest rate risks. The marked-to-market gain as at March 31, 2025 is Rs. 47 lakhs (March 31, 2024 is Rs.166 lakhs). The amount of loss recognised in OCI for the year ended March 31, 2025 is Rs. 118 lakhs (March 31, 2024 is Rs.65 lakhs) and the amount of

gain recognised in Statement of Profit and Loss for the ineffective portion of cash flow hedge for the year ended March 31, 2025 is Rs. NIL (March 31, 2024: Rs. NIL).

In addition to the above, the Group has an Interest Rate Collar ('IRC'), to hedge the interest rate risks. The marked-to-market gain as at March 31, 2025 is Rs. 38 lakhs (March 31, 2024 is Rs.90 lakhs). The amount of loss recognised in OCI for the year ended March 31, 2025 is Rs. 52 lakhs (March 31, 2024 is loss Rs.49 lakhs).

In case of currency swaps, the effective portion of cash flow hedges, is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in Statement of Profit and Loss. Amounts recognised as OCI are transferred to Statement of Profit and Loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs when the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability. The mark-to-market gain as at March 31, 2025 is Rs. NIL (March 31, 2024: Rs. NIL). The amount recognised in OCI for the year ended March 31, 2025 is Rs. NIL (March 31, 2024: Nil). Also, the effect given to OCI on account of restatement loss of the underlying foreign currency loans for the year ended March 31, 2025 is Rs. 346 lakhs (March 31, 2024: 198 lakhs).

Further, the Group has call options for principal payments of two of its foreign currency loan which are designated as a cash flow hedge. The marked-to-market gain as at March 31, 2025 is Rs. 926 lakhs (March 31, 2024: gain of Rs. 477 lakhs). The amount of gain recognised in OCI for the year March 31, 2025 is Rs. 449 lakhs (March 31, 2024 – loss of Rs. 287 lakhs).

Credit Risk:

Credit risk is the risk of financial loss to the Group if a customer or counter-party fails to meet its contractual obligations.

- Trade receivables:

The Group periodically assesses the financial reliability of customers taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivable. These include customers, which have high credit-ratings assigned by international and domestic credit-rating agencies. Individual risk limits are set accordingly. The Group's trade and other receivables, including loans under customer financing activities, consists of a large number of customers, across geographies.

The Group has used a practical expedient by computing the expected credit loss allowance for trade receivable based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information.

Movement in Credit loss allowance

	Rs. In Lakhs	
	As at March 31, 2025	As at March 31, 2024
Balance as at beginning of the year	646	740
Allowance for bad and doubtful debts during the year	945	(94)
On Business combination	640	-
Trade receivables written off during the year	(560)	-
Balance as at the end of the year	1,671	646

Other financial assets:*a. Bhatia Coke & Energy Limited*

Bhatia Coke & Energy Limited is under "Corporate Insolvency resolution process" as per the MCA website. Also, the management of the Company is taken over by an insolvency professional appointed by the National Company Law Tribunal (NCLT)

Given this, the Company has fair valued the investment to NIL in FY 2020-21.

None of the Group's other cash equivalents, including time deposits with banks, are past due or impaired.

Movement in Provision for advances:

	Rs. In Lakhs	
	As at March 31, 2025	As at March 31, 2024
Balance as at beginning of the year	28	28
Allowance for doubtful advances made during the year	-	-
Advances written off during the year	-	-
Balance as at the end of the year	28	28

Refer note: 1.11 and 1.18 of the financial statements.

ii. Liquidity Risk:

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Group has obtained fund and non-fund based working capital limits from various banks. The Group invests its surplus funds in bank fixed deposit, which carry minimal mark to market risks.

The table below summarizes the maturity profile remaining contractual maturity period at the balance sheet date for its non-derivative financial liabilities based on the discounted cash flows.

	Rs. Lakhs			
As at March 31, 2025	Due within 1 year	Due between 2 and 5 years	Due beyond 5 years	Total Amount
Bank and other borrowings	40,240	1,42,489	22,697	2,05,426
Interest payments on borrowings	14,756	30,039	1,258	46,053
Lease liability	10,086	11,915	8,391	30,392
Trade Payables	1,33,433	-	-	1,33,433

	Rs. Lakhs			
As at March 31, 2024	Due within 1 year	Due between 2 and 5 years	Due beyond 5 years	Total Amount
Bank and other borrowings	42,158	96,356	16,129	1,54,643
Interest payments on borrowings	10,631	20,180	723	31,534
Lease liability	4,353	11,963	4,523	20,839
Trade Payables	80,064	-	-	80,064

The table below summarizes the maturity profile for its derivative financial assets and liabilities based on the undiscounted contractual net cash inflows and outflows on derivative liabilities that settle on a net basis or gross basis.

	Rs. Lakhs			
As at March 31, 2025	Due within 1 year	Due between 2 and 5 years	Due beyond 5 years	Carrying Amount
Currency & Interest Rate - Swaps & Options	1,138	(126)	-	1,012

	Rs. Lakhs			
As at March 31, 2024	Due within 1 year	Due between 2 and 5 years	Due beyond 5 years	Carrying Amount
Currency & Interest Rate - Swaps & Options	859	(125)	-	734
Foreign exchange forwards	(50)	-	-	(50)
	809	(125)	-	684

3.6c Categories of Financial assets and liabilities:

	Rs. Lakhs	
	As at March 31, 2025	As at March 31, 2024
Financial Assets		
a. <u>Measured at amortized cost:</u>		
Cash and cash equivalents	9,742	6,349
Other bank balances & Interest receivable	2,748	2,065
Trade Receivables	92,059	57,663
Security Deposit	6,123	5,016
Other receivables	1,091	-
b. <u>Mandatorily maintained at fair value through other comprehensive income (FVTOCI)</u>		
Investments	594	79
Currency swaps & options and IRS & IRC	1,155	943

	Rs. Lakhs	
	As at March 31, 2025	As at March 31, 2024
Financial Liabilities		
a. <u>Measured at amortized cost:</u>		
Borrowings	2,05,426	1,54,643
Lease Liability	30,392	20,839
Trade Payables	1,33,433	80,064
Other Financial Liabilities	34,272	14,547
b. <u>Mandatorily maintained at fair value through other comprehensive income (FVTOCI)</u>		
Currency Swaps & IRS	143	259

3.6d Fair value measurements:

i) Financial assets and financial liabilities that are measured at fair value on a recurring basis as at the end of each reporting period:

The fair value of financial instruments as referred to in note above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

- Level 1 : Quoted Price for identical instruments in an active market
- Level 2 : Directly or indirectly observable market inputs, Other than level 1 inputs and
- Level 3 : Inputs which are not based on observable market data

For assets and liabilities that are measured at fair value as at balance sheet date., the classification of fair value calculation by category is summarized below:

As at March 31, 2025**Rs Lakhs**

	Level 1	Level 2	Level 3	Total
Asset at fair value				
Investments measured at				
i) fair value through OCI	-	-	594	594
ii) fair value through P&L	-	-	-	-
Derivative Instruments measured at				
i) fair value through OCI	-	1,155	-	1,155
ii) fair value through P&L	-	-	-	-
Liabilities at fair value				
Derivative Instruments measured at				
i) fair value through OCI	-	143	-	143
ii) fair value through P&L	-	-	-	-

As at March 31, 2024**Rs Lakhs**

	Level 1	Level 2	Level 3	Total
Asset at fair value				
Investments measured at				
i) fair value through OCI	-	-	79	79
ii) fair value through P&L	-	-	-	-
Derivative Instruments measured at				
i) fair value through OCI	-	943	-	943
ii) fair value through P&L	-	-	-	-
Liabilities at fair value				
Derivative Instruments measured at				
i) fair value through OCI	-	259	-	259
ii) fair value through P&L	-	-	-	-

Calculation of Fair Values:

The fair values of the financial assets and liabilities are defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent with those used.

3.7 Related party disclosure

a) Related parties

Joint Ventures

Carl Stahl Craftsman Enterprises Private Limited

Key Management Personnel

Mr. Srinivasan Ravi, Chairman And Managing Director
 Mr. Ravi Gauthamram, Whole Time Director
 Mr. Sundararaman Kalyanaraman, Independent Director
 Mrs. Vijaya Sampath, Independent Director
 Mr. T S V Rajagopal, Independent Director
 Mrs. Rajeswari Karthigeyan, Independent Director
 Mr. C.B.Chandrasekar, Chief Financial Officer
 Mr. Thiyagaraj Damodharaswamy, Chief Operating Officer
 Mr. Shainshad Aduvanni, Company Secretary

b) Related Party Transactions – Summary:

Transactions during the year	Rs Lakhs			
	Joint Ventures		Key Management Personnel	
	24-25	23-24	24-25	23-24
Purchase of Goods & Services	501	489	-	-
Sale of Goods & Services	5,916	5,597	-	-
Remuneration to key management personnel	-	-	989	692
Commission	-	-	149	1,000
Sitting Fee	-	-	27	22
Rental Income	2	2	-	-

Balances as at the end of the year	Rs Lakhs			
	Joint Ventures		Key Management Personnel	
	31-Mar-25	31-Mar-24	31-Mar-25	31-Mar-24
Trade Receivables	983	1,525	-	-
Trade Payables	-	55	-	-
Remuneration payable	-	-	15	6

c) Significant Related Party Transactions:

	Rs Lakhs	
	Year Ended March 31, 2025	Year Ended March 31, 2024
Purchase of Goods & Services <i>Carl Stahl Craftsman Enterprises Private Limited</i>	501	489
Sale of Goods & Services <i>Carl Stahl Craftsman Enterprises Private Limited</i>	5,916	5,597
Remuneration to key management personnel		
<i>Executive Directors</i>	698	457
<i>Chief Financial Officer</i>	131	87
<i>Chief Operating Officer</i>	125	113
<i>Company Secretary</i>	35	35
Commission		
<i>Executive Directors</i>	87	963
<i>Non-Executive Directors</i>	62	37
Sitting Fee		
<i>Non-Executive Directors</i>	27	22
Rent Income <i>Carl Stahl Craftsman Enterprises Pvt Ltd</i>	2	2

Note: Remuneration to KMP does not include gratuity contribution which is determined actuarially on an overall basis for the holding Company and subsidiary and accordingly has not been considered.

d) Balances of Related Parties as at end of the year

	Rs Lakhs	
	As at March 31, 2025	As at March 31, 2024
Trade Receivable Carl Stahl Craftsman Enterprises Private Limited	983	1,525
Trade Payable Carl Stahl Craftsman Enterprises Private Limited	-	55
Remuneration payable Chairman and Managing Director	15	6

3.8 Contingent Liabilities and Commitments**a) Contingent Liabilities**

	Rs. Lakhs	
Contingent Liabilities	As at March 31, 2025	As at March 31, 2024
a. Claims against the Company not acknowledged as debt		
Excise Duty	22	7
Value Added Tax	315	-
Service tax	121	67
Goods and Service Tax	2,247	16
Income tax	494	823
Stamp duty	-	-
b. Sales Bills discounted	8,646	4,617

b) Commitments

Commitment on Capital Account not provided as on 31 March 2025: Rs. 49,094 lakhs; 31 March 2024: Rs. 26,599 lakhs.

3.9 Non-Current Borrowings:

Borrowings	As at March 31, 2025			Particulars of Repayment		As at March 31, 2024		
	Non-Current	Current Maturity	Total	Instalments	Amount/Inst nos.	Non-Current	Current Maturity	Total
* IFC - ECB	3,942	3,935	7,877	Half-yearly	USD 12/ 13	7,683	3,831	11,514
* SCB-ECB	-	-	-	Quarterly	USD 3/ 20	1,041	832	1,873
* Bajaj TL-1	-	-	-	Quarterly	INR 175/ 20	2,749	-	2,749
* HDFC TL-1	-	-	-	Quarterly	INR 351/ 20	2,103	-	2,103
# EXIM TL-1	7,561	1,610	9,171	Quarterly	INR 542 / 24	9,712	1,606	11,318
# FEDERAL TL-1	7,811	(1)	7,810	Quarterly	INR 521 / 24	9,892	-	9,892
# TCFSL TL-1	-	-	-	Quarterly	INR 479 / 12	5,269	478	5,747
# ABFL TL-1	-	-	-	Quarterly	INR 150/2, 550/4, 625/20	12,491	-	12,491
# Bajaj TL-2	-	-	-	Quarterly	INR 417 / 24	8,333	-	8,333
# SBI - TL1	7,767	278	8,044	Monthly	INR 139/72	9,439	556	9,995
# Indian Bank TL-1	7,033	49	7,083	Monthly	INR 185/54	9,068	994	10,062
# Axis TL-1	5,887	(1)	5,887	Quarterly	INR 363/24	7,623	1,087	8,710
# HDFC TL-2	9,375	(0)	9,375	Quarterly	INR 521/24	11,458	1,042	12,500
# Bajaj TL-3	3,998	(1)	3,996	Quarterly	INR 250/20	4,995	-	4,995
# IOB TL-1	7,486	1,668	9,154	Monthly	INR 139/71 , 131/1	-	-	-
^ FEDERAL TL-2	16,582	(4)	16,579	Quarterly	INR 833/24	-	-	-
^ Axis TL-2	8,846	1,154	10,000	Quarterly	INR 385/26	-	-	-
^ KMBL TL-1	10,404	946	11,350	Monthly	INR 158/72	-	-	-
^ Bajaj TL-4	13,491	1,496	14,987	Quarterly	INR 750/20	-	-	-
^ IndusInd TL-1	9,150	850	10,000	Quarterly	INR 125/2 , 300/4 , 475/18	-	-	-
^ SBI - TL2	18,784	858	19,642	Quarterly	INR 816/23, 824/1	-	-	-
* DR HDFC Term Loan-1	626	1,249	1,875	Quarterly	INR 313/24	1,870	1,248	3,118
* DR HDFC Term Loan-2	-	-	-	Quarterly	INR 209/20	-	594	594
* DR HDFC Term Loan-3	2,324	848	3,172	Quarterly	INR 117/16	3,184	212	3,396
* DR HDFC Term Loan-4	-	-	-	Quarterly	INR 17/16	248	17	265
* DR Axis Term Loan-1	2,920	830	3,750	Quarterly	INR 208/24	3,742	829	4,571
* DR GECL TL -1	-	-	-	Monthly	INR 21/48	188	250	438
* DR GECL TL -2	-	-	-	Monthly	INR 42/48	458	500	958
* DR GECL TL -3	-	-	-	Monthly	INR 21/48	938	62	1,000
* SB Kotak Term Loan	2,024	-	2,024	Monthly	INR 29/72	-	-	-
* SB RBL WCTL	7,753	2,139	9,892	Monthly	INR 238/42	-	-	-
* SB Yes Bank Term loan	3,972	210	4,182	Quarterly	INR 210/20	-	-	-
* SB Tata Capital WCTL	7,169	312	7,481	Monthly	INR 156/48	-	-	-
CG Financing through lease-								
NA Nord Leasing GmbH, Germany	280	136	416	Monthly	EMI INR 14 Lakhs/28	-	-	-
Total	1,65,186	18,562	1,83,748			1,12,484	14,138	1,26,622

ECB – External Commercial Borrowings ; FCTL- Foreign Currency Term Loan ; TL – Rupee Term Loans;

DR – Loans of the subsidiary DR Axion India Private Limited.

SB – Loans of the Subsidiary Sunbeam Lightweighting Solutions Private Limited

CG- "Financing through lease of the subsidiary Craftsman Germany GmbH

The balances mentioned above are at amortised cost: Refer note 1.22

*: Secured by first pari passu charge on fixed assets and a second pari passu charge on current assets of the Company.

#: Secured by first pari passu charge on moveable fixed assets and second pari passu charge on current assets of the Company.

^: Secured by first pari passu charge on moveable fixed assets of the Company.

3.10 Leases:

3.10a Group as lessee

(i) Following are the changes in the carrying value of right of use assets

For the year ended March 31, 2025:

(Rs. Lakhs)	
Particulars	Land & Buildings
Balance as at 1 April 2024	23,896
Additions on business combination	2,031
Additions	14,977
Amortization/ expense	(2,384)
Deletion	-
Balance as of 31 March 2025	38,520

For the year ended March 31, 2024:

Particulars	Land & Buildings
Balance as at 1 April 2023	9,196
Additions	17,088
Amortization/ expense	(2,382)
Deletion	(6)
Balance as of 31 March 2024	23,896

(ii) The aggregate amortization expense on ROU assets is included under depreciation, amortization and impairment expense in the statement of Profit and Loss.

(iii) The following is the break-up of current and non-current lease liabilities:

Particulars	As at March 31, 2025	As at March 31, 2024
Current lease liabilities	20,306	4,353
Non-current lease liabilities	10,086	16,486
Total	30,392	20,839

(iv) The following is the movement in lease liabilities during the year:

(Rs. Lakhs)		
Particulars	2024-25	2023-24
Balance as at the beginning of the year	20,839	8,751
Additions	14,977	17,089
Additions on account of business combination	155	-
Finance cost accrued during the year	1,863	1,283
Deletion	-	(6)
Payment of lease liabilities	(7,442)	(6,278)
Balance as at the end of the year	30,392	20,839

(v) The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at March 31, 2025	As at March 31, 2024
Less than one year	3,445	2,810
One to five years	10,769	8,811
More than five years	16,536	6,011
Total	30,750	17,632

(vi) The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

(vii) Rental expense recorded for short-term leases was ₹ 784 lakhs for the year ended March 31, 2025. (March 31, 2024: ₹ 268 lakhs)

(viii) Total cash outflow for leases including short-term was ₹ 8,226 lakhs for the year ended March 31, 2025. (March 31, 2024: ₹ 6,546 lakhs).

3.10b Group as lessor

Group has provided a portion of its building on operating lease to MC Machinery Systems India Private Limited (formerly known as MC Craftsman Machinery Private Ltd) & Carlstahl Craftsman Enterprises Private Limited for a period of 3 years and 5 years respectively.

Non-Cancellable Operating lease commitment	As at March 31, 2025	As at March 31, 2024
Not later than 1 year	122	30
Later than 1 year but not later than 5 years	58	52
Later than 5 years	-	-

3.11 Business Combination:

On October 09, 2024, the Company acquired 100% of total securities of Sunbeam Lightweighting Solutions Private Limited ('SLSPL') comprising 853,147,112 equity shares of Rs. 10 each and 135,380,000 compulsorily convertible preference shares of Rs.10 each for Re. 1 and subscribed to 37,60,00,000 Optionally Convertible Debentures of ₹10 each i.e., a total consideration of Rs. 37,600 lakhs. The acquisition significantly expands the Company's manufacturing footprint in northern & western India and has provided the Company with valuable & new customer relationships in aluminium products including export customers. SLSPL is primarily engaged in design, development, manufacturing, assembly and sale of aluminium components for the automotive industry catering to both domestic and international markets.

On July 22, 2024, the Company acquired 100% of equity of Craftsman Germany GmbH, Germany (CGG) comprising 25,000 shares of EUR 1 each for a consideration of EUR 57,000 (or INR 52 Lakhs). CGG was acquired with a view to expand the Company's business presence and operations in the European market and to explore opportunities for potential acquisition of assets in Germany. CGG is the immediate holding company of Craftsman Fronberg GmbH (CFG) which is engaged in manufacturing of cast iron components for stationary engines.

On October 01, 2024, CGG acquired 100% of equity of Craftsman Fronberg Guss Immobilien GmbH (CFG) for a consideration of EUR 6,400,000 (or INR 5,972 Lakhs). Consequently CFG has become step-down subsidiary to the Company. CFG holds the immovable assets on which the operations of CFG is carried.

(Rs. Lakhs)

Particulars	Sunbeam Lightweighting Solutions Private Limited, India	Craftsman Germany GmbH, Germany	Craftsman Fronberg Guss Immobilien GmbH, Germany
Consideration transferred	37,600	52	5,972
Non-controlling interest in the acquired entity	-	-	-
Less : Net identifiable assets acquired	37,600	45	6,051
Goodwill on consolidation	-	7	-
Capital Reserve on consolidation	-	-	79

Net identifiable assets acquired	Sunbeam Lightweighting Solutions Private Limited, India	Craftsman Germany GmbH, Germany	Craftsman Fronberg Guss Immobilien GmbH, Germany
Property, Plant & Equipment	65,104	-	5,972
Other Non-current Assets	16,694	-	-
Current Assets	38,314	45	254
Non-current liabilities	-904	-	-175
Current Liabilities	81,608	-	-
	37,600	45	6,051

Revenue and profit contribution for year ended March 31, 2025	Sunbeam Lightweighting Solutions Private Limited, India	Craftsman Germany GmbH, Germany	Craftsman Fronberg Guss Immobilien GmbH, Germany
Contribution between Acquisition date and March 31, 2025			
Revenue	58,462	13,054	-
Profit before tax	-3,171	301	-
If the acquisition had occurred on April 01, 2024			
Proforma Revenue	1,23,746	13,054	-
Proforma Profit before tax	-23,190	301	-

The Company has incurred a sum total of ₹ 1,243 Lakhs towards various consultancy, diligence and legal fee in relation to the above acquisitions which is part of the "Professional and Consultancy charges" under "Other Expenses" in the Statement of Profit and Loss. Apart from the above, the Company has also incurred costs in the form of management/employee time, travelling, boarding and other expenses in relation to these acquisitions which cannot be measured.

3.12 Segment Reporting:

The Group has reported segment information as per Indian Accounting Standard 108 "Operating Segments" (Ind AS 108) read with SEBI's circular CIR/CFD/FAC/62/2016 dated 05 July 2016. Accordingly, the Group has identified the reportable segments based on end consumption of the products sold or services rendered and is consistent with performance assessment and resource allocation by the management. Segment revenue comprises sales and operational income allocable specifically to a segment. Un-allocable expenditure mainly includes corporate expenses, finance cost and other expenses. Un-allocable income primarily includes other income.

