Annual Report 2025-26
Isgec Heavy Engineering Limited



Integrated. Evolving. Resilient.

INTEGRATED.
EVOLVING.
RESILIENT.

An enduring engineering enterprise is much more than the products it manufactures or the projects it delivers. It is defined by the strength of the capabilities it brings together, the agility with which it responds to change, and the resilience that enables it to create sustainable value across evolving business cycles

For over nine decades, Isgec has built its reputation on these enduring strengths. Our integrated business model, continuous pursuit of innovation and unwavering commitment to operational excellence have enabled us to grow with purpose while adapting to an increasingly dynamic industrial landscape. These principles reflect in what we do, and how we create value for our customers, partners, employees and communities.

Integrated. Evolving. Resilient. These three defining qualities form the foundation of our journey and the lens through which we present our performance, progress and aspirations in this Annual Report.



Integrated

Integration lies at the heart of our organisation. Our diversified businesses, advanced manufacturing facilities, engineering excellence, global technology partnerships and project execution capabilities function as a unified ecosystem. This interconnectedness enables us to deliver comprehensive, end-to-end engineering solutions while creating synergies that enhance efficiency, strengthen competitiveness, and unlock long-term value beyond individual business verticals.

Evolving

Engineering is a constant process of transformation. As industries embrace new technologies, sustainability imperatives and changing customer expectations, we continue to strengthen our capabilities through investments in innovation, manufacturing excellence, digitalisation and strategic partnerships. By expanding into emerging opportunities and enhancing our technological depth, we remain well-positioned to address the needs of tomorrow while reinforcing our leadership across established markets.

Resilient

Resilience is the outcome of disciplined execution, prudent governance and a steadfast commitment to responsible growth. It is reflected in our ability to leverage changing market conditions, build on our financial strength, uphold the highest standards of quality and safety, and create lasting value for all our stakeholders. Guided by a people-centric culture and a strong sense of responsibility towards society and the environment, we continue to build an organisation that is prepared not only to withstand change, but to emerge stronger through it.

WHAT'S INSIDE THE REPORT

3000T Mechanical Transfer Press Line for Automobile Industry



Scan the QR code to know more about the company

www.isgec.com

To view the report online, log on to https://www.isgec.com/aboutus-financials-annual-reports-investor.php

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An Integrated Engineering Conglomerate — 93 Years of Growth

Isgec Heavy Engineering Limited (hereafter "Our Company" or "We") traces its origins to 1933, when it was established as Saraswati Sugar Syndicate Limited with a sugar mill having a crushing capacity of 400 tonnes per day at Yamunanagar, Haryana. In 1946, we took a defining step by expanding into the manufacture of engineering goods alongside our sugar business, a strategic decision that laid the foundation for our transformation into one of India's leading diversified heavy engineering companies.

Over more than nine decades, we have continuously strengthened our capabilities, broadened our portfolio and expanded our global footprint. Today, we are a diversified, integrated heavy engineering enterprise, delivering comprehensive engineering solutions across manufacturing, industrial projects, and sugar & ethanol. Our advanced manufacturing infrastructure, engineering expertise and long-standing technology partnerships enable us to address complex customer requirements across industries and geographies.

Today, with consolidated income of ₹6,92,228 Lakh, a permanent workforce of 2,970, and equipment supplied across 99 countries spanning six continents, we continue to build on our legacy of engineering excellence. Guided by innovation, operational discipline and a steadfast commitment to creating long-term stakeholder value, we remain focused on engineering solutions that power industries, strengthen economies and contribute to a more sustainable future.

9 Decades of Transformation- Selected Milestones

1933
Founded as Saraswati Sugar Syndicate Limited — a sugar mill with 400 Tonnes Crushed per Day (TCD) crushing capacity in Yamunanagar, Haryana



1946
Commenced manufacturing of engineering goods alongside sugar — the founding pivot

1965
Established Isgec John Thompson Ltd. for industrial boilers — the beginning of the project business

1985
Technology transfer agreement with Rovetta Presse Spa, Italy for mechanical presses

1988
Technology tie-up for Circulating Fluidised Bed Combustion (CFBC) boilers — now a global leadership position



1998
Licensing agreement with Belleli, Italy for high-pressure reactors for oil refineries and petrochemicals

2007
Group turnover crossed **₹100,000 Lakh**

2008
- Listed on the Bombay Stock Exchange
- Dahej plant established for large process equipment



2012
Joint Venture with Hitachi Zosen Corporation, Japan (now Kanadevia Corporation) — Isgec Hitachi Zosen Ltd. established

2015
Three new joint ventures with:
- Sumitomo SHI FW (Finland),
- Titan Metal Fabricators (USA),
- Redecam (Italy)

2018
Acquired 100% stake in Eagle Press & Equipment Co. Ltd., Windsor, Canada

2021
- Listed on the National Stock Exchange
- 100 Kilolitres Per Day (KLPD) ethanol plant commissioned at SSM

2023
Ethanol capacity at Saraswati Sugar Mills, Yamunanagar enhanced to 160 Kilo Liter Per Day

2024
Cavite Biofuel Producers Inc. (Philippines) ethanol plant commissioned — our first overseas manufacturing operation

2025-26
Income **₹6,92,228 Lakh**
- 99 countries served
- 10 manufacturing plants

Our Enduring Principles

Through every phase of our evolution - from sugar to presses, from presses to boilers, from boilers to reactors, and from reactors to clean energy solutions, we have remained guided by the same enduring principles. Integrity in everything we do, responsible environmental stewardship, an unwavering commitment to health and safety, and a deep sense of responsibility towards the communities around our operations have shaped every milestone of our journey. These values are not simply embedded in our business,they define who we are and continue to guide how we create sustainable value for all our stakeholders.



THREE BUSINESS SEGMENTS







37%
of Financial Year 2025-26 Revenue

50%
of Financial Year 2025-26 Revenue

12%
of Financial Year 2025-26 Revenue

Manufacturing of Machinery & Equipment

Nine facilities in India and one in Canada. Engineering-led design and fabrication of capital goods and engineered solutions.

- Presses & Press Brakes
- Boiler Pressure Parts
- Process Equipment
- Prefabricated Piping Spools
- Iron & Steel Castings
- Process Modular
- Liquified Gas Containers
- Contract Manufacturing

Industrial Projects

Single-point turnkey responsibility from concept to commissioning. Serving 19+ industry sectors globally. Offerings include integrated IIoT platforms, AI modules, operation and maintenance services, retrofits, and spares.

- Industrial & Green Energy Boilers
- Material Handling
- Power Plants
- Process Plants
- Sugar Plants Bioenergy (Distillery & Compressed Biogas)
- Railway Projects
- Emission Control Solutions
- Lifecycle Support Services
- Operations & Maintenance Services

Sugar & Ethanol

Saraswati Sugar Mills is a premier Indian sugar producer with 10,000 TCD crushing capacity; 160 KLPD distillery. It is defined by its product quality, sustainable operations, and high safety standards.

- Refined Sugar
- Ethanol
- Molasses
- Liquid Sugar

Cumulative Track Record

6,000+
Presses Supplied
Across 5 continents

1,000+
Boilers Supplied
Industrial, green & power

250+
Sugar Plants & Distilleries
Largest supplier globally

2,75,000+
Liquified Gas Containers
To 65+ countries since 1964

250+
Electro Static Precipitators Supplied
Emission control installations

99
Countries Served
Across 6 continents

Technology Partnerships

Our engineering depth is reinforced by a portfolio of strategic technology partnerships with global leaders across boilers, process equipment, presses, emission control and ash handling. These partnerships provide access to proprietary technologies, design codes and global licensor networks that significantly expand our addressable market.

Sumitomo SHI FW

BHI-FW

wood.

APT Automation · Presses · Tooling

Babcock Power

CB&I

TEi a Babcock Power Inc. company

FUEL TECH

ENVIROTHERM

nem

Financial Year 2025-26 — At a Glance

₹ 6,92,228 Lakh
Total Income
+7.08% year-on-year

9.7%
EBITDA Margin
₹ 67,134. Lakh EBITDA

₹ 2,88,767 Lakh
Net Worth
March 31, 2026

23%
Export Revenue Share
₹ 1,59,514 Lakh up from 14% in Financial Year 2024-25

₹ 6.00
Dividend per Equity Share

AA Stable
Credit Rating (ICRA)
Short-term: A1+

200 TPD Formaldehyde Plant, Assam Petrochemicals Ltd.

12 Facilities.
One Integrated Organization.

Each of our twelve manufacturing facilities has been purposefully developed with a distinct manufacturing mandate, bringing together specialised products, advanced processes and customer-focused capabilities. Every location is equipped with the right combination of world-class infrastructure, skilled talent, stringent quality certifications and strategic logistics to deliver engineering excellence with precision and efficiency. Together, these facilities encompass more than 2,00,000 square metres of covered manufacturing area, enabling us to design, manufacture, supply and execute complex engineering solutions across virtually every segment of India's industrial landscape while serving customers in 99 countries across six continents.



Manufacturing Plants — India

- **Yamunanagar, Haryana**
  Pressure Vessels, Heat Exchangers & Reactors
  Presses– Mechanical & Hydraulic
  Boilers, Container, Castings,
  Sugar and other Industrial Machinery.
- **Bawal, Haryana**
  Standard Mechanical Presses and other Industrial Machinery
- **Dahej, Gujarat**
  Pressure Vessels, Columns, Heat Exchangers
- **Saraswati Sugar Mills (Wholloy Owned Subsisdiary) Yamunanagar, Haryana**
  - Sugar Manufacturing (10,000 TCD)
  - Ethanol Distillery (160 KLPD)
- **Damla, Haryana**
  Fabrication of Piping Spools
- **Rattangarh, Haryana**
  - Boiler Pressure Parts
  - Process Skids & Modules
  - Prefabricated Piping Spools
- **Muzaffarnagar, Uttar Pradesh**
  Castings - Steel & Iron
- **Dahej SEZ, Gujarat**
  Process Equipment (Under Construction)
- **Bhartoli, Haryana**
  Machine Building, Castings, and other Industrial Machinery — (Under Construction)
- **Aurangabad, Haryana**
  Fabrication of Piping Spools

Industrial Projects Business Locations

- **Noida Uttar Pradesh - Headquarters**
  Boilers, Air Pollution Control Equipment, Sugar Plant & Machinery, Power Plants, Railways, Factories and Material Handling System and Water Treatment
- **Pune, Maharashtra -** Design office
- **Chennai, Tamil Nadu -** Design office

Overseas manufacturing

- **Eagle Press & Equipment Co. Ltd. (Wholly Owned Subsidiary),**
  Windsor, Ontario, Canada
  Mechanical and Servo Presses for the North American automotive and industrial market · Wholly Owned Subsidiary
- **Cavite Biofuel Producers Inc. (CBPI) (Step Down Subsidiary)**
  Cavite, Philippines
  Ethanol Distillery (130 KLPD) held via Isgec Investments Pte. Ltd. (Singapore)

OUR MARQUEE CLIENTELE

Global engineering, process and infrastructure leaders trust us to engineer, manufacture, and deliver to their specifications.



QUALITY ACCREDITATIONS

ISO-9001:2015
(Quality Management System)

ISO-14001: 2015
(Environment Management System)

ISO-45001: 2018
(Occupational Health and Safety Management System)

ISO 3834-2 2021
Certification

ASME “U”
Certification

ASME “U2”
Certification

ASME “S”
Certification

ASME “T”
Certification

ASME “PP”
Certification

National Board “R”
Certification

EU CE Marking
Certification

IBR Approval

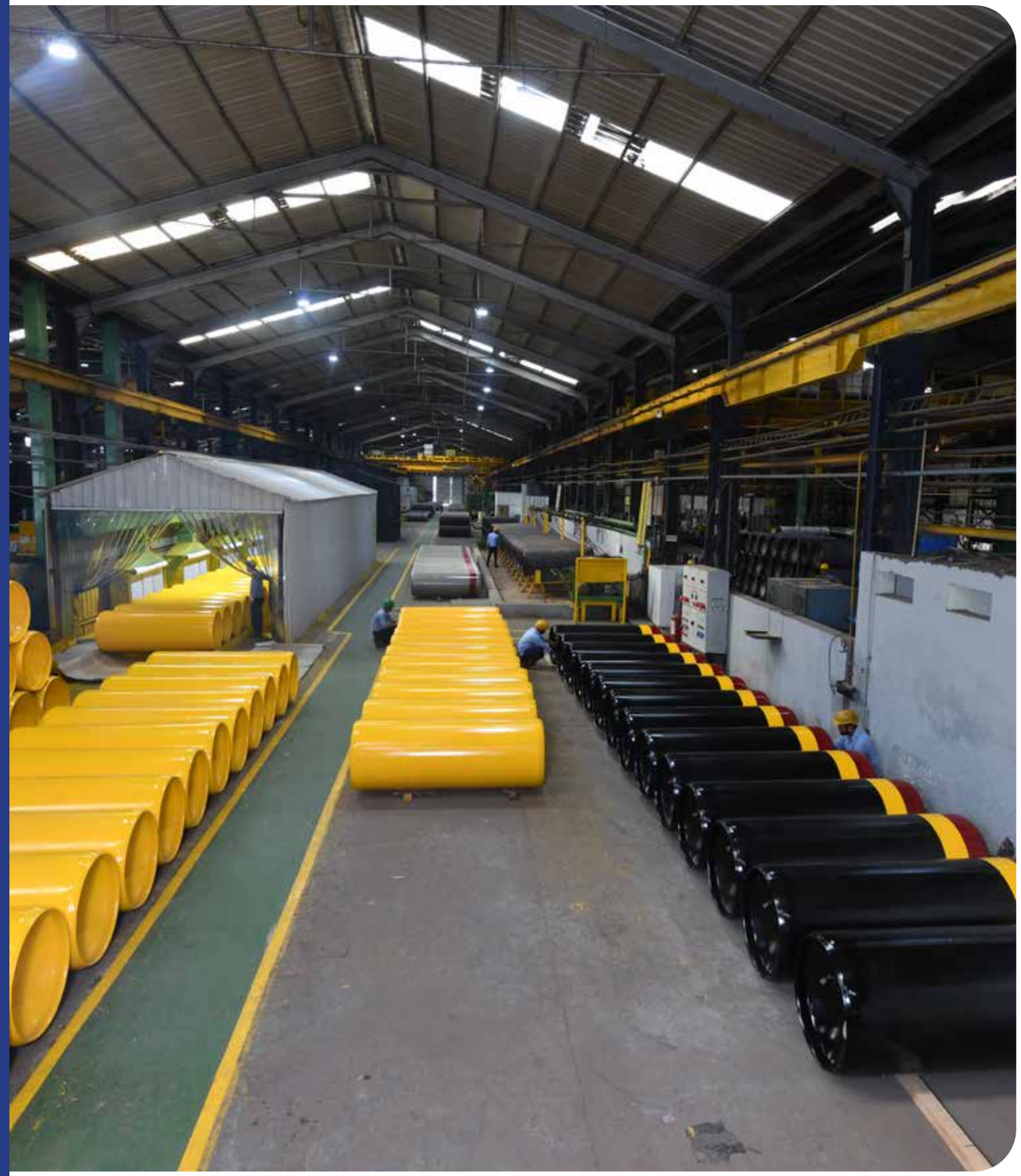
EN 1090-1

IBR Approval

EU CE Compliant Steel Casting Certification

UKCA Compliant Steel Casting Certification

tIBR Approval



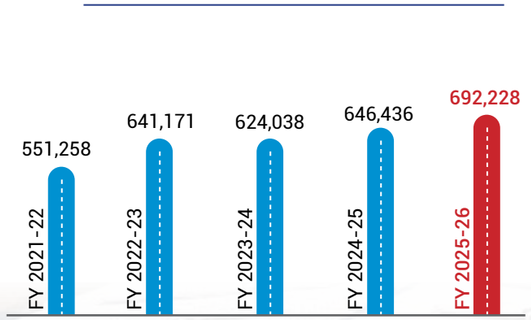
Liquefied Gas Container Manufacturing Plant

FINANCIAL HIGHLIGHTS

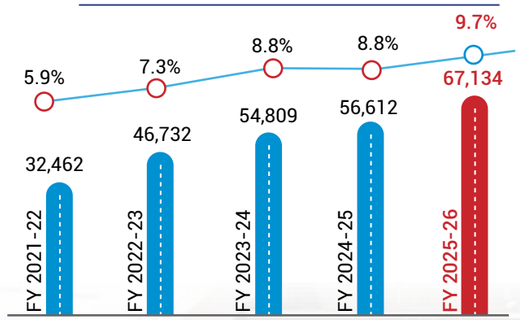
Our Financial Year 2025-26 performance demonstrates profitable, resilient growth. A five-year trajectory of Total Income, EBITDA, and PAT highlight our momentum, while a robust order book, steady dividends, and strong credit rating reflect underlying balance sheet strength.

Five-Year Trend — Financial Year 2021-22 to Financial Year 2025-26

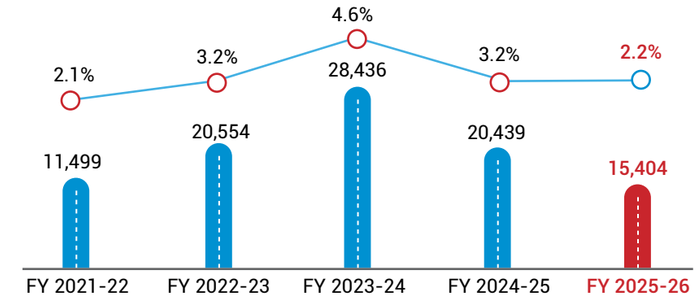
Total Income ₹ Lakh



EBITDA (Margin) ₹ Lakh



PAT (Margin) ₹ Lakh



Financial Year 2025-26 PAT reflects a one-time ~₹17,000.0 Lakh depreciation catch-up on our Philippines subsidiary, reclassified from discontinued to continuing operations; EBITDA — the better operating measure — grew year-on-year.

₹52,091 Lakh
Net Debt
Down 43.5% YoY, from ₹ 92,159 Lakh

11.4%
ROCE
Financial Year 2025-26

₹91,807 Lakh
Total Borrowings
Down 14.1% YoY

A consistent run of margin expansion, a strong order book and a widening export base show that this growth is structural, not cyclical — the mark of a resilient financial foundation.

Rattangarh Plant

A Growing Organisation. A Deepening Talent Base.



At our core, we are an engineering organisation powered by people. Every press we manufacture, every reactor we commission and every boiler we bring to life is the outcome of deep technical expertise, disciplined execution and the unwavering commitment of our people. Their knowledge, craftsmanship and problem-solving capabilities transform engineering excellence into tangible outcomes for customers across industries and geographies.

As our business continues to expand and our order book strengthens, building a future-ready talent pool remains one of our highest priorities. We are committed to attracting, developing and retaining skilled professionals who can support our long-term growth while preserving the engineering excellence that has defined us for more than nine decades.

During Financial Year 2025–26, we welcomed 783 new employees. Our permanent workforce is 2,970, the largest in our history. At the same time, attrition declined to its lowest level in recent years, reflecting our continued focus on employee engagement, capability development and creating a workplace where our people can build meaningful and rewarding careers. Through sustained investments in talent, leadership and learning, we continue to strengthen the human capital that drives our long-term success.

Workforce at a Glance — Financial Year 2025-26

2,970

Permanent Employees

As on March 31, 2026

783

New Hires in Financial Year 2025-26

119 campus · 664 lateral

12.8%

Attrition Rate

Down from 15.2% in Financial Year 2024-25

Diversity — Progress in Financial Year 2025-26

Building a more diverse and inclusive workforce remains an integral part of our long-term people strategy. We believe that varied perspectives, experiences and skills strengthen innovation, enhance collaboration and create a more resilient organisation.

Looking Ahead

Our people agenda for Financial Year 2026–27 is centred on preparing our organisation for the next phase of growth. As we commission expanded manufacturing capacities at Bhartauli and Dahej, our focus will be on building the skilled workforce required to support these facilities in advance, ensuring that talent development progresses in tandem with capacity creation.

The Programmes that Develop Isgec's Engineering Culture

At Isgec, capability development is more than a people initiative,it is a strategic enabler of our growth. As an engineering-led organisation, our ability to execute complex projects, enter new markets and deliver advanced solutions is driven by the strength of our people. Every milestone achieved during Financial Year 2025–26, from securing first-of-its-kind orders to commissioning new technologies was made possible by employees who were continuously trained, mentored and developed. To sustain this advantage, we have built a structured and an evolving learning ecosystem that strengthens technical expertise, leadership capabilities and cross-functional collaboration. Through targeted training, on-the-job learning and mentoring, we equip our people with the skills needed to meet evolving customer expectations and emerging industry opportunities, reinforcing the engineering excellence that underpins our long-term growth.

Every division that won a first-ever industry order, qualified a customer in a new export market, or commissioned a new technology is a testimony to the learning and development programs implemented by the company.





A Culture of Recognition

Recognising and celebrating excellence is an integral part of Isgec's culture. Our recognition programmes span every level of the organisation,from peer-to-peer appreciation and quarterly awards to the Managing Director's Award, which honours individuals who exemplify our core values. During Financial Year 2025–26, these initiatives continued to witness higher participation and engagement, reinforcing a culture built on ownership, collaboration, technical excellence and customer focus.

MD AWARDS

Annual recognition for the highest individual and team performance, aligned with organisational values — the most prestigious internal recognition at Isgec

MILESTONES AWARDS

Service milestone recognition — acknowledging long-tenure employees and the depth of institutional knowledge they carry

RISING STARS

Recognition for early-career employees demonstrating exceptional promise, initiative and delivery

PEER-TO-PEER AWARDS

Employee-nominated recognition for collaboration, support and everyday excellence across functions and locations

WE VALUE YOUR IDEAS

Innovation recognition — rewarding employees for ideas that improve processes, solve problems or reduce costs

QUARTERLY AWARDS

Regular cadence of divisional recognition to ensure performance is acknowledged in-period, not just annually

HR Digital Transformation

One of our most significant people initiatives during Financial Year 2025–26 was the implementation of Darwinbox, our new Human Resource Management System (HRMS). The platform has streamlined employee lifecycle management, performance management, attendance and workflow automation, enhancing operational efficiency while enabling data-driven decision-making. To ensure seamless adoption, comprehensive training programmes were conducted across the organisation alongside implementation. As we continue to grow, Darwinbox provides a scalable digital people-management platform that will support our expanding workforce and evolving organisational needs.

External Awards & Recognitions

During **Financial Year 2025–26**, Isgec received recognition from government authorities, customers and leading industry bodies for excellence in safety, quality and project execution. These accolades reflect the high standards we uphold across our operations and reinforce the trust placed in us by our stakeholders. More importantly, they validate our unwavering commitment to operational excellence, disciplined execution and the resilient culture that continues to drive our long-term success.

Government & Industry Recognitions

Certificate of Appreciation
From Shri Ajit Dada Pawar, Deputy Chief Minister, Maharashtra, for the execution of 14 MW Waste to Energy Plant, in Moshi. - August 2025

EPC of the Year — Thermal
Powergen India Exhibition, Yashobhoomi, Dwarka, New Delhi — September 2025

Har Ghar Chhat — Republic Day Felicitation
Recognised by Shri Anil Vij, Haryana's Cabinet Minister for Energy, Transport and Labour, for the Company's roof repair and provision initiative for underprivileged families in Yamunanagar District — 26 January 2026

Outstanding Product Showcase
Powergen India Exhibition, Yashobhoomi, Dwarka, New Delhi — September 2025

Best Vendor Award — Steel Castings Division
BHEL Hyderabad, Quality Month — November 2025

Appreciation Certificate
Steel Castings Division L&T MHI Power, Hazira, for quality, innovation and on-time project completion

Gold Award (Breakdown Time Reduction) & Silver Award (Innovations in Maintenance Practices)
Isgec Hitachi Team, 7th CII National Maintenance Circle Competition 2026



Safety Recognitions

Haryana State Safety, Health & Welfare Award 2024
Best Environment in Factory Premises (Large Scale Factory) — Yamuna Nagar unit, September 2025

Certificate of Achievement
Safety Excellence & Site Coordination, Birla Carbon Project, Thailand

Certificate of Appreciation
Achievement of 5 million Safe Man-Hours without Lost Time Incident (LTI), EPCC-03, IOCL Barauni

HSE Rolling Trophy
Awarded for Outstanding Health, Safety & Environment Performance, NRL Assam

HSE Excellence Award
Awarded to Safety Conscious Contractor for achieving 1 million Safe Manhours without any (LTI), NRL Assam

Safety Certificate of Recognition
Recognition for proactive safety performance and safe execution of project activities, IPL Project

Certificate of Appreciation
Recognition for achieving One Million Safe Man-Hours without Lost Time Accident, IOCL Panipat

Best Contractor / Safety Excellence Award
Recognition for outstanding safety performance and project execution, TACFL Project

Best Safe Agency – Runner-up
Award presented during National Safety Week 2025 for excellent contractor safety performance, Vedanta Project

Safety Model Display Award
Recognition for an innovative safety model exhibited during National Safety Week 2025, Vedanta project

Certificate of Appreciation
Recognition for maintaining excellent safety standards and completing one year without harm, SMW Ispat Project

Best Safety Awareness Programme
Recognition for conducting the Best Safety Awareness Programme, DSI Kolaghat Project

30 Lakh Man-hours Safety Accreditation
Appreciation certificate to the Industrial Boiler Projects team from IOCL, Panipat, and EIL

Corporate Social Responsibility

Isgec's, Corporate Social Responsibility (CSR) journey is guided by a commitment to creating meaningful and measurable impact in the communities where we operate. Focused on the districts of **Yamunanagar, Kurukshetra, Muzaffarnagar and Bharuch and the National Capital Region**, our CSR initiatives are built around three strategic pillars—**Environmental Sustainability, Enhancement of Vocational Skills** and **Promotion of Education**.