Segment Revenue	Rs. Lakhs	
	Year Ended March 31, 2025	Year Ended March 31, 2024
Powertrain	1,81,148	1,55,837
Aluminium Products	3,03,275	2,15,361
Industrial & Engineering	84,625	73,975
Total revenue as per Statement of Profit and Loss	5,69,048	4,45,173

Segment Profit or Loss	Year Ended March 31, 2025	Year Ended March 31, 2024
Powertrain	25,124	29,163
Aluminium Products	31,170	32,203
Industrial & Engineering	1,853	4,935
Total Segments	58,147	66,301
Less: Unallocable Expenditure	(9,578)	(6,187)
Add: Other Income	2,607	1,809
Earnings Before Interest & Tax	51,176	61,923
Less: Finance Costs	(21,664)	(17,454)
Profit Before Tax	29,512	44,469
Less: Exceptional Item	(2,547)	-
Profit before Tax	26,965	44,469

Rs. Lakhs

Segment Assets	As at March 31, 2025	As at March 31, 2024
Powertrain	1,96,416	1,54,572
Aluminium Products	3,60,237	1,80,257
Industrial & Engineering	1,12,229	88,541
Total Segments	6,68,882	4,23,370
Unallocable Assets	42,762	47,204
Total Assets as per Balance Sheet	7,11,644	4,70,574

Rs. Lakhs

Segment Liabilities	As at March 31, 2025	As at March 31, 2024
Powertrain	1,06,183	94,667
Aluminium Products	2,16,955	91,639
Industrial & Engineering	72,277	58,885
Total Segments	3,95,415	2,45,191
Unallocable Liabilities	30,555	50,217
Total Liabilities as per Balance Sheet	4,25,970	2,95,408

Other Disclosures as required under schedule III to the Companies Act, 2013

3.13 Ratio Analysis

Ratios	As at March 31, 2025	As at March 31, 2024	% Variance
(a) Current Ratio	1.07	1.16	-8%
(b) Debt-Equity Ratio	0.72	0.88	-19%
(c) Debt Service Coverage Ratio	1.67	1.73	-3%
(d) Return on Equity Ratio	9%	22%	-59%
(e) Inventory turnover ratio	4.80	4.74	1%
(f) Trade Receivables turnover ratio	7.60	8.01	-5%
(g) Trade payables turnover ratio	3.62	3.91	-8%
(h) Net capital turnover ratio **	9	6	38%
(i) Net profit ratio	3.5%	7.6%	-53%
(j) Return on Avg Capital employed	12%	22%	-43%
(k) Return on investment #			

** Net working capital does not include short term borrowings of Rs. 40,240 lakhs (31 March 2024: Rs. 42,159 lakhs) and short term lease Rs. 10,086 lakhs (31 March 2024: Rs. 4,353 lakhs).

Investments are made only for production and product related. Hence ROI is not applicable

Ratios	Formula (Numerator/Denominator)	Remarks for 25% change
(a) Current Ratio	Current Assets / Current Liabilities	NA
(b) Debt-Equity Ratio	Total Debt/Shareholders' Equity	NA
(c) Debt Service Coverage Ratio	Earnings available for debt service /Debt Service Debt service = Interest & Lease Payments + Principal Repayments	NA
(d) Return on Equity Ratio	Net Profits after taxes/Average Shareholders' Equity	Decrease in profit after tax in FY 24-25 & Increase in Equity Capital on account of QIP.
(e) Inventory turnover ratio	Sales/ Average Inventory	NA
(f) Trade Receivables turnover ratio	Sales / Average Accounts Receivable	NA
(g) Trade payables turnover ratio	Purchases / Trade Payables	NA
(h) Net capital turnover ratio **	Net Sales/Net Working Capital	Reduction in working capital
(i) Net profit ratio	Net Profit/ Net Sales	Decrease in profit after tax in FY 24-25
(j) Return on Capital employed	Earning before interest and taxes/Avg. Capital Employed Avg. Capital employed = Avg.Total Assets- Avg. Current Liabilities	Decrease in EBIT in FY 24-25. Part period consolidation of Subsidiaries acquired during the year.
(k) Return on investment #		

3.14) Qualified Institutions Placement ('QIP') :

During the year 2024-25, the Company issued 27,27,272 equity shares of face value ₹5 each through Qualified Institutions Placement ('QIP') at an issue price of ₹4,400/- per share (including securities premium of ₹4,395/- per share) aggregating ₹1,20,000 lakhs. The objects of the QIP as per the placement document are repayment / pre-payment, in full or in part, of certain borrowings of the Company, acquisition of balance equity shares of DR Axion India Private Limited, a subsidiary of the Company and general corporate purposes. The proceeds were fully utilised towards the above said objects during the year under consideration. The costs that are attributable directly to the above transaction amounting to ₹1,977 lakhs, have been adjusted against securities premium.

3.15) Exceptional Items:

Exceptional items represent expenses incurred by subsidiary, Sunbeam Lightweighting Solutions Private Limited, in relation to relocation of its Gurgaon facility and transfer of control to the Company.

3.16) Audit Trail:

According to proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The audit trail requirement has been complied with by all the Group companies except one subsidiary, which was recently acquired, wherein the audit trail (edit logs) was not enabled. The subsidiary is in the process for enabling the audit trail.

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

3.17.b) The Group has not been declared as a wilful defaulter by any bank or financial institution or government or any government authority.

3.17.c) As per the information available with the Group, there has been no transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the year (Previous Year – Nil).

3.17.d) There has been no charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.

3.17.e) The quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

3.17.f) During the year, the Group has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall

- 1) 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)

- 2) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall
- 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) provided any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (Previous Year – Nil)

3.17.g) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year ended March 31, 2025. (Previous Year – Nil).

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

3.17.i) The Group has not entered into any Scheme of Arrangement during the current or previous year.

3.17.j) The Group has complied with the number of layers prescribed under the Companies Act, where applicable.

3.18) Certain comparative figures have been reclassified to conform to the current year presentation. The Company acquired Sunbeam Lightweighting Solutions Private Limited on 09 October 2024 and Craftsman Germany GmbH on July 22, 2024. Accordingly, the consolidated financial statements for the year ended March 31, 2025 is not comparable with year ended March 31, 2024 to that extent.

For SHARP & TANNAN

Chartered Accountants

Firm Registration No. 003792S

For and on behalf of the Board

V. Viswanathan
Partner
Membership No. 215565

R.Gauthamram
Whole Time Director
DIN : 06789004

S.Ravi
Chairman and Managing Director
DIN : 01257716

Place : Coimbatore
Date : May 07, 2025

Shainshad Aduvanni
Company Secretary
M.No.A27895

C.B. Chandrasekar
Chief Financial Officer

Place : Coimbatore
Date : May 07, 2025

INDEPENDENT AUDITORS' REPORT

To the members of Craftsman Automation Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Craftsman Automation Limited** (hereinafter referred to as the "Company" / "Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and a joint venture, which comprise the Consolidated Balance Sheet as at 31 March 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income and Group's share of profit in joint venture), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended on that date 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 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its joint venture as at 31 March 2024, the consolidated profit and consolidated total comprehensive income, its consolidated cash flows and 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 ("Standards" or "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 Consolidated Financial Statements' section of our report.

We are independent of the Group and its joint venture 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 made 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 audit opinion on the consolidated 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 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.

S. No	Key audit matter description and principal audit procedures
1	Accounting for derivative contracts Refer Notes D-d, 1.9, 1.17, 1.24, 1.29 and 3.6 in consolidated financial statements A significant source of Company's funds is borrowings, denominated in Indian rupee and foreign currency with a combination of fixed and floating interest rates. The Company's cost of borrowings will be impacted by fluctuations in foreign exchange rates and movements in interest rates. The Company's mitigation plan for the risk of foreign currency fluctuation and interest rate fluctuation includes using derivative instruments as per its risk management policy. These hedges taken using derivative instruments are designated as either cashflow or fair value hedge. Estimating future cash flows is a significant factor in determining the mark to market gain or loss, accounting of such forward contracts and in the determination of its fair value. Significant judgement is applied in making these estimates by the management of the Company for which an expert is used. As at 31 March 2024, the carrying value of the Company's derivatives included derivative assets amounting to Rs. 943 Lakhs and derivative liabilities of Rs. 259 Lakhs. Accounting for derivative contracts is considered as a key audit matter because of the significant judgement and estimates used in the fair valuation and the complex compliance framework for determining the accounting & disclosure of these transactions in accordance with Ind AS 109 'Financial Instruments' – Accounting (including recognition and derecognition of financial assets or liabilities). These class of transactions are material with respect to the financial statements. Our procedures related to audit of accounting for derivative contracts include the following • understanding and evaluating the design, implementation and operating effectiveness of internal controls over the completeness, existence and valuation of derivative instruments and management's documentation of the hedge effectiveness, accounting of derivative and hedging transactions; • examining the derivative contracts; • testing qualifying criteria for hedge accounting in accordance with Ind AS 109, including: – understanding the risk management objectives and strategies for different types of hedge instruments;

S. No	Key audit matter description and principal audit procedures
	- evaluating that the relationship between the underlying liability and the hedge instrument; - using an expert for checking the valuation and reviewing the hedge effectiveness test carried out by management as per Ind AS 109, including the economic relationship between the hedged item and the hedging instrument; • evaluating competence and capabilities of the auditor's experts and ensuring independence; • involving the auditor's expert for testing the appropriateness of hedge accounting to qualified hedge relationships i.e., cash flow or fair value hedges; • testing on sample basis the valuation of derivative instruments by management expert; • for selected samples, checking the confirmations from counterparties to the derivative contracts for the valuation as at the year-end; • checking the presentation and disclosures in the financial statements for compliance with Ind AS 109.
2	Accounting for Property, Plant and Equipment Refer Notes D-a, D-b, E-a, 1.1, 1.2, 1.3 and 2.6 in consolidated financial statements Property, plant and equipment including capital work in progress ('PPE') represents 49% of the Group's total assets. The capitalisation of PPE includes the fair value of the consideration given to acquire the asset (net of discounts and rebates) and any directly attributable costs of bringing the asset to working condition for its intended use (inclusive of non-refundable purchase taxes and duties). Depreciation is generally charged as per Schedule II to Companies Act, 2013. In respect of certain classes of PPE, the useful life has been ascertained based on technical review by a Chartered Engineer and assessment by the management. The Company carries out physical verification of PPE on an annual basis. The Company uses estimates and assumptions to determine the useful life of assets, residual value, assess impairment loss (if any). The useful life of property, plant and equipment is determined by the technical team of the management taking into consideration the industry practice, the application and usage factors and past historical trend. The residual value at the end of the useful life of property, plant and equipment is estimated in determining the depreciable value of the asset. Impairment assessment of property, plant and equipment involves identification of Cash Generating Unit ('CGU') and estimating future cash flows arising out of such CGUs. Due to the material value of PPE to total assets and estimates/judgements involved in their valuation, the audit of accounting of Property, Plant and Equipment has been considered as a Key Audit Matter in the audit of these financial statements

S. No	Key audit matter description and principal audit procedures
	Our procedures relating to audit of accounting for Property, Plant and Equipment includes the following: - evaluating of design and implementation of controls and testing the operating effectiveness of the internal controls over: - measurement of initial recognition costs including costs of self-constructed PPE; - valuation of PPE and review of useful lives including depreciation rates applied; - periodic physical verification of property, plant and equipment by the management; - testing on sample basis the value of self-constructed assets with underlying documentation to assess compliance with applicable accounting standards; - wherever the useful life of a PPE considered is different from the useful life indicated in the Act, obtain confirmation from management's technical team for the useful life for the same; - reviewing the residual value of PPE considered by the management for consistency and appropriateness; - understanding the basis behind identification of Cash Generating Units by the management and review the future cash flow projections for the same; - checking the computation and correctness of the discounting factor applied for arriving at value in use and impairment thereof, if any; - checking the reasonableness of the assumptions made by the management in identifying CGUs, assessing the future cash flows, discount factor and impairment loss; - physically inspecting a sample of assets at one of the main units of the Company during the year to ensure existence of PPE; - reviewing the physical verification reports of the management and the treatment of discrepancies in the books of accounts / Fixed Asset Register, wherever applicable.

Information Other than the Consolidated Financial Statements and Auditor's Report thereon

The Board of Directors of the Holding Company is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report and Annexures to Board's Report including the report on Corporate Governance, but does not include the consolidated financial statements and our 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 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. We have nothing to report in this regard.

Responsibilities of Management and those charged with Governance for the Consolidated Financial Statements

The Board of Directors of the Holding Company is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated cash flows and consolidated changes in equity of the Group and the joint venture in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group, and its joint venture and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its joint venture are responsible for assessing the ability of the Group and of its joint venture 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.

The respective Board of Directors of the companies included in the Group and its joint venture is responsible for overseeing the financial reporting process of the Group and its joint venture.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

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

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

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from

error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- obtain an understanding of internal financial controls over financial reporting 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 have adequate internal financial controls over financial reporting system in place with reference to the financial statements 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 of the Holding Company;
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint venture 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 joint venture 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 joint venture 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 the Holding Company included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the 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.

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

The consolidated financial statements include the financial statements of two subsidiaries whose financial information reflect total assets of Rs. 74,581 lakhs and net assets of Rs. 41,505 lakhs as at 31 March 2024, total revenues of Rs. 1,26,883 lakhs, net profit after tax of Rs. 13,906 lakhs, total comprehensive income of Rs. 13,847 lakhs for the year ended 31 March 2024 and net cash inflows amounting to Rs. 2,695 lakhs for the year ended on that date and the Group's share of profit after tax of Rs. 85 lakhs and total comprehensive income of Rs. 86 lakhs for the year ended 31 March 2024 in respect of a joint venture. The financial statements of the two subsidiaries and a joint venture have not been audited by us. The financial statements of these subsidiaries and joint venture have been audited by other auditors whose reports have been furnished to us by the management of the Holding Company and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture, and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information, in so far as it relates to the aforesaid subsidiaries and joint venture entity, is based solely on the reports of such other auditors

Our opinion above on the consolidated financial statements and our report on other legal and regulatory requirements below, are not modified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

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 of the aforesaid consolidated financial statements;
- (b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

- (c) the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Cash Flows and 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 Ind AS specified under section 133 of the Act and read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) on the basis of the written representations received from the directors of the Holding Company as on 31 March 2024 taken on record by the Board of Directors of the Holding Company and reports of the statutory auditors of subsidiaries and joint venture companies incorporated in India, none of the directors of the Holding Company and the subsidiaries and joint venture companies incorporated in India is disqualified as on 31 March 2024 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 over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on our report of the Holding Company and subsidiaries and joint venture companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting for those Companies;
- (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 Holding Company to its 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 Auditor's) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Group, as detailed in Note 3.8 to the consolidated financial statements, has disclosed the impact of pending litigations on its consolidated financial position of the Group;
 - ii. the Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - iii. there were no amounts due which were required to be transferred to the Investor Education and Protection Fund by the Holding Company or subsidiaries and joint venture companies incorporated in India;
 - iv. (a) the respective managements of the Holding Company and subsidiaries and joint venture companies incorporated in India, whose financial statements have been

audited under the Act, have represented 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 subsidiaries and joint venture companies incorporated in India to or in any other person or entity, including foreign entity ("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 respective managements of the Holding Company and subsidiaries and joint venture companies incorporated in India, whose financial statements have been audited under the Act, have represented 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 Holding Company or subsidiaries and joint venture companies incorporated in India from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding 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;
 - (c) based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Holding Company and subsidiaries and joint venture companies incorporated in India whose financial statements have been audited under the Act, 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 amount of dividend is in accordance with Sec 123 of the Act.
 - (a) The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with Section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.
 - (b) As stated in Note 1.20 to the consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed 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 and that performed by the respective auditors of a subsidiary and joint venture which are companies incorporated in India whose financial statements have been audited under the Act, the Company, subsidiary and joint venture have used accounting softwares 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 software. Further, during the course of our audit, we and respective auditors of the above referred subsidiary and joint venture did not come across any instance of audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31 March 2024.

- (i) As required by paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, we report that there are no disqualifications or adverse remarks included by the respective auditors in their CARO 2020 reports issued in respect of the standalone financial statements of the subsidiaries and joint venture companies incorporated in India which are included in these Consolidated Financial Statements.

for SHARP & TANNAN
Chartered Accountants
(Firm's Registration No. 003792S)

Place: Coimbatore
Date: 27 April 2024

V. Viswanathan
Partner
Membership No. 215565
UDIN: 24215565BKGRML3405

Annexure A to the Independent Auditor's Report

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Craftsman Automation Limited of even date)

Independent Auditors' Report on the Internal Financial Controls over financial reporting under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of Craftsman Automation Limited ("the Holding Company") and its subsidiaries and joint venture companies, which are incorporated in India, as of 31 March 2024 in conjunction with our audit of the consolidated financial statements of the Holding Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and subsidiaries and joint venture companies, which are incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Holding 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and subsidiaries and joint venture companies, which are incorporated in India, based on our audit. Our audit is conducted in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting 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 is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and subsidiaries and joint venture companies, which are incorporated in India.

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 the consolidated financial statements for external purposes in 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 consolidated 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 consolidated 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Company and subsidiaries and joint venture companies, which are incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as of 31 March 2024, based on the internal control over financial reporting criteria established by the Holding 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.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to a subsidiary company and a joint venture, which are companies incorporated in India, is based solely on the corresponding reports furnished to us by the auditors of such companies incorporated in India. Our opinion is not modified in respect of the above matters with respect to our reliance on the work done by and the reports of such other auditors.

for SHARP & TANNAN
Chartered Accountants
(Firm's Registration No. 003792S)

Place: Coimbatore
Date: 27 April 2024

V. Viswanathan
Partner
Membership No. 215565
UDIN: 24215565BKGRML3405

Craftsman Automation Limited
CIN - L28991TZ1986PLC001816
Consolidated Balance Sheet as at March 31, 2024

(Rupees in Lakhs)

ASSETS	Note No.	As at March 31, 2024	As at March 31, 2023
Non-current assets			
Property, Plant and Equipment	1.1	2,13,344	1,83,878
Capital Work in progress	1.2	17,861	9,663
Intangible assets	1.3	432	315
Right-of-use Asset	1.4	23,896	9,196
Goodwill on Consolidation	1.5	18,999	18,999
Investments accounted for using equity method	1.6	368	282
Financial assets			
Investments	1.7	79	61
Security Deposits	1.8	4,919	3,328
Other Financial assets	1.9	94	148
Current tax assets (Net)	1.10	828	21
Other non-current assets	1.11	11,456	5,991
		2,92,276	2,31,882
Current assets			
Inventories	1.12	1,04,082	83,601
Financial assets			
Trade receivables	1.13	57,663	53,529
Cash and cash equivalents	1.14	6,349	2,732
Other bank balances	1.15	1,953	2,002
Security Deposits	1.16	97	30
Other Financial assets	1.17	961	856
Other Current assets	1.18	7,193	6,040
		1,78,298	1,48,790
Total Assets		4,70,574	3,80,672
EQUITY AND LIABILITIES			
EQUITY			
Equity Share capital	1.19	1,056	1,056
Other Equity	1.20	1,64,742	1,36,634
Equity attributable to owners		1,65,798	1,37,690
Non-controlling interest	1.21	9,368	6,100
		1,75,166	1,43,790
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	1.22	1,12,484	90,617
Lease Liabilities	1.23	16,486	7,539
Other Non-Current Financial Liabilities	1.24	211	377
Deferred tax liabilities (Net)	1.25	13,148	14,112
		1,42,329	1,12,645
Current liabilities			
Financial Liabilities			
Borrowings	1.26	42,159	24,655
Lease Liabilities	1.27	4,353	1,212
Trade payables			
(a) total outstanding dues of micro enterprises & small enterprises	1.28	1,178	1,167
(b) total outstanding dues of creditors other than micro enterprises & small enterprises		78,886	69,995
Other current Financial Liabilities	1.29	14,595	12,264
Current tax liabilities (Net)	1.30	912	3,156
Other current liabilities	1.31	9,875	11,111
Provisions	1.32	1,121	677
		1,53,079	1,24,237
Total Equity and Liabilities		4,70,574	3,80,672

The accompanying notes form an integral part of the consolidated financial statements

This is the Balance Sheet referred to in our report of even date
For SHARP & TANNAN
Chartered Accountants
Firm Registration No. 003792S

For and on behalf of the Board

V. Viswanathan
Partner
Membership No. 215565

R.Gauthamram
Whole Time Director
DIN : 06789004

S.Ravi
Chairman and Managing Director
DIN : 01257716

Place : Coimbatore
Date : 27-Apr-2024

Shainshad Aduvanni
Company Secretary
M.No.A27895

C. B. Chandrasekar
Chief Financial Officer

Place : Coimbatore
Date : 27-Apr-2024

Craftsman Automation Limited
CIN - L28991TZ1986PLC001816
Consolidated Statement of Profit and loss for the year ended March 31, 2024

		(Rupees in Lakhs)	
Particulars	Note No.	Year ended March 31, 2024	Year ended March 31, 2023
INCOME			
Revenue From Operations	2.1	4,45,173	3,18,260
Other Income	2.2	1,724	1,254
Total Income (A)		4,46,897	3,19,514
EXPENSES			
Cost of materials consumed	2.3	2,52,153	1,69,964
Changes in inventories of finished goods and work-in-progress	2.4	(15,022)	(7,021)
Employee benefits expense	2.5	28,846	23,350
Depreciation, amortization and impairment expense	2.6	27,769	22,161
Other expenses	2.7	91,313	63,606
Finance costs	2.8	17,454	12,023
Total expenses (B)		4,02,513	2,84,083
Profit before share of profit from JV(C = A-B)		44,384	35,431
Share of profit from JV (D)		85	48
Profit before tax (E = D-C)		44,469	35,479
Tax expense:			
(1) Current Tax	3.1	11,702	12,259
(2) Deferred tax		(966)	(1,876)
		10,736	10,383
Profit for the year (F)		33,733	25,096
attributable to owners		30,447	24,839
attributable to non-controlling Interest		3,286	257
Other Comprehensive Income ('OCI')			
A (i) Items that will not be reclassified to profit or loss			
- Remeasurement of defined benefit plans		(316)	(13)
- Share of OCI of Joint Venture accounted for using equity method		1	(1)
(ii) Income tax relating to items that will not be reclassified to profit or loss		79	3
B (i) Items that will be reclassified to profit or loss			
- Exchange differences in translating the financial statements of foreign operations		16	132
- The effective portion of gains or loss on hedging instruments in a cash flow hedge		321	2
(ii) Income tax relating to items that will be reclassified to profit or loss		(81)	(53)
Other Comprehensive Income for the year, net of tax (G)		20	70
attributable to owners		38	69
attributable to non-controlling Interest		(18)	1
Total Comprehensive Income for the year (Comprising Profit for the year and Other Comprehensive Income for the year) (F+G)		33,753	25,166
attributable to owners		30,485	24,908
attributable to non-controlling Interest		3,268	258
Earnings per equity share Basic & Diluted (Face value of ₹. 5/-)	3.5	144.11	117.56

The accompanying notes form an integral part of the consolidated financial statements

This is the Statement of Profit & Loss referred to in our report of even date

For SHARP & TANNAN

Chartered Accountants

Firm Registration No. 003792S

For and on behalf of the Board

V. Viswanathan
Partner
Membership No. 215565

R.Gauthamram
Whole Time Director
DIN : 06789004

S.Ravi
Chairman and Managing Director
DIN : 01257716

Place : Coimbatore
Date : 27-Apr-2024

Shainshad Aduvanni
Company Secretary M.No.A27895

C. B. Chandrasekar
Chief Financial Officer

Place : Coimbatore
Date : 27-Apr-2024

Craftsman Automation Limited
CIN - L28991TZ1986PLC001816
Consolidated Cashflow Statement for the year ended March 31, 2024

Particulars	(Rupees in Lakhs)	
	Year ended March 31, 2024	Year ended March 31, 2023
Cash flows from operating activities		
Profit before taxation ("PBT")	44,469	35,479
<u>Adjustments to reconcile PBT to net cash flows:</u>		
Depreciation, amortization and impairment expense	27,769	22,161
Gain on sale of assets	(107)	(41)
Exchange difference on transaction/translation (loss/(gain))	(1,042)	981
Share of Profit of Joint Venture	(85)	(48)
Provision for :		
Doubtful debts	(94)	5
Warranty & Rejection	88	71
Slow moving inventory	393	188
Interest income (including fair value changes in financial instruments)	(299)	(733)
Government grant income	(3,120)	(1,784)
Assets no longer receivable written off	-	73
Interest expense (including fair value changes in financial instruments)	17,349	10,623
Operating cash flow before changes in working capital	85,321	66,975
Adjustments for:		
Increase/ (Decrease) in provisions	8	33
Increase/ (Decrease) in other financial liabilities	(867)	889
Increase/ (Decrease) in other current liabilities	(1,251)	259
Increase/ (Decrease) in Trade Payables and other Payables	9,074	14,042
(Increase)/ Decrease in other financial assets	(1,661)	2,181
(Increase)/ Decrease in other current assets	(568)	195
(Increase)/ Decrease in trade and other receivables	(3,095)	(8,304)
(Increase)/ Decrease in inventories	(20,876)	(8,242)
Cash generated from operations	66,085	68,028
Income taxes paid	(14,754)	(7,262)
Net cash from operating activities - A	51,331	60,766
Cash flows from investing activities		
Purchase of property, plant and equipment	(62,905)	(34,467)
Purchase of Intangible Assets	(195)	(58)
Proceeds from sale of equipment	292	565
Consideration paid towards business combination	-	(37,500)
(Purchase)/ Sale of Equity Shares	(18)	16
Interest received	233	653
Net cash used in investing activities - B	(62,593)	(70,791)
Cash flows from financing activities		
Proceeds from long-term borrowings	47,716	57,631
Repayment of long term borrowings	(23,296)	(25,654)
Net proceeds from / (repayments of) short-term borrowings	14,955	(11,560)
Principal payments towards lease liability	(4,995)	(2,053)
Interest paid (incl. interest on lease liability)	(17,180)	(10,267)
Dividend Paid	(2,377)	(793)
Net cash from/ (used in) financing activities- C	14,823	7,304
Net increase / (decrease) in cash and cash equivalents - (A+B+C)	3,561	(2,721)
Cash and cash equivalents at beginning of year	2,732	2,943
Cash and cash equivalents acquired through business combination	-	2,470
Effect of exchange rate changes on cash and cash equivalents	56	40
Cash and cash equivalents at end of year	6,349	2,732

Notes:

1. Reconciliation of Cash & Cash equivalents as per Cash Flow Statement

Cash & cash equivalents consists of:	As at March 31, 2024	As at March 31, 2023
Cash and cash equivalents (note : 1.14)	6,349	2,732
Total	6,349	2,732

2. Refer to note: 1.22 for Net Debt Reconciliation

The accompanying notes form an integral part of the consolidated financial statements

This is the Statement of Cash Flows referred to in our report of even date

For SHARP & TANNAN

Chartered Accountants

Firm Registration No. 003792S

For and on behalf of the Board

V. Viswanathan
Partner
Membership No. 215565

R.Gauthamram
Whole Time Director
DIN : 06789004

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Chairman and Managing Director
DIN : 01257716

Place : Coimbatore
Date : 27-Apr-2024

Shainshad Aduvanni
Company Secretary

C. B. Chandrasekar
Chief Financial Officer

Place : Coimbatore
Date : 27-Apr-2024

Craftsman Automation Limited
CIN - L28991TZ1986PLC001816
Consolidated Statement of Changes in Equity

(Rupees in Lakhs)

a. Equity Share Capital	Balance as at April 1,2023	Changes in equity share capital during the year	Balance as at March 31, 2024
	1,056	0	1,056

b. Other Equity	Reserves and Surplus			Other Reserves				Non-controlling Interest	Total
	Securities Premium Reserve	General Reserve	Retained Earnings	Share in Networth of Joint Venture	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Foreign Currency Translation Reserve		
Balance as at April 1,2022	28,123	9,662	75,136	175	(321)	(442)	185	-	1,12,518
Profit for the year	-	-	24,791	48	-	-	-	257	25,096
Other Comprehensive Income	-	-	-	(1)	-	(51)	132	1	81
- Defined Benefit Plan	-	-	(10)	-	-	-	-	-	(10)
Total Comprehensive Income for the year	-	-	24,781	47	-	(51)	132	258	25,167
On Business Combination	-	-	-	-	-	-	-	5,842	5,842
Dividends	-	-	(793)	-	-	-	-	-	(793)
Balance as at March 31,2023	28,123	9,662	99,124	222	(321)	(493)	317	6,100	1,42,734
Profit for the year	-	-	30,362	85	-	-	-	3,286	33,733
Other Comprehensive Income	-	-	-	1	-	240	16	(18)	239
- Defined Benefit Plan	-	-	(219)	-	-	-	-	-	(219)
Total Comprehensive Income for the period	-	-	30,143	86	-	240	16	3,268	33,753
Dividends	-	-	(2,377)	-	-	-	-	-	(2,377)
Balance as at March 31,2024	28,123	9,662	1,26,890	308	(321)	(253)	333	9,368	1,74,110

The accompanying notes form an integral part of the consolidated financial statements

This is the Statement of Changes in Equity referred to in our report of even date

For SHARP & TANNAN

Chartered Accountants

Firm Registration No. 003792S

For and on behalf of the Board

V. Viswanathan
Partner
Membership No. 215565

R.Gauthamram
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Place : Coimbatore
Date : 27-Apr-2024

Shainshad Aduvanni
Company Secretary M.No.A27895

C. B. Chandrasekar
Chief Financial Officer

Place : Coimbatore
Date : 27-Apr-2024

Notes annexed to and forming part of Consolidated Financial Statements:

A. CORPORATE INFORMATION

The Consolidated Financial Statements comprise of financial statements of Craftsman Automation Limited ('the Company or 'the holding Company') and its subsidiaries (collectively "the Group") and its joint venture for the year ended 31st March 2024. Craftsman Automation Private Limited was incorporated under the Companies Act, 1956 on 18th July 1986. The Company became a public limited Company from 4th May 2018. The Company is engaged in the business of manufacturing engineering components, sub-assemblies, products and rendering of contract manufacturing services to various industries.

B. Statement of Compliance

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') as notified under the Section 133 of the Companies Act, 2013 (the Act) read with the Companies (Indian Accounting Standards) Rules, 2015. The presentation of the financial statements is based on the requirement of the Companies Act, 2013.

C. BASIS OF PREPARATION

The items included in Consolidated Financial Statements of each of the entities consolidated are measured using the currency of the primary economic environment ('functional currency') in which each of the entities operates. The consolidated financial statements are presented in Indian Rupees ('INR') which is the functional and presentation currency of the Company and all values are rounded to the nearest lakhs, except where otherwise indicated. In the Consolidated Financial Statements, all assets, liabilities and transactions of Group entities with a functional currency other than the INR are translated into INR upon consolidation.

The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liability which have been measured at fair value

- i) Derivative financial instruments
- ii) Certain financial assets and liability measured at fair value (refer note. 3.6)
- iii) Defined Benefit Obligation.

D. MATERIAL ACCOUNTING POLICIES

S.No	MATERIAL ACCOUNTING POLICIES	D.	Reference in Balance sheet & Profit and Loss Notes
1	Property Plant and Equipment	a.	1.1
2	Inventory	b.	1.12
3	Impairment of assets	c.	1.1, 1.2, 1.3, 1.6 & 2.6
4	Revenue recognition	d.	2.1
5	Financial Instruments	e.	1.9, 1.17, 1.24, 1.29, 3.6
6	Segment reporting	f.	3.13

a. Property Plant and Equipment

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

The cost of a self-constructed asset is determined using the same principles as for an acquired asset. If Company makes similar assets for sale in the normal course of business, the cost of the asset is usually the same as the cost of constructing an asset for sale. Internal margins are eliminated in arriving at such costs. Similarly, the cost of abnormal amounts of wasted material, labour, or other resources incurred in self-constructing an asset are not included in the cost of the asset. Borrowing Costs are recognized as a component of the carrying amount of a self-constructed item of PPE if its meets the recognition criteria under Ind AS.

Depreciation on Plant Property and Equipment

The depreciable amount of PPE (being the gross carrying value less the estimated residual value) is depreciated on a systematic basis over its useful life.

In respect of certain classes of PPE, the Group uses different useful life other than those prescribed in Schedule II to the Act. The useful life of such class of PPE has been ascertained based on technical review by a Chartered Engineer and assessment by the Management as detailed in the following table

Classes of PPE	Useful life and basis of depreciation
New Plant and Machinery	8 to 20 Years
Used Plant and Machinery	8 to 10 Years
Tool holder, jigs, fixtures, patterns, dies, moulds and instruments and gauges	5 Years
Lease hold improvements	Over lease period

b. INVENTORY

The cost of inventory items is determined by using weighted average cost formula.

Tools are valued at cost till they are issued for usage in production process. In respect of issued tools which can be refurbished, the Group depending upon its useful life amortizes on a straight line basis over its useful life. Useful life determined for certain classes of tools is two to three years. Tools which are not refurbishable are charged off to Statement of Profit and Loss upon issue for usage. The “tools in use” are carried at cost less accumulated amortization.

The Group regularly assesses whether there is any indication of a diminution in the value of inventories. Such indications may include, but are not limited to, evidence of obsolescence, damage, changes in market conditions, or significant declines in selling prices. This policy applies to all inventories held by the company, including raw materials, work in progress, and finished goods. If there is objective evidence of a diminution in the value of inventories, the carrying amount of the inventories is reduced to their net realizable value.

c. IMPAIRMENT OF ASSETS

At the end of each reporting period, the Group determines whether there is any indication that its assets (PPE, intangible assets and investments in equity instruments subsidiaries and joint ventures carried at cost) have suffered an impairment loss with reference to their carrying amounts. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount exceeds the recoverable amount. Recoverable amount is higher of the fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

d. REVENUE RECOGNITION

Sale of Goods & Rendering of Services

Revenue is recognised when a performance obligation in a customer contract has been satisfied by transferring control over the promised goods to the customer. Control over a promised good refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, those goods. Control is usually transferred upon shipment, delivery to, upon receipt of goods by the customer, in accordance with the individual delivery and acceptance terms agreed with the customers. The amount of revenue to be recognized (transaction price) is based on the consideration expected to be received in exchange for goods, excluding amounts collected on behalf of third parties such as goods and services tax or other taxes directly linked to sales.

Revenue from rendering of services is recognised over time as and when the customer receives the benefit of the Company's performance and the Company has an enforceable right to payment for services transferred. Unbilled revenue represents value of services performed in accordance with the contract terms but not billed as at the reporting date.

Other Operating revenues

Other operating revenues comprise income from ancillary activities incidental to the operations of the Group and are recognised when the right to receive the income is established as per the terms of the contract.

e. FINANCIAL INSTRUMENTS

Group Derivative financial instruments:

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts and cross currency interest rate swaps. Further details of derivative financial instruments are disclosed in Note 3.6.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in Statement of Profit or Loss immediately unless the derivative is designated and effective as a

hedging instrument, in which event the timing of the recognition in the Statement of Profit or Loss depends on the nature of the hedging relationship and the nature of the hedged item.

Hedge accounting:

The Group designates certain derivatives as hedging instruments in respect of foreign currency risk as cash flow hedges. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

Note 3.6b sets out details of the fair values of the derivative instruments used for hedging purposes.

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in Other Comprehensive Income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in the Statement of Profit or Loss, and is included in the "Other Income".

Amounts previously recognised in Other Comprehensive Income and accumulated in equity (relating to effective portion as described above) are reclassified to Statement of Profit or Loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity (but not as a reclassification adjustment) and are included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Any gain or loss recognised in Other Comprehensive Income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the Statement of Profit or Loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in the Statement of Profit or Loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting.

f. SEGMENT REPORTING

The Chief Operating Decision Maker (CODM) evaluates the Group's performance and allocates resources based on an analysis of various performance indicators of the reportable segments. The Group's reportable segments have been identified based on end consumption of the products sold or services rendered. The reportable segments are as follows:

- Powertrain : This segment develops, manufactures, sells its goods and services of powertrain and related products to manufacturers of commercial / passenger vehicles, farm equipment, construction / mining equipment.
- Aluminium Products : This segment develops, manufactures, sells its and goods and services consisting of aluminium products to the manufacturers of two wheelers, passenger vehicles and commercial vehicles and products for power transmission and other industrial usage.
- Industrial & Engineering : This segment develops, manufactures, sells its goods and services such as castings, gears, material handling equipment, special purpose machines, other general engineering products (together broadly termed as "High End Sub-assembly, Contract Manufacturing & Others") and storage products to various end user industries.

Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment and as well as those which can be allocated on a reasonable basis. Operating segments are reported in a manner consistent with the internal reporting to the CODM of the Group.

E OTHER ACCOUNTING POLICIES

a. Property Plant and Equipment:

Recognition and Measurement

All Property Plant & Equipment (PPE) are stated at cost of acquisition / installation as adjusted for import duty waivers and foreign exchange losses / gains less accumulated depreciation and impairment losses.

Cost of acquisition / installation includes the fair value of the consideration given to acquire the asset (net of discounts and rebates) and any directly attributable costs of bringing the asset to working condition for its intended use (inclusive of non-refundable purchase taxes and duties).

The Company capitalizes the import duty waived in respect of capital equipment imported under the Export Promotion Capital Goods Scheme

Foreign exchange gain /loss arising on foreign currency denominated borrowing which are not hedged that were incurred to acquire PPE are recorded as part of the cost of asset as per Ind AS 101 and depreciated over their remaining useful life. In respect of exchange gain or loss arising from foreign currency denominated borrowings which are hedged accounting has been done based on Hedge effectiveness either as derivative or cash flow hedge as per Ind AS 109.

Subsequent expenditure relating to an item of PPE is capitalised if it meets the recognition criteria

The import duty waived on capital assets which are purchased under the Export Promotion Capital Goods (EPCG) schemes and which are capitalized are recorded as deferred revenue and recognized in Statement of Profit and Loss on a systematic basis over the periods in which the related performance obligations are fulfilled.

De-recognition:

An item of PPE is de-recognised at the time of its disposal or when it is assessed that no future economic benefit would accrue from it. The gain/ loss arising out of such disposal/retirement is taken to Statement of Profit or Loss

b. INTANGIBLE ASSETS

An intangible asset is an identifiable non-monetary asset without physical substance.

An intangible asset with finite useful life that are acquired separately and where the useful life is 2 years or more is capitalized and carried at cost less accumulated amortization. Amortization is recognized on a straight line basis over the useful life of the asset. The class of asset and the estimated useful life is as follows

Description of the asset	Useful life and basis of amortization
Software – Acquired	5 Years
Technical Know - Acquired	2.5 years

Internally generated intangible assets

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale,
- the intention to complete the intangible asset and use or sell it,
- the ability to use or sell the intangible asset,
- how the intangible asset will generate probable future economic benefits.
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset, and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is recognised in the Statement of Profit or Loss in the period in which it is incurred. Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately. Development Expenditure recognized as intangible assets are amortized over a period of 3 years.

De-recognition

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in Statement of profit or loss when the asset is derecognised.

Goodwill

Goodwill on acquisition of business is included in intangible assets. Goodwill is not amortised but is tested for impairment annually, or if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses, if any.

c. LEASES

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group as a lessee

The Group's lease asset classes primarily consist of leases for Machineries and buildings. The Group assesses whether a contract contains a lease, at inception of a contract. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through-out the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, 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 Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are amortised from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates of the entity. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the entity changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Group as a Lessor:

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the ROU asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

d. INVENTORY

The Group determines the cost for items that are not interchangeable or that have been segregated for specific contracts on an individual-item basis as per Ind AS 2, 'Inventories'.

The Group uses the same cost formula for all inventories of similar nature and use. The cost formula used is applied on a consistent basis from period to period.

Inventories are initially recognized at the lower of cost and net realisable value (NRV). Cost of inventories includes import duties, non-refundable taxes, transport and handling costs and any other directly attributable costs, less trade discounts, rebates and similar items. NRV is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated selling expenses.

Raw materials, components, stores and spares of inventory are measured at weighted average cost. Materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Work in progress and finished goods are valued at-cost or Net Realizable Value whichever is lower. Cost includes direct materials, labour and a portion of manufacturing overheads. Saleable scrap is valued at the lowest of the net realizable value in the last two months.

The Group selects a reasonable basis for allocating overhead costs to inventory items. Common allocation bases include direct labor hours, machine hours, or direct material costs. Overheads refer to indirect costs incurred in the production process that cannot be directly traced to specific inventory items. These costs include, but are not limited to, factory overheads, utilities, depreciation of production equipment, and indirect labor costs. Overhead costs are allocated to inventory items using the above mentioned allocation basis.

e. FINANCIAL INSTRUMENTS:

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit or Loss.

Classification of financial assets

The financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets are added to the fair value of the financial assets on initial recognition.

After initial recognition:

- i) Financial assets (other than investments and derivative instruments) are subsequently measured at amortised cost using the effective interest method.

Effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

- ii) Financial assets (i.e. derivative instruments and investments in instruments other than equity of Subsidiaries and joint ventures) are subsequently measured at fair value.

Such financial assets are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in other comprehensive income.

Investments in equity instruments other than joint venture

The Group has valued the investments in equity instruments other than joint ventures at fair value through Other Comprehensive Income. Fair value of quoted instrument has been valued at market rate and in case of unquoted instrument it has been valued at book value of that Company based on Level 2 input.

In respect of investment in equity share capital of Group captive power companies which are made to comply with the provisions of Electricity Rules 2003, these investments are carried at cost as these investments can be sold back only at par.

Cash and cash equivalents:

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

Trade receivables

Trade receivables are initially recognised at transaction value. Subsequently, these assets are held at amortised cost net of any expected credit losses. Loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e., expected cash shortfall.

Impairment of financial assets:

A financial asset is regarded as credit impaired when one or more events that may have a detrimental effect on estimated future cash flows of the asset have occurred. The Group applies the expected credit loss model for recognizing impairment loss on financial assets (i.e. the shortfall between the contractual cash flows that are due and all the cash flows (discounted) that the Group expects to receive).

De-recognition of financial assets:

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Statement of Profit and Loss.

Financial liabilities and equity instruments:

Classification as debt or equity

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued are recognised at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the Statement of Profit or Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

All financial liabilities (other than derivative instruments) are subsequently measured at amortised cost using the effective interest method. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalized as a part of cost of an asset is included in the "Finance Costs".

De-recognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit or Loss.

f. PROVISIONS

The Group recognizes a provision when there is a present obligation to transfer economic benefits as a result of past events, it is probable (more likely than not) that such a transfer will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is certain that reimbursements will be received and the amount of the receivable can be measured reliably.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

A contingent liability is

(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or

(b) a present obligation that arises from past events but is not recognised because:

(i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

(ii) the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are disclosed in the Financial Statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote.

Provision for Warranty

Provisions for expected cost of warranty obligations are recognized based on management's best estimate of the expenditure required to settle the obligation which takes into account the empirical data on the nature, frequency and average cost of warranty claims and regarding possible future incidences.

Provision for Rejection

Provision for rejection on sales is recognised once the products are sold. Materials are rejected due to various reasons and are either re processed and replaced to the customers depending on the type of rejections. These rejections get fulfilled within a period of 3 months and the provisions as at the reporting date represent the value of management's best estimate of possible rejections within the next one quarter.

g. REVENUE RECOGNITION:

Dividend and Interest Income

Dividend income from investments is recognised when the Group's right to receive payment has been established (provided that it is probable that the 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 (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

h. GOVERNMENT GRANT

Government grants (including export incentives) are recognised only when there is reasonable assurance that the Group will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised in the Statement of Profit or Loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

Import duty waivers for capital assets purchased under Export Promotion Capital Goods schemes are recorded as deferred revenue and recognized in Statement of Profit and Loss on a systematic basis over the periods in which the related performance obligations are fulfilled.

i. EMPLOYEE BENEFITS

Defined contribution plans

Provident fund (PF)

Contribution towards PF is determined under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952 and charged to the Statement of Profit and Loss during the period of incurrence when the services are rendered by the employees.

Employee State Insurance (ESI)

Payments to defined contribution plans i.e., Group's contribution to employee state insurance and other funds are determined under the relevant schemes and / or statute and charged to the Statement of Profit and Loss in the period of incurrence when the services are rendered by the employees.

Defined benefit plans

Gratuity

Accounting for defined benefit plans is based on actuarial assumptions and different valuation methods to measure the balance sheet obligation and the expense.

Where defined benefit plans are funded, the plan assets are measured at fair value. At each balance sheet date, the plan assets and the defined benefit obligations are remeasured. The Statement of Profit & Loss reflects the

change in the surplus or deficit, except for contributions made to the plan and benefits paid by the plan, along with business combinations and Re-measurement gains and losses.

Re-measurement gains and losses comprise actuarial gains and losses, return on plan assets (comprise amounts included in net interest on the net defined benefit liability or asset) and any change in the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability or asset). Re-measurements are recognized in other comprehensive income.

The defined benefit costs are comprised of the following individual components:

- Service costs (including current and past service costs as well as gains/losses on curtailments and settlements)
- Net interest costs or income
- Re-measurement

The Group presents the first two components of defined benefit costs in the Statement of Profit or Loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

Re-measurement of net defined benefit liability/ asset pertaining to gratuity comprises actuarial gains/ losses (i.e. changes in the present value resulting from experience adjustments and effects of changes in actuarial assumptions) and is reflected immediately in the balance sheet with a charge or credit recognised in Other Comprehensive Income in the period in which they occur. Re-measurement recognised in Other Comprehensive Income is reflected immediately in retained earnings and is not reclassified to profit or loss.