Three Pillars

Our CSR strategy addresses the needs of the communities we serve. By advancing environmental sustainability, strengthening employability through vocational skills and improving access to quality education, we strive to create lasting social impact while contributing to inclusive and sustainable community development.

Environmental Sustainability

Protecting natural resources and promoting environmental stewardship remain central to our CSR approach. Initiatives undertaken during the year focused on groundwater recharge, flood mitigation and reducing carbon emissions through the installation of rainwater harvesting systems and solar power infrastructure at government schools and public institutions.

Enhancing Vocational Skills

Strengthening employability among local youth is a key area of focus. Structured apprenticeship programmes and advanced technical training for graduates from local Industrial Training Institutes (ITIs) equip participants with industry-relevant skills, creating sustainable employment opportunities.

Promoting Education

Expanding access to quality education continues to be an important priority. Investments in smart classrooms, laboratory infrastructure and science and technology summer camps have enhanced learning environments for underprivileged students, encouraging experiential learning and nurturing future innovators.



Outcomes at a Glance

157
Solar Systems Installed
844 kW cumulative capacity

67
Rainwater Harvesting Systems
Installed since 2019

2,760 Lakh Litres
Water Conserved
Since 2019

1,215
Apprentices Trained

2,454
Tonnes Coal Neutralised
Via solar installations, cumulative

₹ 661 Lakh
CSR Spend
Financial Year 2025-26



Years of Shared Presence

Solar and Rainwater Harvesting

Renewable energy and water conservation remain integral to our sustainability efforts. Since inception, 157 solar power systems, with a cumulative capacity of 844 kW, have been commissioned across government schools, hospitals and public institutions. In Financial Year 2025–26, capacity expanded by 154 kW across 28 locations in Yamunanagar, Ladwa and Muzaffarnagar, generating 36.6 lakh units of clean electricity while offsetting an estimated 2,454 tonnes of coal.

Water conservation has progressed alongside these efforts. Since 2019, 67 rainwater harvesting systems, have helped conserve more than 2,760 lakh litres of water. The addition of nine new systems during the year increased annual conservation capacity by 38.7 lakh litres. Regular maintenance and groundwater monitoring ensure these assets continue to deliver sustained environmental benefits.



Saraswati Sugar Mills — A Parallel Water Stewardship Programme

Our wholly owned subsidiary, Saraswati Sugar Mills Ltd. (SSM), complements these efforts through a dedicated water stewardship programme across the same operating regions. Since 2019, SSM has established 81 rooftop rainwater harvesting systems and 100 recharge shafts, collectively replenishing 61.6 lakh cubic metres of groundwater. Financial Year 2025–26 saw the commissioning of 52 recharge shafts, strengthening groundwater recharge capacity.

Its work extends beyond water conservation to flood mitigation, groundwater restoration and soil health improvement, while encouraging active participation from local Panchayats, farmers and youth groups in project implementation. During the year, support was also extended for a complete roof replacement for a shelter home in Tajewala, near Yamunanagar, redevelopment of the village pond at Jhiwanaheri in line with Haryana Pond & Wastewater Management Authority guidelines, and a health awareness programme delivered in partnership with the Family Planning Association of India (FPAI).



Community Welfare

Creating safer and more resilient neighbourhoods remains an important aspect of our CSR efforts. Through the Har Ghar Chhat programme, unsafe roofs at 68 underprivileged households in Yamunanagar district were repaired or replaced, improving living conditions for vulnerable families. Support was also extended to shelter homes through the provision of solar power and rainwater harvesting systems, enhancing the ability to rehabilitate and care for homeless and mentally challenged individuals.

Rather than one-time interventions, these programmes are designed as enduring assets that continue generating environmental and social value long after implementation. Every solar installation, rainwater harvesting structure and groundwater recharge system reflects our commitment to creating sustainable impact and strengthening the resilience of the communities we serve.



Isgec CSR Clubs — Employee-Led Community Action

Complementing our structured CSR programme, Isgec CSR Clubs empower employees to actively contribute to the well-being of the communities around them. Driven entirely by volunteers, these clubs undertake initiatives such as tree plantation, community clean-up drives, shelter volunteering, donation campaigns and mentoring programmes. By partnering with local NGOs and community organisations, they help identify and address local needs while fostering a culture of social responsibility, collaboration and purpose beyond the workplace.

Formal programme and employee-led clubs sit side by side — one funded and structured, the other voluntary and local — together forming an integrated approach to community engagement.



> The mind grows by what it receives;
> the heart grows by what it gives.
> — Victor Hugo

Leadership and Executive Management



Mr. Ranjit Puri
Chairman

Education: B.Sc. Industrial Management, MIT, USA

Experience: Over 60 years of rich and versatile experience, guiding the Company and its executive management for the past many decades. Has played a pivotal role in the development of the sugar industry in India, both as a manufacturer of sugar and as a manufacturer of sugar plants and machinery. Serves on the board of other Group companies.



Mr. Aditya Puri
Managing Director

Education: B.A. (Hons.), St. Stephen's College, India; M.A. Economics, Cambridge University, U.K

Experience: Over 35 years of experience. Joined as Controller of Finance and has worked his way up to Managing Director. Serves on the board of other Group companies.



Mr. Kishore Chatnani
Joint Managing Director and Chief Financial Officer

Education: B.E. (Industrial Production Engineering), University of Nagpur, India; MBA (Finance), IMS, Indore University, India

Experience: Over 35 year of experience in finance operations, treasury, investment management and M&A. With the Company since 1998; on the board of other Group companies.



Mr. Sanjay Gulati
Joint Managing Director and Head, Manufacturing Units

Education: B.E. (Industrial Production Engineering), SGSITS, Indore, India

Experience: Over 35 years of experience in marketing, exports, manufacturing, projects and planning, HR and administration, greenfield projects, and team leadership. Also Managing Director of Isgec Hitachi Zosen Ltd., a joint venture company.



Mr. Arvind Sagar
Independent Director

Education: B.Tech., Mechanical Engineering, IIT (Banaras Hindu University), Varanasi; PGDBM, Operations & Marketing, XLRI Jamshedpur

Experience: Over 35 years of experience in process excellence, change management, business consulting, programme management and operations, and supply chain management.



Mrs. Rashi Sikka
Independent Director

Education: PGD Management (Finance), IIM Kolkata; B.Com. (Hons.), Delhi University

Experience: Experience in banking and credit rating, with expertise in financial management, financial investments, financial control, taxation and HR development.



Mr. Rajiv Roy Chaudhury
Independent Director

Education: MBA and BA Economics, University of San Francisco, including study at The American University in Cairo

Experience: Over 30 years of leadership experience across the defence, pharmaceuticals, consulting and FMCG sectors.



Mr. Vivek Dhir
Independent Director

Education: Chemical Engineering, Punjab University; MBA, XLRI Jamshedpur

Experience: Over 40 years of experience across industries including FMCG, telecom, technology and media.



Mr. Sachin Saluja
Company Secretary

Education: CS, LL.B, M.Com, B.Com

Experience: Over 17 years in corporate governance, SEBI & Company Law compliance, and capital market regulations across listed, unlisted, and investor-backed companies.

Chairman □ **Member** ■ **Audit Committee** ■ **Nomination and Remuneration Committee**
■ **Stakeholders Relationship & Grievance Committee** ■ **Corporate Social Responsibility Committee**
■ **Risk Management Committee**

Auditors

SCV & Co. LLP B-41, Panchsheel Enclave,
New Delhi- 110017

Bankers

State Bank of India
Standard Chartered Bank
Union Bank of India
Punjab National Bank
Indian Bank
ICICI Bank Ltd
Citibank N.A.
Export Import Bank of India
Kotak Mahindra Bank Ltd.
HDFC Bank Ltd.
Yes Bank Ltd.
IndusInd Bank Ltd.
IDFC First Bank Ltd.
Axis Bank Ltd.
Bank of Baroda
The Hongkong & Shanghai Banking Corporation Ltd.

Registered Office

Radaur Road, Yamunanagar - 135001
Haryana, India

Registrar & Share Transfer Agent

M/s. Alankit Assignments Limited 'Alankit House',
4E/2, Jhandewalan Extension, New Delhi- 110055
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Yamunanagar plant

BOARD'S REPORT

1. The Board is pleased to present its report for the financial year ended March 31, 2026.

2. Financial Performance

2.1 The financial performance of the Company is summarized below:

(Amount in ₹ Lakh except for EPS)

Particulars	Financial Year ended			
	As at 31.03.2026	As at 31.03.2025	As at 31.03.2026	As at 31.03.2025
	Standalone		Consolidated	
Total Revenue	5,45,866.15	5,07,937.61	6,92,227.93	6,46,435.86
Total Expenses	**4,86,556.45**	**4,60,760.89**	**6,23,452.64**	**5,89,830.08**
Profit before finance cost, depreciation and tax	59,309.70	47,176.72	68,783.14	56,612.49
Finance cost and depreciation	12,415.73	8,346.28	36,344.45	23,984.36
Profit before tax and exceptional items	46,893.97	38,830.44	32,438.69	32,628.13
Exceptional items	-1,403.25	-	1,648.67	0.00
Profit before tax but after exceptional Items	**45,490.72**	**38,830.44**	**30,790.02**	**32,628.13**
Less: Tax expenses including deferred tax	10,815.46	9,456.01	15,386.35	12,188.96
Profit after tax	34,675.26	29,374.43	15,403.67	20,439.17
Other Comprehensive Income / (loss) (net of tax)	678.58	-207.2	-1,453.01	-383.36
Total Comprehensive Income	35,353.84	29,167.23	13,950.66	20,055.81
Balance carried to profit & loss account	31,677.36	26,226.05	9,838.08	23,281.19
Basic/ Diluted earnings per share of Re. 1 each	47.16	39.95	14.81	25.79

2.2 Performance and State of Company's Affairs

2.2.1 On a Standalone basis, your Company recorded total income of ₹ 5,45,866.15 Lakh for the financial year ended March 31, 2026, as compared to ₹ 5,07,937.61 Lakh in the previous financial year, reflecting an increase of more than 7%. Profit before tax and exceptional items stood at ₹ 46,893.97 Lakh as against ₹ 38,830.44 Lakh in the previous financial year, registering a growth of 21%. During the year, the Company secured standalone order bookings aggregating to ₹ 5,56,100 Lakh, representing an increase of 9% over the previous financial year.

2.2.2 On a Consolidated basis, your Company recorded total income of ₹ 6,92,227.93 Lakh for the financial year ended March 31, 2026, as compared to ₹ 6,46,435.86 Lakh in the previous financial year, reflecting an increase of more than 7%. Profit before tax and exceptional items stood at ₹ 32,438.69 Lakh as against ₹ 32,628.13 Lakh in the previous financial year, registering a decrease of 1%. Consolidated order bookings during the financial year aggregated to ₹ 6,53,300 Lakh, representing an increase of 13% over the previous financial year.

2.3 Financial Highlights

A summary of the financial highlights of the Company for the Financial Year 2025–26 and the preceding four financial years, are summarised below:

Amount in ₹ Lakh

Particulars	Financial Year				
	2025-26	2024-25	2023-24	2022-23	2021-22
Share Capital	735.3	735.3	735.3	735.3	735.3
Reserves & Surplus	2,72,628.5	2,40,951.2	2,14,725.1	1,93,835.6	1,77,587.9
Net Worth	**2,73,363.8**	**2,41,686.5**	**2,15,460.4**	**1,94,570.9**	**1,78,323.2**
Revenue from operations	5,22,863.0	5,01,825.8	4,86,139.8	4,65,191.7	4,44,446.5
Profit Before Tax	45,490.7	38,830.4	30,390.1	23,439.5	14,706.3
Profit After Tax	34,675.3	29,374.4	23,170.7	17,792.3	11,281.9
Total Comprehensive Income	35,353.8	29,167.2	23,095.4	17,718.3	11,599.8
Dividend Amount	3,676.5	2,941.2	2,205.9	1,470.6	735.3
Dividend (per Equity Share) (In ₹)	5.0	4.0	3.0	2.0	1.0
Earnings per Share (In ₹)	47.2	39.9	31.5	24.2	15.3
Book Value Per Share (In ₹)	371.8	328.7	293.0	264.6	242.5
Return on Equity (%)	13%	12%	11%	9%	6%

3. Standalone and Consolidated Financial Statements

3.1 The Standalone and Consolidated Financial Statements for the financial year 2025-26 have been prepared in accordance with the Companies Act, 2013, Indian Accounting Standards ('IND-AS'), and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. These statements form an integral part of the Annual Report.

3.2 The Statement in **Form AOC-1**, containing salient features of the financial statements of subsidiary and joint venture companies, as required under the Companies (Accounts) Rules, 2014, is annexed as **Annexure - 1**.

4. Change in the nature of business, if any

4.1 During the financial year 2025-26, there was no change in the nature of the Company's business.

5. There are no material changes or commitments affecting the Company's financial position between April 1, 2026, and the date of this report.

6. Amounts transferred to Reserves, if any

6.1 The Company has not transferred any amount to the reserves during the year under review.

7. Details of Subsidiaries, Joint Ventures and Associates

7.1 During the financial year 2025-26:

a) **FPEL HR1 Energy Private Limited** became an associate company of the Company.

b) **Isgec Eswatini (Proprietary) Limited, Eswatini,** was incorporated and became a wholly-owned subsidiary company of the Company.

c) No other company became or ceased to be a subsidiary, joint venture or associate company.

7.2 During the financial year 2026-27, SFW Isgec Energy Private Limited (Formerly known as Isgec SFW Boilers Private Limited) ceased as subsidiary. The said company, however, continues to be the Company's joint venture and associate company. Your Company holds 26% equity shareholding of the said company as on date of this report.

7.3 A report on the performance and financial highlights of the subsidiary and joint venture companies, along with business updates, is included in the Management Discussion and Analysis, which forms part of this Report and is annexed as **Annexure-2.**

7.4 The Audited Annual Financial Statements of the subsidiary and joint venture companies are available

on the Company's website at https://www.isgec.com/aboutus-subsidiaries-annual-reports-investor.php.

7.5 Hard copies of financial statements are available for inspection by the members at the Registered Office of your Company on all working days (except Saturday, Sunday and public holidays) between 11:00 a.m. to 5:00 p.m., up to the date of ensuing 93rd Annual General Meeting, September 28, 2026. Members who wish to obtain the said financial statements may write to the Company at its Registered Office or Corporate Office.

8. Particulars of Loans, Guarantees / Investments

8.1 The statement containing details of Loans given, Investments made, Guarantees given, or Securities provided under Section 186 of the Companies Act, 2013 is annexed to this report as **Annexure-3**.

9. Related Party Transactions

9.1 The Company has in place a Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions, in accordance with the provisions of Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The said policy is available on the Company's website at https://www.isgec.com/pdf/PolicyonMaterialityofRelatedPartyTransactionsandonDealingwithRelatedPartyTransactions(Updatedon09February2026).pdf

9.2 During the financial year under review, all related party transactions entered into by the Company were in the ordinary course of business and on arm's length basis. The Company has not entered into any material related party transactions as defined under the Companies Act, 2013. Accordingly, the disclosure of particulars of such transactions in Form AOC-2 is not mandatory.

9.3 There were no materially significant related party transactions that may have a potential conflict with the interests of the Company at large.

9.4 All related party transactions were reviewed and approved by the Audit Committee, in accordance with the applicable provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Also, the details of the executed related party transactions are being reviewed by the Audit Committee on a quarterly basis.

10. Dividend

10.1. Final Dividend for Financial Year 2025-26

Your Directors are pleased to recommend a final dividend of ₹6/- (Rupees Six only) per equity share of Re.1/- each. The dividend, if approved and declared in the ensuing Annual General Meeting, would result in a total outflow of ₹44,11,77,060/- (Rupees Forty-Four Crores Eleven Lakhs Seventy-Seven Thousand Sixty only).

10.2. Details of dividend declared in past 3 financial years:

Amount in ₹

Financial Year	Dividend @ per equity Shares	Total outflow
2024-25	5	36,76,47,550
2023-24	4	29,41,18,040
2022-23	3	22,05,88,530

10.3. Uncashed / Unclaimed Dividend

The Company has transferred the unpaid or unclaimed dividends (Interim and Final) for the past years to the unclaimed dividend accounts of the respective years and the details of the same are uploaded on the website of the Company. Details of unpaid or unclaimed dividends are available at https://www.isgec.com/unclaimed-dividend-investor.php.

10.4. Further, details of uncashed / unclaimed dividends commencing from Financial Year 2018-19 are as under :

Amount in ₹

Financial Year	Type of Dividend (Interim / Final)	Dividend (Per Share)	Due date for Transfer to IEPF	Amount of Unclaimed dividend as on March 31, 2026
2018-2019	Interim	5	17-03-2026	213,745
2018-2019	Final	1.5	15-09-2026	488,185.50
2019-2020	Interim	2	19-03-2027	772,786.00
2020-2021	Interim	2	19-03-2028	699,553.00
2020-2021	Final	1	23-10-2028	280,879.00
2021-2022	Final	2	29-09-2029	493,460.00
2022-2023	Final	3	28-09-2030	609,767.00
2023-2024	Final	4	03-10-2031	1,738,604.60
2024-2025	Final	5	22-10-2032	1,123,431.00

Note: Aforesaid unpaid / unclaimed dividend amounts are lying in unpaid / unclaimed dividend bank accounts of the respective years.

10.5. **Transfer of Unclaimed Dividend into Investor Education and Protection Fund Authority**

Details of unclaimed dividends transferred into Investor Education and Protection Fund Authority (IEPF), during the financial year 2025-26, are as under:

Amount in ₹

S.No.	Particulars	Unpaid or Unclaimed Dividend
1.	Interim Dividend for the financial year 2017-18	655,248

10.6. **Transfer of Shares into Investor Education and Protection Fund Authority (IEPF)**

During the financial year 2025–26, the Company has transferred 28,620 equity shares to the Investor Education and Protection Fund Authority (IEPF), in respect of which dividends had remained unclaimed for seven consecutive years.

10.7 Dividend Distribution Policy

In compliance with Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adopted a Dividend Distribution Policy. The said policy is available on the Company's website at https://www.isgec.com/pdf/Dividend-Distribution-Policy-1219.pdf.

11. Share Capital and Change in capital structure

11.1 As on April 01, 2025, the Authorised Share Capital of the Company was ₹8,50,00,000/-, comprising 8,50,00,000 equity shares of face value Re.1/- each. The Issued, Subscribed, and Paid-up Share Capital was ₹7,35,29,510/-, comprising 7,35,29,510 fully paid-up equity shares of Re.1/- each.

11.2 All the equity shares issued by the Company are fully paid-up;

11.3 There was no change in the authorized, issued, subscribed, or paid-up share capital of the Company, during the Financial Year 2025-26;

11.4 The Company has only one class of shares, namely equity shares;

11.5 The Company did not issue any debt instruments, whether convertible or non-convertible, or any convertible securities during the financial year under review.

12. Credit Rating

12.1 The Company has obtained credit ratings for its various fund-based and non-fund-based facilities from ICRA Limited. The details of the credit ratings as on date are as follows:

S. No.	Fund Based	Non-Fund Based	Fund Based / Non-Fund Based
Long Term	[ICRA] AA (Stable)	[ICRA] A1+	[ICRA] AA (Stable)/ [ICRA] A1+
Short Term			

13. Details of Directors / Key Managerial Personnel

13.1 Directors retiring by rotation and re-appointment thereof

13.1.1. Mr. Sanjay Gulati, Director (Designated as Joint Managing Director) of the Company, is liable to retire by rotation at the ensuing Annual General Meeting and, being eligible, has offered himself for re-appointment.

13.1.2. The Board recommends his re-appointment for approval of the members at ensuing Annual General Meeting.

13.1.3. Brief details of Mr. Sanjay Gulati are disclosed separately in the Notice of ensuing Annual General Meeting, in compliance with the provisions of Secretarial Standard-2 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

13.2 Appointment and Re-appointment of Independent Directors

13.2.1 Based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, the shareholders at the 91st Annual General Meeting held on August 28, 2024, approved the re-appointment of Mrs. Rashi Sikka (DIN: 00320145) as an Independent Director of the Company for a second term of five consecutive years commencing from May 28, 2025, up to and including May 27, 2030, not liable to retire by rotation.

13.2.2 Based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, the shareholders at the 92nd Annual General Meeting held on September 16, 2025, approved the appointment of Mr. Rajiv Roy Chaudhury (DIN: 03545734) and Mr. Vivek Dhir (DIN: 00774349) as Independent Directors of the Company, not liable to retire by rotation, for a term of five consecutive years commencing from July 08, 2025, up to and including July 07, 2030.

13.2.3 Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors, and the approval of the shareholders obtained through Postal Ballot by passing a Special Resolution, Mr. Arvind Sagar (DIN: 09210612) has been re-appointed as an Independent Director of the Company for a second term of five consecutive years commencing from June 28, 2026 up to and including June 27, 2031, not liable to retire by rotation.

13.3 Appointment of Managing Director and Joint Managing Directors

13.3.1 Based on the recommendations of the Nomination and Remuneration Committee, the Audit Committee, and the Board of Directors, and with the approval of the Members at the 92nd Annual General Meeting held on September 16, 2025:

i. Mr. Kishore Chatnani (DIN: 07805465), who was serving as Whole-time Director prior to October 01, 2025, was re-designated as Joint Managing Director with effect from October 01, 2025, for the remainder of his term ending June 27, 2026. He continues to serve as the Chief Financial Officer of the Company.

ii. Mr. Sanjay Gulati (DIN: 05201178), who was serving as Whole-time Director prior to October 01, 2025, was re-designated as Joint Managing Director with effect from October 01, 2025, for the remainder of his term ending June 27, 2026. He continues to serve as the Head of Manufacturing Units.

13.3.2 Based on the recommendation of the Nomination and Remuneration Committee, the Audit Committee (wherever applicable), the Board of Directors, and the approval of the shareholders obtained through Postal Ballot:

i. Mr. Aditya Puri (DIN: 00052534) has been appointed as Managing Director and Principal Officer of the Company for a term of five years commencing from May 01, 2026, up to and including April 30, 2031. He shall also continue to serve as Managing Director of the material wholly-owned subsidiary of the Company, Saraswati Sugar Mills Limited.

ii. Mr. Kishore Chatnani (DIN: 07805465) has been appointed as Joint Managing Director of the Company for a term of five years commencing from June 28, 2026, up to and including June 27, 2031. He shall also continue to serve as Chief Financial Officer of the Company.

iii. Mr. Sanjay Gulati (DIN: 05201178) has been appointed as Joint Managing Director of the Company for a term of five years commencing from June 28, 2026, up to and including June 27, 2031. He also serves as Head of Manufacturing Units. He shall also continue to serve as Managing Director of the joint venture and subsidiary of the Company, Isgec Hitachi Zosen Limited.

13.4 Cessation of Independent Directors

13.4.1 Upon completion of their second consecutive term, Mr. Vishal Kirti Keshav Marwaha (DIN: 00164204) and Mr. Sidharth Prasad (DIN: 00074194) ceased to hold office as Independent Directors with effect from September 16, 2025 and October 31, 2025, respectively.

13.5 Other changes in Key Managerial Personnel

13.5.1 As part of an internal restructuring of responsibilities within the Company and based on the recommendation of the Nomination and Remuneration Committee and with approval of the Board:

i. Mr. Kalyan Ghosh, a qualified Company Secretary, was appointed as Compliance Officer and designated as Key Managerial Personnel of the Company with effect from July 08, 2025. He continues to serve as Chief Legal Officer of the Company.

ii. Mr. Sachin Saluja stepped down as Compliance Officer with effect from July 08, 2025 and continues to serve as Company Secretary and Key Managerial Personnel of the Company.

13.6 There were no other changes in the composition of the Key Managerial Personnel of the Company.

13.7 Confirmation on Non-disqualification

13.7.1 The directors have submitted the requisite disclosures and confirmations under Sections 164 and 184 and other applicable provisions of the Companies Act, 2013 as well as the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board affirms that none of the directors is disqualified from being appointed as a director under applicable laws.

13.8 Declaration by Independent Director(s)

13.8.1 In addition to the disclosures referred above, all Independent Directors have submitted declarations confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014.

13.8.2 In the opinion of the Board, the Independent Directors possess the requisite qualifications, experience, and expertise, and have also complied with the requirements of the online proficiency self-assessment test, wherever applicable. They uphold the highest standards of integrity and satisfy all the conditions laid down under the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and are independent of the management.

14 Policy on Appointment and Remuneration of Directors, Key Managerial Personnel, and Other Employees

14.1 The Nomination and Remuneration Committee has laid down the criteria for determining qualifications, positive attributes, and independence of a Director. In line with these criteria, the Nomination and Remuneration Committee has recommended a comprehensive policy to the Board relating to the appointment and remuneration of Directors, Key Managerial Personnel (KMP), Senior Management, and other employees. While framing the policy, the Committee has considered the following key principles:

i. that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;

ii. that relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

iii. that remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

14.2 In compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Nomination and Remuneration Policy is available on the Company's website at https://www.isgec.com/pdf/NRC-policy-8july2025.pdf.

15 Deposits

15.1 During the Financial Year 2025-26, the Company did not accept any deposits from the public within the meaning of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

16 Annual Return

16.1 The draft Annual Return of the Company for the Financial Year 2025-26, as required under Section 92(3) of the Companies Act, 2013, is available on the Company's website at https://www.isgec.com/pdf/Annual-Return-2025-26-new.pdf.

17 Report on Corporate Governance

17.1 The Company remains committed to maintaining the highest standards of corporate governance and adheres to the applicable provisions of the Companies Act, 2013, along with the rules and regulations prescribed by the Securities and Exchange Board of India.