Short-term employee benefits:

A liability is recognised for benefits accruing to employees in respect of salaries, wages, performance incentives, medical benefits and other short term benefits in the period the related service is rendered, at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Compensated leave absences:

Compensated leave absences are encashed by employees at year end and no carry forward of leave is permitted as per the leave policy. All leave remaining to be encashed at period end are fully provided.

j. FOREIGN CURRENCY TRANSACTIONS

The Group's foreign operations are an integral part of the Company's activities. In preparing the financial statements, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in the Statement of profit or loss in the period in which they arise except for:

- Exchange differences on translation or settlement of long term foreign currency monetary items in respect of loans borrowed, which are not hedged, before April 1, 2016 at rates different from those at which they were initially recorded or reported in the previous financial statements, insofar as it relates to acquisition of depreciable assets, are adjusted to the cost of the assets and depreciated over remaining useful life of such assets. Where the borrowal is after April 1, 2016, such exchange difference is recognised in Statement of Profit and Loss. In other cases, where it has been hedged the same has been restated and adjusted against cash flow hedge of the respective derivative instruments.
- Exchange difference on translation of derivative instruments designated as cash flow hedge (see Note D.d for hedging accounting policies).

k. FOREIGN OPERATIONS

In the Group's Consolidated Financial Statements, all assets, liabilities and transactions of the Group entities with a functional currency other than the INR are translated into INR upon consolidation. The functional currency of Craftsman Europe BV is EURO.

On consolidation, assets and liabilities have been translated into INR at the closing rate at the reporting date. Income and expenses have been translated into INR at the average rate over the reporting period. Exchange differences are charged or credited to Other Comprehensive Income and recognised in the currency translation reserve in equity. On disposal of a foreign operation, the related cumulative translation differences recognised in equity are re-classified to Statement of Profit and Loss and are recognised as part of the gain or loss on disposal.

L. INCOME TAXES

Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognised in Other Comprehensive Income or directly in equity respectively.

Current Tax

Current tax is determined on taxable profits for the year chargeable to tax in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 including other applicable tax laws that have been enacted or substantively enacted.

Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax asset is recognised for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

F Critical Accounting judgement and key sources of estimation uncertainty

The accounting policies which have the most significant effect on the figures disclosed in the financial statements are mentioned below and these should be read in conjunction with the disclosure of the significant Ind AS accounting policies provided below:

- i. **Useful life of Property, Plant and Equipment and Intangible assets**
The assessment of the useful life of each asset by considering the historical experience and expectations regarding future operations and expected usage, estimated technical obsolescence, residual value, physical wear and tear and the operating environment in which the asset is located needs significant judgement by the management. In case of intangible assets the useful life is determined based on the period over which future economic benefit will flow to the Group.
- ii. **Tools in use**
The assessment of useful life of tools in use has been done considering the historical experience and estimated refurbishment cycle and operating environment.
- iii. **Income Tax & Deferred Tax**
The calculation of income taxes requires judgement in interpreting tax rules and regulations. Management judgement is used to determine the amounts of deferred tax assets and liabilities and future tax liabilities to be recognized.
The Group estimates the possible utilisation of unabsorbed losses while recognising deferred tax asset considering the future business plans and economic environment.
- iv. **Fair Value**
Certain financial instruments, such as investments in equity securities, derivative financial instruments and certain elements of borrowings, are carried in the financial statements at fair value, with changes in fair value reflected in the Statements of Profit & Loss. Fair values are estimated by reference to published price quotations or by using other valuation techniques that may include inputs that are not based on observable market data, such as discounted cash flows analysis.

v. **Measurement of defined benefit obligations**

Gratuity actuarial valuation considers various assumptions which are based on the past experience and general economic conditions.

vi. **Measurement and likelihood of occurrence of provisions and contingencies**

The provision for warranty and rejection have been done based on past experiences, product lifecycle maturity, reprocessing/repair cost.

G PRINCIPLES OF CONSOLIDATION

The Consolidated Financial Statements relate to Craftsman Automation Limited, its subsidiaries and joint venture. Subsidiaries are all entities over which the Company exercises control. The Company exercises control if and only if it has the following:

- power over the entity;
- exposure, or rights, to variable returns from its involvement with the entity; and
- the ability to use its power over the entity to affect the amount of its returns.

The Consolidated Financial Statements have been prepared on the following basis:

- The Financial Statements of the Group have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-Group balances and intra-Group transactions and resulting unrealised profits, unrealised losses from intra-Group transactions are eliminated unless cost cannot be recovered.
- The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.
- An associate is an entity over which the investor has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Investments in associates and joint ventures are accounted for using the equity method.
- Under the equity method, on initial recognition the investment in an associate or a joint venture is recognised at cost. The carrying amount of the investment in associates and joint ventures is increased or decreased to recognise the Group's share of the profit or loss after the date of acquisition.
- The Financial Statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.
- The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner, as the Company's Standalone Financial Statements.

Craftsman Automation Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2024
1.1 PROPERTY, PLANT & EQUIPMENT
(Rupees in Lakhs)

Asset Category	Freehold land	Building *	Plant & Machinery	Office Equipment	Furniture & Fixtures	Vehicles	Property, Plant & Equipment Total
Gross Block							
At April 1, 2022	8,451	22,395	2,09,333	2,065	518	154	2,42,916
Acquired in business combination	615	7,018	21,266	108	32	21	29,060
Additions	407	2,043	27,002	505	25	57	30,039
Disposals	-	-	1,398	463	-	45	1,906
Translation reserve	-	-	1	(1)	-	-	-
At March 31, 2023	9,473	31,456	2,56,204	2,214	575	187	3,00,109
Additions	2,123	7,289	43,800	1,586	40	25	54,863
Disposals	-	159	2,252	-	-	-	2,411
Translation reserve	-	-	-	-	-	-	-
At March 31, 2024	11,596	38,586	2,97,752	3,800	615	212	3,52,561
Depreciation							
At April 1, 2022	-	5,330	90,313	1,571	267	63	97,544
Additions	-	859	18,935	216	45	13	20,068
Disposals	-	-	875	463	-	43	1,381
Translation reserve	-	-	1	(1)	-	-	-
At March 31, 2023	-	6,189	1,08,374	1,323	312	33	1,16,231
Additions	-	1,258	23,559	326	44	25	25,212
Disposals	-	159	2,067	-	-	-	2,226
Translation reserve	-	-	-	-	-	-	-
At March 31, 2024	-	7,288	1,29,866	1,649	356	58	1,39,217
At April 1, 2022	8,451	17,065	1,19,020	494	251	91	1,45,372
At March 31, 2023	9,473	25,267	1,47,830	891	263	154	1,83,878
At March 31, 2024	11,596	31,298	1,67,886	2,151	259	154	2,13,344

* Includes Written Down Value of improvements on leasehold buildings worth Rs. 737 lakhs as on 31.03.2024 (WDV of Rs. 499 lakhs as on 31.03.2023)

1.3 OTHER INTANGIBLE ASSETS
(Rupees in Lakhs)

Asset Category	Computer Software	Product Development	Technical know-how	Intangible Assets Total
Gross Block				
At April 1, 2022	2,129	636	430	3,195
Acquired in business combination	2	-	-	2
Additions	58	-	-	58
Disposals	5	-	-	5
Translation reserve	-	-	-	-
At March 31, 2023	2,184	636	430	3,250
Additions	197	-	-	197
Disposals	-	-	-	-
Translation reserve	-	-	-	-
At March 31, 2024	2,381	636	430	3,447
Depreciation				
At April 1, 2022	1,705	636	430	2,771
Additions	169	-	-	169
Disposals	5	-	-	5
Translation reserve	-	-	-	-
At March 31, 2023	1,869	636	430	2,935
Additions	80	-	-	80
Disposals	-	-	-	-
Translation reserve	-	-	-	-
At March 31, 2024	1,949	636	430	3,015
At April 1, 2022	424	-	-	424
At March 31, 2023	315	-	-	315
At March 31, 2024	432	-	-	432

Note:

1. Additions to PPE & CWIP include exchange loss aggregating to Rs.NIL for the year 2023-24 (exchange loss of Rs.39 lakhs for the year 2022-23) capitalised under Plant & Machinery

2. Refer Note no. 3.9 for details of charge on PPE of the Company

1.2 CAPITAL WORK IN PROGRESS
(Rupees in Lakhs)

TANGIBLE - CWIP	INTANGIBLE - CWIP	Total Capital Work in Progress
4,198	-	4,198
1,985	-	-
9,637	-	9,637
6,146	-	6,146
-	-	-
9,674	-	9,674
16,452	-	16,452
8,210	-	8,210
-	-	-
17,916	-	17,916
Impairment of CWIP		
-	-	-
120	-	120
109	-	109
-	-	-
11	-	11
44	-	44
-	-	-
-	-	-
55	-	55
4,198	-	4,198
9,663	-	9,663
17,861	-	17,861

(a) CWIP ageing schedule**As on 31-Mar-2024**

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	16,452	1,409	-	-	17,861
Projects temporarily suspended	-	-	-	-	-
	16,452	1,409	-	-	17,861

As on 31-Mar-2023

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	9,606	57	-	-	9,663
Projects temporarily suspended	-	-	-	-	-
	9,606	57	-	-	9,663

(b) For CWIP whose completion is overdue or has exceeded its cost compared to its original plan**As on 31-Mar-2024****NIL****As on 31-Mar-2023**

Particulars	To be completed in				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Various machines	57	-	-	-	57
	57	-	-	-	57

NOTE No. 1.4**RIGHT-OF-USE ASSETS****(Rupees in Lakhs)**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening	9,196	8,707
Additions	17,088	2,293
Amortisation expense	(2,382)	(1,804)
Deletions	(6)	-
Closing	23,896	9,196

Refer note: E.c & 3.10a for detailed disclosures

NOTE No. 1.5
GOODWILL ON CONSOLIDATION

Particulars	(Rupees in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Goodwill	18,999	18,999
	18,999	18,999

Refer Note: 3.12

NOTE No. 1.6
INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

Particulars	(Rupees in Lakhs)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Investment in Equity Shares of Joint Venture		
Carlstahl Craftsman Enterprises Private Ltd (30% stake)		
600,000 equity shares of Rs.10 each fully paid up	60	60
Recognition of opening value of investment in Joint venture	222	175
Share of current year profits in Joint Venture	86	47
	368	282

FINANCIAL ASSETS

NOTE No. 1.7
NON CURRENT INVESTMENTS

Particulars	(Rupees in Lakhs)	
	As at March 31, 2024	As at March 31, 2023
Investment in Equity instruments (at Fair Value through OCI)		
Unquoted		
iEnergy Wind Farm (Theni) Private Ltd		
5,975 equity shares of Rs.10 each fully paid up	1	1
 TAGMA Centre of Excellence and Training		
15 equity shares of Rs.10 each fully paid up	5	5
 Hurricane Windfarms Pvt Limited (26% stake)*		
39,000 equity shares of Rs.10 each fully paid up	4	4
 Sulur Maharaja Solar Green Project Private Limited		
218,700 equity shares of Rs. 10 each fully paid up	22	-
 Kamachi Industries Ltd		
(298800 Equity Shares of Rs.10 each fully paid-up)	30	30
 NSL Wind Power Company(Phoolwadi)Pvt Ltd		
(1,68,905(2,06,905) Equity Shares of Rs.10 each fully paid-up)	17	21
Total	79	61

*Note: The Company holds 26% equity stake in Hurricane Windfarms Pvt Ltd. As the shareholders agreement entered into with the promoters of Hurricane Windfarms Pvt Ltd contains restrictive covenants, the Company cannot exercise "Significant influence" in terms of Ind AS 28 and therefore is not classified under "Investments in Associates" and accordingly is not considered as a component for consolidated financial statements

Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments including deemed equity	79	61
Aggregate amount of impairment in value of investments	-	-

NOTE No. 1.8
SECURITY DEPOSITS

Particulars	As at March 31, 2024	As at March 31, 2023
Rent Deposit	1,791	1,467
Other Deposits	3,128	1,861
Total	4,919	3,328

NOTE No. 1.9
OTHER NON-CURRENT FINANCIAL ASSETS

Particulars	As at March 31, 2024	As at March 31, 2023
Currency swap & Interest Rate Swap Derivative	84	138
Fixed Deposit*	10	10
	94	148

NOTE No. 1.10
CURRENT TAX ASSETS (NET)

Particulars	As at March 31, 2024	As at March 31, 2023
Advance payment of income tax less provisions	828	21

NOTE No. 1.11
OTHER NON CURRENT ASSETS
Unsecured, considered good unless otherwise stated

Particulars	As at March 31, 2024	As at March 31, 2023
Capital Advances	11,484	6,019
Less: Provision for doubtful advances	(28)	(28)
Total	11,456	5,991

NOTE No. 1.12
INVENTORIES

Particulars	As at March 31, 2024	As at March 31, 2023
Raw Materials and Components	40,790	41,809
Work-in-progress	30,980	17,299
Finished goods	3,523	3,251
Consumable Stores	5,600	4,641
Tools in use	3,689	3,512
Machinery Spares	18,003	11,255
Packing Materials	714	599
Stock in transit	783	1,235
Total	1,04,082	83,601

NOTE No. 1.13
TRADE RECEIVABLES

Particulars	As at March 31, 2024	As at March 31, 2023
Considered good - Secured	-	-
Considered good - Unsecured	57,663	53,529
Significant increase in Credit Risk	606	700
Credit impaired	40	40
Less: Expected Credit Loss allowance	(646)	(740)
Total	57,663	53,529

Receivables from related parties - refer note 3.7

Movement in Expected Credit Loss allowance is as follows :

	Opening	Allowance made during the year	write off during the year	Closing
2023-24	740	(94)	-	646
2022-23	734	79	(73)	740

Particulars	Ageing as on 31-Mar-2024					Grand Total
	a. Less than 6 Months	b. 6 months 1 year	c. 1 - 2 years	d. 2 - 3 years	e. More than 3 years	
Undisputed						
(i) Considered good	55,042	2,277	346	-	-	57,665
(ii) significant increase in credit risk	-	-	339	132	121	592
(ii) Credit impaired	-	-	-	-	-	-
Disputed						
(iv) Considered good	-	-	-	-	-	-
(v) significant increase in credit risk	-	-	-	-	12	12
(vi) Credit impaired	-	-	-	-	40	40
Gross Total						58,309
Less: Expected Credit Loss						(646)
Total						57,663

Particulars	Ageing as on 31-Mar-2023					Grand Total
	a. Less than 6 Months	b. 6 months 1 year	c. 1 - 2 years	d. 2 - 3 years	e. More than 3 years	
Undisputed						
(i) Considered good	52,163	1,156	210	-	-	53,529
(ii) significant increase in credit risk	-	-	452	69	167	688
(ii) Credit impaired	-	-	-	-	-	-
Disputed						
(iv) Considered good	-	-	-	-	-	-
(v) significant increase in credit risk	-	-	8	4	-	12
(vi) Credit impaired	-	-	-	-	40	40
Gross Total						54,269
Less: Expected Credit Loss						(740)
Total						53,529

NOTE No. 1.14
CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2024	As at March 31, 2023
a. Balances with banks	6,345	2,730
b. Cash on hand	4	2
Total	6,349	2,732

NOTE No. 1.15
OTHER BANK BALANCES

Particulars	As at March 31, 2024	As at March 31, 2023
Margin money deposits against Letter of Credit & Guarantee	1,887	2,001
Other Deposits	66	1
Total	1,953	2,002

NOTE No. 1.16
SECURITY DEPOSIT-CURRENT

Particulars	As at March 31, 2024	As at March 31, 2023
Security Deposits	97	30

NOTE No. 1.17
OTHER CURRENT FINANCIAL ASSETS

Particulars	As at March 31, 2024	As at March 31, 2023
Currency swap, Interest Rate Swaps ('IRS') & Forward cover derivative	859	798
Interest receivable	98	58
Other receivable	4	
Total	961	856

NOTE No. 1.18
OTHER CURRENT ASSETS

Particulars	As at March 31, 2024	As at March 31, 2023
(Unsecured, considered good unless otherwise stated)		
Balances with Government Authorities	1,770	1,027
Advance to Suppliers (Other than Capital Goods)	3,782	3,698
Prepaid Expenses	1,214	1,078
Advance to Employees	150	66
Contract assets - Unbilled Revenue	143	127
Others	134	44
Total	7,193	6,040

NOTE No. 1.19
EQUITY SHARE CAPITAL

Particulars	As at March 31, 2024		As at March 31, 2023	
	Nos.	Amount	Nos.	Amount
<u>Authorised</u>				
Equity Shares of Rs.5 each	4,00,00,000	2,000	4,00,00,000	2,000
<u>Issued, called, subscribed & Paid Up</u>				
Equity Shares of Rs.5 each	2,11,28,311	1,056	2,11,28,311	1,056
Total	2,11,28,311	1,056	2,11,28,311	1,056

(a) The movement of equity shares is as below

Particulars	2023-24		2022-23	
	Nos.	Amount	Nos.	Amount
Shares outstanding at the beginning of the year	2,11,28,311	1,056	2,11,28,311	1,056
Additions due to issue of shares	-	-	-	-
Shares outstanding at the end of the year	2,11,28,311	1,056	2,11,28,311	1,056

(b) Rights, Preferences and Restrictions to equity shares

The Company has only one class of equity shares having a par value of Rs.5 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the shareholders will be entitled to receive the remaining assets of the Company, in proportion to their shareholding.

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

Name of the equity shareholder	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	% of Holding	No. of Shares	% of Holding
S Ravi	1,05,00,000	49.70%	1,05,00,000	49.70%
S Murali	11,17,413	5.29%	19,17,413	9.08%
Total	1,16,17,413	54.99%	1,24,17,413	58.78%

Details of Promoter's shareholding in the Company

Name of the Promoter	As at March 31, 2024			As at March 31, 2023		
	No. of Shares held	% of Holding	% Change	No. of Shares held	% of Holding	% Change
Promoter						
S Ravi	1,05,00,000	50%	0%	1,05,00,000	50%	0%
Promoter Group						
Murali S	11,17,413	5%	-4%	19,17,413	9%	-1%
Chithra Ravi	200	0%	0%	200	0%	0%
Gautham Ram R	200	0%	0%	200	0%	0%
Mirthula R	200	0%	0%	200	0%	0%
Total	1,16,18,013	55%	-4%	1,24,18,013	59%	-1%

(e) For the period of five years immediately preceding the balance sheet date

(i) Details of number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash

- The Company has not allotted any shares pursuant to contracts without payment being received in cash

(ii) Details of number and class of shares allotted as fully paid up by way of bonus shares:

The Company has not allotted any shares as fully paid up by way of bonus shares

(iii) Details of number and class of shares bought back:

- The Company has not bought back any shares during the period of 5 years immediately preceding the balance sheet date

(iv) Sub-division of shares:

The shareholders of the Company at the Extra ordinary General Meeting held on April 30, 2018 approved the subdivision of equity shares of Rs.100/- each into equity shares having a face value of Rs.5/- each. Consequently the total number of equity shareholding has changed to 20,121,600 equity shares of face value Rs.5/- each from that date.

(v) Initial Public Offering of shares:

The equity shares of the Company have been listed on BSE Limited and National Stock Exchange of India Limited on 25 March 2021 upon successful completion of the Initial Public Offer ('IPO' or 'the Public Offer'). The IPO involved (a) Fresh Issue of 10,06,711 equity shares and (b) Offer for Sale of 45,21,450 equity shares of face value of Rs.5 each at an offer price of Rs. 1,490 per share.

NOTE No. 1.20
OTHER EQUITY

Particulars		As at March 31, 2024	As at March 31, 2023
Reserves & Surplus			
Securities Premium	(i)	28,123	28,123
General Reserves	(ii)	9,662	9,662
Retained Earnings	(iii)	1,26,890	99,124
Total Reserves & Surplus		1,64,675	1,36,909
Cash Flow Hedging Reserve	(iv)	(253)	(493)
Equity instruments through Other Comprehensive Income	(v)	(321)	(321)
Foreign currency translation reserve		333	317
Share of Networth in JV		308	222
Total		1,64,742	1,36,634

Additions and Deductions since the last balance sheet date:**(i) Securities Premium Account**

	As at March 31, 2024	As at March 31, 2023
Opening balance	28,123	28,123
Premium on fresh issue of shares	-	-
Issue expenses adjusted	-	-
Closing balance	28,123	28,123

(ii) Retained Earnings

	As at March 31, 2024	As at March 31, 2023
Opening balance	99,124	75,136
Profit for the year	30,362	24,791
Items of other comprehensive income recognised directly in retained earnings:		
- Remeasurements of defined benefit obligation (net of tax)	(219)	(10)
Dividend (including dividend distribution tax)	(2,377)	(793)
Closing balance	1,26,890	99,124

(iii) Cash Flow Hedging Reserve

	As at March 31, 2024	As at March 31, 2023
Opening balance	(493)	(442)
Changes in fair value of hedging instruments	321	2
Deferred Tax	(81)	(53)
Closing Balance	(253)	(493)

(iv) Equity instruments through Other Comprehensive Income

	As at March 31, 2024	As at March 31, 2023
Opening balance	(321)	(321)
Changes in fair value of FVOCI equity instruments	-	-
Closing Balance	(321)	(321)

(v) Foreign currency translation reserve

	As at March 31, 2024	As at March 31, 2023
Opening balance	317	185
Exchange differences in translating the financial statements of foreign operations	16	132
Closing Balance	333	317

(vi) Share of Networth in JV

	As at March 31, 2024	As at March 31, 2023
Opening balance	222	175
Share of current year profits in Joint Venture	85	48
Share of Other Comprehensive Income in Joint Venture	1	(1)
Closing Balance	308	222

Refer "Statement of Changes in Equity" for additions/deletions in each of these items

A. Securities Premium represents premium received on equity shares issued, which can be utilised only in accordance with the provisions of the Companies Act, 2013 for specified purposes.

B. General reserve is created from time to time by transferring profits from retained earnings and can be utilised for purposes such as dividend pay-out, bonus issue, etc.

C. Retained Earnings includes Rs 5,542 lacs of revaluation reserve created due to Land revaluation on transition to Ind AS (01.04.2015), which will not be available for distribution of profits

D. Cash flow hedge reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the hedging instruments that are recognised and accumulated in this reserve are reclassified to profit or loss only when the hedged transaction affects the profit or loss.

E. The amount that can be distributed by the Company as dividends to its equity shareholders is determined considering the requirements of the Companies Act, 2013 and the dividend distribution policy of the Company. Thus, the amount reported in General Reserve is not entirely distributable.

In respect of the year ended March 31, 2024, the Board of Directors has proposed a final dividend of Rs.11.25 per share of face value Rs.5 each to be paid on fully paid equity shares. This dividend is subject to approval by shareholders at the forth coming Annual General Meeting and has not been included as a liability in these financial statements. The proposed dividend is payable to all holders of fully paid equity shares. The total estimated dividend to be paid is Rs. 2377 lakhs.

NOTE No. 1.21
NON-CONTROLLING INTEREST

Particulars	As at March 31, 2024	As at March 31, 2023
Opening	6,100	-
On business combination		5,842
Profit attributable to non-controlling Interest for the year	3,286	257
Other comprehensive income attributable to non-controlling interest for the year	(18)	1
	9,368	6,100

NOTE No. 1.22
LONG TERM BORROWINGS

Particulars	As at March 31, 2024		As at March 31, 2023	
	Non-Current	Current *	Non-Current	Current *
Secured				
From Banks				
Rupee Term Loans	69,923	8,997	41,241	6,728
Foreign Currency Term Loans	8,725	4,663	13,194	4,588
	78,648	13,660	54,435	11,316
From NBFC				
Rupee Term Loans	33,836	478	36,182	290
Total	1,12,484	14,138	90,617	11,606

Notes:

1. The above long term borrowings are carried at amortised cost.

	31-Mar-24	31-Mar-23
Loans at amortised cost as at the end of the year (Current + Non-Current)	1,26,622	1,02,223
Add : Unamortised upfront fee paid as at the end of year	134	207
Gross loan outstanding as at the end of the year	1,26,756	1,02,430

2. Refer note no 3.9 for security and terms of borrowings.

* Taken to short term borrowings (Note 1.26)

Net Debt Reconciliation:
For the year ended 31 March 2024

Particulars	Cash and cash equivalents	Instrument to hedge the finance liability**	Current Borrowing	Non - Current Borrowing plus current maturity of long term debt*	Lease Liability	Total
Balance as at 01 April 23	2,732	561	(13,097)	(1,02,929)	(8,751)	(1,21,484)
Acquisition of RoU asset	-	-	-	-	(17,088)	(17,088)
Pre-closure of leases	-	-	-	-	6	6
Cash Flows	3,561	-	(14,955)	(24,420)	4,995	(30,819)
Fair Value changes	-	123	-	-	-	123
Foreign exchange adjustments	56	-	(18)	103	-	141
Interest expense & other charges	-	-	(5,338)	(10,066)	(1,283)	(16,687)
Interest & charges paid	-	-	5,329	10,014	1,283	16,626
Balance as at 31 March 24	6,349	684	(28,079)	(1,27,298)	(20,838)	(1,69,182)

For the year ended 31 March 2023

Particulars	Cash and cash equivalents	Instrument to hedge the finance liability**	Current Borrowing	Non - Current Borrowing plus current maturity of long term debt*	Lease Liability	Total
Balance as at 01 April 22	2,943	317	(19,339)	(52,700)	(8,395)	(77,174)
Acquisition of RoU asset	-	-	-	-	(2,293)	(2,293)
Pre-closure of leases	-	-	-	-	(0)	(0)
Cash Flows	(2,721)	-	10,269	(30,674)	2,054	(21,072)
Fair Value changes	-	244	-	-	-	244
Foreign exchange adjustments	40	-	(668)	(1,012)	-	(1,640)
Acquired in business combination	2,470	-	(3,327)	(18,202)	(117)	(19,176)
Interest expense & other charges	-	-	(3,341)	(5,764)	(850)	(9,955)
Interest & charges paid	-	-	3,309	5,423	850	9,582
Balance as at 31 March 23	2,732	561	(13,097)	(1,02,929)	(8,751)	(1,21,484)

*Includes the portion of "interest accrued but not due" pertaining to borrowings.

** does not include foreign currency forward contracts that are used for hedging liabilities that are operating cash flows

NOTE No. 1.23

LEASE LIABILITIES - NON-CURRENT

Particulars	As at March 31, 2024	As at March 31, 2023
Lease Liabilities - Non-current	16,486	7,539
Total	16,486	7,539

Refer Note No E.c & 3.10

NOTE No. 1.24
NON-CURRENT FINANCIAL LIABILITIES- OTHERS

Particulars	As at March 31, 2024	As at March 31, 2023
Currency swap & Interest Rate Swap Derivative	209	375
Rent Advance	2	2
Total	211	377

Notes:

1. Currency swaps are for principal only and are cash flow hedge and hence are carried at fair value through OCI
2. Interest Rate Swap & Interest Rate Collar derivatives that are hedge effective are carried at fair value through OCI & others are carried at fair value through Statement of Profit & Loss
3. Rent advance is carried at amortized cost as it is not material to be fair valued

NOTE No. 1.25
DEFERRED TAX LIABILITIES (NET)

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred Tax Liabilities	14,755	15,551
Deferred Tax Assets	(1,607)	(1,439)
Total	13,148	14,112

Note : Refer Note No 3.3 for detailed deferred tax working and effective tax rate reconciliation

NOTE No. 1.26
SHORT TERM BORROWINGS

Particulars	As at March 31, 2024	As at March 31, 2023
Secured		
Loans repayable on demand from banks		
Rupee Loans	27,187	6,404
Foreign Currency Loans	834	1,644
Sub-total (A)	28,021	8,048
Unsecured		
Rupee Loans	-	5,000
Sub-total (B)	-	5,000
Current maturities of long-term debt (C)	14,138	11,607
Total (A + B + C)	42,159	24,655

Short Term Borrowings from banks are secured by
a. first pari passu charge on current assets of the Company.
b. second pari passu charge on fixed assets of the Company.

NOTE No. 1.27
LEASE LIABILITIES - CURRENT

Particulars	As at March 31, 2024	As at March 31, 2023
Lease Liabilities - Current	4,353	1,212
Total	4,353	1,212

NOTE No. 1.28
TRADE PAYABLES

Particulars	As at March 31, 2024	As at March 31, 2023
Due to Micro and Small Enterprises-(MSE)	1,178	1,167
Sub-total (A)	1,178	1,167
Due to Other Suppliers	76,744	68,101
Accrued Expenses	2,142	1,894
Sub-total (B)	78,886	69,995
Total	80,064	71,162
Payables to related parties - refer note 3.7		

Particulars	Ageing as on 31.03.24				
	a. Less than 1 year	b. 1 - 2 years	c. 2 - 3 years	d. More than 3 years	Grand Total
(i) MSE	1,178	-	-	-	1,178
(ii) Others	76,348	259	113	24	76,744
(iii) Disputed dues - MSE	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-
Gross Total					77,922
Accrued Expenses					2,142
Total					80,064

Particulars	Ageing as on 31.03.23				
	a. Less than 1 year	b. 1 - 2 years	c. 2 - 3 years	d. More than 3 years	Grand Total
(i) MSE	1,167	-	-	-	1,167
(ii) Others	67,826	178	97	-	68,101
(iii) Disputed dues - MSE	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-
Gross Total					69,268
Accrued Expenses					1,894
Total					71,162

NOTE No. 1.29
OTHER CURRENT FINANCIAL LIABILITIES

Particulars	As at March 31, 2024	As at March 31, 2023
Interest accrued but not due on borrowings	733	756
Currency swap , Interest Rate Swap & Forward cover derivative	50	-
Creditors for capital goods and services	9,463	6,284
Employee related liabilities	2,781	2,257
Dues to directors	8	3
Others	1,560	2,964
Total	14,595	12,264

NOTE No. 1.30
CURRENT TAX LIABILITIES (NET)

Particulars	As at March 31, 2024	As at March 31, 2023
Income tax provisions less advance payment	912	3,156

NOTE No. 1.31
OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2024	As at March 31, 2023
Advance from customers	6,433	8,042
Statutory Dues	3,442	3,069
Total	9,875	11,111

NOTE No. 1.32
SHORT TERM PROVISIONS

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits		
Gratuity	631	267
Other Provisions		
Provision for Warranty Cost	294	214
Provision for Rejection	196	196
Total	1,121	677

Note:

Movement in Provision for product warranties is as follows :

	Opening	Expired during the year	Warranty provided for current year	Closing
2023-24	214	214	294	294
2022-23	158	158	214	214

This provision is recognised once the products are sold. The estimated provision takes into account historical information, frequency and average cost of warranty claims and the estimate regarding possible future incidence of claims. The provision for warranty claims represents the present value of management's best estimate of the future obligations. The outstanding provision for product warranties as at the reporting date is for the balance unexpired period of the respective warranties on the various products which ranges upto one year.

Movement in Provision for Rejection is as follows :

	Opening	Expired during the year	Rejection provided for current year	Closing
2023-24	196	196	196	196
2022-23	110	110	196	196

This provision is recognised once the products are sold. Materials are rejected due to various reasons and either get re processed or replaced to the customers depending on the type of rejections. These rejections gets fulfilled within a period of 3 months and the provisions represents the present value of management's best estimate of possible rejections within the next one quarter.

NOTE No. 2.1
REVENUE FROM OPERATIONS

Particulars	March 31, 2024	March 31, 2023
Sale of products;		
Domestic Sales	3,27,570	2,06,421
Export Sales	19,786	20,487
A.	3,47,356	2,26,908
Sale of services;		
Machining Charges	67,632	63,678
Service Charges	593	1,166
B.	68,225	64,844
Other operating revenues;		
Sale of swarf & others	26,472	24,725
Duty Drawback	333	350
EPCG income on fulfilling obligation	2,540	1,270
Export Incentive under RoDTEP	247	163
C.	29,592	26,508
Revenue from operations (A+B+C)	4,45,173	3,18,260

Refer Note no: 3.13 "Segment Reporting" for breakup of revenue from operations.

NOTE No. 2.2
OTHER INCOME

Particulars	March 31, 2024	March 31, 2023
Interest Income from deposits measured at amortised cost	234	653
Interest Income due to unwinding of fair valued assets		
-Rent Advance	66	80
Net gain on sale of assets	107	41
Rental income	30	31
Exchange rate Gain/(Loss) on Transaction & Translation	1,155	417
Others	132	32
Total	1,724	1,254

NOTE No. 2.3
COST OF MATERIALS CONSUMED

Particulars	March 31, 2024	March 31, 2023
Cost of goods sold	2,48,640	1,67,235
Carriage inward	2,185	1,340
Sub Contract Charges	1,328	1,389
Total	2,52,153	1,69,964

NOTE No. 2.4**CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS**

Particulars	March 31, 2024	March 31, 2023
Inventory at the end of the year		
Work in Progress	30,980	17,299
Finished Goods	4,592	3,251
Sub total	35,572	20,550
Inventory at the beginning of the year		
Work in Progress	17,299	10,758
Finished Goods	3,251	2,771
Sub total	20,550	13,529
(Increase) / decrease in inventory	(15,022)	(7,021)

NOTE No. 2.5**EMPLOYEE BENEFITS EXPENSE**

Particulars	March 31, 2024	March 31, 2023
Salaries and wages	22,226	18,040
Contributions to Provident Fund & Employee State Insurance	724	538
Contribution to Gratuity fund	313	241
Managerial Remuneration	1,506	1,831
Staff welfare expenses	4,077	2,700
Total	28,846	23,350

NOTE No. 2.6**DEPRECIATION, AMORTIZATION AND IMPAIRMENT EXPENSE**

Particulars	March 31, 2024	March 31, 2023
Depreciation on Property, Plant & Equipment	24,984	20,068
Amortization of Intangible Assets	80	169
Amortization- Right-of-use Asset	2,382	1,804
Write off	279	109
Impairment expense / (reversal) of Capital Work in Progress	44	11
Total	27,769	22,161

NOTE No. 2.7
OTHER EXPENSES

Particulars	March 31, 2024	March 31, 2023
Manufacturing Expenses		
Stores, Spares & tool consumed	22,916	18,144
Power & Fuel	26,251	16,606
Repairs & Maintenance		
- Machinery	10,968	7,657
- Building	1,041	751
- Others	3,045	1,864
Payment to contractors	9,271	5,287
Other manufacturing expenses	943	705
A.	74,435	51,014
Administrative Expenses		
Professional and Consultancy charges	1,975	1,108
Insurance Charges	498	467
Rates & Taxes	217	161
Software Licenses	720	574
General Administrative Expenses	1,094	839
Printing & Stationary	258	188
Postage & Telegrams	70	61
Rent	268	176
Telephone Expenses	178	161
Travelling Expenses	1,443	1,020
Directors' Sitting Fees	28	25
Remuneration to auditors	106	74
Corporate Social Responsibility Expenses	576	315
Amounts written off		
Bad debts	-	73
Provisions for the year		
Warranty	83	52
Rejections	(1)	18
Doubtful debts	(94)	5
B.	7,419	5,317
Selling expenses		
Packing material consumed	4,159	2,691
Carriage Outward	4,834	4,071
Sales Promotion Expenses	466	513
C.	9,459	7,275
Total (A+B+C)	91,313	63,606

Payment to Auditors

Particulars	March 31, 2024	March 31, 2023
Audit fee	81	56
Taxation Matters	15	10
Company Law Matter	-	-
Other Services- Certification	2	3
Reimbursement of Expenses	8	5
Total	106	74

NOTE No. 2.8
FINANCE COSTS

Particulars	March 31, 2024	March 31, 2023
Interest expenses		
On Short Term Borrowings	5,338	3,341
On Long Term Borrowings at Amortised Cost	10,066	5,674
Others	196	218
Other Borrowing costs		
Unwinding of discounted Upfront fee on loans	84	90
Interest unwind - lease liability	1,283	850
Unwinding of Rent Advance	66	80
Bank charges	308	372
Net (gain)/loss on foreign currency transactions and translation	113	1,398
Total	17,454	12,023

Notes to Consolidated Financial Statements for the year ended 31 March 2024:

3.1 Subsidiaries and Joint Venture considered in the Consolidated Financial Statements:

Following Subsidiaries are considered in the Consolidated Financial Statements:

S.No	Name of the Subsidiary	Country of Incorporation	% of Ownership	
			March 31, 2024	March 31, 2023
1	DR Axion India Private Limited	India	76%	76%
2	Craftsman Europe B.V	Netherlands	100%	100%

Following Joint Venture is considered in the Consolidated Financial Statements:

S.No	Name of the Joint Venture	Country of Incorporation	% of Ownership	
			March 31, 2024	March 31, 2023
1	Carl Stahl Craftsman Enterprises Private limited	India	30%	30%

3.2 Additional Information – Subsidiaries & Joint Ventures:

Additional Information, as required under Schedule III to the Companies Act, 2013 of entities consolidated as Subsidiaries & Joint Ventures

Name of the entity	March 31, 2024		March 31, 2023	
	As a % of consolidated Net Assets	Amount	As a % of consolidated Net Assets	Amount
Parent Company				
Craftsman Automation Limited	88.26%	1,54,598	95.37%	1,37,138
Domestic Subsidiary				
DR Axion India Private Limited	22.22%	38,927	17.60%	25,313
Foreign Subsidiaries				
Craftsman Europe B.V	1.47%	2,577	1.63%	2,344
Sub Total	111.95%	1,96,102	114.61%	1,64,795
Add/Less: Intragroup eliminations / adjustments	-11.95%	(20,936)	-14.61%	(21,005)
Total	100.00%	1,75,166	100.00%	1,43,790

Name of the entity	March 31, 2024		March 31, 2023	
	As a % of	Amount	As a % of	Amount
	consolidated Profit or Loss		consolidated Profit or Loss	
Parent Company				
Craftsman Automation Limited	58.58%	19,759	94.74%	23,776
Domestic Subsidiary				
DR Axion India Private Limited	40.58%	13,690	4.27%	1,072
Foreign Subsidiaries				
Craftsman Europe B.V	0.64%	216	0.95%	238
Sub Total	99.80%	33,665	99.96%	25,086
Add/Less: Intragroup eliminations / adjustments	0.20%	67	0.04%	10
Total	100.00%	33,732	100.00%	25,096

Name of the entity	March 31, 2024		March 31, 2023	
	As a % of	Amount	As a % of	Amount
	consolidated OCI		consolidated OCI	
Parent Company				
Craftsman Automation Limited	390.00%	78	-92.86%	(65)
Domestic Subsidiary				
DR Axion India Private Limited	-380.00%	(76)	5.71%	4
Foreign Subsidiaries				
Craftsman Europe B.V	85.00%	17	187.14%	131
Sub Total	95.00%	19	100.00%	70
Add/Less: Intragroup eliminations / adjustments	5.00%	1	0.00%	-
Total	100.00%	20	100.00%	70

Name of the entity	March 31, 2024		March 31, 2023	
	As a % of consolidated	Amount	As a % of consolidated	Amount
	Total Comprehensive Income		Total Comprehensive Income	
Parent Company				
Craftsman Automation Limited	58.78%	19,837	94.23%	23,711
Domestic Subsidiary				
DR Axion India Private Limited	40.35%	13,614	4.29%	1,076
Foreign Subsidiaries				
Craftsman Europe B.V	0.69%	233	1.47%	369
Sub Total	99.82%	33,684	99.96%	25,156
Add/Less: Intragroup eliminations / adjustments	0.18%	68	0.04%	10
Total	100.00%	33,752	100.00%	25,166

3.3 Income taxes

Income tax expense for the year reconciled to accounting profit

		Rs. Lakhs	
		Year Ended March 31, 2024	Year Ended March 31, 2023
Profit before tax	a	44,469	35,479
Income tax rate	b	25.168%	25.168%
Income tax expenses	a*b	11,192	8,929
Effect of			
i) Effect of expenses inadmissible for tax		129	131
ii) Effect of Lower income tax of Subsidiaries		(10)	(160)
iii) Effect of Share of profit from JV		(21)	(12)
iv) Effect of MAT Credit written off		-	2,348
v) Effect of change in tax rate		(510)	(853)
vi) Others		(44)	-
Income tax expense recognised in Statement of Profit & loss		10,736	10,383

Note: The holding company had elected to exercise the option permitted under section 115BAA of the Income Tax Act, 1961 during FY 2022-23, while the Domestic Subsidiary (DR Axion India Private Limited) has elected to exercise the option during FY 2023-24. Accordingly, the income tax expense for the financial years FY 2022-23 and FY 2023-24 were calculated and its deferred tax liabilities (net) were remeasured at the tax rate prescribed in the said section. The impact of the change in the Statement of Profit and Loss are:

		Rs. Lakhs	
Particulars		FY 2023-24	FY 2022-23
1. Reduction of tax expense			3,730
2. one-time gain arising from reversal of opening deferred tax liability	510		853
3. charging off of MAT credit which is unavailable on adoption of the reduced rate			2,348

Movement of deferred tax assets/ liabilities

				Rs. Lakhs
Movement during the year ended March 31 2024	As at March 31, 2023	Recognised in P&L	Recognised in OCI	As at March 31, 2024
Depreciation & Amortization	(14,528)	770	-	(13,758)
Provision for doubtful debts	184	(24)	-	160
Other Temporary Differences	232	220	(2)	450
	(14,112)	966	(2)	(13,148)

Movement during the year ended March 31 2023						Rs. Lakhs
	As at March 31 2022	Acquired in Business Combination	Recognised in P&L	Recognised in OCI	MAT utilisation	As at March 31, 2023
Depreciation & Amortization	(15,222)	(1,903)	2,597	-	-	(14,528)
Provision for doubtful debts	254	-	(70)	-	-	184
Other Temporary Differences	931	-	(649)	(50)	-	232
MAT Credit entitlement- Unused tax credit	2,359	-	-	-	(2,359)	-
	(11,678)	(1,903)	1,878	(50)	(2,359)	(14,112)

3.4 Employee Benefits

The Union Ministry of Labour issued draft rules under section 67 of the Code on Wages Act on 7 July 2020 in the Gazette and the Act is yet to be effective

The three labour codes, the Occupational Health, Safety and Working Conditions Code 2020, the Industrial Relations Code 2020 and the Code on Social Security 2020 have been passed by the parliament and have also received the assent of the President of India on 28 September 2020. However, the date on which these Codes will come into effect has not been notified. The Group will assess the impact of these Codes and will record any related impact in the period these Codes become effective.

3.4 A) Defined Contribution Plan

The employee provident fund is in the nature of Defined Contribution Plan. The contribution made to the scheme is considered as expense in the Statement of Profit and Loss when the employee renders the related service. There is no other obligation other than the contribution payable to employee provident fund.

The total expenses recognised in Statement of Profit or Loss of Rs. 680 lakhs (2022-23: Rs. 493 lakhs) represents contribution payable to these plans by the Group at rates specified in the rules of the plan.

3.4 B) Defined benefit plans

a. The Group extends defined benefit plan in the form of gratuity to employees. The Group makes annual contribution to gratuity fund administered by trustees and managed by SBI Life Insurance Company Ltd for the company and Aditya Birla Sun Life Insurance Company Ltd for the domestic subsidiary. The Group's liability is determined based on actuarial valuation done at the year end as per projected unit credit method. The plan provides for a lump-sum payment to vested employees at retirement, death, while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service subject to the maximum of Rs.20 lakhs. Vesting occurs upon completion of five years of service.