17.2 A detailed Report on Corporate Governance for the financial year under review, in accordance with the requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed to this Report as **Annexure – 4**.

17.3 The certificate issued by the Statutory Auditors, M/s SCV & Co. LLP, Chartered Accountants, confirming compliance with the conditions of Corporate Governance as prescribed under Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, forms an integral part of the Report on Corporate Governance and is annexed as Annexure 4A.

18 Board and its Committees

18.1 The composition of the Board and its Committees, the number of meetings held during the Financial Year 2025-26 and a brief description of their roles and responsibilities are given in the Corporate Governance Report, which forms part of this Report and is annexed as **Annexure - 4**.

19 Board Meetings

19.1 During the Financial Year 2025-26, Five (05) Board Meetings were held. The dates of the meetings and the attendance of the Directors are set out in paragraph 2.13 of the Corporate Governance Report forming part of this Report and is annexed as **Annexure - 4**.

20 Separate meeting of Independent Directors

20.1 Pursuant to the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors of the Company was convened on **March 17, 2026**, without the attendance of Non-Independent Directors and members of the management, to consider and evaluate the following matters:

I. the Performance of Non-Independent Directors and the Board as a whole;

II. the Performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors; and

III. assess the quality, quantity and timeliness of flow of information between the Company's Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

21 Annual evaluation by the board

21.1 The Board has carried out the annual evaluation of its own performance, the performance of individual Directors (including Independent Directors), the Chairperson, and the functioning of its Committees. The evaluation was conducted through a structured questionnaire designed to assess the quality of the Board's performance, its decision-making processes, the contributions of individual Directors, and the effectiveness of the Committees.

21.2 Independent Directors have also evaluated the performance of Non-independent Directors, the Board as a whole and the Chairperson at a separate meeting of Independent Directors.

22 Vigil Mechanism / Whistle Blower Policy

22.1 The Board has established and adopted a Vigil Mechanism/Whistle Blower Policy for Directors, Stakeholders, Individual Employees and their Representative Bodies in accordance with the Companies Act, 2013 read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The Vigil Mechanism Policy / Whistle Blower Policy is disclosed on the website of the Company at https://www.isgec.com/pdf/VigilMechanismWhistleBlowerPolicy(Updatedon09.02.2026).pdf.

23 Directors' Responsibility Statement

23.1 Your Directors hereby confirm that:

a. In the preparation of the Annual Accounts for the financial year 2025-26, the applicable Accounting Standards have been followed and there are no material departures;

b. The Directors have selected such accounting policies with the concurrence of the Statutory Auditors and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the financial year;

c. The Directors have taken proper and sufficient care, to the best of their knowledge and ability, for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013. They confirm that there are adequate systems and controls for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. The Directors have prepared the Annual Accounts on a going concern basis;

e. The Directors have laid down internal financial controls to be followed by the Company, and these financial controls are adequate and are operating effectively; and

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

24 Auditors

24.1 Statutory Auditors

24.1.1 M/s. SCV & Co. LLP, Chartered Accountants, having Firm Registration No. 000235N/N500089, were appointed as Statutory Auditors for a period of 05 years from the conclusion of 89th Annual General Meeting until the conclusion of 94th Annual General Meeting to be held in the year 2027.

24.1.2 They have confirmed their eligibility and independence to continue as Statutory Auditors for financial year 2026-27.

24.1.3 **Report of Statutory Auditors:** The Report of Statutory Auditors on the Annual Financial Statements did not contain any qualification(s), reservation(s) or adverse remark(s) or disclaimer, which calls for any comment(s) from the Board of Directors.

24.1.4 The details of total fees paid to the Statutory Auditors for rendering services to the Company and its subsidiaries are set out in the Corporate Governance Report and is annexed to this report as **Annexure – 4**.

24.1.5 **Details in respect of fraud reported by Auditors other than those which are reportable to the Central Government**

The Statutory Auditors have not reported any incidence of fraud to the Audit Committee or the Board of Directors of the Company.

24.1.6 **Report on Internal Financial Controls on Financial Reporting**

In the opinion of the Statutory Auditors, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial control systems over financial reporting were operating effectively as at **March 31, 2026**. Reference may be made to **"Annexure - B"** of Independent Auditors' Report.

24.2 **Secretarial Auditors and their report**

24.2.1. Appointment

Based on the recommendation of the Audit Committee and the Board of Directors, the shareholders at the 92nd Annual General Meeting held on September 16, 2025, approved the appointment of M/s. Pramod Kothari & Co., a Peer Reviewed Firm of Company Secretaries in Practice (Firm Registration Number: S2012UP197900), as Secretarial Auditors of the Company for a fixed term of five consecutive years commencing from the Financial Year 2025-26 and ending with the Financial Year 2029-30.

24.2.2. They have confirmed that they are not disqualified to continue as Secretarial Auditors under the applicable provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

24.2.3. Report of Secretarial Auditors

The Secretarial Audit Report for the Financial Year 2025-26 issued by the Secretarial Auditors did not contain any qualification, reservation or adverse remark and forms part of this Report as **Annexure-5**.

24.2.4. **Details in respect of fraud reported by Auditors other than those which are reportable to the Central Government**

24.2.5. The Secretarial Auditors have not reported any incidence of fraud to the Audit Committee or the Board of Directors of the Company.

24.2.6. **Secretarial Audit Report of Material Subsidiary**

The Secretarial Audit Report of the material wholly owned subsidiary, Saraswati Sugar Mills Limited, is annexed to this report as **Annexure- 5**. The report does not contain any qualification(s), reservation(s) or adverse remark(s).

24.3 **Annual Secretarial Compliance Report**

The Annual Secretarial Compliance Report for the Financial Year 2025-26 issued by the Secretarial Auditors of the Company did not contain any qualification, reservation, adverse remark or disclaimer. The report is also available on the website of the Company.

24.4 Cost Auditors and their report

24.4.1 **Appointment**

M/s. Neeraj Sharma & Co., Cost Accountants (Firm Registration No. 100466), were appointed as Cost Auditors of the Company for the financial year 2025-26.

24.4.2 Based on the recommendation of the Audit Committee, the Board of Directors at its meeting held on **May 27, 2026** appointed M/s. Neeraj Sharma & Co., Cost Accountants (Firm Registration No. 100466) as Cost Auditors for the Financial Year 2026-27 at a remuneration of ₹ 1,75,000 (Rupees One Lakh Seventy-five Thousand only), subject to ratification of the remuneration by the Members at the ensuing Annual General Meeting.

24.4.3 Report of Cost Auditors

The Cost Audit Report for the Financial Year 2024-25 and for the financial year 2025-26, issued by the Cost Auditors of the Company, did not contain any qualification, reservation, adverse remark or disclaimer.

24.5 Internal Audit

24.5.1 The Company has an in-house Internal Audit Department headed by an Internal Auditor. The internal audit function adopts a risk-based approach to evaluate the adequacy and effectiveness of the Company's internal control systems and key business processes. The internal audit reports are periodically reviewed.

25 Disclosure regarding Remuneration as required under Section 197 (12) of the Companies Act, 2013

25.1 The disclosure of remuneration as required under Section 197 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this Report and is annexed as **Annexure - 6**.

25.2 The particulars of the employees who were in receipt of remuneration of not less than Rupees One Crore and Two Lakh throughout the financial year or Rupees Eight Lakh and Fifty Thousand per month during any part of the financial year, are not included in this report. However, such details are available for inspection by the Members at the Registered Office of the Company during working hours, for a period of 21 days before the date of the ensuing Annual General Meeting. The inspection can be made on all working days (except Saturdays, Sundays, and public holidays) between 11:00 a.m. and 5:00 p.m.

26 Business Responsibility and Sustainability Reporting

26.1 The Business Responsibility and Sustainability Report, prepared in accordance with Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, forms part of this report and is annexed as **Annexure - 7.** The same is disclosed on the Company's website at https://www.isgec.com/pdf/BusinessResponsibilityandSustainabilityReport202525.pdf.

27 Conservation of Energy, Technology Absorption, Foreign Exchange Earnings & Outgo

27.1 The information relating to conservation of energy and technology absorption is provided in the Management Discussion and Analysis, which forms part of this report and is annexed as **Annexure 2.**

27.2 The details of Foreign Exchange Earnings and Outgo are as follows:

(₹ in Crores)

Particulars	Financial Year 2025-26	Financial Year 2024-25
Foreign Exchange Earnings	1,020.21	624.76
Foreign Exchange Outgo	710.70	315.24

28 Audit Committee

28.1 Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, the disclosures relating to the Audit Committee, including its composition, number of meetings held during the financial year, and brief terms of reference, form part of the Corporate Governance Report and are annexed as **Annexure - 4**. Accordingly, the same are not reproduced in this report.

29 Corporate Social Responsibility

29.1 The Company has constituted a Corporate Social Responsibility Committee in accordance with the provisions of Section 135 of the Companies Act, 2013.

29.2 The composition of Corporate Social Responsibility Committee and the attendance of the Members at the meetings convened during the financial year 2025-26 are as follows:

Name of the Director	Designation	Corporate Social Responsibility Committee meeting date and attendance	
		July 04, 2025	December 29, 2025
Mr. Ranjit Puri	Chairman	✓	✓
Mr. Aditya Puri	Member	✓	✓
Mr. Vishal Kirti Keshav Marwaha*	Member	✓	Not Applicable
Mrs. Rashi Sikka**	Member	Not Applicable	✓
Mr. Vivek Dhir**	Member		✓

Mr. Sachin Saluja, Company Secretary of the Company acts as Secretary to Corporate Social Responsibility Committee.

* Mr. Vishal Kirti Keshav Marwaha ceased as member with effect from August 13, 2025.

** Mrs. Rashi Sikka and Mr. Vivek Dhir inducted as members with effect from August 13, 2025.

29.3 The Company has a Corporate Social Responsibility Policy in place, outlining its approach and activities in accordance with the statutory framework. The policy is available on the Company's website at https://www.isgec.com/pdf/CSR-Policy-12oct.pdf.

29.4 The Annual Report on Corporate Social Responsibility activities for the Financial Year 2025-26, prepared in accordance with Sections 134 and 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility) Rules, 2014 and the Companies (Accounts) Rules, 2014, forms part of this Report and is annexed as **Annexure-8.**

30 Risk Management Policy

30.1 The Company has adopted a Risk Management Policy to identify, monitor, and evaluate risks associated at financial, operational, strategic, and sectoral levels. The policy is available on the Company's website at https://www.isgec.com/pdf/RiskManagementPolicy13112025.pdf.

30.2 The Risk Management Committee periodically reviews and undertakes necessary steps or actions to mitigate identified risks, with the objective of safeguarding stakeholders' interests and ensuring the Company's strategic and business objectives.

31 Secretarial Standards

31.1 The Company ensures compliance with all applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) as mandated under the Companies Act, 2013.

32 Listing of Equity Shares

32.1 The equity shares of the Company are listed on two stock exchanges, namely, BSE Limited and National Stock Exchange of India Limited.

33 Details of significant & material orders

33.1 During the year under review, no significant or material orders were passed by any regulators, courts, or tribunals that would impact the going concern status of the Company or its future operations.

34 Prevention of Sexual Harassment of Women at workplace

34.1 The Company has in place a Policy on Prevention of Sexual Harassment, in compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaint Committee has been constituted to address complaints received under the Policy.

34.2 The Company affirms that it has complied with the provisions relating to the constitution of Internal Committee under the said Act. An Internal Committee has been constituted to redress complaints received regarding sexual harassment.

34.3 The status of complaints received, resolved and pending during the financial year 2025-26 is as under:

Number of complaints at the beginning of the financial year, April 01, 2025	Nil
Number of complaints received during the financial year	1
Number of complaints disposed of during the financial year	1
Number of cases pending for more than 90 days	Nil
Number of cases at the end of financial year, March 31, 2026	Nil

35 General Disclosure

35.1 The Board confirms that:

i. No application has been made, nor are any proceedings pending, under the Insolvency and Bankruptcy Code, 2016, as at the end of the financial year 2025-26;

ii. The disclosure regarding the details of difference between the amount of valuation at the time of one-time settlement and valuation done while taking loans from banks or financial institutions is not applicable, during the financial year under review.

iii. The Joint Managing Directors and Managing Director of the Company do not receive any remuneration or commission from any of its subsidiaries and joint venture companies, except Mr. Sanjay Gulati, Joint Managing Director, who draws remuneration from a subsidiary and joint venture company, Isgec Hitachi Zosen Limited.

iv. The Company has complied with the applicable provisions of the Maternity Benefit Act, 1961, including maternity leave benefits, crèche facility, and other relevant employee welfare provisions during the financial year 2025–26.

36 Personnel

36.1 The Board wishes to express its appreciation to all the employees of the Company for their contribution to the operations of the Company during the financial year.

37 Acknowledgements

37.1 Your Directors take this opportunity to thank the Financial Institutions, Banks, Government Authorities, Regulatory Authorities, Stakeholders, and the Shareholders for their continued co-operation and support to the Company.

For and on behalf of the Board of Directors of
Isgec Heavy Engineering Limited

Ranjit Puri
Chairman
DIN: 00052459

Date: August 11, 2026
Place: Noida

Annexure-1

Form AOC-1

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

The disclosure under first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014

Part " A" : Subsidiaries

(₹ in lakhs)

Description		2025-26										
1	Name of the Subsidiary Companies	**Isgec Covema Ltd.**	**Isgec Exports Ltd.**	**Saraswati Sugar Mills Ltd.**	**Isgec Engineering & Projects Ltd.**	**Free Look Software Private Ltd.**	**Isgec Hitachi Zosen Ltd.**	**SFW Isgec Energy Private Ltd. (Formerly known as Isgec SFW Boilers Private Ltd.)**	**Isgec Titan Metal Fabricators Private Ltd.**	**Isgec Redecam Enviro Solutions Private Ltd.**	**Eagle press & Equipment co. Limited*** **	**Isgec Investment PTE Limited**** **
2	The date since when the subsidiary was acquired	**24/05/1988**	**29/02/1996**	**20/07/2000**	**22/03/2007**	**21/06/2014**	**21/03/2012**	**17/02/2015**	**25/06/2015**	**01/02/2017**	**18/09/2018**	**27/08/2019**
3	Reporting Period	**Year Ended March 31, 2026**	**Year Ended March 31, 2026**	**Year Ended March 31, 2026**	**Year Ended March 31, 2026**	**Year Ended March 31, 2026**	**Year Ended March 31, 2026**	**Year Ended March 31, 2026**	**Year Ended March 31, 2026**	**Year Ended March 31, 2026**	**Year Ended March 31, 2026**	**Year Ended March 31, 2026**
4	Reporting Currency	Indian Rupees	Indian Rupees	Indian Rupees	Indian Rupees	Indian Rupees	Indian Rupees	Indian Rupees	Indian Rupees	Indian Rupees	CAD	SGD
5	Share Capital	200.00	10.00	709.99	400.00	2.47	10,000.00	200.00	120.00	200.00	2,501.55	5.20
6	Reserves & surplus	32.27	58.60	41,955.89	31.14	952.76	16,065.73	866.76	2,861.20	520.40	(5,136.53)	(56,572.41)
7	Total Assets	647.50	78.16	65,038.23	431.51	955.77	88,212.48	1,567.15	11,629.28	4,951.87	16,439.50	96,938.70
8	Total Liabilities	415.23	9.56	22,372.35	0.37	0.54	62,146.75	500.39	8,648.08	4,231.47	19,074.48	153,505.92
9	Investments	-	-	-	-	-	-	-	-	-	52.66	1,760.50
10	Turnover *	19.00	9.29	79,197.67	15.75	62.53	67,174.08	1,832.69	10,237.75	2,811.70	14,793.31	(9,287.47)
11	Profit/(Loss) before Taxation before OCI	(0.03)	8.96	2,557.17	8.28	61.93	10,324.11	467.76	1,254.64	286.29	1,025.54	(37,321.71)
12	Provision for Taxation											
	a. Current Tax	-	2.25	397.79	2.48	15.60	2,767.46	123.74	290.42	75.42	-	0.51
	b. Deferred Tax	(0.01)	-	299.18	-	-	(97.37)	(7.66)	(16.93)	-	634.07	16.05
13	Profit/(Loss) after Taxation	(0.02)	6.71	1,860.20	5.80	46.33	7,654.02	351.68	981.15	210.87	391.47	(37,338.27)
14	Other Comprehensive Income	-	-	(20.27)	-	-	48.23	4.95	5.48	-	(352.97)	(1,817.02)
15	Proposed Dividend **	-	-	709.99	-	-	1,910.00	200.00	300.00	120.00	-	-
16	% of Shareholding	100%	100%	100%	100%	100%	51%	51%	51%	51%	100%	100%

Description		2024-25										
1	Name of the Subsidiary Companies	Isgec Covema Ltd.	Isgec Exports Ltd.	Saraswati Sugar Mills Ltd.	Isgec Engineering & Projects Ltd.	Free Look Software Private Ltd.	Isgec Hitachi Zosen Ltd.	SFW Isgec Energy Private Ltd. (Formerly known as Isgec SFW Boilers Private Ltd.)	Isgec Titan Metal Fabricators Private Ltd.	Isgec Redecam Enviro Solutions Private Ltd.	Eagle press & Equipment co. Limited***	Isgec Investment PTE Limited****
2	The date since when the subsidiary was acquired	24/05/1988	29/02/1996	20/07/2000	22/03/2007	21/06/2014	21/03/2012	17/02/2015	25/06/2015	01/02/2017	18/09/2018	27/08/2019
3	Reporting Period	Year Ended March 31, 2025	Year Ended March 31, 2025	Year Ended March 31, 2025	Year Ended March 31, 2025	Year Ended March 31, 2025	Year Ended March 31, 2025	Year Ended March 31, 2025	Year Ended March 31, 2025	Year Ended March 31, 2025	Year Ended March 31, 2025	Year Ended March 31, 2025
4	Reporting Currency	Indian Rupees	Indian Rupees	Indian Rupees	Indian Rupees	Indian Rupees	Indian Rupees	Indian Rupees	Indian Rupees	Indian Rupees	CAD	SGD
5	Share Capital	200.00	10.00	709.99	400.00	2.47	10,000.00	200.00	120.00	200.00	2,501.55	5.20
6	Reserves & surplus	232.29	144.39	41,535.93	25.33	906.43	9,033.49	630.13	1,874.57	400.69	(5,175.03)	(17,417.13)
7	Total Assets	879.32	154.69	89,782.82	425.93	909.29	103,553.65	1,156.03	8,097.26	4,930.18	11,904.23	99,070.13
8	Total Liabilities	447.03	0.30	47,536.90	0.60	0.39	84,520.16	325.90	6,102.69	4,329.49	14,577.71	116,482.06
9	Investments	-	-	-	-	-	-	-	-	-	45.66	1,672.44
10	Turnover *	19.99	10.22	74,923.55	16.04	59.32	61,491.05	1,231.31	3,583.09	5,731.12	10,480.74	273.77
11	Profit/(Loss) before Taxation before OCI	(0.02)	9.91	6,276.77	8.41	58.95	3,584.85	242.07	(239.98)	516.24	451.99	(16,943.93)
12	Provision for Taxation											
	a. Current Tax	0.04	2.49	1,216.77	2.56	14.84	1,091.71	70.24	-	130.20	-	-
	b. Deferred Tax	(0.28)	-	418.22	-	-	(177.89)	(5.73)	(11.35)	-	(117.94)	18.18
13	Profit/(Loss) after Taxation	0.22	7.42	4,641.78	5.85	44.11	2,671.03	177.56	(228.63)	386.04	569.93	(16,962.11)
14	Other Comprehensive Income	-	-	(14.70)	-	-	(43.10)	(10.67)	(0.20)	-	99.65	(207.14)
15	Proposed Dividend **	200.00	-	1,419.98	-	-	670.00	120.00	-	100.00	-	-
16	% of Shareholding	100%	100%	100%	100%	100%	51%	51%	51%	51%	100%	100%

* Includes Other Income

** Includes interim dividend paid during the year

*** Reporting currency is Canadian Dollar (CAD) and exchange rate as on the last day of relevant financial year is ₹ 68.15

**** Reporting currency is Singapore Dollar (SGD) and exchange rate as on the last day of relevant financial year is ₹ 73.525

Notes :

1. Names of subsidiaries which have been liquidated or sold during the year : Nil

Part " B" : Associates and Joint Ventures- Isgec Hitachi Zosen Ltd., SFW Isgec Energy Private Ltd. (Formerly known as Isgec SFW Boilers Private Ltd.)., Isgec Titan Metal Fabricators Private Ltd. and Isgec Redecam Enviro Solutions Private Ltd. are also Joint venture companies.

Annexure-2

Management Discussion and Analysis



One of the world's largest Waste Heat Recovery (WHR) boilers for the cement industry, generating 34.5 MW of power from a single line.

GLOBAL ECONOMY

The global economy delivered resilient growth in 2025, withstanding a complex environment of trade policy shifts, geopolitical uncertainty and elevated sovereign debt levels across major economies. According to the International Monetary Fund's April 2026 World Economic Outlook, global GDP grew at an estimated 3.4% in 2025. Early 2026 introduced fresh headwinds, including a period of geopolitical disruption in the Middle East that temporarily affected energy markets and maritime trade routes, which the IMF's April projections reflect. As of July 2026, conditions have slightly improved: energy prices have retraced, major shipping lanes reopened, however, the geopolitical situation continues to be unpredictable. India, through this period, maintained its position as the fastest-growing major economy globally.

Global GDP and Inflation

Indicator	Calendar Year 2025 (Estimate)	Calendar Year 2026 (Projection)	Calendar Year 2027 (Projection)
World Output Growth (%)	3.4%	3.1%	3.2%
Advanced Economies Growth (%)	1.9%	1.8%	1.7%
United States Growth (%)	2.1%	2.3%	2.1%
Emerging Market & Developing Economies (%)	4.4%	3.9%	4.2%
Global Headline Inflation (%)	4.1%	4.4%	3.7%
Crude Oil — Brent (US$/barrel)	$67.74 (actual)	~$85 (actual as at July 2026)	$75.97

Source: International Monetary Fund's World Economic Outlook — April 2026. imf.org/publications/weo

Key Global Risks and Opportunities

Factor	Assessment
Geopolitical and Energy Market Volatility	Geopolitical Disruptions In Early 2026 Temporarily Elevated Energy Prices And Global Freight Costs. By Mid-2026, Conditions Have Improved. Crude Oil Prices Are Approximately Usd 85 Per Barrel As At July 2026, Closer To 2025 Levels. Residual Uncertainty From Ongoing Diplomatic Processes Warrants Continued Monitoring But Is Not Expected To Materially Alter The Global Growth Trajectory.
US Trade Policy and Tariff Regime	Partially resolved. A US–India interim trade arrangement limits damage to Indian exporters. Ongoing evolution of tariff architecture across major trading relationships creates some uncertainty for global supply chains but also reinforces the China+1 sourcing diversification opportunity for Indian manufacturers.
China+1 Supply Chain Diversification	Western OEMs, EPC firms and end-customers continue to actively diversify supply chains away from Chinese suppliers. This structural trend is creating significant qualification and order opportunities for Indian capital goods manufacturers across process equipment, castings, containers and boiler components.
Global Defence Spending	Defence budgets are rising across North Atlantic Treaty Organisation) (NATO) and Indo-Pacific economies, driven by structural shifts in the security environment. According to the IMF's April 2026 World Economic Outlook (WEO), large defence spending booms, where outlays increase by approximately 2.7 percentage points of GDP over two-and-a-half years have become more frequent globally. This creates an expanded addressable market for defence-capable manufacturing.
Energy Transition Investment	Global energy investment is estimated at over US$3 trillion in 2024 and projected to reach US$3.3 trillion in 2025, according to the IEA's World Energy Investment report. Investment spans conventional and clean energy across power, refinery, chemicals and industrial sectors, core markets for Isgec's manufacturing and project businesses.
AI and Productivity	AI-driven productivity gains present a structural opportunity for manufacturing and engineering sectors. The pace and breadth of adoption will determine the degree to which productivity improvements accrue to capital goods manufacturers and their customers over the medium term.
Elevated Sovereign Debt	Global sovereign debt levels remain elevated, constraining fiscal space in several key economies and limiting the scale of government-led infrastructure and industrial investment programs.

Source: IMF World Economic Outlook — April 2026; IEA — World Energy Investment 2025. imf.org; iea.org

Global Outlook

The global economic outlook for 2026-2027 is constructive, with global growth projected to recover modestly to 3.2% in 2027 as energy supply normalises and trade conditions stabilise. The structural tailwinds relevant to Isgec — the India growth story, the China+1 sourcing shift, rising global defence spending and the sustained energy transition investment cycle — remain firmly in place. Wars in East Europe and West Asia had a marginal effect on our business. The Company is well-positioned to capitalise on each of these trends through its diversified manufacturing, project and engineering capabilities and continues to be cautiously optimistic.

INDIAN ECONOMY

India maintained its position as the world's fastest-growing major economy in 2025-26, delivering 7.6% real GDP growth, its strongest performance in three years, supported by robust private consumption, manufacturing sector expansion, sustained government infrastructure investment and easing monetary conditions. According to Ministry of Statistics and Program Implementation (MoSPI's) Second Advance Estimates under the revised base year 2022-23, India's real GDP growth for 2025-26 is estimated at 7.6%, revised upward from the First Advance Estimate of 7.4%. India also cemented its position as the world's fourth largest economy by nominal GDP, surpassing Japan in 2025.

GDP Performance

Indicator	Financial Year 2024-25	Financial Year 2025-26	Financial Year 2026-27 Projection
Real GDP Growth (%)	7.1%	7.6%	6.9% (RBI) / 6.5% (IMF)
Nominal GDP Growth (%)	9.7%	8.6%	~10.0% (Budget estimate)

Source: MoSPI — Second Advance Estimates Financial Year26, February 27, 2026. mospi.gov.in

Key Economic Indicators — Financial Year 2025-26

Indicator	Value / Outcome	Isgec Relevance
Real GDP Growth Financial Year 2025-26	7.6% (new base year 2022-23)	Sustained demand for capital goods, power, infrastructure and industrial equipment across all Isgec divisions
Private Final Consumption Growth	7.7%	Rising consumption drives automotive and consumer goods sectors directly driving press orders
Gross Fixed Capital Formation Growth	7.1%	Investment cycle drives capital goods procurement; Gross Fixed Capital Formantion growth signals sustained capex by Isgec's industrial customers
Manufacturing Sector GVA Growth	11.5%	India's manufacturing expansion directly supports demand for Isgec's presses, process equipment, castings and boilers

Source: MoSPI — Second Advance Estimates Financial Year26, February 27, 2026; RBI Monetary Policy Statement — April 8, 2026. mospi.gov.in; rbi.org.in

RBI Monetary Policy

The Reserve Bank of India's Monetary Policy Committee (MPC), at its 60th meeting held 6th to 8th April, 2026, voted unanimously to hold the policy repo rate unchanged at 5.25%, retaining a neutral stance. Cumulative rate reductions of 125 basis points during Financial Year 2025-26 have materially reduced financing costs for Isgec's industrial customers across capital goods, energy and infrastructure sectors. CPI inflation stood at 3.48% in April 2026 under the new series. The RBI has projected Financial Year 2026-27 CPI inflation at 4.6%, reflecting some pass-through from global energy market developments; this projection is subject to review as energy prices continue to normalise.

Indicator	Value / Outcome	Isgec Relevance
RBI Policy Repo Rate (April 8, 2026)	5.25% held unchanged (cumulative 125 bps reduction in Financial Year 2025-26)	Rate stability; cumulative cuts reduce financing costs for industrial customers
CPI Inflation (April 2026)	3.48% (new base year series)	Manageable; limits further pressure on input costs and customer spending
RBI Financial Year 2026-27 CPI Inflation Projection	4.6%	Upside risk; input cost monitoring warranted; projection may moderate as global energy prices ease

Source: Monetary Policy Statement, 2026-27 — Resolution of the MPC, April 6to 8, 2026. rbi.org.in

Union Budget 2026-27

The Union Budget 2026-27 reinforces India's commitment to investment-led growth, with a significant increase in capital expenditure and a sharply higher allocation to defense, both of direct relevance to Isgec's business development priorities.

Budget Parameter	Financial Year 2025-26	Financial Year 2026-27 (Budget)	Isgec Relevance
Capital Expenditure	₹11.0 Lakh Crore	₹12.2 Lakh Crore (+10.9%)	Direct stimulus to power, port, railway and energy capex, Isgec's primary demand driver across multiple divisions
Total Defence Allocation	₹6.81 Lakh Crore	₹7.85 Lakh Crore (+15.2%)	Expands addressable market for defence manufacturing; directly relevant to Isgec's emerging defence sector qualifications
Defence Capital Expenditure	₹1.80 Lakh Crore	₹2.19 Lakh Crore (+21.8%)	Capital acquisition drives equipment procurement aligned with Isgec's defence and space qualification activities
DRDO Budget	₹26,817 Crore	₹29,100 Crore (+8.5%)	R&D spending drives indigenisation programs and import-substitution opportunities for domestic manufacturers

Source: Union Budget 2026-27 — Ministry of Finance; PIB — Defence in Union Budget 2026-27. indiabudget.gov.in; pib.gov.in

TEA (Triethyl Aluminum) Injection Module, for Refining and Petrochemical Industry.



National Green Hydrogen Mission

The National Green Hydrogen Mission, with a government outlay of ₹19,744 Crore, targets 5 Million Metric Tonnes of green hydrogen production capacity by 2030. This Mission is generating a direct and growing demand pipeline for process plant equipment, pressure vessels, heat exchangers, reactors and piping for green ammonia, green hydrogen and related clean energy infrastructure across Isgec's Process Equipment and Boiler divisions. India's emphasis on energy self-sufficiency and domestic clean energy production reinforces the long-term relevance of this mission for the Company's forward order book.

Source: Ministry of New and Renewable Energy — National Green Hydrogen Mission. mnre.gov.in

Viksit Bharat 2047

India's overarching Viksit Bharat vision targets a GDP of US$30–40 trillion by the centenary of independence, requiring manufacturing's share of GDP to expand from approximately 14% to 25%, sustained infrastructure investment over two decades and a significant deepening of India's industrial and energy sectors. Achieving these ambitions necessitates a sustained expansion of domestic heavy engineering capability directly aligned with Isgec's manufacturing and project portfolio across presses, process equipment, boilers, bulk material handling, and sugar and ethanol infrastructure.

Source: PIB — Viksit Bharat 2047; Economic Survey 2025-26, Ministry of Finance. indiabudget.gov.in

Outlook for Financial Year 2026-27

India's macroeconomic outlook for Financial Year 2026-27 remains broadly positive and well-supported by domestic fundamentals. Both the RBI (6.9%) and IMF (6.5%) project India as the fastest-growing major economy globally in Financial Year 2026-27. Government capital expenditure of ₹12.2 Lakh Crore provides direct demand stimulus across the infrastructure, power and industrial sectors that are the primary drivers of Isgec's order inflows. Monetary policy remains supportive following cumulative rate reductions in Financial Year 2025-26. The structural tailwinds from Production Linked Incentice schemes, Make in India and the Viksit Bharat vision are fully intact.

IInflationary pressures projected at 4.6% CPI for Financial Year 2026-27 by the RBI and residual global uncertainty will require monitoring, but neither is expected to materially constrain the capital goods demand environment. The overall backdrop for Isgec entering Financial Year 2026-27 is one of sustained domestic demand, favourable policy, and a progressively strengthening export market position. With revenue from exports representing roughly 22% of total revenue, which is more than double the previous financial year.

Source: RBI Monetary Policy Statement — April 8, 2026; IMF World Economic Outlook — April 2026; Union Budget 2026-27, Ministry of Finance

3 x 220 TPH, Bagasse and Coal Fired Travelling Grate Boiler, for the Sugar Industry



INDUSTRY STRUCTURE AND DEVELOPMENT

The Heavy Engineering Industry forms the backbone of India's industrial and infrastructure development, supplying critical capital goods, process equipment and turnkey solutions to virtually every core sector of the economy. Strong growth momentum is expected across nearly all end-markets served by the Company over the next five to seven years, driven by sustained government capital expenditure, the Make in India initiative, import substitution imperatives, and the China+1 diversification strategy of global companies seeking to reduce supply chain concentration risks.

Isgec's multi-product, multi-sector portfolio spanning presses, process plant equipment, liquefied gas containers, boiler pressure parts and piping, iron and steel castings, sugar and distillery plants, emission control systems and material handling equipment provides a natural hedge against cyclicity in any individual sector and positions the Company to participate across the breadth of India's industrial expansion.

Thermal Power

India's energy security strategy continues to accord significant importance to thermal power as the reliable baseload foundation for a grid that is rapidly absorbing intermittent renewable capacity. The Central Electricity Authority's generation planning studies estimate that India will require 283 Giga Watts (GW) of total coal and lignite-based installed capacity to meet base-load demand by 2031-32, against an installed base of approximately 217 GW in 2025. To bridge this gap, the Government of India proposes to add a minimum of 80 GW of new coal-based capacity by 2031-32, with a strong emphasis on supercritical and ultra-supercritical technologies for higher thermal efficiency and lower emissions. Capital expenditure to achieve this target is estimated at a minimum of ₹6,67,200 Crore, based on a unit cost of ₹8.34 Crore per Mega Watts (MW) at 2021-22 price levels. As of August 2025, approximately 35 GW of new coal plants were under active construction across 25 projects, with further blocks, Lara-II, Talcher-III, Sipat-III, Singrauli-III, Nabinagar-II, and Talabira stretching into 2027-30. During 2025-26, India added 52,537 MW of generation capacity, the highest-ever capacity addition in a single year with total installed capacity crossing 520 GW.

The thermal power build-out is, by volume, the single largest addressable opportunity for Indian heavy engineering manufacturers supplying boiler pressure parts, turbine castings, emission control systems, and material handling solutions.

Source: CEA — National Electricity Plan 2022-32, PIB — Record Power Capacity Addition in FY 2025-26

Renewable Energy

India crossed a landmark milestone during 2025-26, with non-fossil fuel sources exceeding 50% of total installed power generation capacity achieving its Paris Agreement commitment five years ahead of the 2030 target. As on March 31, 2026, total installed non-fossil fuel capacity stood at 283.46 GW, comprising Solar: 150.26 GW; Wind: 56.09 GW; Large Hydro: 51.41 GW; Bio-energy: 11.75 GW; Small Hydro: 5.17 GW; and Nuclear: 8.78 GW. India added 55.3 GW of non-fossil fuel capacity in 2025-26 alone, the highest annual addition ever recorded and now ranks third globally in renewable energy installed capacity per IRENA Renewable Energy Statistics 2026.

The structural shift towards renewable energy is simultaneously creating new demand for biomass boilers, waste-to-energy systems, waste heat recovery equipment and the full suite of process plant equipment required for green ammonia, green hydrogen and Compressed Biogas production infrastructure.

Source: PIB — Non-Fossil Fuel Capacity as on March 31, 2026. pib.gov.in/PressReleasePage.aspx?PRID=2250039, https://www.pib.gov.in/PressReleaseIframePage.aspx?PRID=2017271&reg=3&lang=2

India's first 2×16.8 TPH Waste Heat Recovery Boiler for Steel Industry, turning Low grade Furnace Waste Heat into Clean Power



Nuclear Power

India's nuclear power program is at an inflection point. With 8 reactors currently under construction and 10 more in pre-project stages, with installed capacity projected to reach 22.38 GW by 2031-32 and a long-term target of 100 GW by 2047 under the Nuclear Energy Mission, the sector is set to become a meaningful demand driver for India's heavy engineering industry. The Union Budget 2026-27 announced a framework enabling private sector participation in nuclear power through Bharat Small Reactors (BSRs) and Bharat Small Modular Reactors (BSMRs), unlocking a new market for nuclear-grade precision engineering and complex fabricated components. Isgec is strategically positioned to capture this demand through its precision Contract Manufacturing capabilities—delivering complex sub-assemblies such as Calandria Vault Top Hatches and Beam & Deck Plate Assemblies—as well as its nuclear-grade Process Equipment capabilities, encompassing critical Pressure Vessels and heavy-duty Shell & Tube Heat Exchangers.

The global strategic imperative for energy diversification and security has reinforced nuclear power's importance in national energy mixes, with the International Energy Agency (IEA) noting growing interest in nuclear, including small modular reactors, as a reliable low-carbon baseload source, consistent with historical precedent following periods of energy price volatility.

Source: Department of Atomic Energy, PIB. pib.gov.in/PressReleasePage.aspx?PRID=2238911

Hydro Power and Pumped Storage

India's hydro power capacity is targeted to increase to 67 GW by 2031-32, representing approximately 50% growth from current levels. Additionally, 55 GW of Pumped Storage Projects is planned to be added by 2031-32, providing critical grid-balancing infrastructure for the renewable-heavy power system. The hydro and pumped storage build-out creates sustained demand for various turbine casings, pump casings, butterfly valve castings, and specialised structural castings. This multi-pronged build-out drives long-term demand for specialized hydro turbines, heavy valves, and complex structural components. Isgec addresses these requirements through its precision engineering capabilities supplying key Contract Manufacturing Solutions such as rotors, valves and various Steel and Iron Castings for the sector.

The Union Cabinet has approved the Small Hydro Power Development Scheme for Financial Year 2026-27 to Financial Year 2030-31, with an outlay of ₹2,584.60 Crore for installation of approximately 1,500 MW of small hydro projects (between 1–25 MW capacity), particularly benefiting hilly and North-Eastern states with high untapped potential.

Source: PIB — MNRE Annual Achievement Report FY 2025-26, April 8, 2026. pib.gov.in/PressReleasePage.aspx?PRID=2250039, CEA — National Electricity Plan 2022-32, https://energy.economictimes.indiatimes.com/news/renewable/indias-hydropower-capacity-to-increase-from-current-42gw-to-67gw-by-2031-32/109079615

23 MT Main Frame Casting, Manufactured For Mining Industry



Oil & Gas Refineries

India is the fourth-largest oil refiner globally. An active refinery expansion cycle is underway, with the commissioning of the Barmer Refinery (180,000 BBL/d), the expansion of the Gujarat Refinery from 274,000 to 360,000 Barrels per day (BBL/d) (targeted by mid-2026) and the tripling of Numaligarh Refinery capacity from 3 MMTPA to 9 MMTPA (targeted by December 2026), among others. India's total refining capacity is projected to reach approximately 309.5 MMTPA by 2028. Each refinery expansion and new plant commission generates sustained demand for process plants and process plant equipment such as, heat exchangers, pressure vessels, reactors, columns and piping across Isgec's manufacturing divisions.

Source: Reuters — Indian Oil Gujarat Refinery Expansion, industrialinfo.com — India's Refining Sector Expands Amid Rising Demand, Economic Times — PM Modi in Assam, Numaligarh Refinery

Automobile

The Indian automobile industry recorded its highest-ever annual sales in 2025-26, with total domestic vehicle sales of 28.27 Million units (+10.4% year-on-year) and total production reaching 34.71 Million units (+11.8%). Passenger vehicles reached 4.64 Million units (+7.9%), commercial vehicles 1.08 Million units (+12.6%) and two-wheelers 21.71 Million units (+10.7%). Exports across passenger vehicle segments reached 9.05 Lakh, a new record. All major vehicle segments reported double-digit growth simultaneously during 2025-26the first time in seven years that every category recorded its best-ever sales together.

Electric vehicle adoption continued to accelerate, with EV registrations crossing 2 Million in 2025, as OEMs increasingly invest in EV-specific production lines requiring new press technologies including large-tonnage servo presses, hot-forming press-hardening lines and automated transfer lines. The Company is strategically aligned with this technological transformation, delivering high-precision Mechanical Presses, Hydraulic Presses, and heavy-duty Iron Castings as well as specialized Tool & Die Castings designed for high-volume automotive stamping and structural components.Our Machine Tool business, which relies significantly on the automotive sector, has experienced a strong revival following years of sluggish growth, a momentum we expect to sustain.

Source: SIAM — Auto Industry Performance Q4 FY 2025-26, https://www.ptinews.com/detail/business/Automobile-wholesales-in-India-clock-record-2-83-crore-units-in-FY26-SIAM/3563415, https://evreporter.com/india-sold-2550865-electric-vehicles-across-categories-in-fy-2025-26/

Steel

India retained its position as the world's second-largest steel producer in 2025-26, with crude steel production of 168.4 MT (+10.7% year-on-year) and finished steel consumption of 164 MT (+7–8%). Installed steel capacity stands at approximately 220 MTPA, with the National Steel Policy targeting 300 MTPA by 2030. The country regained its status as a net steel exporter in 2025-26, with exports of 6.6 MT (+35.9%) and imports declining sharply by 31.7%, strengthening its footprint across the Middle East, Europe, and Southeast Asia. Per capita steel consumption moved closer to 100 kg during 2025-26, a milestone that underscores the sector's structural growth.

The ongoing expansion of steel capacity and the adoption of energy-efficient production technologies continue to generate strong demand for Isgec's iron and steel castings; boilers & emission control systems; as well as contract manufacturing capabilities. Temporary commodity price pressures, including fluctuations in alloy, gas and raw material costs in the second half of Financial Year 2025-26, are expected to ease as global supply chains normalise. Isgec is well-positioned to serve primary steel producers through its high-reliability Contract Manufacturing equipment, Industrial Boilers, Waste Heat Recovery Boilers (WHRB), advanced Emission Control Solutions, and specialised Iron and Steel Castings.

Source: Ministry of Steel — Annual Report 2024-25, PIB. pib.gov.in/PressReleasePage.aspx?PRID=2250022

Fertiliser

The fertiliser sector operates in a complex global market with significant policy, logistics and energy linkages. Domestic urea production reached 275.75 Lakh Tonnes during April–February 2025-26, against an installed capacity of 269.42 Lakh Tonnes per annum across 33 manufacturing units. The government has long-term supply agreements in place with Saudi Arabia (31 Lakh Tonnes annually), Russia (30.10 Lakh Tonnes) and Morocco (25 Lakh Tonnes), alongside a sustained commitment to domestic production self-reliance that is expected to drive new fertiliser plant investment over the medium term. The PLI Scheme for fertilisers and the expansion of domestic capacity through coal-gasification and Liquified Natural Gas (LNG) based feedstock diversification represent sustained capital investment opportunities for Isgec's process plant equipment business.

Global fertiliser market dynamics, including urea price movements, LNG feedstock availability and government subsidy frameworks, create variability in the timing of new plant investment decisions. The government's continued support for the fertiliser subsidy programme and domestic capacity expansion is expected to sustain project award activity over the medium term. Isgec is uniquely positioned to capture these capital investment opportunities across the fertiliser value chain by supplying a comprehensive suite of high-reliability Process Equipment, including Ammonia Converters, Ammonia Converter Internals, Carbamate Condensers, High-Pressure (HP) Heat Exchangers, HP Urea Strippers, Methanators, Shift Reactors, Urea Hydrolyzers, and Waste Heat Boilers, alongside advanced Emission Control Solutions such as Bag Filters. Source: PIB — Urea Production and Fertiliser Sector. pib.gov.in/PressReleasePage.aspx?PRID=2246951, PIB. pib.gov.in/PressReleasePage.aspx?PRID=2237491

Cement

The Indian cement industry is on a strong growth trajectory, underpinned by sustained demand from infrastructure development, government housing schemes, and urban construction activity. India's total cement production for 2024-25 stood at 453 MT (+6.3% year-on-year), with total installed capacity estimated at approximately 690 MTPA. Demand is projected to grow 7–8% in 2025-26, supported by the government's continued capital expenditure push, the Pradhan Mantri Awas Yojana, and large-scale infrastructure projects. India's top cement producers plan to invest approximately ₹1,20,000 Crore in capital expenditure between Financial Year 2025-26 and Financial Year 2027-28, nearly 50% higher than the prior three years, with a growing focus on Waste Heat Recovery systems, alternative fuels, renewable energy and Carbon Capture Utilisation technologies. Isgec is uniquely positioned to address this capital expansion and green transition through its comprehensive clean-tech and engineering portfolio, supplying high-efficiency Waste Heat Boilers, Power Plants (HRSGs), specialized Boilers, advanced Emission Control Solutions such as Bag Filters, and heavy-duty Steel Castings.

Source: cemnet.com — India's Per Capita Cement Consumption, IBEF — Cement Sector India. ibef.org/industry/cement-india

Circulating Fluidized Bed Combustion Boiler for Cement Industry



Sugar, Ethanol and Biofuels

All-India sugar production stood at approximately 280 Lakh Tonnes as of May 2026 approximately 7% higher than the corresponding period of the previous year, with Maharashtra at 99.2 Lakh Tonnes, Uttar Pradesh at 89.65 Lakh Tonnes, and Karnataka at 48.01 Lakh Tonnes. India achieved its E20 blending target during Ethanol Supply Year 2025-26, with ethanol supplies crossing 717.3 Crore Litres till June 2026. Total domestic distillation capacity has expanded to approximately 2,000 Crore Litres combining grain and sugarcane-based sources.

Policy focus has now shifted to the next phase: E30 blending by 2030, Sustainable Aviation Fuel exports (permitted by DGFT in 2025-26), flex-fuel vehicles and Compressed Biogas. The structural case for biofuels as a domestic, renewable energy source that enhances energy security and provides a commercially attractive end-market for agricultural feedstocks continues to strengthen. However, with E20 blending targets met and distillery capacity now in surplus relative to Oil Marketing Companies (OMC) allocations, new distillery investment is moderating, requiring the industry to pivot towards E30, Sustainable Aviation Fuel, Compressed Bio Gas and advanced biofuels to sustain growth. This structural evolution alters demand dynamics for Isgec, shifting customer investment from basic capacity addition to high-efficiency modernisations, multi-feedstock flexibility, and clean energy integration. Isgec is well poised to capitalise on this next phase of growth by supplying advanced Sugar Manufacturing Plants and energy-efficient Boilers, high-reliability Process Plant Equipment, and precision-engineered Iron and Steel Castings designed for high-stress bioenergy applications.

Source: ISMA — Sugar Production Data, Economic Times — Ethanol Supplies

Ports and Logistics

India's major ports handled a record 915.17 Million Tonnes of cargo in 2025-26, surpassing the annual target of 904 Million Tonnes , with 7.06% year-on-year growth. Deendayal Port Authority recorded 160.11 Million Tonnes , a new record, while Jawaharlal Nehru Port Authority crossed 102.01 Milion Tonnes for the first time. Sagarmala 2.0, supported by ₹85,482 Crore, aims to catalyse ₹3.6 Lakh Crore in total investment, with 315 projects worth ₹1.57 Lakh Crore already completed as of March 2026 . Isgec is strategically positioned to capitalize on this extensive port infrastructure build-out by supplying critical bulk material handling systems and heavy port equipment, including Stacker Reclaimers, Port and Cargo Container Cranes, and continuous Ship Loaders and Unloaders.

Source: PIB — Major Ports Throughput 2025-26. pib.gov.in/PressReleasePage.aspx?PRID=2251071

Defence and Aerospace

India's defence budget for 2026-27 stands at ₹7.85 Lakh Crore (+15.19% over 2025-26), with capital expenditure of ₹2.19 Lakh Crore (+21.8%) and ₹1.39 Lakh Crore earmarked for domestic procurement, representing 75% of the capital acquisition budget. The Defence Research Development Organisation budget has been raised to ₹29,100.25 Crore. In 2025-26 alone, the Ministry of Defence signed contracts worth approximately ₹2.10 Lakh Crore and approved procurement proposals of over ₹3.50 Lakh Crore.

Globally, defence expenditure is on a structural upward trajectory. According to the IMF's April 2026 World Economic Outlook, a typical defence spending boom results in outlays increasing by approximately 2.7 percentage points of GDP over two-and-a-half years. For India specifically, the combination of rising domestic defence allocation and the government's indigenisation mandate, with 75% of capital expenditure directed to domestic procurement, creates a directly addressable opportunity for Isgec as it progresses its defence sector qualifications.

Source: PIB — Defence in Union Budget 2026-27. Pib.gov.in, IMF WEO April 2026

THREATS

Chinese Competitive Pressure

Chinese heavy engineering manufacturers, operating with large domestic capacities and economy-of-scale cost advantages, continue to offer aggressive pricing across process equipment, boiler pressure parts and containers in both domestic and international markets. Intensifying global trade tensions may redirect Chinese manufacturing output into third-party markets, amplifying competitive pressure in price-sensitive segments and geographies.

Domestic Chlor-Alkali Market Overcapacity

Structural overcapacity in India's Chlor-Alkali sector has suppressed domestic container demand, with major customers deferring procurement. Recovery depends on rationalisation of industry capacity, the timeline for which remains uncertain. Export markets are compensating but introduce greater logistics cost exposure.

Commodity and Input Cost Volatility

Alloy steel, nickel, industrial gases and fabrication steel, key manufacturing inputs are subject to global price cycles, logistics constraints and supply concentration risks. While commodity prices have moderated from the elevated levels experienced in the second half of Financial Year 2025-26, ongoing global economic and geopolitical uncertainty may create periodic bouts of cost pressure that affect manufacturing margins, particularly across divisions with high alloy and specialty gas dependency.

Fertiliser Sector Investment Timing

New fertiliser plant investment decisions are sensitive to global feedstock (LNG and natural gas) availability and pricing, as well as government subsidy and capacity policy. Short-term volatility in input economics can delay project final investment decisions, affecting near-term domestic project award activity in this sector.

Policy and Regulatory Risk

The Ministry of Environment, Forest and Climate Change (MoEF&CC) notification of July 2025 restricted mandatory Flue Gas Desulphurisation (FGD) installation to only certain category of thermal power plants, materially reducing the addressable domestic FGD market. The emission control business is actively pivoting towards other Air Pollution control technologies like Dry Sorbent Injection, Semi-Dry Flue Gas Desulphurisation, Electrostatic Precipitators and Bag Filters as well as Water Treatment and Balance of Plant opportunities in response, though the full market development of these adjacencies will take time.

E20 Achievement — Moderation in Demand for New Distilleries

With India achieving its E20 blending target during 2025-26, new distillery investment is moderating as existing capacity is now in surplus relative to OMC ethanol allocations. The sugar and distillery manufacturing business must continue to pivot towards E30, SAF, CBG and advanced biofuel technologies, export markets and renewable energy opportunities to sustain its growth trajectory.

Skilled Manpower Availability

Constrained availability of skilled engineering and construction workforce poses an execution risk as the Company scales capacity across multiple divisions and enters new product lines and geographies. This is particularly relevant in the context of planned capacity expansions and new market entry initiatives across the manufacturing segment. Revised labour laws could further constrain skilled-workforce availability at project sites.

RISKS AND CONCERNS

Isgec maintains a Risk Management framework overseen by the Risk Management Committee of the Board. The Committee's mandate covers strategic, financial, operational, compliance and cybersecurity risks. Key risks and the Company's mitigation approach are outlined below.