These plans typically expose the Group to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.
Liquidity Risk	Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign / retire from the Group there can be strain on the cash flows.
Market Risk	Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate / government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.
Legislative Risk	Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation / regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

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

	As at Mar 31, 2024	As at March 31, 2023
Discount rate	7.23% - 7.24%	7.55% - 7.59%
Expected rate of salary increase	5.00% - 10.00%	5.00% - 10.00%
Attrition rate	5.00%	5.00%

The estimate of future salary increase take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

c. Amounts recognised in total comprehensive income in respect of these defined benefit plans are as follows:

	Rs. In Lakhs	
	2023-24 Rs. In Lakhs	2022-23 Rs. In Lakhs
Current Service Cost	304	234
Net interest expense/ (income)	9	8
Component of defined benefit cost recognised in P&L	313	242
<u>Remeasurement on the net defined benefit liability comprising:</u>		
Actuarial (gain)/loss arising from changes in financial assumptions	98	(14)
Actuarial (Gain)/ Losses due to Experience on Defined Benefit Obligation	212	18
	1	

Actuarial (Gain)/Loss arising from changes in financial assumptions due to demographic assumption changes in Defined Benefit Obligation		0
Return on Plan Assets (Greater) / Less than Discount rate	5	8
Components of defined benefit costs recognised in other comprehensive income	316	13
Total Defined Benefit Cost	629	267

d. The amount included in the balance sheet arising from the Group's obligation in respect of its defined benefit plans is as follows

	Rs. In Lakhs	
	As at Mar 31, 2024	As at Mar 31, 2023
Present value of defined benefit obligation	2895	2256
Fair value of plan assets	2264	1988
Net liability arising from defined benefit obligation (funded)	(629)	(268)

e. Movements in the present value of the defined benefit obligation in the current year were as follows:

	Rs. In Lakhs	
	Year ended Mar 31, 2024	Year ended Mar 31, 2023
Opening defined benefit obligation	2256	1719
Acquired on Business Combination	-	223
Current Service Cost	304	234
Interest Cost	158	129
Benefits paid	(135)	(57)
Actuarial (gain)/loss	312	8
Closing defined benefit obligation	2895	2256

f. Movements in fair value of plan assets in the current year were as follows:

	Rs. In Lakhs	
	Year ended Mar 31, 2024	Year ended Mar 31, 2023
Opening fair value of plan assets	1988	1516
Acquired on Business Combination	-	211
Interest income of the assets	149	121
Employer contribution	268	203
Benefits payout	(135)	(57)
Actuarial gain/(loss)	(6)	(6)
Closing fair value of plan assets	2264	1988

g. The Group funds the cost of the gratuity expected to be earned on a yearly basis .

The actual return on plan assets was Rs. 144 lakhs (2022-23: Rs. 125 lakhs)

h. Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity analysis below has been determined based on reasonably possible changes of the respective assumption occurring at the end of the reporting year.

	Rs. In Lakhs	
	As at Mar 31, 2024	As at Mar 31, 2023
If the discount rate is 100 basis points higher/lower, the defined benefit obligation would		
• Decrease by (Mar 24: (8.64%) to ((9.83%); Mar 23: (8.63%) to (9.77%))	(254)	(197)
• Increase by (Mar 24: 10.04% to 11.55% ; Mar 23: 10.03% to 11.51%)	296	230
If the expected salary is 100 basis points higher/lower, the defined benefit obligation would		
• Increase by (Mar 24: 8.46% to 11.08% ; Mar 23: 8.64% to 11.06%)	254	200
• Decrease by (Mar 24: (7.63%) to (9.56%) ; Mar 23: (7.88%) to (9.52%))	(228)	(181)
If the attrition rate is 100 basis points higher/lower, the defined benefit obligation would		
• Increase by (Mar 24: 1.43% to 2.18%; Mar 23: 1.65% to 2.67%;)	44	40
• Decrease by (Mar 24: (1.62%) to (2.53%) ; Mar 23: (1.86%) to (3.09%))	(50)	(45)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of each reporting year, which is the same as that applied in calculating the defined benefit obligation liability recognized in the balance sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from previous year.

i. Funding arrangements

The Group has been fully funding the liability through a trust administered by an insurance company. Regular assessment of the increase in liability is made by the insurance company and contributions are being made to maintain the fund. Subject to credit risk of the insurance company & the asset liability mismatch risk of the investments, the Group will be able to meet the past service liability on the valuation date that falls due in the future.

The Group expects to make a contribution of Rs 381 lakhs (as at March 31, 2023: Rs 283 lakhs) to the defined benefit plans for the next financial year.

Information on the maturity profile of the liabilities:

Particulars	31 st Mar 2024	31 st Mar 2023
Weighted average duration of the DBO	12.37 -12.82 years	12.13 -12.78 years
	Rs. Lakhs	Rs. Lakhs
Projected Benefit Obligation	2,895	2256
Accumulated Benefits Obligation	1,941	1512

j. Maturity Profile:

Rs. Lakhs	
FUTURE PAYOUTS	Present Value
Year (i)	202
Year (ii)	176
Year (iii)	172
Year (iv)	148
Year (v)	144
Next 5 year pay-outs(6-10yrs)	646
Pay-outs above ten years	1408

3.5 Earnings per share (EPS)

	Year Ended March 31, 2024	Year Ended March 31, 2023
	Rs.	Rs.
Earnings per share		
Basic earnings per share	144.11	117.56
Diluted earnings per share	144.11	117.56
Face value per share	5	5
Basic and diluted earnings per share	Rs. Lakhs	Rs. Lakhs
Profit for the year attributable to equity shareholders	30,447	24,839
	Nos.	Nos.
Total number of equity shares outstanding at the end of the year	2,11,28,311	2,11,28,311
Weighted average number of equity shares used in the calculation of basic earnings per share after adjustment for effect of dilution	2,11,28,311 2,11,28,311	2,11,28,311 2,11,28,311

3.6 Financial Instruments:

3.6a Capital Management:

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

The Group manages its capital structure and makes adjustments to it, in light of changes to economic conditions and the strategic objectives of the Group. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, buy back shares and cancel them, or issue new shares. The Group finances its operations by a combination of retained profit, bank borrowings, disposals of property assets and leases.

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

The Debt to equity ratio as at end of the year is given below:

	Rs. Lakhs	
	As at March 31, 2024	As at March 31, 2023
Debt (long-term and short-term borrowings including current maturities)	1,54,643	1,15,272
Equity	1,75,166	1,43,790
Debt Equity Ratio	0.88	0.80

3.6b Financial risk management

In course of its business, the Group is exposed to certain financial risks that could have significant influence on the Group's business and operational / financial performance. These include market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

The Board of Directors reviews and approves risk management framework and policies for managing these risks and monitors suitable mitigating actions taken by the management to minimise potential adverse effects and achieve greater predictability to earnings.

In line with the overall risk management framework and policies, the treasury function provides services to the business, monitors and manages through an analysis of the exposures by degree and magnitude of risks.

The Group uses derivative financial instruments to hedge risk exposures in accordance with the Group's policies as approved by the board of directors.

i. Market Risk

Market risk is the risk that changes in market prices, liquidity and other factors that could have an adverse effect on realizable fair values or future cash flows to the Group. The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates as future specific market changes cannot be normally predicted with reasonable accuracy

A. Foreign currency risk management:

The Group undertakes transactions denominated in foreign currencies and thus it is exposed to exchange rate fluctuations. The Group actively manages its currency rate exposures, arising from transactions entered and denominated in foreign currencies, through treasury division and uses derivative instruments such as foreign currency forward contracts to mitigate the risks from such exposures. The use of derivative instruments is subject to limits and regular monitoring by Management. The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

Assets	Currency	As at March 31, 2024		As at March 31, 2023	
		Amount in Foreign currency (Lakhs)	Amount in Rs (Lakhs)	Amount in Foreign currency (Lakhs)	Amount in Rs (Lakhs)
Receivables	USD	37	3,108	43	3,561
	EUR	8	744	10	883
	GBP	0.04	4	0.44	44
Total Receivables (A)			3,856		4,488
Hedged by derivative contracts (B)		-	-	-	-
Unhedged receivables (C=A-B)			3,856		4,488

Liabilities	Currency	As at March 31, 2024		As at March 31, 2023	
		Amount in Foreign currency (Lakhs)	Amount in Rs (Lakhs)	Amount in Foreign currency (Lakhs)	Amount in Rs (Lakhs)
Payable (trade & other)	USD	62	5,130	114	9,327
	JPY	3,314	1,826	1,065	659
	EUR	29	2,636	2	144
	GBP	0.03	3	0.02	2
	CHF	-	-	-	0.01
	CNY	-	-	0	1
Borrowings (ECB and Others)	USD	171	14,254	237	19,485
	EUR	-	-	-	-
Total Liabilities (A)			23,849		29,618
Hedges by derivative contracts (B)	USD	92	7,648	125	10,256
	JPY	-	-	559	346
	EUR	14	1,260		
Unhedged payables (C=A-B)			14,941		19,016

B. Foreign currency sensitivity analysis:

Movement in the functional currencies of the various operations of the Group against major foreign currencies may impact the Group's revenues from its operations. Any weakening of the functional currency may impact the Group's cost of imports and cost of borrowings and consequently may increase the cost of financing the Group's capital expenditures.

The foreign exchange rate sensitivity is calculated for each currency by aggregation of the net foreign exchange rate exposure of a currency and a parallel foreign exchange rates shift in the foreign exchange rates of each currency by 1%, which represents Management's assessment of the reasonably possible change in foreign exchange rates.

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments. The following table details the Group's sensitivity movement in the unhedged foreign exposure:

Currency	Rs. Lakhs	
	1% Strengthening of FC	
	As at March 31, 2024	As at March 31, 2023
USD	(86)	(150)
GBP	0.01	0.42
CHF	-	(0)
EUR	(6)	7
JPY	(18)	(3)
CNY	-	(0.01)
	(110)	(144)

A depreciation of foreign currencies would have the opposite effect to the impact in the table above.

The following table details the forward foreign currency contracts outstanding at the end of the reporting period:

Cash Flow Hedges	(in Lakhs)					
	Foreign Currency		Equivalent value		Fair value of contracts	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Sell EUR	14	-	1,310	-	1,260	-
Sell JPY	-	559	-	352	-	346

Note:

The MTM of the above has been included in the balance sheet under 'Other Current Financial Asset'. [Refer Note 1.17] as on 31-03-2024

Interest rate risk management:

The Group is exposed to interest rate risk pertaining to funds borrowed at both fixed and floating interest rates. The risk of floating interest rates in foreign currency loans is managed by the Group by the use of interest rate swap contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies.

Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates at the end of the reporting period. For floating rate liabilities which are unhedged, the analysis is prepared assuming that the amount of the liability as at the end of the reporting period was outstanding for the whole year. An increase or decrease of 50 basis point in rupee interest rates and 25 basis points in USD SOFR rate is used when reporting interest rate risk internally to key management personnel and represents Management's assessment of the reasonably possible change in interest rates.

A decrease in interest rates would have the opposite effect to the impact in the table above.

Base Rate	Increase in Base rate	Effect of Change in interest rates		Outstanding as on	
		As at March 31,		As at March 31,	
		2024	2023	2024	2023
USD SOFR	25 bps	14	19	5,711	7,704
INR Baserate	50 bps	470	296	94,041	59,139
		484	315	99,752	66,843

*Interest rate on all USD loans are hedged with either IRS or IRC and hence are not exposed to risk due to interest rate fluctuations.

Foreign currency and interest rate sensitivity analysis for swap contracts:

The Group has taken interest rate swaps ('IRS') to hedge the interest rate risks. The marked-to-market gain as at March 31, 2024 is Rs.166 lakhs (March 31, 2023 gain is Rs.231 lakhs). The amount of loss recognised in OCI for the year ended 31st March 2024 is Rs.65 lakhs (31st March 2023 – gain Rs.413 lakhs) and the amount of gain recognised in Statement of Profit and Loss for the ineffective portion of cash flow hedge for the year ended 31st March 2024 is Rs. NIL (31st March 2023: Rs. NIL).

In addition to the above, the Group has an Interest Rate Collar ('IRC'), to hedge the interest rate risks. The marked-to-market gain as at 31st March, 2024 is Rs.90 lakhs (March 31, 2023: Gain Rs. 139 Lakhs). The amount of loss recognised in OCI for the year ended 31st March 2024 is Rs.49 lakhs (31st March 2023 – Gain Rs.102 Lakhs).

In case of currency swaps, the effective portion of cash flow hedges, is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in Statement of Profit and Loss. Amounts recognised as OCI are transferred to Statement of Profit and Loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs when the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability. The mark-to-market gain as at 31st March, 2024 is Rs. NIL (March 31, 2023: Rs.NIL). The amount recognised in OCI for the year ended 31st March 2024 is Rs. NIL (31st March 2023: loss of Rs. 218 lakhs). Also, the effect given to OCI on account of restatement loss of the underlying foreign currency loans for the year ended 31st March 2024 is Rs. 198 lakhs (31st March 2023: loss of Rs. 242 lakhs).

Further, the Group has call options for principal payments of two of its foreign currency loan which are designated as a cash flow hedge. The marked-to-market gain as at 31st March, 2024 is Rs.477 lakhs (March 31, 2023: gain of Rs.191 lakhs). The amount of gain recognised in OCI for the year 31st March 2024 is Rs.287 lakhs (31st March 2023 – loss of Rs.52 lakhs).

Credit Risk:

Credit risk is the risk of financial loss to the Group if a customer or counter-party fails to meet its contractual obligations.

- Trade receivables:

The Group periodically assesses the financial reliability of customers taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivable. These include customers, which have high credit-ratings assigned by international and domestic credit-rating agencies. Individual risk limits are set accordingly. The Group's trade and other receivables, including loans under customer financing activities, consists of a large number of customers, across geographies.

The Group has used a practical expedient by computing the expected credit loss allowance for trade receivable based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information.

Movement in Credit loss allowance

	Rs. In Lakhs	
	As at March 31, 2024	As at March 31, 2023
Balance as at beginning of the year	740	734
Allowance for bad and doubtful debts during the year	(94)	79
Trade receivables written off during the year	-	(73)
Balance as at the end of the year	646	740

Other financial assets:*a. Bhatia Coke & Energy Limited*

Bhatia Coke & Energy Limited is under "Corporate Insolvency resolution process" as per the MCA website. Also, the management of the Company is taken over by an insolvency professional appointed by the National Company Law Tribunal (NCLT)

Given this, the Company has fair valued the investment to NIL in FY 2020-21.

None of the Group's other cash equivalents, including time deposits with banks, are past due or impaired.

Movement in Provision for advances:

	Rs. In Lakhs	
	As at March 31, 2024	As at March 31, 2023
Balance as at beginning of the year	28	28
Allowance for doubtful advances made during the year	-	-
Advances written off during the year	-	-
Balance as at the end of the year	28	28

Refer note: 1.11 of the financial statements.

ii. Liquidity Risk:

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Group has obtained fund and non-fund based working capital limits from various banks. The Group invests its surplus funds in bank fixed deposit, which carry minimal mark to market risks.

The table below summarizes the maturity profile remaining contractual maturity period at the balance sheet date for its non-derivative financial liabilities based on the discounted cash flows.

	Rs. Lakhs			
As at March 31, 2024	Due within 1 year	Due between 2 and 5 years	Due beyond 5 years	Total Amount
Bank and other borrowings	42,158	96,356	16,129	1,54,643
Interest payments on borrowings	10,631	20,180	723	31,534
Lease liability	4,353	11,963	4,523	20,839
Trade Payables	80,064	-	-	80,064

	Rs. Lakhs			
As at March 31 2023	Due within 1 year	Due between 2 and 5 years	Due beyond 5 years	Total Amount
Bank and other borrowings	24,655	73,576	17,041	1,15,272
Interest payments on borrowings	8,804	17,533	1,230	27,567
Lease liability	1,212	4,820	2,719	8,751
Trade Payables	71,162	-	-	71,162

The table below summarizes the maturity profile for its derivative financial assets and liabilities based on the undiscounted contractual net cash inflows and outflows on derivative liabilities that settle on a net basis or gross basis.

	Rs. Lakhs			
As at March 31, 2024	Due within 1 year	Due between 2 and 5 years	Due beyond 5 years	Carrying Amount
Currency & Interest Rate - Swaps & Options	859	(125)	-	733
Foreign exchange forwards	(50)	-	-	(50)
	809	(125)	-	684

	Rs. Lakhs			
As at March 31 2023	Due within 1 year	Due between 2 and 5 years	Due beyond 5 years	Carrying Amount
Currency & Interest Rate - Swaps & Options	798	(237)	-	561
Foreign exchange forwards	-	-	-	-
	798	(237)	-	561

3.6c Categories of Financial assets and liabilities:

	Rs. Lakhs	
	As at March 31, 2024	As at March 31, 2023
Financial Assets		
a. <u>Measured at amortized cost:</u>		
Cash and cash equivalents	6,349	2,732
Other bank balances & Interest receivable	2,065	2,060
Trade Receivables	57,663	53,529
Security Deposit	5,016	3,368
b. <u>Mandatorily maintained at fair value through other comprehensive income (FVTOCI)</u>		
Investments	79	61
Currency swaps & options and IRS & IRC	943	936

	Rs. Lakhs	
	As at March 31, 2024	As at March 31, 2023
Financial Liabilities		
a. <u>Measured at amortized cost:</u>		
Borrowings	1,54,643	1,15,272
Lease Liability	20,839	8,751
Trade Payables	80,064	71,162
Other Financial Liabilities	14,547	12,266
b. <u>Mandatorily maintained at fair value through other comprehensive income (FVTOCI)</u>		
Currency Swaps & IRS	259	375

3.6d Fair value measurements:

i) Financial assets and financial liabilities that are measured at fair value on a recurring basis as at the end of each reporting period:

The fair value of financial instruments as referred to in note above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

- Level 1 : Quoted Price for identical instruments in an active market
- Level 2 : Directly or indirectly observable market inputs, Other than level 1 inputs and
- Level 3 : Inputs which are not based on observable market data

For assets and liabilities that are measured at fair value as at balance sheet date., the classification of fair value calculation by category is summarized below:

As at March 31, 2024				Rs Lakhs
	Level 1	Level 2	Level 3	Total
Asset at fair value				
Investments measured at				
i) fair value through OCI	-	-	79	79
ii) fair value through P&L	-	-	-	-
Derivative Instruments measured at				
i) fair value through OCI	-	943	-	943
ii) fair value through P&L	-	-	-	-
Liabilities at fair value				
Derivative Instruments measured at				
i) fair value through OCI	-	259	-	259
ii) fair value through P&L	-	-	-	-
As at March 31 2023				Rs Lakhs
	Level 1	Level 2	Level 3	Total
Asset at fair value				
Investments measured at				
i) fair value through OCI	-	-	61	61
ii) fair value through P&L	-	-	-	-
Derivative Instruments measured at				
i) fair value through OCI	-	936	-	936
ii) fair value through P&L	-	-	-	-
Liabilities at fair value				
Derivative Instruments measured at				
i) fair value through OCI	-	375	-	375
ii) fair value through P&L	-	-	-	-

Calculation of Fair Values:

The fair values of the financial assets and liabilities are defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent with those used.

3.7 Related party disclosure

a) Related parties

Joint Ventures

Carl Stahl Craftsman Enterprises Private Limited

Key Management Personnel

Mr. Srinivasan Ravi, Chairman and Managing Director

Mr. Ravi Gauthamram, Whole Time Director

Mr. Chandrashekar Madhukar Bhide, Independent Director (till 23rd May 2023)

Mr. Sundararaman Kalyanaraman, Independent Director

Mrs. Vijaya Sampath, Independent Director

Mr. T S V Rajagopal, Independent Director

Mrs. Rajeswari Karthigeyan, Independent Director (from 06th March 2023)

Mr. C.B.Chandrasekar, Chief Financial Officer

Mr. Thiagaraj Damodharaswamy, Chief Operating Officer

Mr. Shainshad Aduvanni, Company Secretary

b) Related Party Transactions – Summary:

Transactions during the year	Rs Lakhs			
	Joint Ventures		Key Management Personnel	
	23-24	22-23	23-24	22-23
Purchase of Goods & Services	489	224		
Sale of Goods & Services	5,597	3,946		
Sales Commission expenses	-	-		
Reimbursement of Expenditure to				
Remuneration to key management personnel			692	680
Commission			1,000	1,353
Sitting Fee			22	24
Rental Income	2	2		

Balances as at the end of the year	Rs Lakhs			
	Joint Ventures		Key Management Personnel	
	31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23
Trade Receivables	1,525	754		
Trade Payables	55	-		
Remuneration payable	F - 237		6	-

c) Significant Related Party Transactions:

	Rs Lakhs	
	Year Ended March 31, 2024	Year Ended March 31, 2023
Purchase of Goods & Services		
<i>Carl Stahl Craftsman Enterprises Private Limited</i>	489	224
Sale of Goods & Services		
<i>Carl Stahl Craftsman Enterprises Private Limited</i>	5,597	3,946
Remuneration to key management personnel		
<i>Executive Directors</i>	457	468
<i>Chief Financial Officer</i>	87	82
<i>Chief Operating Officer</i>	113	95
<i>Company Secretary</i>	35	35
Commission		
<i>Executive Directors</i>	963	1,329
<i>Non-Executive Directors</i>	37	24
Sitting Fee		
<i>Non-Executive Directors</i>	22	24
Rent Income		
<i>Carl Stahl Craftsman Enterprises Pvt Ltd</i>	2	2

Note: Remuneration to KMP does not include gratuity contribution which is determined actuarially on an overall basis for the holding Company and subsidiary and accordingly has not been considered.

d) Balances of Related Parties as at end of the year

	Rs Lakhs	
	As at March 31, 2024	As at March 31, 2023
Trade Receivable		
Carl Stahl Craftsman Enterprises Private Limited	1,525	754
Trade Payable		
Carl Stahl Craftsman Enterprises Private Limited	55	-
Remuneration payable		
Chairman and Managing Director	6	-

3.8 Contingent Liabilities and Commitments**a) Contingent Liabilities**

	Rs. Lakhs	
Contingent Liabilities	As at March 31, 2024	As at March 31, 2023
a. Claims against the Company not acknowledged as debt		
Excise Duty	7	7
Value Added Tax	-	18
Service tax	67	67
Goods and Service Tax	16	16
Income tax	823	485
Stamp duty	-	56
b. Sales Bills discounted	4,617	1,908

b) Commitments

Commitment on Capital Account not provided as on 31 March 2024: Rs. 26,599 lakhs; 31 March 2023: Rs. 17861 lakhs.