Risk	Nature	Mitigation Approach
Foreign Exchange Risk	Financial	Foreign Exchange Risk Management Policy in place; all foreign exchange exposures, both export and import, are hedged with banks; Board oversight
Chinese Competitive Pressure	Strategic	Differentiation through quality certifications (ASME, PED, EN), delivery reliability, technology complexity and China+1 positioning with Western EPCs and end-customers
Input Cost Volatility	Operational	Procurement on receipt of orders for key bought outs; long-term vendor frameworks; alternative sourcing development; fuel conversion initiatives for our manufacturing facilities
Global Supply Chain and Logistics	External	Active monitoring of global commodity and logistics markets; diversification of raw material sourcing geographies; advance procurement for critical and long-lead materials on high-value orders; customer communication on project schedule impacts where relevant
Policy and Regulatory Risk	Compliance	Active business pivot in affected divisions towards adjacent growth markets; ongoing policy monitoring
Working Capital Risk	Financial	Advance payments and milestone billing in project contracts; working capital facilities managed centrally
Concentration Risk	Strategic	Geographic diversification; new customer acquisition across divisions; sector diversification into defence, nuclear, and green energy
Technology Obsolescence	Strategic	Global technology partnerships; continuous manufacturing process innovation; digitisation investments across plants and embedded into products such as Boilers and Presses
Skilled Manpower Shortage	Operational	Multi-channel talent acquisition; campus recruitment from premier engineering institutions; apprenticeship programmes, training programmes, Hi-Pot trainings; Women Leadership initiatives

Chlorinated Polyvinyl Chloride Reactor for Chemical Industry



COMPANY OVERVIEW

Isgec Heavy Engineering Limited is one of India's foremost diversified heavy engineering conglomerates. Incorporated in 1933 at Yamunanagar, Haryana, as Saraswati Sugar Syndicate Limited. Over more than nine decades, the Company has transformed itself into a full-spectrum engineering powerhouse with deep capabilities across the manufacture of capital goods, execution of large industrial projects, and sugar and ethanol production.

The Company is listed on the BSE and NSE and holds an AA (Stable) and A1+ credit rating from ICRA. The Company's products and solutions have been supplied across 99 countries spanning 6 continents.



Rattangarh Plant

Key Statistics	Financial Year 2025-26
Manufacturing Plants (India + Canada + Philippines)	12
Covered Production Area	2,00,000+ square meter
Qualified Engineers	1,200+
Credit Rating (ICRA)	AA (Stable) and A1+
Net Worth (March 31, 2026)	₹2,88,767 Lakh

Technology Partnerships and Collaborations

Business Segments

Segment	Key Products and Services	Locations
Manufacturing of Machinery and Equipment	Mechanical, Hydraulic and Servo Presses; Liquefied Gas Containers; Process Plant Equipment (Heat Exchangers, Reactors, Pressure Vessels, Columns); Boiler Pressure Parts and Piping Spools; PrefabricatedI Skids and Modules; Contract Manufacturing (Built-to-Print and Built-to-Specification); Iron Castings; Steel Castings	Yamunanagar, Rattangarh, Muzaffarnagar, Bawal, Bhartoli, Dahej, Damla and Aurangabad Eagle Press & Equipment Co. Ltd. (Windsor, Canada)
Industrial Projects	Industrial and Green Energy Boilers, Sugar Plants and Distilleries, Emission Control Systems, Bulk Material Handling systems, Railway and Metro Projects, Wastewater Treatment, Process Plants	Project Business Offices at Noida (HQ), Chennai and Pune. Project sites in India & Globally
Sugar and Ethanol	Refined Sugar, Ethanol	Saraswati Sugar Mills Ltd., Yamunanagar, Haryana

Isgec has established strategic technology partnerships with global engineering leaders to access advanced process technologies, enhance manufacturing capabilities and offer state-of-the-art solutions to clients across its business divisions:

Partner	Country	Area of Collaboration
Sumitomo SHI FW Energia Oy	Finland	Circulating Fluidised Bed (CFB) Boilers up to 150 MWe and Reheat design for CFBC Boilers up to 100 MW
BHI FW Corporation	South Korea	Pulverised Coal Fired Sub-Critical and Super-Critical Boilers (60 MWe to 1,000 MWe)
Amec Foster Wheeler Energia S.L.U (Wood plc.)	Spain / UK	Oil and Gas Shop Assembled Water Tube Packaged Boilers; Feed Water Heaters and Surface Condensers
Fuel Tech Inc.	USA	Selective Non-Catalytic Reduction (SNCR) systems for NOx reduction
Babcock Power Environmental Inc.	USA	Wet Flue Gas Desulphurisation (FGD) systems for SO2 reduction
Envirotherm GmbH	Germany	Dry Flue Gas Desulphurisation systems
CB&I Technology Inc. (Lummus)	USA	Helix Heat Exchangers and Process Plant Equipment
Thermal Engineering International (TEi)	USA	Screw Plug Heat Exchangers and Process Waste Heat Boilers
NEM Energy B.V.	Netherlands	Heat Recovery Steam Generators (HRSGS)
AP&T	Sweden	Hot Forming Press Hardening Lines

Associates, Subsidiaries and Joint Ventures

Entity	Type	Business Activity
Saraswati Sugar Mills Limited	Wholly Owned Subsidiary	Sugar manufacturing and ethanol production, Yamunanagar, Haryana
Eagle Press & Equipment Co. Ltd.	Wholly Owned Subsidiary	Press manufacturing and sales, Windsor, Canada
Isgec Hitachi Zosen Limited	Subsidiary and Joint Venture	Process Plant Equipment, advanced manufacturing JV, Dahej
Isgec Titan Metal Fabricators Pvt. Ltd.	Subsidiary and Joint Venture	Pressure vessels and titanium fabrication
Isgec SFW Boilers Pvt. Ltd. (Subsequently renamed to SFW Isgec Energy Pvt. Ltd., consequent to reduction of the company's shareholding to 26% w.e.f June 25th 2026)	Subsidiary and Joint Venture (Now, Associate and Joint Venture)	CFB and industrial boiler technology and engineering
Isgec Redecam Enviro Solutions Pvt. Ltd.	Subsidiary and Joint Venture	Environmental engineering and emission control solutions
Isgec Covema Limited	Wholly Owned Subsidiary	Erection and Commissioning and Construction
Isgec Eswatini (Proprietary) Ltd., Eswatini	Wholly owned Subsidiary	Erection and Commissioning and Construction
Isgec Investments PTE Ltd.	Wholly Owned Subsidiary	Holding Company for Subsidiary companies (including Cavite Biofuels Producers Inc., Philippines)

Other Subsidiaries – Isgec Engineering and Projects Limited, Isgec Exports Limited, Free Look Software Pvt. Ltd. These subsidiary companies do not have significant business.

Quality Accreditations

Isgec's manufacturing capabilities are backed by an extensive portfolio of internationally recognised quality certifications that are mandatory for qualification across global EPC, process licensor, and end-customer supply chains:

- ISO 9001:2015 — Quality Management System
- ISO 14001:2015 — Environmental Management System
- ISO 45001:2018 — Occupational Health and Safety Management System
- ASME 'S', 'U', 'U-2', 'U-3', 'R' Stamps — Pressure Vessel and Boiler Manufacturing Codes
- ASME 'T' Stamp — Class 1 Transport Tank (enabling global supply of liquefied gas containers)
- NABL Certification — National Accreditation Board for Testing and Calibration Laboratories
- EN 1090-1:2009+A1:2011 — Execution of Steel and Aluminium Structures
- Conformité Européenne (CE Marking)
- PED (Pressure Equipment Directive) compliance (enabling European market supply)

17 Km Pipe Conveyor System, Crossing Three Major Rivers and 350m Railway line, for Power Sector



FINANCIAL PERFORMANCE

Financial Year 2025-26 Consolidated Financial Highlights

The following financial performance is based on consolidated full-year audited results for the financial year ended March 31, 2026.

Metric	Financial Year 2025-26	Financial Year 2024-25	Change
Revenue from Operations	₹6,78,926 Lakh	₹6,42,501 Lakh	+5.7%
Total Income (incl. Other Income)	₹6,92,228 Lakh	₹6,46,436 Lakh	+7.1%
EBITDA	₹67,134 Lakh (9.7% margin)	₹56,612 Lakh (8.8% margin)	+18.6%
Profit After Tax (PAT)	₹15,404 Lakh (2.2% margin)	₹20,439 Lakh (3.2% margin)	–24.6%
Net Worth	₹2,88,767 Lakh	₹2,78,929 Lakh	+3.5%
Net Debt	₹52,091 Lakh	₹92,160 Lakh	–43.5%
Total Borrowings	₹91,807 Lakh	₹1,06,940 Lakh	–14.1%
Dividend per Share	₹6.00	₹5.00	+20%
ROCE	11.4%	12.1%	–70 bps
Return on Equity (ROE)	5.3%	7.3%	–200 bps

Revenue from Operations grew 5.7% to ₹6,78,926 Lakh, with Total Income growing 7.1% to ₹6,92,228 Lakh. International revenue more than doubled as a proportion of total, rising from 14% (₹88,590 Lakh) in Financial Year 2024-25 to 23% (₹1,59,520 Lakh) in Financial Year 2025-26 reflecting a deliberate strategic shift toward export-led growth across multiple divisions. Net debt reduced by approximately ₹40,000 Lakh during the year to ₹52,091 Lakh, reflecting the Company's strong cash generation even while sustaining manufacturing capex programme, funded entirely from internal accruals.

Standalone Financial Performance

Metric	Financial Year 2025-26	Financial Year 2024-25
Revenue from Operations	₹ 5,22,863 Lakh (+4.2% YoY)	~₹ 5,01,826 Lakh
Profit Before Tax	₹ 45,491 Lakh (+17.3% YoY)	~₹38,830 Lakh
Export Revenue (Standalone)	₹1,16,909 Lakh — 22.4% of revenue	₹53,190 Lakh — ~10.6% of revenue
Capital Expenditure	₹15,300 Lakh	₹12,400 Lakh

Historical Financial Performance (Consolidated) — Five-Year Trend

Metric	2021-22	2022-23	2023-24	2024-25	2025-26
Total Revenue (₹ Lakh)	5,51,260	6,41,170	6,24,040	6,46,440	6,92,230
EBITDA (₹ Lakh)	32,460	46,730	54,810	56,610	67,130
EBITDA Margin (%)	5.9%	7.3%	8.8%	8.8%	9.7%
PAT (₹ Lakh)	11,500	20,550	28,440	20,440	15,400
PAT Margin (%)	2.1%	3.2%	4.6%	3.2%	2.2%

Segment-wise Revenue and EBIT(Consolidated) — Financial Year 2025-26

Segment	Revenue 2025-26	Revenue 2024-25	EBIT Margin 2025-26	EBIT Margin 2024-25
Manufacturing of Machinery & Equipment	₹2,76,460 Lakh	₹2,50,030 Lakh	13.8%	11.7%
Industrial Projects	₹3,70,210 Lakh	₹3,48,740 Lakh	4.7%	4.6%
Sugar & Ethanol (India)	₹88,360 Lakh	₹88,400 Lakh	4.5%	8.8%

The Manufacturing segment continued its consistent margin expansion, recording a 13.8% EBIT margin the highest among the three segments and the fourth consecutive year of improvement from 8.6% in Financial Year 2021-22. The Industrial Projects segment maintained stable margins; the Financial Year 2026-27 target is over 5% as older, lower-margin long-duration contracts roll off. The Sugar & Ethanol segment experienced a 430-basis-point margin compression, driven primarily by the shortfall in sugarcane crushing (92 Lakh quintals in Financial Year 2025-26 versus 140 Lakh quintals in Financial Year 2024-25) attributable to excessive rainfall and crop area reduction in Haryana.

Key Financial Ratios (Consolidated Financials)

Ratio	2025-26	2024-25	Change (%)	Explanation (if >25%)
Current Ratio (x)	1.41	1.47	-4.08	
Debt-Equity Ratio (x)	0.24	0.11	118.18	Mainly due to increase in long term borrowings.
Debt Service Coverage Ratio (x)	4.84	16.36	-71.12	Mainly due to increase in long term borrowings
Return on Equity (%)	13.46%	12.85%	4.77	
Inventory Turnover Ratio (x)	5.00	5.75	-12.91	
Trade Receivables Turnover Ratio (x)	2.00	1.85	7.96	
Net Profit Ratio (%)	6.63%	5.85%	13.30	
Return on Capital Employed (%)	15.75%	15.41%	2.22	



7500 TCD Backend Sugar Refinery

Capital Expenditure

The Company is investing to expand capacity for manufacturing across multiple product lines as detailed below:

Division / Location	Description	Capex (₹ Lakh)	Incremental Revenue Potential (₹ Lakh/ year)	Status / Target Completion
Muzaffarnagar — Steel Castings	Machine shop for steel castings	2,400.0	~3,000.0	Completed May 31, 2026
Machine Building Division — Bhartoli Phase I	Press manufacturing capacity expansion	7,300.0	~22,500.0	September 30 , 2026
Machine Building Division — Bhartoli Phase II	Further press manufacturing expansion	21,800.0	~37,500.0	Partly by June 30, 2027; balance by March 31, 2028
Process Module Division — Dahej	Phase I & II — skids and modules facility	11,000.0	~35,000.0	September 2027 (Phase I); March 2028 (Phase II)
Foundry — Bhartoli (Iron Castings)	Machine shop for iron castings — transitions to machined supply	2,200.0	~2,000.0	June 2027
Muzaffarnagar — Steel Foundry	Steel foundry capacity expansion	2,500.0	~5,000.0	December 2027
Boiler Tubes and Panels - Division	New Preparation Shop & Coil Shop- Rattangarh works	1600	About 7,000	Construction completed; Expected start of production by August 2026
Piping Division	Capacity Expansion	600	About 5000	Completed
Standard Mechanical Presses- Bawal	Expansion	800	About 5000	Completed
TOTAL		50,200.0	~1,22,000.0	Ongoing

Damla Plant



SEGMENT-WISE PERFORMANCE

Segment 1: Manufacturing of Machinery and Equipment

The manufacturing of machinery & equipment segment consists of manufacture of heavy and sophisticated capital goods to serve multiple customer industries including Automobiles, Cement, Chemicals, Defence, Fertilizers, Green Energy, Thermal Power, Mining, Nuclear Power, Oil & Gas, Distilleries, Refineries & Petrochemicals, Steel, Hydro Power and White Goods. We have large manufacturing facilities which cover production area spanning over 200,000 square meters and besides large open fabrication yards.

The product portfolio includes

A. Presses

a. Hydraulic Presses,

b. Mechanical Presses,

c. Press Brakes,

d. Servo Presses,

B. Process Plant Equipment

a. Reactors, Pressure Vessels, Shell and

b. Tube Heat Exchangers and

c. Distillation Columns, Boiler Pressure Parts, Skids & Modules,

C. Castings

a. Iron & Alloy Steel Castings, and

D. Built-to-Print equipment (Contract Manufacturing).

The segment experienced strong demand from economic growth in the country and investment in various sectors as well as demand from export markets, particularly for Presses and Alloy Steel Castings.

Straight Sided Double Crank Moving Plate Bolster Mechanical Presses 200T - 630T



Our precision-engineered prefabricated pipe spools are fully compliant with IBR, ASME, and EN international standards. We cater to demanding applications in Refining, Petrochemicals, Oil & Gas, Fertilizers, Power, Steel, Mining, Paper & Pulp, Chemicals, Distilleries, and green sectors including Waste-to-Energy and Biomass.

The Company has been working to expand its product lines into more sophisticated and higher value-added equipment and machines.

In view of higher demand for our products, we are investing to expand our capacity for manufacturing Presses , at a new location at Bhartoli about 25 KM away from the existing Yamunanagar Plant.

Both our foundry units delivered a strong performance during the year, driven by consistent demand for high-quality alloy castings. Demonstrating our international competitiveness, the Muzaffarnagar foundry continued to serve key global markets, exporting 40% of its total output. To meet evolving client requirements, we are expanding our precision machining capacities, for Iron Foundry at Bhartoli, and additional facilities at our Steel Foundry at Muzaffarnagar. We are setting up a new shop for manufacturing Skids and Modules for various Process Industries at our plot in SEZ in Dahej.

In addition, a number of small capital investments in Plant & Machinery are being made for all other manufactured product lines to reduce bottlenecks and increase throughput and productivity.

We anticipate the manufacturing revenue to progressively grow significantly as these production capacities are commissioned. We have already started booking new orders from customers to load these production capacities immediately on their commissioning.

We continue our efforts to improve shop floor productivity, reduction in cycle time to improve productivity, improve throughput and remain cost competitive to better serve our customers.

During the year we booked good export orders, particularly for Press-lines for export customers in the South-East Asia and for steel castings.

We expect good demand for the skids & modules product line for supply of sophisticated, large-sized, heavy modules for many process industries.

We expect the demand for our products to be strong, and we are evaluating other investments to increase our capacities for other manufactured products.

Bowl Cleaning Machine for Aerospace and Space Technology Industry



Segment 2: Industrial Projects

The Industrial Projects Segment executes projects on turnkey basis and offers cutting edge solutions for:

A. Industrial and Green Energy Boilers:

1. Biomass-fired Boilers, such as Travelling, Vibratory, Reciprocating and Pin Hole Grates
2. Circulating Fluidized Bed Combustion (CFBC) Boilers.
3. Oil & Gas fired Boilers.
4. Waste to Energy Boilers
5. Heat Recovery Steam Generators (HRSGs).
6. Waste Heat Recovery Boilers

B. Sugar Plants, Ethanol Distilleries and Sugar Refineries

C. Air Pollution Control Equipment for various technologies including, Wet Flue Gas Desulphurization projects, Semi-Dry Flue Gas Desulphurization projects, Dry Sorbent Injection System for Thermal Power Plant Units, Tail Gas Desulphurization Projects for Non-ferrous applications, De-Sox technologies (reducing Sulphur Di-oxide emissions) DeNox Technologies (reducing Nitrogen Oxide emissions), Particulate Matter Control Technologies.

D. Bulk Material Handling Solutions

E. Factories and Workshops for Railways

F. Process Plants

G. Operation & Maintenance Services

H. Spares and Retrofits

Over the last few years, we have increased our focus on undertaking orders which are technology intensive, where Isgec's technical expertise, product features, brand and past track record are valued by the customer.

Further, we are focusing on medium value orders, typically in the ₹ 5,000 -50,000 Lakh range and whose execution period is relatively shorter i.e. 1-3 years. We have increased focus on export orders particularly for Boilers, Power Plants, and Sugar plants & Distilleries from our target export markets. Many of our products offer IIOT-based applications for smart process automation, predictive maintenance, remote monitoring and data driven real time analytics and decision making.

The Boiler business achieved robust growth during the year, driven by expanding market share and strong capital expenditure across key process and green energy industries. Historically, demand in this segment was largely anchored in captive power generation to hedge against erratic grid supplies. Today, growth is powered by core industrial expansion, decarbonization mandates, and high demand for process steam.

With our proven technological leadership in fuel-flexible, high-efficiency, and environmentally compliant boilers, Isgec continues to consolidate its market position as the preferred partner for both industrial and utility applications.

Given the robust investment in the country as well as in our target export markets, we have good orders at hand and expect good business prospects in the next year as well.

Operations & Maintenance (O&M) - Our O&M services ensure that our clients achieve maximum equipment availability, energy efficiency, and safety through proactive maintenance, remote diagnostics, and energy audits, eliminating downtime and operational unpredictability.

Lifecycle Support Services - Our Lifecycle Support Services protect capital investments by integrating modern technology into legacy systems. Through genuine OEM spare parts, precise Remaining Life Assessment (RLA) testing, and tailored Repairs and Maintanance, we eliminate counterfeit risks and restore near-original plant efficiency.

Saraswati Sugar Mills

Sugarcane:

In the 2025-26 season, Saraswati Sugar Mills faced a major challenge with sugarcane. Yields were 24% lower, and the area was 10% lower, resulting in a Sugarcane crushing of only 92 Lakh quintals compared to 140 Lakh quintals in the previous season.

- Sugarcane yields were significantly affected by excessive rainfall and flooding, which led to waterlogging and severe damage to the standing crop. Most factories in North India witnessed a dip in yield, averaging between 10-15%.
- Better returns from other crops, viz. poplar and from rice–maize–wheat rotations, compounded by declining sugarcane yields and rising cultivation costs over the past few seasons, have also driven farmers to shift to other crops.
- To stay competitive with alternative crops, the company is working to improve the ease of cultivation of sugarcane — increasingly constrained by labour scarcity — and the remuneration farmers earn through sugarcane.

(A) State Advised Price (SAP) for Sugarcane and Haryana Government Cane Subsidy:

- As in previous years, the Haryana Government continued the subsidy scheme for sugar mills to compensate for the difference between the SAP fixed by the State Government and the Fair and Remunerative price fixed by the Central Government. The subsidy is determined using a formula based on sugar prices and recovery levels. For the 2025-26 season, the State Government has approved a subsidy of ₹ 1,410 Lakh for our factory (₹ 1,746 Lakh last season).

Particulars	SEASON 2024-25	SEASON 2025-26
Crushing (Lakh Quintals)	140.4	92.6
Pol in cane	12.77%	12.94%
Recovery	9.63% * (if we had run on b-heavy the whole season)	10%
Sugar Production (Lakh Quintals)	13.0	9.3
Haryana State Advised Price for Sugarcane	400	415

**Last season, we ran partly on sugar syrup as feedstock for distillery for a period of 29 days, and balance season on B-Heavy molasses as feedstock for distillery*

Sugar Factory:

- The running of the sugar factory was satisfactory, with no major breakdowns, and efficiency parameters were at par with last year
- We continued producing high-quality refined sugar with premium colour and grain size

Distillery:

- Our distillery produced less ethanol this season due to lower in-house molasses production - 28,000 Kilo Litres of ethanol this financial year (2025-26) versus 33,508 Kilo Litres last financial year (2024-25).
- The price of ethanol with B-heavy feedstock remained at ₹ 60.73. Prices were last revised by the Government in 2022-23, despite cane and other operational costs rising.
- The distillery was forced to take an extended shutdown before the end of the season, as the lifting schedule and lifting delays left our ethanol storage tanks full to capacity. The plant has resumed operations at the end of May.

Sugar Plant and 160 KLPD Distillery - Saraswati Sugar Mills



Financial Performance:

Total Income: ₹79,197 Lakh, representing an increase of 6% compared to ₹74,923 Lakh in the preceding year.

Total Income Breakdown:

- Sugar Segment: ₹ 58,017 Lakh against ₹ 51,804 Lakh in the previous year.
- Ethanol Segment: ₹ 19,576 Lakh against ₹ 20,699 Lakh in the previous year
- Other Income: ₹ 1,603 Lakh against ₹ 2,421 Lakh in the previous year

Profit Before Tax: ₹ 2,573 Lakh as compared to ₹ 6,276 Lakh in the previous year, marking a decline of 59%.

Revenues in the sugar segment were higher than last year, as sugar sales volume was higher by about 1 Lakh quintals, and sugar price realisations improved by ₹146/- per quintal.

The distillery's revenue fell because the quantity of in-house-generated molasses declined, resulting in lower ethanol production.

The decline in profitability is attributable and explainable by three major factors:

- The reduction in the availability of sugarcane resulted in lower volumes of sugar and ethanol production, coupled with an increase in sugarcane price to ₹ 415 per quintal (last year ₹ 400 pe quintal)
- The stagnation in ethanol prices for B heavy ethanol, which haven't been revised since 2022-23, despite production and raw material costs escalating.
- Last year, there was a write-back of excess provision of ₹ 1,800 Lakh.

National Scenario for Sugar and Ethanol

(All figures are in Lakh Metric Tonnes)

Particulars	Season 2022-23	Season 23-24	Season 2024-25	Season 2025-26 (Estimated)
Opening Stock as on 1st October	70.0	55.7	79.0*	50.0
Gross Sugar Production during season	366.2	341.1	296.0	324.1
Diversion of Ethanol	38.0	21.5	35.0	31.2
Net Production during the season	328.2	319.6	261.2	292.9
Total Availability	398.2	375.3	340.2	342.9
Internal Consumption	278.5	290.0	281.0	283.0
Exports	64.0	0.5	9.0	7.0
Total Offtake	342.5	290.5	290.0	290.0
Closing Stock	55.7	84.8	50.2	52.9

Outlook for our Company for next year

Planting and sugar season 2026-27:

- Although lower yields in the current season 2025-26 have dimmed farmer sentiment towards cane, early indications — though survey figures are yet to come in — suggest that planting in our area is slightly higher than last year.
- We also expect yields to be better than this season, and therefore, we expect higher availability of sugarcane for crushing.

B) ISGEC HITACHI ZOSEN LIMITED (Subsidiary & Joint Venture Company)

- It was a good year for the Company with increase in revenue and record profits.
- The total revenue for the year was Rs. 670.49 crores as against ₹ 613.93 crores in the preceding year.
- The Profit Before Tax was ₹ 103.24 crores as against ₹ 35.84 crores in the previous year.
- The year started with a good order backlog and there was good capacity utilization throughout the year. This combined with cost savings in material procurement along with improved margins in modification & repair orders led to good profits.
- The domestic market for the year was weak, however, we were able to book some good orders from a major Oil Refining company. The export market was good, and substantial orders were booked during the year from overseas customers.
- The Company retained its strong position as a preferred fabricator of critical process equipment from global & EPC majors and also added more references to its list of clients during the year.
- The Opening orders in hand for FY 2026-27, though lower than last year, are good and except for some idle capacity in the first quarter of FY 2026-27, we expect full capacity utilization for the rest of the year.
- The Company has a strong bid pipeline and expects that the coming financial year FY 2026-27 to be good not only in terms of billing and profits but order booking as well.