3.9 Non-Current Borrowings:

Rs. In lakhs

Borrowings	As at March 31, 2024			Particulars of Repayment		As at March 31, 2023		
	Non-Current	Current Maturity	Total			Non-Current	Current Maturity	Total
				Instalments	Amount/Inst nos.			
* IFC - ECB	7,683	3,831	11,514	Half-yearly	USD 11.54 / 13	11,357	3,760	15,117
* SCB-ECB	1,041	832	1,873	Quarterly	USD 2.50/ 20	1,846	819	2,665
* Indian Bank TL-1	-	-	-	Quarterly	INR 156.25 / 48	1,092	1,901	2,993
* Bajaj TL-1	-	-	-	Quarterly	INR 250.00/ 16	1,993	-	1,993
* Bajaj TL-2	2,749	-	2,749	Quarterly	INR 175.00 / 20	3,748	-	3,748
* HDFC TL-1	2,103	-	2,103	Quarterly	INR 350.88 / 20	3,504	-	3,504
# EXIM TL-1	9,712	1,606	11,318	Quarterly	INR 541.67 / 24	11,860	1,060	12,920
# FEDERAL TL-1	9,892	-	9,892	Quarterly	INR 520.83 / 24	11,976	520	12,496
# TCFSL TL-1	5,269	478	5,747	Quarterly	INR 479.17 / 12	5,744	-	5,744
# ABFL TL-1	12,491	-	12,491	Quarterly	INR 150/2, 550/4 625/20	14,690	296	14,986
# Bajaj TL-3	8,333	-	8,333	Quarterly	INR 416.67 / 24	10,000	-	10,000
# SBI - TL1	9,439	556	9,995	Monthly	INR 139/72			
# Indian Bank TL-2	9,068	994	10,062	Monthly	INR 185/54			
# Axis TL-1	7,623	1,087	8,710	Quarterly	INR 363/24			
# HDFC TL-2	11,458	1,042	12,500	Quarterly	INR 521/24			
# Bajaj TL-4	4,995	-	4,995	Quarterly	INR 250/20			
* DR - HDFC TL-1	1,870	1,248	3,118	Quarterly	INR 312.50/24	3,118	1,250	4,368
* DR - HDFC TL-2		594	594	Quarterly	INR 208.33/20	594	833	1,427
* DR - HDFC TL-3	3,184	212	3,396	Quarterly	INR 116.83/16	1,869	-	1,869
* DR - HDFC TL-4	248	17	265	Quarterly	INR 16.53/16	264	-	264
* DR - Axis TL-1	3,742	829	4,571	Quarterly	INR 208.33/24	4,566	417	4,983
* DR - GECL TL-1	188	250	438	Monthly	INR 20.83/48	438	250	688
* DR - GECL TL-2	458	500	958	Monthly	INR 41.67/48	958	500	1,458
* DR - GECL TL-3	938	62	1,000	Monthly	INR 20.83/48	1,000	-	1,000
Total	1,12,484	14,138	1,26,622			90,617	11,606	1,02,223

ECB – External Commercial Borrowings ; FCTL- Foreign Currency Term Loan ; TL – Rupee Term Loans; DR – Loans of the subsidiary DR Axion India Private Limited.

The balances mentioned above are at amortised cost: Refer note 1.22

: Loans are secured by first pari passu charge on moveable fixed assets and second pari passu charge on current assets of the Company.

All other term loans (*), both Rupee and Foreign Currency are secured by first pari passu charge on fixed assets and a second pari passu charge on current assets of the Company.

3.10 Leases:

3.10a Group as lessee

(i) Following are the changes in the carrying value of right of use assets

For the year ended March 31, 2024:

(Rs. In Lakhs)			
Particulars	Machinery	Land & Buildings	Total
Balance as at 1 April 2023	-	9,196	9,196
Additions	-	17,088	17,088
Amortization/ expense	-	(2,382)	(2,382)
Deletion	-	(6)	(6)
Balance as of 31 March 2024	-	23,896	23,896

For the year ended March 31, 2023:

Particulars	Machinery	Land & Buildings	Total
Balance as at 1 April 2022	315	8,268	8,583
Additions	-	2,293	2,293
Additions on account of combination	-	124	124
Amortization/ expense	(315)	(1489)	(1804)
Deletion	-	-	-
Balance as of 31 March 2023	-	9,196	9,196

(ii) The aggregate amortization expense on ROU assets is included under depreciation ,amortization and impairment expense in the statement of Profit and Loss.

(iii) The following is the break-up of current and non-current lease liabilities:

Particulars	As at March 31, 2024	As at March 31, 2023
Current lease liabilities	4,353	1,212
Non-current lease liabilities	16,486	7,539
Total	20,839	8,751

(iv) The following is the movement in lease liabilities during the year:

Amount in ` lakhs		
Particulars	2023-24	2022-23
Balance as at the beginning of the year	8,751	8,395
Additions	17,089	2,293
Additions on account of business combination		124
Finance cost accrued during the year	1,283	850
Deletion	(6)	-
Payment of lease liabilities	(6,278)	(2,910)
Balance as at the end of the year	20,839	8,751

(v) The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at March 31, 2024	As at March 31, 2023
Less than one year	2,810	1,992
One to five years	8,811	6,782
More than five years	6,011	3,283
Total	17,632	12,057

(vi) The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

(vii) Rental expense recorded for short-term leases was ₹ 268 lakhs for the year ended March 31, 2024. (March 31, 2023: ₹ 176 lakhs)

(viii) Total cash outflow for leases including short-term was ₹ 6,546 lakhs for the year ended March 31, 2024. (March 31, 2023: ₹ 3,086 lakhs).

3.10b Group as lessor

Group has provided a portion of its building on operating lease to MC Machinery Systems India Private Limited (formerly known as MC Craftsman Machinery Private Ltd) & Carlstahl Craftsman Enterprises Private Limited for a period of 3 years and 5 years respectively.

Non-Cancellable Operating lease commitment	As at March 31, 2024	As at March 31, 2023
Not later than 1 year	30	18
Later than 1 year but not later than 5 years	52	7
Later than 5 years	-	-

3.11 The information required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006

	Rs. Lakhs	
	As at March 31, 2024	As at March 31, 2023
The principal amount due to Micro and Small Suppliers under this Act	1,178	1,167
Interest accrued and due to suppliers on the above amount	Nil	15
Interest paid to suppliers under this Act (Section 16)	Nil	Nil
Interest due and payable for the delay (for payment during the year beyond due date)	Nil	Nil
Payment made to suppliers (other than interest) beyond the appointed date, during the year	Nil	Nil
Interest accrued and remaining unpaid at the end of year to suppliers under this Act	Nil	15
Interest due and payable to suppliers under this Act for payment	Nil	Nil

The information has been given in respect of Vendors to the extent they could be identified as "Micro and Small Enterprises" on the basis of information available with the Group.

3.12 Business Combination:

On 01st February, 2023, the Company acquired 8,57,65,631 equity shares representing 76% of equity share capital of DR Axion India Private Limited, at cost ₹ 375,00,00,000 (Rupees Three hundred and seventy five crores only).

Details of the purchase consideration and goodwill are as follows:

	Rs. Lakhs
Particulars	Amount
Consideration transferred	37,500
Non-controlling interest in the acquired entity	5,842
Less : Net identifiable assets acquired *	(24,343)
Goodwill on consolidation	18,999

The goodwill is attributable to the expected synergies on the acquisition

* Net identifiable assets acquired comprise PPE – ₹29,061 Lakhs; Other non-current assets – ₹2,616 Lakhs; Current assets – ₹34,369 Lakhs; Non-current liabilities – ₹15,669 Lakhs and current liabilities – ₹26,034 Lakhs

Revenue and profit contribution for year ended March 31, 2023:

a. The acquired business contributed revenues of ₹ 19,642 lakhs and profit before tax of ₹ 1,234 lakhs between acquisition date and March 31, 2023.

b. If the acquisition had occurred on 1st April 2022, consolidated pro-forma revenue and profit before tax for the year ended 31st March 2023 would have been ₹ 4,07,027 lakhs and ₹ 42,866 Lakhs, respectively.

3.13 Segment Reporting:

The Group has reported segment information as per Indian Accounting Standard 108 "Operating Segments" (Ind AS 108) read with SEBI's circular CIR/CFD/FAC/62/2016 dated 05 July 2016. Accordingly, the Group has identified the reportable segments based on end consumption of the products sold or services rendered and is consistent with performance assessment and resource allocation by the management. Segment revenue comprises sales and operational income allocable specifically to a segment. Un-allocable expenditure mainly includes corporate expenses, finance cost and other expenses. Un-allocable income primarily includes other income. During the year, the Chief Operating Decision Maker ('CODM') of the holding Company has, considering the increased prospects for non-automotive powertrain products, decided to rename "Automotive-Powertrain and others" segment as "Powertrain" segment. There have been no change in the current or comparable period figures.

Segment Revenue	Rs. Lakhs	
	Year Ended March 31, 2024	Year Ended March 31, 2023
Powertrain	1,55,837	1,52,709
Aluminium Products	2,15,361	93,461
Industrial & Engineering	73,975	72,090
Total revenue as per Statement of Profit and Loss	4,45,173	3,18,260

	Rs. Lakhs	
Segment Profit or Loss	Year Ended March 31, 2024	Year Ended March 31, 2023
Powertrain	29,163	38,204
Aluminium Products	32,203	7,732
Industrial & Engineering	4,935	6,722
Total Segments	66,301	52,658
Less: Unallocable Expenditure	(6,187)	(6,458)
Add: Other Income	1,809	1,302
Earnings Before Interest & Tax	61,923	47,502
Less: Finance Costs	(17,454)	(12,023)
Profit Before Tax	44,469	35,479

	Rs. Lakhs	
Segment Assets	As at March 31, 2024	As at March 31, 2023
Powertrain	1,54,572	1,29,532
Aluminium Products	1,80,257	1,44,972
Industrial & Engineering	88,541	71,542
Total Segments	4,23,370	3,46,046
Unallocable Assets	47,204	34,626
Total Assets as per Balance Sheet	4,70,574	3,80,672

	Rs. Lakhs	
Segment Liabilities	As at March 31, 2024	As at March 31, 2023
Powertrain	94,667	68,211
Aluminium Products	91,639	79,222
Industrial & Engineering	58,885	35,074
Total Segments	2,45,191	1,82,507
Unallocable Liabilities	50,217	54,375
Total Liabilities as per Balance Sheet	2,95,408	2,36,882

Other Disclosures as required under schedule III to the Companies Act, 2013

3.14 Ratio Analysis

Ratios	FY 24	FY 23	% Variance
(a) Current Ratio	1.16	1.20	-3%
(b) Debt-Equity Ratio	0.88	0.80	10%
(c) Debt Service Coverage Ratio	1.73	1.19	45%
(d) Return on Equity Ratio	22%	20%	14%
(e) Inventory turnover ratio	4.74	4.35	9%
(f) Trade Receivables turnover ratio	8.01	7.66	5%
(g) Trade payables turnover ratio	3.91	3.81	3%
(h) Net capital turnover ratio **	6	6	-4%
(i) Net profit ratio	7.6%	7.9%	-4%
(j) Return on Avg Capital employed	22%	22%	-3%
(k) Return on investment #	NA	NA	NA

** Net working capital does not include short term borrowings of Rs. 42,159 lakhs (31 March 2023: 24,655 lakhs)

Investments are made only for production and product related. Hence ROI is not applicable

Ratios	Formula (Numerator/Denominator)	Remarks for 25% change
(a) Current Ratio	Current Assets / Current Liabilities	NA
(b) Debt-Equity Ratio	Total Debt/Shareholders' Equity	NA
(c) Debt Service Coverage Ratio	Earnings available for debt service /Debt Service Debt service = Interest & Lease Payments + Principal Repayments	Increase in earnings in FY 23-24
(d) Return on Equity Ratio	Net Profits after taxes/Average Shareholders' Equity	NA
(e) Inventory turnover ratio	Sales/ Average Inventory	NA
(f) Trade Receivables turnover ratio	Sales / Average Accounts Receivable	NA
(g) Trade payables turnover ratio	Purchases / Trade Payables	NA
(h) Net capital turnover ratio **	Net Sales/Net Working Capital	NA
(i) Net profit ratio	Net Profit/ Net Sales	NA
(j) Return on Capital employed	Earning before interest and taxes/Avg. Capital Employed Avg. Capital employed = Avg.Total Assets- Avg. Current Liabilities	NA
(k) Return on investment #		

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

3.15.b) The Group has not been declared as a wilful defaulter by any bank or financial institution or government or any government authority

3.15.c) As per the information available with the Group, there has been no transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the year (Previous Year – Nil)

3.15.d) There has been no charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period

3.15.e) During the year, the Group has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall

- 1) 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)
- 2) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall
 - 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) provided any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(Previous Year – Nil)

3.15.f) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year ended March 31, 2024. (Previous Year – Nil).

3.16 Certain comparative figures have been reclassified to conform to the current year presentation. The Company acquired 76% of the equity share capital of DR Axion India Private Limited on 01 February 2023. Accordingly, the consolidated financial statements for the year ended 31 March 2024 is not comparable with year ended 31 March 2023 to that extent.

For SHARP & TANNAN

Chartered Accountants

Firm Registration No. 003792S

For and on behalf of the Board

V. Viswanathan
Partner
Membership No. 215565

R.Gauthamram
Whole Time Director
DIN : 06789004

S.Ravi
Chairman and Managing Director
DIN : 01257716

Place : Coimbatore
Date : 27-Apr-2024

Shainshad Aduvanni
Company Secretary M.No.A27895
Place : Coimbatore
Date : 27-Apr-2024

C.B. Chandrasekar
Chief Financial Officer

GENERAL INFORMATION

1. Our Company was originally incorporated as Craftsman Automation Private Limited on July 18, 1986, as a private limited company under the Companies Act 1956, pursuant to a certificate of incorporation granted by the Registrar of Companies, Tamil Nadu at Madras. Pursuant to the conversion of our Company to a public limited company and as approved by the Shareholders pursuant to a resolution dated April 30, 2018, the name of our Company was changed to “Craftsman Automation Limited” and the RoC issued a fresh certificate of incorporation dated May 4, 2018. The Equity Shares are listed on BSE and NSE since March 25, 2021.
2. Our Company’s Registered Office is located at 123/4, Sangothipalayam Road, Arasur Post, Coimbatore 641 407, Tamil Nadu, India and Corporate Office is located at Krishna Towers, 4th and 5th floor, 1087, Avinashi Road, Coimbatore 641 037, Tamil Nadu, India.
3. The CIN of our Company is L28991TZ1986PLC001816.
4. The website of our Company is www.craftsmanautomation.com.
5. The authorised share capital of our Company as of the date of this Preliminary Placement Document is ₹20,00,00,000 divided into 4,00,00,000 Equity Shares of ₹5 each.
6. The Issue was authorised and approved by our Board of Directors on May 16, 2026 and approved by our Shareholders on June 13, 2026.
7. Our Company has received in-principle approvals under Regulation 28(1)(a) of the SEBI Listing Regulations to list the Equity Shares, issued pursuant to the Issue, on NSE and BSE each dated June 15, 2026. Our Company will make applications to the respective Stock Exchanges to obtain final listing and trading approvals for the Equity Shares after Allotment of the Equity Shares in the Issue.
8. Copies of the Memorandum and Articles of Association will be available for inspection during usual business hours between 10.00 A.M. to 5.00 P.M. any weekday (except Saturdays and public holidays) during Bid/ Issue Period at our Registered Office.
9. No change in the control of our Company will occur consequent to the Issue.
10. Our Company has obtained necessary consents, approvals and authorizations required in connection with the Issue.
11. Except as disclosed in this Preliminary Placement Document, there has been no material change in financial or trading position of our Company since the date of the latest financial statements prepared and included herein.
12. There have been no defaults in the annual filings of our Company under the Companies Act, 2013 or the rules made thereunder.
13. There are no material litigation or arbitration proceedings pending against or affecting us, or our assets or revenues, nor are we aware of any pending or threatened litigation or arbitration proceedings, which may have a material adverse effect on the Issue. For further details, see “**Legal Proceedings**” on page 185.
14. Our Company is in compliance with the minimum public shareholding requirements as required under the SEBI Listing Regulations and Rule 19A of the SCRR.
15. In compliance with Regulation 173A of the SEBI ICDR Regulations, our Company has appointed CRISIL Ratings Limited as the Monitoring Agency for monitoring the utilisation of the proceeds in relation to the Issue. The Monitoring Agency will submit its report to us on a quarterly basis in accordance with the SEBI ICDR Regulations.
16. The Floor Price for the Issue is ₹ 8,966.13 per Equity Share, calculated in accordance with Regulation 176 of Chapter VI of the SEBI ICDR Regulations, as certified by Sharp & Tannan, Chartered Accountants. Our Company may offer a discount of not more than 5% on the Floor Price in terms of

Regulation 176(1) of the SEBI ICDR Regulations in accordance with the approval of the Shareholders accorded through a special resolution dated June 13, 2026.

17. Our Company and the Lead Manager accept no responsibility for statements made otherwise than in this Preliminary Placement Document and anyone placing reliance on any other source of information, including the websites of our Company, our Subsidiary, or any other website linked (directly or indirectly) to the websites of our Company and our Subsidiary, would be doing it at his or her own risk.
18. Our Company Secretary and Compliance Officer is Shainshad Aduvanni. His contact details are as follows:

Address:

Krishna Towers, 4th and 5th floor
1087, Avinashi Road
Coimbatore 641 037
Tamil Nadu, India

Tel: +91 422 716 5000

E-mail: investor@craftsmanautomation.com

DETAILS OF PROPOSED ALLOTTEES

In compliance with the requirements of Chapter VI of the SEBI ICDR Regulations, Allotment of Equity Shares pursuant to the Issue shall be made at the sole and absolute discretion of our Company, in consultation with the Lead Manager, to Eligible QIBs only.

The names of the proposed Allottees and the percentage of post-Issue share capital (assuming that the Equity Shares are Allotted to them pursuant to the Issue) that may be held by them, is set forth below. The details of the proposed Allottees, assuming that the Equity Shares are Allotted to them pursuant to the Issue, will be included in the Placement Document to be sent to such proposed Allottees.

S. No.	Name of the proposed Allottee [#]	Percentage of the post-Issue share capital (%) [*]
1.	[●]	[●]
2.	[●]	[●]
3.	[●]	[●]
4.	[●]	[●]
5.	[●]	[●]

^{*} Based on the beneficiary position as on [●], 2026 (adjusted for Equity Shares Allocated in the Issue).

[#] The details of the proposed Allottees have been intentionally left blank and will be filled in before filing the Placement Document with the Stock Exchanges and issuing the Placement Document to such proposed Allottees.

DECLARATION

Our Company certifies that all relevant provisions of Chapter VI read with Schedule VII of the SEBI ICDR Regulations have been complied with and no statement made in this Preliminary Placement Document is contrary to the provisions of Chapter VI and Schedule VII of the SEBI ICDR Regulations and that all approvals and permissions required to carry on our Company's business have been obtained, are currently valid and have been complied with. Our Company further certifies that all the statements in this Preliminary Placement Document are true and correct.

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS:

Authorised Signatory

Srinivasan Ravi

Chairman and Managing Director

DIN: 01257716

Date: June 15, 2026

Place: Coimbatore

DECLARATION

We, the Board of Directors of the Company, certify that:

- (i) our Company has complied with the provisions of the Companies Act, 2013 and the rules made thereunder;
- (ii) the compliance with the Companies Act, 2013 and the rules thereunder does not imply that payment of dividend or interest or repayment of preference shares or debentures, if applicable, is guaranteed by the Central Government; and
- (iii) the monies received under the Issue shall be used only for the purposes and objects indicated in this Preliminary Placement Document (which includes disclosures prescribed under Form PAS-4).

FOR AND BEHALF OF THE BOARD OF DIRECTORS:

Authorised Signatory

Srinivasan Ravi
Chairman and Managing Director
DIN: 01257716
Date: June 15, 2026
Place: Coimbatore

I am authorised by the Fund Raising Committee, a committee constituted by the Board of Directors, *vide* resolution dated June 15, 2026, to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. Whatever is stated in this form and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the promoter subscribing to the Memorandum of Association and the Articles of Association.

It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this form.

Signed by:

Authorised Signatory

Srinivasan Ravi
Chairman and Managing Director
DIN: 01257716
Date: June 15, 2026
Place: Coimbatore

CRAFTSMAN AUTOMATION LIMITED

CIN: L28991TZ1986PLC001816

Registered Office:

123/4, Sangothipalayam Road, Arasur Post
Coimbatore 641 407, Tamil Nadu, India

Corporate Office:

Krishna Towers, 4th and 5th floor, 1087, Avinashi Road,
Coimbatore 641 037, Tamil Nadu, India;

Tel: +91 422 716 50000; **Website:** www.craftsmanautomation.com

Contact Person: Shainshad Aduvanni, Company Secretary and Compliance Officer

Email: investor@craftsmanautomation.com

Tel: +91 422 716 50000

LEAD MANAGER

AXIS CAPITAL LIMITED

1st Floor, Axis House, P.B. Marg, Worli
Mumbai 400 025, Maharashtra, India

DOMESTIC LEGAL COUNSEL TO THE COMPANY

SHARDUL AMARCHAND MANGALDAS & CO

Express Towers, 24th Floor, Nariman Point
Mumbai 400 021, Maharashtra, India

DOMESTIC LEGAL COUNSEL TO THE LEAD MANAGER

JSA ADVOCATES & SOLICITORS

One Lodha Place, 27th Floor
Senapati Bapat Marg, Lower Parel
Mumbai 400 013, Maharashtra, India

STATUTORY AUDITORS

SHARP & TANNAN, CHARTERED ACCOUNTANTS

A4 III Floor, Parsn Manare
602 Anna Salai
Chennai 600 006, Tamil Nadu, India

INTERNATIONAL LEGAL COUNSEL TO THE LEAD MANAGER

HOGANS LOVELLS LEE & LEE

19th Floor, Al Fattan Currency Tower, Dubai International Financial Centre
PO Box 506 602 Dubai, United Arab Emirates

SAMPLE APPLICATION FORM



CRAFTSMAN AUTOMATION LIMITED

(Incorporated in the Republic of India under the provisions of the Companies Act, 1956)

CIN: L28991TZ1986PLC001816; Registered Office: 123/4, Sangothipalayam Road, Arasur Post, Coimbatore 641 407, Tamil Nadu, India; Corporate Office: Krishna Towers, 4th and 5th floor, 1087, Avinashi Road, Coimbatore 641 037, Tamil Nadu, India; Telephone: +91 422 716 5000; Email: investor@craftsmanautomation.com; Website: www.craftsmanautomation.com; LEI Code: 335800Q4QC33YL9M8C65; ISIN: INE00LO01017

Name of Bidder: _____

Form No: _____

Date: _____

QUALIFIED INSTITUTIONS PLACEMENT OF [●] EQUITY SHARES OF FACE VALUE OF ₹5 EACH BY CRAFTSMAN AUTOMATION LIMITED (THE “COMPANY”) (THE “EQUITY SHARES”) FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE, INCLUDING A PREMIUM OF ₹ [●] PER EQUITY SHARE (THE “ISSUE PRICE”), AGGREGATING UP TO ₹ [●] LAKHS UNDER SECTION 42 OF THE COMPANIES ACT, 2013 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013, AND THE RULES MADE THEREUNDER, EACH AS AMENDED (THE “COMPANIES ACT, 2013”) READ WITH RULE 14 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, AS AMENDED (THE “PAS RULES”), AND CHAPTER VI OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018 (THE “SEBI ICDR REGULATIONS”) (HEREINAFTER REFERRED TO AS THE “ISSUE”).

THE APPLICABLE FLOOR PRICE OF THE EQUITY SHARES IS ₹ 8,966.13 PER EQUITY SHARE AND OUR COMPANY MAY OFFER A DISCOUNT OF NOT MORE THAN 5% OR SUCH PERCENTAGE AS PERMITTED UNDER THE SEBI ICDR REGULATIONS ON THE FLOOR PRICE.

Only Qualified Institutional Buyers (“QIBs”) as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations and which (i) are not, (a) excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations; (b) which are not prohibited or debarred by any regulatory authority for buying or selling or dealing in securities or restricted from participating in the Issue under the SEBI ICDR Regulations and other applicable laws; (c) hold a valid and existing registration under the applicable laws in India (as applicable); and (d) are eligible to invest in the Issue and submit this Application Form, and (ii) are residents in India or Eligible FPIs (as defined herein below) participating through Schedule II of the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 (“FEMA Rules”), defined hereinafter or a multilateral or bilateral development financial institution eligible to invest in India under applicable law including the FEMA Rules; can submit this Application Form. However, foreign venture capital investors (as defined under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000) are not permitted to participate in the Issue. The Equity Shares offered in the Issue have not been and will not be registered under the United States Securities Act of 1933, as amended (“U.S. Securities Act”), or the securities laws of any state of the United States and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any applicable state securities laws. Accordingly, such Equity Shares are being offered and sold outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act (“Regulations S”) and the applicable laws of the jurisdiction where those offers and sales occur. You should note and observe the selling and transfer restrictions contained in the sections entitled “Selling Restrictions” and “Transfer Restrictions and Purchaser Representations” in the accompanying preliminary placement document dated June 15, 2026 (the “PPD”). For the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investors defined under applicable Indian regulations and referred to in this Preliminary Placement Document as “QIBs”.

ONLY ELIGIBLE QIBs ARE PERMITTED TO PARTICIPATE IN THE ISSUE. ELIGIBLE FPIs ARE PERMITTED TO PARTICIPATE UNDER SCHEDULE II OF THE FOREIGN EXCHANGE MANAGEMENT (NON-DEBT INSTRUMENTS) RULES, 2019 (“FEMA RULES”) IN THE ISSUE, THROUGH THE PORTFOLIO INVESTMENT SCHEME UNDER SCHEDULE II OF THE FEMA RULES, SUBJECT TO COMPLIANCE WITH ALL APPLICABLE LAWS AND SUCH THAT THE SHAREHOLDING OF ELIGIBLE FPIs DO NOT EXCEED SPECIFIED LIMITS AS PRESCRIBED UNDER APPLICABLE LAWS IN THIS REGARD. PURSUANT TO PRESS NOTE NO. 2 (2026 SERIES), DATED MARCH 15, 2026, ISSUED BY THE DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE, GOVERNMENT OF INDIA, AND RULE 6 OF THE FEMA RULES, INVESTMENTS BY AN ENTITY OF A COUNTRY WHICH SHARES LAND BORDER WITH INDIA OR WHERE THE BENEFICIAL OWNER OF SUCH INVESTMENT IS SITUATED IN OR IS A CITIZEN OF SUCH COUNTRY, MAY ONLY BE MADE THROUGH THE GOVERNMENT APPROVAL ROUTE. ALLOTMENTS MADE TO AIFS AND VCFs IN THE ISSUE SHALL REMAIN SUBJECT TO THE RULES AND REGULATIONS APPLICABLE TO EACH OF THEM RESPECTIVELY, INCLUDING THE FEMA RULES. OTHER ELIGIBLE NON-RESIDENT QIBs SHALL PARTICIPATE IN THE ISSUE UNDER SCHEDULE I OF FEMA RULES. FVCIs ARE NOT PERMITTED TO PARTICIPATE IN THE ISSUE.

To,
The Board of Directors
Craftsman Automation Limited

123/4, Sangothipalayam Road, Arasur Post,
Coimbatore 641 407, Tamil Nadu, India

Dear Sirs,

On the basis of the serially numbered PPD of the Company and subject to the terms and conditions contained therein, and in this Application Form, we hereby submit our Application Form for the Allotment of the Equity Shares in the Issue, on the terms and price indicated below. We confirm that we are an Eligible QIB as defined under Regulation 2(1)(ss) of the SEBI ICDR Regulations and are not: (a) excluded pursuant to Regulation 179(2)(b) of the SEBI ICDR Regulations; and (b) restricted from participating in the Issue under the applicable laws, including SEBI ICDR Regulations. We are not a promoter of the Company (as defined in the SEBI ICDR Regulations), or any person related to the promoter of the Company, directly or indirectly and this Application Form does not directly or indirectly represent the Promoters or Promoter Group or persons related to the Promoters. Further, we confirm that we do not have any right under a shareholders' agreement or voting agreement entered into with promoter or persons related to promoter of the Company, veto rights or right to appoint any nominee director on the board of directors of the Company. We confirm that we are either a QIB which is resident in India, or an Eligible FPI, participating through Schedule II of the FEMA Rules. We confirm that we are not an FVCI. We specifically confirm that our Bid for the Allotment of the Equity Shares is not in violation to the amendment made to Rule 6(a) of the FEMA Rules by the Central Government on April 22, 2020.

STATUS (Please ✓)			
FI	Scheduled Commercial Banks and Financial Institutions	AIF	Alternative Investment Funds**
MF	Mutual Funds	NIF	National Investment Fund
FPI	Eligible Foreign Portfolio Investors*		
VCF	Venture Capital Funds**	SI-NBFC	Systemically Important NBFC
IC	Insurance Companies	IF	Insurance Funds
OTH	Others (Please Specify)		

Total shares currently held by QIB or QIBs belonging to the same group or those who are under common control. For details of what constitutes "same group" or "common control", see "Application Form" under Issue Procedure section of the PPD.

**Foreign portfolio investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019, other than individuals, corporate bodies and family offices who are not allowed to participate in the Issue.*

*** Sponsor and Manager should be Indian owned and controlled.*

We confirm that the Bid size / aggregate number of the Equity Shares applied for by us, and which may be Allocated to us thereon will not exceed the relevant regulatory or approved limits and further confirm that our Bid will not result in triggering an open offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the "**Takeover Regulations**"). We confirm, that we have a valid and existing registration under applicable laws and regulations of India, and undertake to acquire, hold, manage or dispose of any Equity Shares that are Allotted to us in accordance with Chapter VI of the SEBI ICDR Regulations and undertake to comply with the SEBI ICDR Regulations, and all other applicable laws, including any reporting obligations and the terms and conditions mentioned in the Preliminary Placement Document and this Application Form. We confirm that, in relation to our application, each Eligible FPIs, have submitted separate Application Forms, and asset management companies or custodians of mutual funds have specified the details of each scheme for which the application is being made along with the Bid Amount and number of Equity Shares to be Allotted under each such scheme. We undertake that we will sign all such documents, provide such documents and do all such acts, if any, necessary on our part to enable us to be registered as the holder(s) of the Equity Shares that may be Allotted to us. We confirm that the signatory is authorised to apply on behalf of the Bidder and the Bidder has all the relevant authorisations. We note that the Board of Directors of the Company, or any duly authorised committee thereof, is entitled, in consultation with Axis Capital Limited (the "**Lead Manager**"), in their sole discretion, to accept or reject this Application Form without assigning any reason thereof.

We hereby agree to accept the Equity Shares that may be Allocated to us pursuant to the Confirmation of Allocation Note ("CAN"), and request you to credit the same to our beneficiary account with the Depository Participant as per the details given below, subject to receipt of this Application Form and the Bid Amount towards the Equity Shares that may be allocated to us. The Bid Amount payable by us for the Equity Shares applied for in the Issue has been/will be remitted to the designated bank account set out in this Application Form only through electronic mode, along with this duly completed Application Form prior to or on the Bid/Issue Closing Date and such Bid Amount has been /will be transferred from a bank account maintained in our name. We acknowledge and agree that we shall not make any payment in cash, demand draft or cheque. We are aware that (i) Allocation and Allotment in the Issue shall be at the sole discretion of the Company, in consultation with the Lead Manager; and (ii) in the event that Equity Shares that we have applied for are not Allotted to us in full or at all, and/or the Bid Amount is in excess of the amount equivalent to the product of the Equity Shares that will be Allocated to us and the Issue Price, or the Company is unable to issue and Allot the Equity Shares offered in the Issue or if we withdraw the Bid before the Bid/ Issue Closing Date, or if there is a cancellation of the Issue, or the listing of the Equity Shares does not occur in the manner described in the PPD, the Placement Document, the SEBI ICDR Regulations and other applicable laws, the Bid Amount or a portion thereof, as applicable, will be refunded to the same bank account from which the Bid Amount was paid by us. Further, we agree to comply with the rules and regulations that are applicable to us, including in relation to the lock-in and transferability requirements. In this regard, we authorize the Company to issue instructions to the depositories for such lock-in and transferability requirements, as may be applicable to us.

We further understand, agree and consent that (i) our names, address, contact details, PAN, bank account details, email- id, and the number of Equity Shares Allotted, along with other relevant information as may be required, will be recorded by the Company in the format prescribed in terms of the PAS Rules; (ii) in the event that any Equity Shares are Allocated to us in the Issue, we are aware pursuant to the requirements under Form PAS-4 of the PAS Rules that our names (as proposed Allottees) and the percentage of our post-Issue shareholding in the Company will be disclosed in the Placement Document, and we are further aware that disclosure of such details in relation to us in the Placement Document will not guarantee Allotment to us, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the Lead Manager; and (iii) in the event that Equity Shares are Allotted to us in the Issue, the Company will place our name in the register of members of the Company as a holder of such Equity Shares that may be Allotted to us and in the Form PAS-3 filed by the Company with the Registrar of Companies at Coimbatore (the "**RoC**") as required in terms of the PAS Rules. Further, we are aware and agree that if we, together with any other QIBs belonging to the same group or under common control, are Allotted more than 5% of the Equity Shares in the Issue, the Company shall be required to disclose our name, along with the names of such other Allottees and the number of Equity Shares Allotted to us and to such other Allottees, on the websites of National Stock Exchange of India Limited and BSE Limited (together, the "**Stock Exchanges**"), and we consent to such disclosures. In addition, we confirm that we are eligible to invest in Equity Shares under the SEBI ICDR Regulations, circulars issued by the RBI and other applicable laws. We specifically confirm that our Bid for the

Allotment of the Equity Shares is not in violation to the amendment made to Rule 6(a) of the FEMA Rules by the Central Government on April 22, 2020.

By signing and submitting this Application Form, we hereby confirm and agree that the representations, warranties, acknowledgements and agreements as provided in the sections “*Notice to Investors*”, “*Representations by Investors*”, “*Issue Procedure*”, “*Selling Restrictions*” and “*Transfer Restrictions and Purchaser Representations*” sections of the PPD and the terms, conditions and agreements mentioned herein are true and correct and acknowledge and agree that these representations and warranties are given by us for the benefit of the Company and the Lead Manager, each of whom is entitled to rely on, and is relying on, these representations, undertakings and warranties in consummating the Issue.

By signing and/or submitting this Application Form, we hereby represent, warrant, acknowledge and agree as follows: (1) we have been provided with a serially numbered copy of the PPD and the Application Form and have read it in its entirety including in particular, the section titled “*Risk Factors*” therein and we have relied only on the information contained in the PPD and not on any other information obtained by us either from the Company, Lead Manager or from any other source, including publicly available information; (2) we will abide by the PPD and the Placement Document (when provided), this Application Form, the CAN, when issued, and the terms, conditions and agreements contained therein; (3) that if Equity Shares are Allotted to us pursuant to the Issue, we shall not sell such Equity Shares, otherwise than on the floor of a recognised stock exchange in India for a period of one year from the date of Allotment; (4) we will not have the right to withdraw our Bid or revise our Bid downwards after the Bid/ Issue Closing Date; (5) we will not trade in the Equity Shares credited to our beneficiary account maintained with the Depository Participant until such time that the final listing and trading approvals for the Equity Shares are issued by the Stock Exchanges; (6) Equity Shares shall be Allocated and Allotted at the sole and absolute discretion of the Company, in consultation with the Lead Manager, and the submission of this Application Form and payment of the corresponding Bid Amount by us does not guarantee any Allocation or Allotment of Equity Shares to us in full or in part; (7) in terms of the requirements of the Companies Act, 2013, upon Allocation, the Company will be required to disclose names and percentage of our post-Issue shareholding of the proposed Allottees in the Placement Document; however, disclosure of such details in relation to us in the Placement Document will not guarantee Allotment to us, as Allotment in the Issue shall continue to be at the sole discretion of the Company, in consultation with the Lead Manager; (8) the number of Equity Shares Allotted to us pursuant to the Issue, together with other Allottees that belong to the same group or are under common control as us, shall not exceed 50% of the Issue and we shall provide all necessary information in this regard to the Company and the Lead Manager. For the purposes of this representation: The expression ‘belong to the same group’ shall derive meaning from Regulation 180(2) of the SEBI ICDR Regulations, i.e., entities where (i) any of them controls, directly or indirectly, through its subsidiary or holding company, not less than 15% of the voting rights in the other; (ii) any of them, directly or indirectly, by itself, or in combination with other persons, exercise control over the others; or (iii) there is a common director, excluding nominee and independent directors, among the Eligible QIBs, its subsidiary or holding company and any other QIB; and ‘control’ shall have the same meaning as is assigned to it under Regulation 2(1)(e) of the Takeover Regulations; and (9) if we are participating in the Issue as an Eligible FPI, we are not an individual, corporate body, or family office. (10) We agree to accept the Equity Shares applied for, or such lesser number of Equity Shares as may be Allocated to us, subject to the provisions of the memorandum of association and articles of association of the Company, applicable laws and regulations, the terms of the PPD and the Placement Document, this Application Form, the CAN upon its issuance and the terms, conditions and agreements mentioned therein and request you to credit the same to our beneficiary account with the Depository Participant as per the details given below.

By signing and/or submitting this Application Form, we further represent, warrant and agree that we have such knowledge and experience in financial and business matters that we are capable of evaluating the merits and risks of the prospective investment in the Equity Shares and we understand the risks involved in making an investment in the Equity Shares. No action has been taken by us or any of our affiliates or representatives to permit a public offering of the Equity Shares in any jurisdiction. We satisfy any and all relevant suitability standards for investors in Equity Shares, have the ability to bear the economic risk of our investment in the Equity Shares, have adequate means of providing for our current and contingent needs, have no need for liquidity with respect to our investment in Equity Shares and are able to sustain a complete loss of our investment in the Equity Shares. We acknowledge that once a duly filled Application Form, whether signed or not is submitted by an Eligible QIB, and the Bid Amount has been transferred to the Escrow Account (as detailed below), such Application Form constitutes an irrevocable offer and cannot be withdrawn or revised downwards after the Bid/ Issue Closing Date. In case Bids are being made on behalf of the Eligible QIB and this Application Form is unsigned, we confirm that we are authorised to submit this Application Form and provide necessary instructions for transfer of the Bid Amount to the Escrow Account, on behalf of such Eligible QIB.

We acknowledge that the Equity Shares have not been and will not be registered under the U.S. Securities Act, and may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. By signing this Application Form and checking the applicable box above, we hereby represent that we are located outside the United States and purchasing Equity Shares in an offshore transaction as defined in and in reliance on Regulation S and in accordance with the applicable laws of the jurisdiction where those offers and sales are made. We confirm that we have read the representations, warranties and agreements contained in the sections entitled “*Selling Restrictions*” and “*Transfer Restrictions and Purchaser Representations*” in the PPD.

The Bidders are responsible for the accuracy of the bank account details mentioned below and acknowledge that the successful processing of refunds, if, any, shall be dependent on the accuracy of the bank account details provided by them. The Company and the Lead Manager shall not be liable in any manner for refunds that are not processed due to incorrect bank account details.

BIDDER DETAILS (in Block Letters)			
NAME OF BIDDER*			
NATIONALITY			
REGISTERED ADDRESS			
CITY AND CODE			
COUNTRY			
MOBILE NO.			
TELEPHONE NO.		FAX.	

EMAIL	
FOR ELIGIBLE FPIs**	SEBI FPI REGISTRATION NUMBER: _____
FOR MF	SEBI MF REGISTRATION NUMBER: _____
FOR SI-NBFCs	RBI REGISTRATION DETAILS: _____
FOR PENSION FUNDS	PFRDA REGISTRATION DETAILS: _____
FOR AIFs***	SEBI AIF REGISTRATION NUMBER: _____
FOR VCFs***	SEBI VCF REGISTRATION NUMBER: _____
FOR INSURANCE COMPANIES	IRDAI REGISTRATION NUMBER: _____
<i>*Name should exactly match with the name in which the beneficiary account is held. Bid Amount payable on Equity Shares applied for by joint holders shall be paid from the bank account of the person whose name appears first in the application. Mutual Fund Bidders are requested to provide details of the Bids made by each scheme of the Mutual Fund. Each Eligible FPI is required to fill a separate Application Form. Further, any discrepancy in the name as mentioned in this Application Form with the depository records would render the application invalid and liable to be rejected at the sole discretion of the Company and the Lead Manager.</i> <i>**In case you are an Eligible FPI holding a valid certificate of registration and eligible to invest in the Issue, please mention your SEBI FPI Registration Number.</i> <i>***Allotments made to AIFs and VCFs in the Issue are subject to the rules and regulations that are applicable to each of them respectively, including in relation to lock-in requirement. AIFs and VCFs should independently consult their own counsel and advisors as to investment in and related matters concerning the Issue.</i>	

We are aware that the number of Equity Shares in the Company held by us, together with the number of Equity Shares, if any, Allocated to us in the Issue will be aggregated to disclose the percentage of our post-Issue shareholding in the Company in the Placement Document in line with the requirements under Form PAS-4 of the PAS Rules. For such information, the Lead Manager will rely on the information provided by the Registrar for obtaining details of our shareholding and we consent and authorize such disclosure in the Placement Document.

DEPOSITORY ACCOUNT DETAILS															
Depository Name (Please ✓)	National Securities Depository Limited								Central Depository Services (India) Limited						
Depository Participant Name															
DP – ID	I	N													
Beneficiary Account Number															
(16 digit beneficiary account. No. to be mentioned above)															
The demographic details like address, bank account details etc., will be obtained from the Depositories as per the beneficiary account given above. However, for the purpose of refund, if any, only the bank details as mentioned below, from which remittance towards subscription has been made, will be considered.															

ESCROW ACCOUNT – BANK ACCOUNT DETAILS FOR PAYMENT OF AMOUNT THROUGH ELECTRONIC FUND TRANSFER	
REMITTANCE BY WAY OF ELECTRONIC FUND TRANSFER	
BY 3:30 P.M. (IST), Thursday, June [●], 2026	
Name of the Account	CRAFTSMAN AUTOMATION LIMITED - QIP ESCROW ACCOUNT 2026
Name of the Bank	Federal Bank Limited
Address of the Branch of the Bank	P B No. 545, 21 Variety Hall Road, Coimbatore, Tamil Nadu - 641001 India
Account Type	Current Account
Account Number	10920200053681
IFSC	FDRL0001092

The Bid Amount should be transferred pursuant to the Application Form. All payments must be made only by way of electronic funds transfer, in favour of "Craftsman Automation Limited – QIP Escrow Account 2026". Payment of the entire Bid Amount should be made along with the Application Form on or before the closure of the Bid/ Issue Period, i.e., prior to the Bid/ Issue Closing Date. **The payment for subscription to the Equity Shares Allotted in the Issue shall be made only from the bank account of the person subscribing to the Equity Shares and in case of joint holders, from the bank account of the person whose name appears first in the Application Form.**

You are responsible for the accuracy of the bank account details mentioned below. You are aware that the successful processing of refunds, if any, shall be dependent on the accuracy of the bank details provided by you. The Company and the Lead Manager shall not be liable in any manner for refunds that are not processed due to incorrect bank account details.

RUPEE BANK ACCOUNT DETAILS (FOR REMITTANCE)			
Bank Account Number		IFSC Code	
Bank Name		Bank Branch Address	
NO. OF EQUITY SHARES BID		PRICE PER EQUITY SHARE (RUPEES)	
(In figures)	(In words)	(In figures)	(In words)

BID AMOUNT (RUPEES)	
(In figures)	(In words)

DETAILS OF CONTACT PERSON			
NAME			
ADDRESS			
TEL. NO.		FAX NO.	
EMAIL			

OTHER DETAILS	
PAN*	
Date of Application	
Legal Entity Identifier Code ("LEI")	
Signature of Authorised Signatory (may be signed either physically or digitally)**	

ENCLOSURES ATTACHED
Attested/ certified true copy of the following: ☐ Copy of PAN Card or PAN allotment letter ☐ Copy of FPI Registration Certificate /MF Registration certificate / SEBI certificate of registration for AIFs/VCF/SI-NBFC/IC/IF ☐ Certified copy of the certificate of registration issued by the RBI as an SI-NBFC/ a Scheduled Commercial Bank ☐ Copy of notification as a public financial institution ☐ FIRC ☐ Copy of IRDAI registration certificate ☐ Intimation of being part of the same group ☐ Certified true copy of power of attorney ☐ Other, please specify

*It is to be specifically noted that the Bidder should not submit the GIR Number or any other identification number instead of the PAN as the applications are liable to be rejected on this ground, unless the Bidder is exempted from the requirement of obtaining a PAN number under the Income-tax Act, 1961.

**A physical copy of the Application Form and relevant documents as required to be provided along with the Application Form shall be submitted as soon as practical.

Note:

- (1) Capitalized terms used but not defined herein shall have the same meaning as ascribed to them in the PPD and the Placement Document, unless specifically defined herein.
- (2) The Application Form is liable to be rejected if any information provided is incomplete or inadequate at the discretion of the Company in consultation with the Lead Manager.
- (3) The duly filed Application Form along with all enclosures shall be submitted to the Lead Manager either through electronic form at the email mentioned in the PPD or through physical delivery at the address mentioned in the PPD.

This Application Form, the PPD sent to you and the Placement Document which will be sent to you, either in physical form or electronic form or both, are specific to you and you may not distribute or forward the same and are subject to disclaimer and restrictions contained in or accompanying these documents.