HDS Reactor for Petrochemical Industry



(C) ISGEC TITAN METAL FABRICATORS PVT LTD (Subsidiary & Joint Venture Company)

- It was a good year for the Company.
- With the expansion in manufacturing capacity implemented during the year and good order booking, the revenue for FY 25-26 increased significantly to ₹ 100.65 crores compared to ₹ 35.24 crores in the preceding year.
- The Profit Before Tax was also significantly higher at ₹ 12.60 crores as against a loss of ₹ 2.37 crores in the preceding year.
- The opening order book for FY 26-27 is about ₹ 145 crores giving strong revenue visibility for the next year for the Company
- Order booking during the current year has been good led by the Chemical segment and we expect the order booking for FY 26-27 also to be higher. We are evaluating plans for further capacity expansion so as to gear up for much higher revenues from FY 27-28 onwards.
- The availability of skilled manpower has been a challenge. The Company has been taking steps to hire and provide specialized training to workmen across different trades to support our planned growth.

(D) ISGEC SFW BOILERS PVT LTD (Subsidiary & Joint Venture Company)

- This company undertakes Design and Engineering works, mainly for the JV Partner Sumitomo SHI FW (SFW).
- The total revenue of the company, during the financial year 2025-26, was ₹ 1,833 Lakh as against ₹1,231 Lakh in the preceding financial year. Profit Before Tax was ₹468 Lakh as compared to ₹242 Lakh during the preceding financial year.
- Capacity utilization in financial year 2025-26 was approximately 89%, which is largely in line with the utilization levels of the previous financial year.
- The company took various measures to increase the manpower resource capacity and capabilities in various disciplines, including various new positions created, training given. The company also invested in improvement of office and It Infrastructure.
- During Financial Year 2026-27, pursuant to the execution of amended and restated Joint Venture Agreement, the name of the company has been changed to SFW Isgec Energy Private Limited with effect from June 30, 2026. Also, the shareholding of Isgec Heavy Engineering Limited decreased from 51% to 26% in this Joint Venture with effect from June 25, 2026. However, this company continues to be a Joint Venture and is now categorised as an associate company of Isgec Heavy Engineering Limited

ISGEC REDECAM ENVIRO SOLUTIONS PVT LTD (Subsidiary and Joint Venture Company)

- The revenue from operations, during the Financial Year under review, was ₹2,699 Lakh, as against ₹5,670 Lakh in the preceding year 2024-25. Profit before tax for the financial year under review was ₹286 Lakh as against ₹516 Lakh, during the preceding financial year 2024-25.
- During the Year the Company participated in major competitive bids at advanced stage of evaluation. However, opportunities could not be converted into confirmed orders due to competitive commercial considerations.
- During the financial year, the Company received a steady stream of enquiries from both existing and new customers which demonstrates strong industry confidence in the Company's capabilities, particularly in the steel sector, where increasing focus on environmental compliance, emission control norms, and capacity expansion continues to drive investments in air pollution control systems.
- Based on the current business outlook and market opportunities, the Company anticipates substantial growth momentum in Financial Year 2026-27, with the potential to achieve multi-fold business expansion. The Company also aspires to establish itself among the leading suppliers of air pollution control equipment in India over the next five years through continuous technological advancement, execution excellence, and strategic customer partnerships.
- During the current year, we expect to complete the two large orders under execution for customers from the steel sector.

Cavite Biofuels Producers Inc., Phillipines

- During the Financial Year, the Ethanol Plant started production on 17 December 2025 using sugarcane as

the primary feedstock. The Plant is a multi-feedstock Plant, and a small amount of molasses was also being used to supplement sugarcane as feedstock.

- The sugarcane crushing season ended on 20 April 2026. Thereafter, the Plant is being operated only on molasses as feedstock.
- The plant capacity utilisation varied between 65 – 75%, this being the first full year sugarcane season for commercial operation.
- During the season, about 84,300 Metric Tonnes of sugarcane was crushed. The manufacturing operation is continuing using molasses as feedstock.
- The quality of ethanol produced is very good and the Plant received Ethanol Sale allocation from the Department of Energy of the Philippines for 6 million Liters for each quarter starting from April 2026 onwards.
- Our manufactured Ethanol is being sold to the top Oil companies in Philippines.
- We expect the Plant to run at a better capacity utilization in the next sugarcane season, which will start in end of November 2026.
- Consequent to an Agreement to Sell with a prospective buyer, the CBPI Philippines business was classified as "Assets Held for Sale" and the Profit/Loss was reported as "Discontinued Operations". In accordance with the accounting standards, depreciation on these Assets was not charged in the Consolidated Financials since they were expected to be sold.
- However, the sale did not go through as the buyer was unable to make the payments.
- During the quarter and the year ended March 2026, these assets and liabilities were reclassified as "Continuing Operations".
- Accordingly, depreciation for the period November 2024 to March 2026 was accounted for in the respective periods and the financial results were accordingly presented appropriately.

Eagle Press & Equipment Co. Limited.

- It was relatively a good year for Eagle Press & Equipment Co. Limited. Orders were booked from many customers in the Automative and other forming Industries both from within Canada as well for exports to USA and Mexico.
- The total income for the year was ₹ 1,47,93,31,309 compared to ₹ 1,04,99,72,035 in the previous year due to extremely low orders in hand for execution. The profit before tax for the year is ₹ 10,57,89,081 compared to profit in previous financial year ₹ 4,62,63,959.
- Despite slowdown in automotive sector in North America Order booking prospects for the current year look promising, and we are expecting to book some orders from non-automotive sector.
- Eagle has pivoted to a new market of manufacturing more Hydraulic presses to capture more non-Automotive work.
- The United States of America is one of the main markets for Eagle Press. As of now the company's products are not impacted by the US Tariffs on Canada.

3500T Mechanical Link Drive Transfer Press for Automotive Industry - Eagle Press & Equipment Co. Ltd.



HUMAN RESOURCES

Employees remain the cornerstone of Isgec's long-term growth and operational excellence. The organisation fosters a performance-driven, collaborative, and future-ready culture through continuous learning, leadership development, and employee engagement initiatives across all business units and manufacturing locations.

Workforce

Metric	2025-26	2024-25
Total Permanent Headcount (March 31)	2,970	2,662
Net Permanent Headcount Increase	308	117
Total Gross New Hires	783 (119 campus + 664 lateral)	Not separately disclosed
Attrition Rate	12.8%	15.2%
Women as % of Permanent Employees	3.4%	2.5%
Women Hired in Financial Year 2025-26	50 (26 Engineering + 24 Non-Engineering)	—
Employees Covered under Skill Development	2,439	2,340
Average Training Hours per Employee	21.97	21.5 hours

Talent Acquisition

Isgec employs a multi-channel talent acquisition strategy: active recruitment from premier engineering institutions including IIT Delhi, IIT BHU, IIT Ropar, IIT Dhanbad, Vasanthali College, Government Mahila College Ajmer, and Indoswiss Chandigarh; a structured Employee Referral Program; multi-platform digital engagement; and strategic partnerships with specialized executive search firms for leadership roles. The Company achieved a 99% probation-to-confirmation rate in Financial Year 2025-26, reflecting effective onboarding and cultural alignment.

Talent Retention & Human Capital Development

Amid India's strong economic growth, high industry demand has naturally driven increased talent mobility across sectors. Through proactive engagement, structured career development, and careful managerial oversight, we have successfully maintained workforce stability. A key pillar of our retention strategy is learning and development.

Learning and Development

During the Financial Year 2025-26, the Company conducted comprehensive technical, behavioral, leadership, and safety training programs across all manufacturing locations. Key initiatives included:

- Advanced Engineering Design Tools: ANSYS, AutoCAD Plant 3D, Tekla Structures, Cadmatic Modelling, and Newton Software across manufacturing divisions
- ASME Boiler and Pressure Vessel Code (BPVC) and Material Standards Training: compliance training for PED, Boiler Tubes and Panels and other pressure-containing product divisions
- Women Leadership Programme ('Aarohan — Shakti se Prabhav tak'): covering work-life management, emotional intelligence, and leadership frameworks
- GTAW Automation, Orbital Welding, and Laser Welding Development: technical capability building at PED division
- Darwinbox HRMS implementation: enhancing workforce transparency and HR process efficiency across the organisation
- Hi-Pot Programme: 50 high-potential leaders identified and enrolled in targeted development interventions

Industrial Relations

Industrial relations across all manufacturing locations remained stable and cordial during Financial Year 2025-26. There was no disruption to operations arising from industrial disputes during the year.

SAFETY AND OCCUPATIONAL HEALTH

The safety of employees, contractors and all persons associated with the Company's operations and project execution is a non-negotiable commitment at Isgec. The Company's manufacturing locations maintain Occupational Health and Safety management systems certified to ISO 45001:2018, with surveillance audits conducted by LRQA during the year. The Projects Business, guided by Suraksha Sankalp — Zero Harm | Compliance | Safety Culture, is committed to delivering projects safely through strong leadership, proactive risk management and continual improvement, and maintains Occupational Health, Safety and Environmental (OHSE) Management Systems certified to ISO 45001:2018 and ISO 14001:2015, with surveillance audits conducted by LRQA during the year.

- **ISO 45001:2018** (Occupational Health and Safety Management System)
- **ISO 14001:2015** (Environmental Management System) —
- **ISO 45001:2018 & ISO 14001:2015** (Integrated OHSE Management System)
- **Best Environment in Factory Premises** (Large Scale Industry)— Haryana State Safety, Health & Welfare, Labour Department (Manufacturing)
- **Safety Excellence and Appreciation Awards** — received by the Projects Business from Birla Carbon (Thailand), Indian Oil Corporation Limited, Numaligarh Refinery Limited, Indian Potash Limited, Engineers India Limited, Tuticorin Alkali Chemicals & Fertilizers Limited, Vedanta Limited and SMW Ispat Pvt. Ltd., for Health Safety and Environment performance, safe man-hour milestones and project safety management excellence

Digital and Technology-Enabled Safety Systems

Manufacturing (implemented in 2025-26):

- AI-enabled forklift monitoring with biometric access control, restricting operation to authorised personnel
- GSM-based overload protection system for Electric Overhead Train cranes, with real-time load monitoring and automatic interlocks
- QR code-based safety observation reporting, enabling real-time near-miss and hazard reporting from the shopfloor
- Digital PPE selection guide, standardising protective equipment selection by task and risk level
- Automated safety annunciation systems with interlocks in high-risk operational areas
- Mobile LED safety awareness systems deployed across manufacturing shop floors

Projects Business (implemented in 2025-26):

- Contractor Environment, Health, and Safety (EHS) Evaluation Framework, with standardised parameters to assess contractor safety performance and drive continual improvement
- Standardised Project EHS Performance Scorecard, monitoring leading and lagging indicators across project sites

Projects Business (in progress):

- Digital EHS Dashboard and Reporting System — User Acceptance Testing planned, implementation targeted from September 2026

Safety Programs

Active safety programs maintained across Isgec during 2025-26 included: Behaviour-Based Safety (BBS); Hazard Identification and Risk Assessment (HIRA); Permit-to-Work System; Near-Miss and Safety Observation Reporting; National Safety Week; National Electrical Safety Week; Road Safety Week; Fire Safety Training; World Environment Day; Emergency Preparedness and Mock Drills; Incident Learning through Safety Alerts; Project Leadership Safety Walks; Contractor EHS Evaluation Framework; Workforce Competency Development; Safety Quiz and Poster Competitions; Safety Patrolling; and Internal IMS Audits and Corporate EHS Site Reviews. Findings from project EHS performance and contractor evaluations are reviewed periodically at Managing Director Review Meetings to strengthen governance and monitor trends.

CONSERVATION OF ENERGY AND SUSTAINABILITY INITIATIVES

1. Water Conservation

i) The Company remains committed to responsible water management, conservation, and minimizing environmental impact through efficient utilization and sustainable practices across its facilities. Despite the expansion of workshop manufacturing , water consumption has been sustained through wastewater recycling and the implementation of various water conservation measures.

ii) On average, 240 KLD of treated water from the Sewage Treatment Plant (STP) is recycled for flushing of urinals and toilets, floor cleaning, and gardening at the Yamunanagar plant. During the year, a total of 86,327 KL of wastewater was recycled.

2. Steps Taken for Utilizing Alternate Sources of Energy

i) The Company has installed rooftop solar power plants with a capacity of 2,050 kWp at the Yamunanagar unit and 1,000 kWp at the Rattangarh unit, strengthening the share of renewable energy in its overall power consumption. During the year, these installations generated 33,92,160 units of green energy.

ii) The Company also procured 4,36,000 units of green power through the Indian Energy Exchange (IEX) during the year.

iii) Further, the Company has signed a Power Purchase Agreement (PPA) for a 7 MWp solar power project for the Muzaffarnagar plant, which is expected to generate approximately 9.8 Million units of renewable energy annually.

iv) Isgec Muzaffarnagar facility ly utilises more than 7.84 Million units of solar power, meeting over 44% of its total annual electricity requirement.

i. Fuel of Boiler and most of heat treatment furnace converted from LSHS to PNG

The increased use of solar power supports clean energy generation, reduces power costs, and contributes towards lowering the Company's carbon footprint.

3. Steps Taken for Conservation of Energy

i) The Company continues to replace inefficient and high power-consuming equipment with energy-efficient alternatives. During the year, 25 lower-rated air conditioners were replaced with five-star inverter-type air conditioners, resulting in approximately 15–20% lower power consumption.

ii) Motion sensor-based lighting continues to be installed in common areas across the works to optimise electricity consumption.

Isgec Muzaffarnagar facility is taking the following steps for conservation of energy

i. Installation of capacitor banks (400 kVAR) to reduce reactive power and electricity bill

ii. Usage of PNG in casting preheating & riser cutting in place of LPG cylinders

4. Steps Taken for Environmental Protection

i) The Company continues to implement the 3R principles (Reduce, Reuse and Recycle) for waste management, thereby supporting resource conservation and energy efficiency. During the year, approximately 1,500 Metric Tonnes of iron scrap was recycled in-house. In addition, approximately 55 Metric Tonnes of old sheets and structures were recovered from scrap and reused to develop nearly 1,125 square metres of area for the main store and car parking, resulting in estimated savings of ₹2.5 Million.

ii) Green cover across the manufacturing facilities and residential colony has been further enhanced. During the year, over 400 hedge plants, 375 flowering plants in offices and shops, and 100 shade/green plants were added within the works, while more than 900 plants were added in the Yamunanagar colony. In addition, 325 square metres of new lawns were developed within the works.

5. Overall Energy Conservation Initiatives

The Company's divisions continued to undertake various energy conservation initiatives during the year, resulting in estimated energy savings of approximately 224.0 Thousand units. These measures are expected to continue delivering sustainable energy savings in the coming years.



Electrostatic Precipitators for Coal Based Power Plants

Technology Absorption

The efforts made towards technology absorption:

(a) The Company has the following Technology Agreements:

1. Boiler:

- **With Sumitomo SHI FW Energia Oy, Finland:**
  - For Circulating Fluidized Bed Combustion (CFBC) Boilers up to 150 MWe
  - For Reheat Design for CFBC Boilers up to 100 MW.
- **With BHI FW Korea:**
  - For Pulverized Coal Fired Sub-Critical and Super-Critical Boilers (60 MWe to 1,000 MWe).
- **With Amec Foster Wheeler Energia S.L.U., Spain:**
  - For Oil & Gas Shop-Assembled Water Tube Packaged Boilers up to 260 Tonnes per hour.
- **With Siemens Heat Transfer Technology B.V., Netherlands:**
  - For design, fabrication and installation of Drum-type Heat Recovery Steam Generators.

2. Air Pollution Control Equipment:

- **With Fuel Tech Inc., USA:** For Selective Non-Catalytic Reduction (SNCR) systems for reduction of Nitrogen Oxides across power, cement and other industries.
- **With Babcock Power Environmental Inc., USA:** For Wet Flue Gas Desulphurisation systems for reduction of SO2 produced by steam generators with gas flow equivalent to 100 MWe.
- **With Sumitomo SHI FW Energia Oy, Finland:** For Circulating Fluidized Bed Scrubbers for power plants and industrial applications for reduction of SO2.
- **With United Conveyor Corporation, USA:** For Dry Sorbent Injection (DSI) technology for removal of SOx generated from thermal power plants.
- **With BHI FW Corporation, USA:** For Combustion Modification (TLN Retrofit) technology for reduction of NOx generated from tangentially fired Pulverized Coal (PC) Boilers.

3. Presses:

- **With AP&T, Sweden:** For Hot Stamping Presses.

4. Process Equipment:

- **With TEi, USA:** For Screw Plug Heat Exchangers and Process Waste Heat Boilers.
- **With CB&I Technology Inc. (formerly CB&I Lummus):** For design and manufacture of Helix Heat Exchangers.
- **With Amec Foster Wheeler Energia S.L.U., Spain (Wood plc.):** For Feed Water Heaters and Surface Condensers.

5. Ash Handling Packages:

- Strategic Collaboration and Licensing Agreement with United Conveyor Corporation, USA, for Ash Handling Systems.

In case of imported technology (imported during the last three years beginning from the financial year):

- **Details of technology imported:** Nil
- **Year of import:** Nil
- **Whether technology has been fully absorbed:** Nil
- **If not fully absorbed, areas where absorption has not taken place and the reasons thereof:** Nil

INFORMATION TECHNOLOGY AND DIGITAL TRANSFORMATION

Technology remains a strategic enabler for driving operational excellence, product innovation, and enterprise resilience across The Company's diversified operations. During FY 2025–26, the Company accelerated its digital journey through targeted investments in Industry 4.0, Artificial Intelligence (AI), cloud architecture, enterprise applications, cybersecurity, and intelligent automation.

Reaffirming its long-term commitment to digital capability building, the Company has allocated **₹20 Crore towards IT Capital Expenditure** for FY 2026–27.

(a) Building the Intelligent Enterprise

Isgec continues to modernise its engineering and manufacturing ecosystem by integrating Industry 4.0, advanced analytics, and enterprise-wide digital solutions:

- **Smart Manufacturing & IIoT: Isgec REACH 4.0** (Remote Enabled Access and Cloud Hub), was operationalised at the Machine Building Division (MBD), leveraging IIoT for real-time asset monitoring, predictive maintenance, and data-driven decision-making. Extended IIoT monitoring across the Pressure Equipment Division (PED) and Isgec Titan Metal Fabricators, alongside deploying remote monitoring solutions for industrial boilers.
- **AI & Predictive Analytics:** Developed advanced predictive, descriptive, and prescriptive AI models, to optimize thermal efficiency and lifecycle economics for flagship boiler products.
- **Business Development & Proposal Automation:** AI and Generative AI solutions are developed to automate drafting of responses for Customer Request For proposals and Quotations, and tenders, accelerating turnaround times and improving proposal consistency.
- **Customer Relationship Management:** Developing an integrated Sales and Service CRM platform with a leading global provider, supported by a dedicated mobile application for boiler service operations to enhance customer lifecycle engagement.
- **Digital Workplace & Governance:** Implemented an automated, trackable, workflow driven, Note for Approval (NFA) system for transparent, multi-level governance; deployed **Darwinbox HRMS** enterprise-wide; launched an in-house Learning Management System (LMS); and rolled out a mobile EHS application for real-time site safety reporting.

(b) Reinforcing Cybersecurity and Digital Trust

To support digital expansion and protect proprietary engineering knowledge, Isgec has significantly strengthened its cyber resilience, governance, and infrastructure footprint:

- **Information Security Standards:** Adoption of **ISO 27001 (ISMS)** framework (certification in progress). Conducted independent Vulnerability Assessment and Penetration Testing (VAPT) across the digital environment.
- **Data & IP Protection:** Deploying Data Loss Prevention (DLP) and Digital Rights Management (DRM) solutions to secure confidential engineering assets and enable encrypted, permission-based document sharing.
- **Threat Mitigation & Endpoint Security:** Implemented Enterprise Email Security Gateway (ESG) protection against phishing and ransomware, along with centralized Asset and Patch Management to harden endpoint security.
- **Infrastructure & Business Continuity:** Progressing the migration of core ERP and compute workloads to a Tier IV Data Centre, complemented by a dedicated Disaster Recovery (DR) environment on a private cloud for mission-critical services.
- **Smart Corporate Workspace:** Designing the new (under construction) corporate headquarters at Noida as an IT-enabled smart workplace to support seamless collaboration and future-ready operations. Also, extending governance standards to international units, including Eagle Press (Canada) and Cavite Biofuels Producers Inc. (Philippines).

Outlook

Digital transformation will remain a cornerstone of Isgec's growth strategy. By embedding AI, cloud, IIoT, and robust cybersecurity across engineering, manufacturing, and corporate functions, the Company continues to build an agile, data-driven enterprise positioned for long-term value creation.

INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY

The Company has established a robust internal financial control framework commensurate with the scale and complexity of its operations. Controls are designed to ensure: operational efficiency; safeguarding of assets; accuracy and reliability of financial reporting; compliance with applicable laws and regulations; and effective risk management across all business segments and locations.

Control Environment

The control environment is supported by: well-defined policies, standard operating procedures, and authority matrices; a comprehensive delegation of authority framework; ongoing ERP and IT-enablement across manufacturing, finance, and operations; and active process automation initiatives. Enterprise systems provide real-time financial and operational visibility, enabling timely management decision-making and effective control.

Internal Audit

The Internal Audit function operates under a risk-based audit plan approved by the Audit Committee of the Board. The audit plan covers all significant business processes, manufacturing locations, subsidiaries, and joint ventures. Findings, recommendations, and the status of corrective actions are reported at regular intervals. Open items are tracked systematically until closure.

Cautionary Statement

This Management Discussion and Analysis contains forward-looking statements describing the Company's objectives, projections, estimates, expectations, and plans. These statements involve risks and uncertainties that could cause actual results to differ materially from those expressed or implied. Important factors include domestic and global economic conditions, geopolitical developments (including the impact of ongoing conflicts in the Middle East and Eastern Europe), changes in government regulations, tax laws, environmental regulations, currency fluctuations, commodity price movements, and other incidental factors beyond the Company's control. The Company does not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date on which they are made.



Annexure-3

Particulars of Loans, Guarantees and Investment under Section 186 of Companies Act 2013

(₹ in lakhs)

Sr. No.	Nature of the transaction (Loans given/Guarantee given/Security Provided/Investments made)	Purpose for which the loan/ guarantee/security is utilised by the recipient	As at March 31, 2026	As at March 31, 2025
1	**Guarantees Given to Banks for Subsidiary and Joint Venture Companies:**			
	Isgec Hitachi Zosen Limited	Corporate Guarantees to Secure Working Capital Bank facility	-	54,705.00
	Isgec Titan Metal Fabricators Private Limited	Corporate Guarantees to Secure Working Capital Bank facility	9,200.00	9,200.00
	Isgec Redecam Enviro Solutions Private Limited	Corporate Guarantees to Secure Working Capital Bank facility	2,000.00	2,000.00
	Total		11,200.00	65,905.00
2	**Guarantees Given to Wholly Owned Subsidiary Companies:**			
	Eagle Press & Equipment Co. Ltd, Canada	SBLC provided by HSBC India out of our Non Fund Based limits to Royal Bank of Canada to secure Working Capital Credit Facilities to Eagle Press & Equipment Co. Ltd., Canada	4,089.00	2,386.70
	Total		**4,089.00**	**2,386.70**

3	Investment	Face Value (₹ per Share / Unit)	No. of Shares/ Units	As at March 31, 2026	As at March 31, 2025
	a) Equity Shares of Subsidiary Companies (At cost) :				
	Isgec Covema Limited	10	2000000	200.00	200.00
	Isgec Exports Limited	10	100000	10.00	10.00
	Isgec Engineering & Projects Limited	10	4000000	400.00	400.00
	Saraswati Sugar Mills Limited	10	7099900	7,009.99	7,009.99
	Freelook Software Private Limited	10	24650	1,306.45	1,306.45
	Eagle Press & Equipment Co. Ltd. Canada	CAD 1	4500000	2,643.05	2,643.05
	Isgec Investments PTE Ltd. Singapore	SGD 1	10000	5.20	5.20
	Isgec Hitachi Zosen Limited	10	51000000	5,100.00	5,100.00
	SFW Isgec Energy Private Ltd. (Formerly known as Isgec SFW Boilers Private Ltd.)	10	1020000	102.00	102.00
	Isgec Titan Fabricators Private Limited	10	612000	306.00	306.00
	Isgec Redecam Enviro Solutions Private Limited	10	1020000	102.00	102.00

3	Investment	Face Value (₹ per Share / Unit)	No. of Shares/ Units	As at March 31, 2026	As at March 31, 2025
	b) Investment in equity instruments - unquoted (at fair value through profit or loss)				
	Fourth Partner Solar Power Private Limited	10	3,18,725	160.00	160.00
	FPEL HR1 Energy Private Limited	10	7,09,873	224.32	-
				17,569.01	**17,344.69**

Sr. No.	Nature of the transaction (Loans given/Guarantee given/Security Provided/Investments made)	Purpose for which the loan/ guarantee/security is utilised by the recipient	As at March 31, 2026	As at March 31, 2025
4	Loans to Subsidiaries :	Purpose of loan		
	Isgec Investments PTE Ltd. Singapore	To meet expenses and capital requirement of Subsidiary Company	101,458.04	47,647.43
	Eagle Press & Equipment Co. Ltd. Canada	For Capital Expenditure and Working Capital Facility	7,292.05	6,384.42
		Total	**108,750.09**	**54,031.85**
		Grand Total :	**141,608.10**	**139,668.24**

Report on Corporate Governance

The report containing the details of Corporate Governance as required under Regulation 34 read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, is as under:

1. A brief statement on Company's philosophy on Code of Governance

The Company's philosophy on Code of Governance is to comply with the requirement of disclosures and principles of Corporate Governance, as mentioned in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments thereof. The Company believes in both letter and spirit that sound Corporate Governance is critical for enhancing and retaining investor trust. The Company has always worked towards building trust with shareholders, employees, customers, suppliers and other stakeholders based on the principles of good Corporate Governance.

The Company also fulfils its obligations of compliance with regard to the Board of Directors including Independent Directors, Committees and appointment of Compliance Officer, filing information on electronic platform and with Stock Exchanges and publishing in newspapers.

2. Board of Directors and details thereof

2.1 The Board of Directors is entrusted with the ultimate responsibility of the management, general affairs, strategic direction, and overall performance of the Company. The Board is vested with the necessary powers, authorities, and duties.

2.2 **The composition of the Board of Directors as on March 31, 2026, is as follows:**

Name of the Directors	Designation	Category
Mr. Ranjit Puri	Chairman	Promoter, Non-Executive Director
Mr. Aditya Puri	Managing Director	Promoter, Executive Director
Mr. Kishore Chatnani	Joint Managing Director and Chief Financial Officer	Non- Promoter, Executive Director
Mr. Sanjay Gulati	Joint Managing Director and Head– Manufacturing Units	
Mr. Arvind Sagar	Independent Director	Non- Promoter, Non- Executive Director
Mrs. Rashi Sikka		
Mr. Rajiv Roy Chaudhury		
Mr. Vivek Dhir		

2.3 **Directors ceased during the Financial Year 2025-26:**

Mr. Vishal Kirti Keshav Marwaha	Independent Director (Ceased w.e.f. September 16, 2025)
Mr. Sidharth Prasad	Independent Director (Ceased w.e.f. October 31, 2025)

2.4 **Relationship between Directors**

None of the Directors is related to each other, except Mr. Ranjit Puri and Mr. Aditya Puri, who are related as Father and Son (Mr. Ranjit Puri is father) and are the promoters of the Company. The Board is constituted in accordance with the applicable provisions of the Companies Act, 2013, and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and comprises an appropriate balance of Executive, Non-Executive and Independent Directors to ensure effective oversight and independent judgement.

2.5 The Promoters of the Company have not pledged or otherwise created any type of encumbrances on the equity shares held by them in the Company. Further, none of the Director has pledged any equity shares held in the Company.

2.6 The details of the directorship(s) held by the Directors in other listed companies and the category thereof, as on March 31, 2026, are as follows:

S.No.	Name of Directors	Name of Listed Entities	Category
1	Mr. Ranjit Puri	The Yamuna Syndicate Limited	Non- Executive, Non-Independent Director
2	Mr. Aditya Puri	The Yamuna Syndicate Limited	
3	Mr. Kishore Chatnani	The Yamuna Syndicate Limited	
4	Mr. Sanjay Gulati	-	-
5	Mr. Arvind Sagar		
6	Mrs. Rashi Sikka		
7	Mr. Rajiv Roy Chaudhury		
8	Mr. Vivek Dhir		

2.7 None of the Independent Non-Executive Directors holds directorship in any other listed company.

2.8 Independent Non-Executive Directors, Mr. Vishal Kirti Keshav Marwaha and Mr. Sidharth Prasad, who ceased to be Directors during the Financial Year 2025-26, did not hold directorship in any other listed company during the financial year 2025-26 till the date of their cessation.

2.9 All Independent Non-Executive Directors have submitted their annual declarations confirming that they meet the criteria of independence as laid down under the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2.10 The Company has issued formal appointment letter to all Independent Directors. The letters of appointment setting out the terms and conditions of their appointment are available on the Company's website at https://www.isgec.com/independent-directors-investor.php.

2.11 Based on the confirmations/ declarations received from the Independent Directors, the Board is of the opinion that all Independent Directors fulfill the criteria of independence specified under the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management.

2.12 **Appointment / Re-appointment / Resignation of Directors**

During the financial year 2025-26:

a) Mrs. Rashi Sikka (DIN: 00320145) was re-appointed as an Independent Non-Executive Director of the Company for a second consecutive term of five years with effect from May 28, 2025.

b) Mr. Rajiv Roy Chaudhury and Mr. Vivek Dhir were appointed as Independent Directors with effect from July 08, 2025.

c) Mr. Vishal Kirti Keshav Marwaha and Mr. Sidharth Prasad completed their second consecutive terms as Independent Directors and consequently ceased as directors with effect from September 16, 2025, and October 31, 2025, respectively.

d) Pursuant to the shareholders' approval in last Annual General Meeting held on September 16, 2025, Mr. Kishore Chatnani and Mr. Sanjay Gulati were re-designated as Joint Managing Directors with effect from October 01, 2025, for the remainder of their respective terms ending June 27, 2026. Mr. Kishore Chatnani also serves as the Chief Financial Officer of the Company, while Mr. Sanjay Gulati serves as the Head of Manufacturing Units. Prior to their re-designation, both were Whole-time Directors of the Company.

e) Mr. Aditya Puri was re-appointed as Managing Director and Principal Officer of the Company for a term of five years with effect from May 01, 2026, and shall continue to serve as Managing Director of Saraswati Sugar Mills Limited, a material wholly-owned subsidiary of the Company (Refer Para 8.3.6).

f) Mr. Kishore Chatnani and Mr. Sanjay Gulati were re-appointed as Joint Managing Directors for a term of five years with effect from June 28, 2026. Mr. Kishore Chatnani also serves as Chief Financial Officer of the Company, while Mr. Sanjay Gulati serves as Head of Manufacturing Units. Mr. Sanjay Gulati also continues as Managing Director of Isgec Hitachi Zosen Limited, a joint venture and subsidiary (Refer Para 8.3.6).

g) Mr. Arvind Sagar was appointed as an Independent Non-Executive Director of the Company for a second consecutive term of five years with effect from June 28, 2026.

h) No Independent Director resigned from the Board of the Company during the Financial Year 2025-26, except Mr. Vishal Kirti Keshav Marawaha and Mr. Sidharth Prasad who ceased to hold office as Independent Directors upon completion of their second consecutive term on September 16, 2025 and October 31, 2025, respectively.

2.13 The attendance of each Director at the Board Meetings and the last Annual General Meeting during the financial year 2025-26, along with the number of other directorships or committee positions, including chairpersonship, held in other companies as on March 31, 2026, is as follows:

Name of the Director	No. of Board Meetings held / entitled to attend during the financial Year	No. of Board Meetings attended	Whether attended the last Annual General Meeting	Directorships and Committee Memberships in other companies as disclosed			
				Public Ltd	Private Ltd	Committee Membership	Committee Chairmanship
Non-Independent Non-Executive Director							
Mr. Ranjit Puri, Chairman	5	5	Yes	3	0	1	1
Executive Directors							
Mr. Aditya Puri, Managing Director	5	5	Yes	9	0	2	0
Mr. Kishore Chatnani, Joint Managing Director & Chief Financial Officer	5	5	Yes	5	0	0	0
Mr. Sanjay Gulati, Joint Managing Director & Head-Manufacturing Units	5	5	Yes	1	0	0	0
Independent Non-Executive Directors							
*Mr. Vishal Kirti Keshav Marwaha	3	3	No	-	-	-	-
*Mr. Sidharth Prasad	3	3	Yes	-	-	-	-
Mr. Arvind Sagar	5	5	Yes	0	0	0	0
Mrs. Rashi Sikka	5	4	Yes	0	2	0	0
Mr. Rajiv Roy Chaudhury	3	3	Yes	0	0	0	0
Mr. Vivek Dhir	3	3	Yes	0	6	0	0

* Mr. Vishal Kirti Keshav Marwaha and Mr. Sidharth Prasad ceased as director with effect from September 16, 2025, and October 31, 2025, respectively. Hence, details of the number of other directorships or committee positions, including chairpersonship, held in other companies as on March 31, 2026 are not mentioned.

2.14 The details of equity shares held by Non-Executive Directors in the paid-up capital of the Company as on March 31, 2026, are as follows:

S.No.	Name of Directors	Number of Shares held	% of Shares held
1	Mr. Ranjit Puri	65,92,010	8.97
2	Mr. Arvind Sagar	Nil	Not Applicable
3	Mrs. Rashi Sikka	Nil	Not Applicable
4	Mr. Rajiv Roy Chaudhury	Nil	Not Applicable
5	Mr. Vivek Dhir	Nil	Not Applicable

2.15 During the financial year 2025-26, Five (05) Board Meetings were convened viz. on **May 29, 2025, July 08, 2025, August 13, 2025, November 13, 2025, and February 09, 2026,** at regular intervals, with the gap between any two meetings not exceeding the prescribed limit of 120 days. Details of attendance at the above meetings are as follows:

Name of the Directors	Designation	Date of the meetings and attendance				
		May 29, 2025	July 08, 2025	August 13, 2025	November 13, 2025	February 09, 2026
Mr. Ranjit Puri	Chairman	✓	✓	✓	✓	✓
Mr. Aditya Puri	Managing Director	✓	✓	✓	✓	✓
Mr. Kishore Chatnani	Joint Managing Director	✓	✓	✓	✓	✓
Mr. Sanjay Gulati	Joint Managing Director	✓	✓	✓	✓	✓
Mr. Vishal Kirti Keshav Marwaha (up to September 16, 2025)	Independent Director	✓	✓	✓	Not Applicable	
Mr. Sidharth Prasad (up to October 31, 2025)	Independent Director	✓	✓	✓		
Mr. Arvind Sagar	Independent Director	✓	✓	✓	✓	✓
Mrs. Rashi Sikka	Independent Director	✓	✓	✓	-	✓
Mr. Rajiv Roy Chaudhury	Independent Director	Not Applicable		✓	✓	✓
Mr. Vivek Dhir	Independent Director			✓	✓	✓

2.16 The details of familiarization programmes conducted for Independent Directors are available on the website of the Company at https://www.isgec.com/familiarization-programme-independent-directors.php.

2.17 The Board comprises members possessing required skills, expertise and competencies required to make effective contributions to the Board and its Committees. The Matrix setting out the skills, expertise and competencies available with the Board in context of the Company's business is as under:

Name of the Directors	Industry Knowledge & Experience	Leadership	Business Strategy, Governance & Decision making	Technology	Financial Management	Human Resource Management	Regulatory	Marketing & Exports
Mr. Ranjit Puri	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Aditya Puri	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Kishore Chatnani	✓	✓	✓	✓	✓		✓	

Name of the Directors	Industry Knowledge & Experience	Leadership	Business Strategy, Governance & Decision making	Technology	Financial Management	Human Resource Management	Regulatory	Marketing & Exports
Mr. Sanjay Gulati	✓	✓	✓	✓	✓	✓	✓	✓
*Mr. Vishal Kirti Keshav Marwaha (ceased w.e.f. September 16, 2025)	✓	✓	✓		✓		✓	
*Mr. Sidharth Prasad (Ceased w.e.f. October 31, 2025)	✓	✓	✓		✓	✓	✓	
Mr. Arvind Sagar	✓	✓	✓	✓		✓		✓
Mrs. Rashi Sikka			✓		✓	✓	✓	
Mr. Rajiv Roy Chaudhury	✓	✓	✓	✓	✓		✓	
Mr. Vivek Dhir	✓	✓	✓	✓	✓		✓	✓

3. Audit Committee

3.1 The Company has a duly constituted Audit Committee in compliance with the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Audit Committee comprises qualified and independent Members, including individuals with expertise in finance, accounting and related areas.

3.2 The composition of the Audit Committee and the attendance of its members at the meetings convened during the financial year 2025-26 are as follows:

Name of the Members	Designation	Date of the meetings and attendance				
		May 29, 2025	July 08, 2025	August 13, 2025	November 13, 2025	February 09, 2026
Mr. Rajiv Roy Chaudhury	Chairman	Not Applicable			✓	✓
Mr. Vishal Kirti Keshav Marwaha	Chairman	✓	✓	✓	Not Applicable	
Mr. Sidharth Prasad	Member	✓	✓	✓		
Mr. Arvind Sagar	Member	✓	✓	✓	✓	✓
Mr. Aditya Puri	Member	✓	✓	✓	✓	✓
Mrs. Rashi Sikka	Member	Not Applicable			-	✓

Mr. Sachin Saluja, Company Secretary of the Company, acts as Secretary to the Audit Committee.

3.3 Video / Tele-conferencing facilities are made available to Members of the Audit Committee to enable their participation in the meetings, whenever required.

3.4 The Statutory Auditors of the Company are invited to attend the meetings of the Audit Committee to discuss the quarterly, half-yearly, and yearly financial results / accounts, the annual audit plan, matters relating to the compliance with accounting standards, matters arising out of annual audit, and other related matters.

3.5 **Brief description of terms of reference**

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

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
- Reviewing, with the management, the annual financial statements and Auditors' Report thereon before submission to the Board for approval, with particular reference to:
    - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
    - Changes, if any, in accounting policies and practices and reasons for the same;
    - Major accounting entries involving estimates based on the exercise of judgment by management;
    - Significant adjustments made in the financial statements arising out of audit findings;
    - Compliance with listing and other legal requirements relating to financial statements;
    - Disclosure of any related party transactions;
    - Qualifications in the draft audit report.
- Reviewing, with the management, the quarterly financial statements / results/ information before submission to the board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Review and monitor the auditors' independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans given and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up thereon;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

- To review the functioning of the vigil mechanism;
- Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc., of the candidate;
- Carrying out any other function as is assigned by the Board from time to time;
- Examination of the financial statements and the auditors' report thereon;
- Monitoring the end use of funds raised through public offers and related matters;
- Reviewing the utilization of loan/advances/ investment by holding company in subsidiary company exceeding ₹100 crore or 10% of the asset size of the subsidiary company, whichever is lower;
- Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders;
- Reviewing compliance with the relevant requirements of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- Carrying out any other role or function as mentioned under the applicable provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

In addition to terms of reference as detailed above, the Company has systems and procedures in place to ensure that the Audit Committee mandatorily reviews the following information:

i. Management Discussion and Analysis of financial condition and results of operations;

ii. Statement of significant Related Party Transactions (as defined by the Audit Committee), submitted by the management;

iii. Management letters / letters of internal control weaknesses issued by the Statutory Auditors;

iv. Internal audit reports relating to internal control weaknesses;

v. The appointment, removal and terms of remuneration of the chief internal auditor; and

vi. Statement of deviations:

- Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to Stock Exchange(s) in terms of Regulation 32(1) (whenever applicable).
- Annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7) (whenever applicable).

4. Nomination and Remuneration Committee

4.1 The Company has a duly constituted Nomination and Remuneration Committee in compliance with the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

4.2 The composition of the Nomination and Remuneration Committee and the attendance of its members at the meeting held during the financial year 2025-26 are as follows:

Name of the Directors	Designation	Date of the meetings and attendance	
		July 08, 2025	February 06, 2026
Mr. Arvind Sagar	Chairman (w.e.f. 13th August 2025)	✓	✓
Mrs. Rashi Sikka	Member	Not Applicable	✓
Mr. Vivek Dhir	Member		✓
Mr. Vishal Kirti Keshav Marwaha	Member	✓	Not Applicable
Mr. Sidharth Prasad	Chairman	✓	

Mr. Sachin Saluja, Company Secretary of the Company, acts as Secretary to the Nomination and Remuneration Committee.

4.3 All the members of Nomination and Remuneration Committee are Independent Non-Executive Directors.

4.4 **Brief description of terms of reference**

The terms of reference are as under:

i. The Nomination and Remuneration Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance;

ii. Recommending to the Board, all remuneration, in whatever form, payable to the Senior Management;

iii. The Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board, a policy relating to the remuneration for the key managerial personnel and other employees. While formulating the policy, the Committee will ensure that:-

a. the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;

b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

c. remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short-term and long-term performance objectives appropriate to the working of the Company and its goals.

iv. Undertake such other functions and responsibilities as may be delegated by the Board from time to time or as may be required to ensure compliance with applicable statutory and regulatory requirements.

4.5 **Performance evaluation criteria for the Board, its Committees, the Directors including Independent Directors and Chairman of the Board**

4.5.1 The performance evaluation of Independent Directors was carried out by the entire Board, excluding the Director being evaluated. The Evaluation process formulated by the Nomination and Remuneration Committee provides criteria for evaluation of Independent Directors in accordance with the Guidance Note issued by SEBI vide Circular dated January 05, 2017.

4.5.2 In addition, the performance of individual directors (including Executive and other Non-Executive Directors other than Independent Directors) was evaluated on the parameters such as preparation, participation, flow of information, conduct, independent judgement and effectiveness.

4.5.3 As a process, an annual performance evaluation of the Board, its Committees, the Directors and the Chairman of the Board was undertaken in accordance with the Guidance Note issued by Institute of Company Secretaries of India (ICSI).

5. Stakeholders Relationship and Grievances Committee

5.1 The Company has a duly constituted the Stakeholders Relationship and Grievances Committee in compliance with the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time. The committee oversees, inter-alia, redressal of shareholders and investors grievances, transmission/ transposition of shares, non-receipt of annual report or declared dividend, issue of letter of confirmation in lieu of duplicate shares, exchange of new design share certificates, reviewing dematerialisation of shares, and related matters.

5.2 The roles and responsibilities of the Stakeholders Relationship and Grievances Committee are in accordance with Section 178 of the Companies Act, 2013, and Regulation 20 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

5.3 The composition of Stakeholders Relationship and Grievances Committee and the attendance of its members at the meeting held during the financial year 2025-26 are as follows:

Name of the Directors	Designation	Date of the meeting and attendance
		March 17, 2026
Mr. Ranjit Puri	Chairman	✓
Mr. Arvind Sagar	Member	✓
Mrs. Rashi Sikka	Member	✓
Mr. Sidharth Prasad	Member (up to August 13, 2025)	-
Mr. Kishore Chatnani	Member (w.e.f. August 13, 2025)	✓

Note: Mr. Ranjit Puri, Chairman of the committee, is a Non-Executive Director.

5.4 During the financial year 2025-26, 1 (one) complaint was received and duly resolved to the satisfaction of the shareholder. No investor complaint remains unresolved or pending as on March 31, 2026.

5.5 The Committee reviews the performance of the Registrar and Share Transfer Agent, Alankit Assignments Limited, and recommends such measures as may be necessary for strengthening investor servicing and grievance redressal mechanisms.

5.6 Based on the recommendation of the Nomination and Remuneration Committee, the Board designated Mr. Kalyan Ghosh as Compliance Officer with effect from July 08, 2025. He replaced Mr. Sachin Saluja, who stepped down as Compliance Officer effective from July 08, 2025, as part of an internal restructuring of responsibility within the Company. Mr. Sachin Saluja, however, continues to serve as the Company Secretary of the Company.

5.7 Details of the Compliance Officer during the financial year 2025-26 are as under:

Name of the Compliance Officer	Designation	Contact Details
Mr. Kalyan Ghosh (July 08, 2025 onwards)	Chief Legal Officer & Compliance Officer	Contact No.: +91-8800705810 E-mail id.: cs@isgec.co.in
Mr. Sachin Saluja (up to July 08, 2025)	Company Secretary	

Note: Mr. Kalyan Ghosh and Mr. Sachin Saluja are qualified Company Secretaries and Members of the Institute of Company Secretaries of India (ICSI).

6. Risk Management Committee

6.1 The Company has a duly constituted the Risk Management Committee in compliance with the provisions of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

6.2 The Company has in place a robust Risk Management Policy that facilitates the identification and evaluation of business risks and opportunities. The Policy also outlines the monitoring and periodic review of the risk management plan. The committee is entrusted with overseeing the implementation of risk mitigation strategies and discharging such other functions as may be assigned to it by the Board from time to time. The Company recognizes that effective risk management is essential to safeguard stakeholder interests and to achieve strategic business objectives.

6.3 The composition of the Risk Management Committee and attendance of its members at the meetings held during the financial year 2025-26 are as follows:

Name of the Directors	Designation	Date of the meetings and attendance	
		June 05, 2025	December 24, 2025
Mr. Sidharth Prasad	Chairman (Up to August 13, 2025)	✓	N.A.
Mr. Arvind Sagar	Chairman (w.e.f. August 13, 2025)	-	✓
Mr. Aditya Puri	Member	✓	-
Mr. Sanjay Gulati	Member	✓	✓

Mr. Sachin Saluja, Company Secretary of the Company, acts as Secretary to the Risk Management Committee.

6.4 **Brief description of terms of reference:**

The terms of reference of the Risk Management Committee are as under:

i. Overseeing key risks, including strategic, financial, operational and compliance risks;

ii. Assisting the Board in framing, implementing and monitoring the Risk Management Plan for the Company and reviewing and guiding the Risk Policy;

iii. To develop appropriate cyber security measures;

iv. To encourage the Board to give cyber-security issues on a high priority and to strong oversight as part of good governance;

v. To help in security IT systems & mitigate cyber security risks by protecting the systems, applications, information & devices against unauthorized access and cyber-attacks; and

vi. To take necessary steps to ensure security, integrity and confidentiality of records.

7 Remuneration of Directors

7.1 Details of remuneration paid to Directors of the Company for the financial year ended March 31, 2026, are as follows:

7.1.1. **Remuneration to Non-Executive Directors:**

Non-Executive Directors are entitled to a Sitting Fee of ₹1,00,000/- per board meeting and ₹10,000/- per committee meeting attended. In addition, a Commission of up to ₹2,50,000/- per annum shall be paid to each Non- Executive Director.

7.1.2. Details of Remuneration paid to Non- Executive Directors are tabulated hereunder:

Amount in ₹

Name of Directors	Nature of Payment and Amount		Total Amount
	Commission	Sitting Fee	
Mr. Ranjit Puri	2,50,000	5,30,000	7,80,000
Mr. Arvind Sagar	2,50,000	6,00,000	8,50,000
Mrs. Rashi Sikka	2,50,000	4,50,000	7,00,000
*Mr. Rajiv Roy Chaudhury	1,82,877	3,20,000	5,02,877
*Mr. Vivek Dhir	1,82,877	3,20,000	5,02,877
#Mr. Vishal Kirti Keshav Marwaha	1,15,753	3,50,000	4,65,753
#Mr. Sidharth Prasad	1,46,575	3,50,000	4,96,575
Total	**13,78,082**	**29,20,000**	**42,98,082**

Note: The commission to Directors appointed or who ceased to hold office during the financial year was determined on a proportionate basis.

***** Mr. Rajiv Roy Chaudhury and Mr. Vivek Dhir were appointed as Directors with effect from July 08, 2025.

Mr. Vishal Kirti Keshav Marwaha and Mr. Sidharth Prasad ceased as directors with effect from September 16, 2025, and October 31, 2025, respectively.

7.1.3. Apart from payment of sitting fee and commission to Non-Executive Directors, no other fee/remuneration is being paid to them.

7.2 **Remuneration to Executive Directors**

Executive Directors are entitled to receive Salary, contribution to Provident Fund, Group Gratuity Fund & Superannuation Fund, other Perquisites and Commission.

7.2.1 **Details of Remuneration paid to Executive Directors are tabulated hereunder:**

Amount in ₹

S. No.	Name of the Director	Mr. Aditya Puri	Mr. Kishore Chatnani	Mr. Sanjay Gulati*	Total
	Designation	**Managing Director**	**Joint Managing Director & CFO**	**Joint Managing Director and Head-Manufacturing Units**	
	Components				
(i)	Salary	1,20,00,000	2,47,01,151	1,68,80,578	5,35,81,729
(ii)	Contribution to Provident Fund, Group Gratuity Fund and Superannuation Fund	27,90,000	7,52,304	11,62,016	47,04,320
(iii)	Other Perquisites	8,24,504	54,600	9,30,232	18,09,336
(iv)	Commission	12,60,85,000	-	-	12,60,85,000
	Total	**14,16,99,504**	**2,55,08,055**	**1,89,72,826**	**18,61,80,385**
	Service Contract	5 Years till April 30, 2026	5 Years till June 27, 2026	5 Years till June 27, 2026	-
	Notice period	-	-	-	-
	Severance fees	Nil	Nil	Nil	-

In addition to the remuneration given above, Mr. Sanjay Gulati drawn a remuneration of ₹ 99.42 Lakh from Isgec Hitachi Zosen Limited, a subsidiary and Joint Venture Company.

7.3 There is no Stock Option Scheme prevailing in the Company.

8. General Body Meetings

8.1 The details of last three (03) Annual General Meetings of the Company are as under:

AGM	Financial Year ended	Date & Time	Venue	Special Resolution passed
90th	March 31, 2023	August 23, 2023, at 11:30 A.M. (IST)	Meeting held through Video Conferencing (VC) or Other Audio Visual Means (OAVM)	- No Special Resolution was proposed and passed
91st	March 31, 2024	August 28, 2024, at 11:00 A.M. (IST)		- Re-appointment of Mrs. Rashi Sikka (DIN: 00320145) as an Independent Director.
92nd	March 31, 2025	September 16, 2025, at 11:00 A.M. (IST)		- Appointment of Mr. Rajiv Roy Chaudhury (DIN: 03545734) as an Independent Director; and - Appointment of Mr. Vivek Dhir (DIN: 00774349) as an Independent Director

Note: No Extraordinary General Meeting was held during the financial year 2025-26.

8.2 **Postal Ballot**

During the financial year 2025–26, pursuant to Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Sections 108, 110 and other applicable provisions of the Companies Act, 2013 read with Rules made thereunder, Members of the Company approved following matters by way of special resolution through postal ballot dated March 28, 2026:

S.No.	Type of Resolution	Brief description of Resolution
1	Special Resolution	Re-appointment of Mr. Arvind Sagar as an Independent Director for the second consecutive term of 05 years

8.3 **Procedure followed for Postal Ballot**

8.3.1 In compliance with Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Sections 108, 110 and other applicable provisions of the Companies Act, 2013 read with the Rules made thereunder and General Circulars issued by the Ministry of Corporate Affairs, the Postal Ballot notice dated February 24, 2026 was dispatched on Tuesday, February 24, 2026 containing draft resolution together with the explanatory statement and remote e-voting instructions through electronic mode to all those Members whose e-mail address were registered with the Company/Registrar to an Issue and Share Transfer Agent ('RTA') or Depository/ Depository Participants and whose names appeared in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on Friday, February 20, 2026. The Company also published notice in the newspapers declaring details of completion of dispatch on Wednesday, February 25, 2026.

8.3.2 Members were requested to cast their vote only through remote e-voting facility provided by National Securities Depository Limited (NSDL) between Thursday, February 26, 2026 (9:00 A.M. IST) and Friday, March 27, 2026 (5.00 P.M. IST) (both days inclusive) on the draft resolutions mentioned in the Postal Ballot Notice.

8.3.3 The Scrutinizer, Mr. Pramod Kothari, Partner of M/s. Pramod Kothari & Co., Company Secretaries, submitted his report on March 28, 2026, after completion of the scrutiny.

8.3.4 The result of the Postal Ballot was announced by Mr. Kalyan Ghosh, Chief Legal Officer & Compliance Officer on March 28, 2026. The last date of remote e-voting, March 27, 2026, was taken as the date of passing the resolution.

8.3.5 The consolidated summary for the Special Resolution passed through Postal Ballot is as under:

Special Resolution	Net Valid Votes Cast (No. of Equity Shares)	Votes in favour of the Resolution (No. of Equity Shares and % of Net Valid Votes)	Votes against the Resolution (No. of Equity Shares and % of Net Valid Votes)
For appointment of Mr. Arvind Sagar as an Independent Director for a second consecutive term of 5 years	5,94,49,815	5,45,33,039 (91.73%)	49,16,776 (8.27%)

8.3.6 The Members also approved the Ordinary Resolutions for the re-appointment of Mr. Aditya Puri as Managing Director, Mr. Kishore Chatnani and Mr. Sanjay Gulati as Joint Managing Directors, in addition to the aforesaid Special Resolution.

8.4 At present, there is no proposal for passing any special resolution through postal ballot.

9. Means of Communication

9.1 The Quarterly / Annual Financial Results are generally published in the following newspapers:

a. Business Line (English); and

b. Hari Bhoomi (Hindi)

9.2 The Quarterly / Annual Financial Results are also available on the website of the Company at https://www.isgec.com/aboutus-financials-annual-reports-inv.php.

9.2.1 All official Press Releases / Presentations / Earning Calls after publication of Quarterly / Annual Financial Results made to analysts and institutional investors and other general information, if required, have been made available to the Stock Exchanges to enable them to put on their websites (i.e., www.bseindia.com and www.nseindia.com) and communicate to their members. These documents are also available under the "Investor Relations" on the Company's website, www.isgec.com.

9.2.2 Annual Report for the financial year 2024-25 containing Notice, Board's Report comprising the Corporate Governance Report, the Business Responsibility and Sustainability Report (BRSR), and the Annual Financial Statements (Consolidated and Standalone) together with Auditors' Report thereon, were sent to the members of the Company whose email addresses are registered with the Company/ Depository Participant(s). For Members whose e mail addresses were not registered, the Company dispatched communication letters containing the web link and QR Code for accessing the Annual Report and Notice of the Annual General Meeting electronically. The Annual Report for the financial year 2024-25, the financial year 2025-26 and the Notice of Annual General Meetings are available on the website of the Company at https://www.isgec.com/aboutus-financials-annual-reports-investor.php.

10. General Shareholders Information

10.1 93rd Annual General Meeting is scheduled to be held on Monday, September 28, 2026, at 11:00 a.m. (IST) through Video Conferencing (VC) or Other Audio Visual Means (OAVM).

10.2 The Company is following April 01 to March 31 as its financial year.

10.3 Final Dividend payment date is October 26, 2026, for the financial year 2025-26.

10.4 Demat ISIN allotted for the equity shares is INE858B01029.

10.5 The Promoters and Promoters Group hold their entire shareholding in demat form.

10.6 The Equity Shares of the Company are listed on the following Stock Exchanges having nationwide terminal:

S. No.	Name and Address of the Stock Exchanges	Scrip Code
1	BSE Limited (BSE) P.J. Tower, Dalal Street, Fort, Mumbai-400001, Maharashtra	533033
2	National Stock Exchange of India Limited (NSE) Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai– 400 051, Maharashtra	ISGEC

10.7 The Company has paid the Annual listing fee for the financial year 2025-26 and 2026-27 to the National Stock Exchange of India Limited and BSE Limited.

10.8 The Company has paid the Annual Custody Fee for the financial year 2025-26 and 2026-27 to National Securities Depository Limited and Central Depository Services (India) Limited.

10.9 **Securities suspended from trading:** Not Applicable

10.10 **Details of Registrar and Transfer Agent:**

Alankit Assignments Limited

'Alankit House', 4E/2, Jhandewalan Extension, New Delhi – 110055, INDIA

Phone: +91-11-42541234, 23541234,

Fax: +91-11-23552001,

Email: alankit@alankit.com / rta@alankit.com

10.11 **Share Transfer System**

10.11.1 In terms of Regulation 40(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, securities can be transferred only in dematerialized form with effect from April 1, 2019, except in case of transmission and transposition. Members holding shares in physical form are requested to consider converting their holdings in dematerialized form. Transfer of equity shares in electronic form are effected through the depositories with no involvement of the Company.

10.11.2 SEBI vide its circular no. HO/38/13/11/(2)2026-MIRSD-POD/I/3750/2026 dated January 30, 2026 has also provided a special window for re-lodgement of transfer deeds that were lodged prior to April 1, 2019. Upon approval of such transfer requests, the securities are issued only in dematerialized form. Shareholders eligible under the said framework are advised to complete the requisite formalities within the timelines prescribed by SEBI.

10.12 **Distribution of Shareholding:**

Distribution of shareholding as at March 31, 2026, is as follows:

Shareholding of Nominal Value			Shareholders		Share Amount	
₹		₹	Number	% of Total	(In ₹)	% of Total
Up-to		500	36301	93.08	29,24,099	3.98
501	-	1,000	1335	3.42	10,20,201	1.39
1,001	-	2,000	582	1.49	8,61,228	1.17
2,001	-	3,000	202	0.52	5,12,103	0.70
3,001	-	4,000	101	0.26	3,56,238	0.48
4,001	-	5,000	80	0.21	3,70,330	0.50
5,001	-	10,000	170	0.44	12,69,028	1.73
10,001 and above			227	0.58	6,62,16,283	90.05
Total			**38998**	**100**	**7,35,29,510**	**100**

10.13 **Shareholding Pattern as at March 31, 2026:**

Category	No. of Shareholders	No. of Shares held	Percentage
Promoters	05	4,59,04,888	62.43
Others (Public)	38993	2,76,24,622	37.57

10.14 **Dematerialization of shares and liquidity**

The Company's equity shares are under compulsory demat trading for all categories of investors. A total of **7,27,72,670** equity shares have been dematerialised as on **March 31, 2026**, representing **98.97%** of the total equity capital.

10.15 **Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion date and likely impact on equity**

The Company has not issued GDRs/ ADRs/ Warrants or any Convertible Instruments and, therefore, there is no impact on equity.

10.16 **Commodity Price Risk or Foreign Exchange Risk and Hedging Activities**

The Board has laid down a Foreign Exchange Risk Management Policy, which is implemented for hedging Forex risk. The Company is exposed to commodity risks for certain commodities such as steel for fabricated items and structures and construction materials such as cement, tor steel and structural steel for civil work. The Company manages the commodity risks by a number of methods including rate contracts with suppliers, back to back offers from suppliers prior to booking customers' orders, bulk purchases, using global sourcing options and hedging wherever available.

10.17 **Plant and Business locations are given hereunder:**

A.	Manufacturing Segment		
	Plant Location-Name	**Item of Manufacture**	**Address for correspondence**
(i)	Radaur Road, Yamunanagar	Pressure Vessels & Heat Exchangers, Presses– Mechanical & Hydraulic, Boilers, Container, Castings, Sugar and other Industrial Machinery.	Isgec Heavy Engineering Limited, Radaur Road, Yamunanagar-135001, Haryana, India

	Plant Location-Name	Item of Manufacture	Address for correspondence
(ii)	Rattangarh, Yamunanagar	Pressure Parts for Boilers	Isgec Heavy Engineering Limited, Rattangarh, Yamunanagar-135001, Haryana, India
(iii)	Dahej, Gujarat	Pressure Vessels, Columns, Heat Exchangers	Isgec Heavy Engineering Limited, 13/B, G.I.D.C Industrial Estate, Dahej, Taluka- Vagara, Dist. Bharuch – 392130, Gujarat, India
(iv)	Dahej, Gujarat	Process Equipment	Isgec Heavy Engineering Limited, Plot No. Z-89, Dahej Special Economic Zone Part-II, Taluka: Vagra, Bharuch-392130, Gujarat, India
(v)	Muzaffarnagar, Uttar Pradesh	Castings - Steel & Iron	Isgec Heavy Engineering Limited, Village Nara, P.O. Mansurpur –251203, District Muzaffarnagar, Uttar Pradesh, India
(vi)	Bawal, Haryana	Standard Mechanical Presses and other Industrial Machinery	Isgec Heavy Engineering Limited, Plot No. 123, Sector-6, HSIIDC, Industrial Growth Centre, Bawal, Dist. Rewari-123501 Haryana, India
(vii)	Aurangabad, Haryana	Fabrication of Piping Spools	Isgec Heavy Engineering Limited, Aurangabad, Beside Essar Petrol Pump, NH-74, Radaur Road, Aurangabad, Yamunanagar, Haryana-135001, India
(viii)	Damla, Haryana	Fabrication of Piping Spools	Isgec Heavy Engineering Limited, Hadbast no 484, Village Damla, Radaur Road, Damla, Yamunanagar, Haryana, 135002, India
(ix)	Bhartoli, Haryana	Machine Building, Castings, and other Industrial Machinery	Village-Bhartoli, Post Office- Gajlana, Tehsil - Ladwa, Distt. Kurukshetra, Haryana-136132, India
B.	**Industrial Project Segment- Business locations**		
(i)	Noida, Uttar Pradesh	Boilers, Air Pollution Control Equipment, Sugar Plant & Machinery, Power Plants, Railways, Factories and Material Handling System and Water Treatment	(i) A-5, A-7, A-8, A-56 and H-146, Sector-63, Noida – 201301, Uttar Pradesh, India; (ii) A-4, Sector – 24, Noida – 201301, Uttar Pradesh, India
(ii)	Chennai, Tamil Nadu	Design office	438/1, (Old #605&606), Indeqube Wave, T.R. Sundaram Avenue, Off Anna Salai, Thousand Lights West, Chennai-600006, Tamil Nadu, India
(iii)	Pune, Maharashtra	Design office	T-29/31, Om Chambers, 303, 302(4) & 302(5) Bhosari, Telco Road, MIDC, Bhosari, Pimpri-Chinchwad, Maharashtra-411026, India
C.	**Other Business locations:**		
(i)	Mumbai, Maharashtra		2nd Floor, Great Social Building, 60 P Mehta Road, Fort Mumbai, Maharashtra-400001, India

10.18 **Address for Correspondence is as under:**

Corporate Office:	A-4, Sector – 24, Noida – 201 301, Uttar Pradesh, India Tel. : +91-120-408 5001/ 5002 E-mail: cs@isgec.co.in
Registered Office:	Radaur Road, Yamunanagar-135 001, Haryana, India Tel: 01732-661061 Email: roynr@isgec.com

10.19 List of all credit ratings obtained by the entity as applicable during the relevant financial year, for all debt instrument of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of fund, whether in India or abroad is enclosed as **Annexure-A.**

11. Other Disclosures

11.1 **Materially significant RelatedParty Transactions**

There are no materially significant Related Party Transactions, which have potential conflict with the interests of the Company at large.

11.2 **Details of non-compliance by the Company, penalties, and strictures imposed on the Company by BSE Limited or National Stock Exchange of India Limited or SEBI or any statutory authority, on any matter related to capital markets, during the last three years:**

None

11.3 **Vigil Mechanism/Whistle Blower Policy**

11.3.1 The Company has established a Vigil Mechanism / Whistle Blower Policy for Directors, Stakeholders, Individual Employees and their Representative Bodies to report and communicate his/her/their genuine concerns, illegal or unethical practices and instances of leak of Unpublished Price Sensitive Information. During the year under review, the Company has not denied any personnel access to the Audit Committee as per Vigil Mechanism / Whistle Blower policy.

11.3.2 The Audit Committee of the Company oversees the Vigil Mechanism. The Vigil Mechanism has been disclosed on the website of the Company.

11.3.3 In case of appropriate or exceptional cases or if the complaint relates to the Key Managerial Personnel or, Non-Independent Directors, the person complaining may report to or communicate with Chairman of the Audit Committee.

11.4 **Committee of Directors**

11.4.1 The Company has a duly constituted Committee of Directors to evaluate/explore various options available for future organic and inorganic growth of the Company and evaluating all plausible options for the Company's long-term growth plans & enhancing shareholder value.

11.4.2 The composition of the committee as under:

S.No.	Name of the Directors	Designation
1	Mr. Aditya Puri	Managing Director
2	Mr. Kishore Chatnani	Joint Managing Director & Chief Financial Officer
3	Mr. Sanjay Gulati	Joint Managing Director
4	Mr. Arvind Sagar	Independent Director
5	Mrs. Rashi Sikka	Independent Director
6	Mr. Rajiv Roy Chaudhury (inducted w.e.f. May 27, 2026)	Independent Director

11.5 Mr. Kishore Chatnani, Joint Managing Director and Chief Financial officer, is designated as Chief Investor Relations Officer.

11.6 **Details of compliance with mandatory requirements and adoption of the non-mandatory requirements**

The Company has complied with all the mandatory requirements. As a good governance practice, the Board of Directors endeavour to give all other disclosures which may be important for the stakeholders of the Company.

11.7 Policy for determining Material Subsidiary Company (ies) can be accessed at

https://www.isgec.com/pdf/B.RevisedPolicyforDeterminingMaterialSubsidiaries.pdf

11.8 Policy on dealing with Related Party Transactions can be accessed at

https://www.isgec.com/pdf/PolicyonMaterialityof-RelatedPartyTransactionsandonDealingwithRelated-PartyTransactions(Updatedon09February2026).pdf

11.9 During the period under consideration, the Company has not raised funds through preferential allotment or qualified institutional placement.

11.10 **Large corporates**

11.10.1 The Company is not identified as a large corporate.

11.11 The Company has obtained a certificate from Mr. Pramod Kothari, Company Secretary in practice, confirming that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the companies by the Securities and Exchange Board of India /Ministry of Corporate Affairs or any such statutory authority. The Certificate received from the Company Secretary in practice is annexed as **Annexure- B.**

11.12 Particulars of Senior Management including changes therein since the close of the previous financial year, are as follows:

S. No.	Name of Senior Management Personnel	Designation
1	Mr. Suman Jain	Chief Executive-APCE & Utility Boilers (Ceased w.e.f. December 29, 2025)
2	Mr. Mahesh Gupta	Chief Executive – EPC
3	Mr. P V N Sanjay	Chief Executive-EPC (Ceased w.e.f. April 11, 2025)
4	Mr. V K Luthra	Chief Executive-Industrial & Green Energy Boilers
5	Mr. Sanjay Awasthi	Chief Executive-Sugar Plants & Distilleries
6	Mr. Sanjay Choudhary	Chief Executive-Process Equipment Division
7	Mr. Yogesh Saxena	Chief Executive-Machine Building Division
8	Mr. Deepak Kumar	Sr. Vice President & Unit Head-Steel Castings Division (Ceased w.e.f. June 27, 2025)
9	Mr. Lazar Pilli	Officer on Special Duty (Ceased w.e.f. May 02, 2025)
10	Mr. Yogesh Marwaha	Chief International Marketing Officer-Project Business
11	Mr. Shalabh Singh	Chief of Business Development
12	Mr. Kalyan Ghosh	Chief Legal Officer & Compliance Officer
13	Mr. Bhupinder Kumar Malik	Chief Accounts & Taxation Officer
14	Mr. Anup Bhargava	Chief Strategy Officer (Ceased w.e.f. February 16, 2026)
15	Mr. B.V. Mittal	Senior Vice President-Information & Technology
16	Mr. Sachin Saluja	Company Secretary
17	Ms. Radhika Arora	Chief Human Resources Officer
18	Mr. Subrata Roy	Chief Executive-APCE & Utility Boilers (Designated w.e.f. July 08, 2025)
19	Mr. Manzar Abbas	Chief Information Officer (Designated w.e.f. December 08, 2025)
20	Mr. Rohit Garg	Senior Vice President – Steel Casting (Designated w.e.f. July 08, 2025)

11.13 **Where the Board had not accepted any recommendation of any Committee of the Board, which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons, thereof**

Nil

11.14 **Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part:**

Amount in Lakhs

Particulars	Isgec Heavy Engineering Limited	Saraswati Sugar Mills Limited	Isgec Hitachi Zosen Limited	Total
Statutory Audit Fee	50.00	10.00	7.00	67.00
In other capacity	4.22	-	0.45	4.67
Reimbursement of Expenses	15.79	7.14	0.76	23.69
Total	**70.01**	**17.14**	**8.21**	**95.36**

11.15 **Details of Material Subsidiary**

Details of Material Subsidiary are as follows

Name	**Saraswati Sugar Mills Limited**
Date of Incorporation	**20-07-2000**
Place of Incorporation	**Yamuna Nagar, Haryana**
Name of the Statutory Auditors	**SCV & Co. LLP, Chartered Accountants, Firm Registration No. 000235N/N500089**
Date of appointment of Statutory Auditors	**30-06-2022**

11.16 I, Aditya Puri, Managing Director, declare that all the members of the Board of Directors and Senior Management personnel have affirmed compliance with the code of conduct of Board of Directors and Senior Management, during the financial year ended March 31, 2026.

Sd/-
Aditya Puri
Managing Director

11.17 Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 forms part of the Board's Report. Please refer to Para-34 for the detailed disclosure in this regard.

11.18 During the financial year under consideration, no loans and advances in the nature of loans to firms/companies in which directors are interested were given by the Company and its subsidiaries, except as disclosed in the Note-7 of Audited Annual Financial Statements for the financial year ended March 31, 2026.

11.19 No event of Non-compliance of any requirement of Corporate Governance report of sub-paras (2) to (10) of Para C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been observed.

11.20 The Company has not adopted any discretionary requirement as specified in Part E of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

11.21 The Company has complied with the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including Regulations 17 to 27 and Regulation 46. The Company submits a quarterly compliance report on the Corporate Governance signed by the Compliance Officer to the Stock Exchanges within 30 (Thirty) days from the close of every quarter. Such quarterly compliance reports on Corporate Governance are also available on the website of the Company.

For and on behalf of the Board of Directors of
Isgec Heavy Engineering Limited

Date: August 11, 2026
Place: Noida

Ranjit Puri
Chairman
DIN: 00052459

Annexure-A

List of all Credit Rating obtained by the entity alongwith any revisions thereto during the relevant financial year 2025-26

Amount (₹/Crores)

ICRA Ltd. communication letter	Date	Status of rating	Fund Based Bank Limits (Rated on Long Term Scale)		Term Loan	Rated on Long-Term Scale	Non Fund Based Bank Limits (Rated on Short Term Scale)		Fund Based / Non Fund Based Bank Limits (Rated on Long Term and Short Term Scale)		Total rated amount
			Amount	Rating assigned	Amount	Rating assigned	Amount	Rating assigned	Amount	Rating assigned	
ICRA/ISGEC Heavy Engineering Limited/ 27032025/1	*3/27/2025	Reaffirmed	600.00	[ICRA]AA (Stable); reaffirmed	50.00	[ICRA]AA (Stable); reaffirmed	3800.17	[ICRA]A1+ reaffirmed	1099.83	[ICRA]AA (Stable)/ [ICRA]A1+ reaffirmed	5550.00

*These ratings are live and outstanding as on 31.03.2026

Note

No revision thereto during the financial year 2025-2026

Annexure-B

To,
The Members
Isgec Heavy Engineering Limited
(CIN: L23423HR1933PLC000097)
Radaur Road, Yamuna Nagar,
Haryana – 135 001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Isgec Heavy Engineering Limited having CIN L23423HR1933PLC000097 and having registered office at Radaur Road, Yamuna Nagar Haryana – 135 001 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on March 31, 2026 have been debarred or disqualified from being appointed and continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Directors	DIN	Date of Appointment in the company*	Designation	Date of cessation*
1	Ranjit Puri	00052459	14/10/1981	Director (Promoter)	-
2	Aditya Puri	00052534	30/04/1996	Managing Director	-
3	Kishore Chatnani	07805465	28/06/2021	Managing Director (Professional)	-
4	Sanjay Gulati	05201178	28/06/2021	Managing Director (Professional)	-
5	Rashi Sikka	00320145	28/05/2022	Director (Independent)	-
6	Vivek Dhir	00774349	08/07/2025	Director (Independent)	-
7	Rajiv Roychaudhury	03545734	08/07/2025	Director (Independent)	-
8	Arvind Sagar	09210612	28/06/2021	Director (Independent)	-
9	Sidharth Prasad	00074194	31/10/2015	Director (Independent)	31/10/2025
10	Vishal Kirti Keshav Marwaha	00164204	30/03/2017	Director (Independent)	16/09/2025

***The date of appointment and cessation is as per the MCA Portal.**

Ensuring the eligibility for the appointment and continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Company Secretaries
Peer Review Certificate No: 6701/2025

Pramod Kothari
Proprietor
CP No: 11532: Membership No. F7091
UDIN:F007091H001014779

Date :August 04, 2026
Place: Noida

Annexure-4A

Independent Auditor's Certificate on compliance with the conditions of Corporate Governance

To
The Members
Isgec Heavy Engineering Limited
Radaur Road, Yamunanagar-135001 Haryana, India

1. This certificate is issued in accordance with our terms of engagement letter dated July 10, 2026.

2. We have examined the compliance of conditions of Corporate Governance by Isgec Heavy Engineering Limited (hereinafter "the Company"), for the year ended March 31, 2026, as specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C and D of schedule V of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015, as amended from time to time ("the Listing Regulations").

Management's Responsibility

3. The compliance of conditions of the Corporate Governance is the responsibility of Management of the Company including preparation and maintenance of all the relevant supporting records and documents. This responsibility includes design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of Corporate Governance stipulated in the Listing Regulations.

Auditor's Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations for the year ended March 31, 2026.

6. We have carried out an examination of the relevant records of the Company in accordance with the "Guidance Note on certificate on Corporate Governance (Revised)" issued by the Institute of the Chartered Accountants of India (the "ICAI"), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. We have complied with the relevant applicable requirements of 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.

Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of sub regulation (2) of regulation 46 and para–C and D of Schedule V of the Listing Regulations during the year ended March 31, 2026.

Other Matter and Restriction on Use

9. This certificate is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

10. This certificate is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and 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 or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this certificate for events and circumstances occurring after the date of this certificate.

For SCV & CO. LLP
Chartered Accountants
Firm's Registration Number:000235N/N500089

Sanjay Vasudeva
(Partner)
Membership No.: 090989
ICAI UDIN:26090989EYFBTP4429

Place: Noida
Date: 11th August 2026

Annexure-5

FORM No. MR-3

SECRETARIAL AUDIT REPORT

For the financial year ended March 31, 2026

[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members,
Isgec Heavy Engineering Limited
(CIN: L23423HR1933PLC000097)
Radaur Road, Yamuna Nagar Haryana -135 001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ISGEC HEAVY ENGINEERING LIMITED ("**the Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

We report that:

a) Maintenance of secretarial records are the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

b) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.

c) We have not verified the correctness and appropriateness of the financial statements of the Company.

d) Wherever required, we have obtained the management representation about the compliances of laws, rules and regulations and happening of events etc.

e) The compliance of the provisions of the corporate and other applicable laws, rules, regulations, standards etc. is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year started from April 01, 2025 and ended on March 31, 2026 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

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

i. The Companies Act, 2013 (the Act) and the rules made thereunder;

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

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

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

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

   (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

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

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

(e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **{Not applicable during the Audit Period}**

(f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **{Not applicable during the Audit Period}**

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

(h) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **{Not applicable during the Audit Period}**;

(i) Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; **{Not applicable during the Audit Period}**.;

vi. The Management has identified and confirmed the following laws as specifically applicable to the company: -

a) Labour laws as applicable

b) Environment Protection Act, 1986;

c) The Water (Prevention & Control of Pollution) Act 1974 read with Water (Prevention & Control of Pollution) Rules, 1975;

d) The Air (Prevention & Control of Pollution) Act, 1981 read with Air (Prevention & Control of Pollution) Rules, 1982;

e) Disposal of Hazardous Waste rules.

f) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

We have also examined compliance with the applicable clauses of the Secretarial Standard on Meetings of the Board of Directors (SS-1) and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, with which the Company has generally complied with. The Company is generally regular in filing e-forms/returns with The Registrar of Companies under the provisions of the Act.

During the audit period, we are of the opinion that the Company has complied with the provisions of the Act, Rules, Regulations and Guidelines to the extent applicable.

In our opinion and to the best of our information and according to explanations given to us, we believe that the Company is having systems in place to check the compliance of laws specifically applicable to the Company.

We further report that the Board of Directors of the Company is duly constituted with an appropriate balance of Executive Directors, Non-Executive Directors, and Independent Directors. During the financial year, Mr. Vishal Kirti Keshav Marwaha and Mr. Sidharth Prasad, Independent Directors of the Company, ceased to hold office with effect from 16 September 2025 and 31 October 2025, respectively. Further, Mr. Rajiv Roy Chaudhury and Mr. Vivek Dhir were appointed as Independent Directors of the Company with effect from 8 July 2025.

Adequate notice was given to all directors to schedule the Board and committees Meetings; agenda and detailed notes on agenda were sent in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes, the decisions at the Board meetings were taken unanimously.

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

We further report that during the Audit Period there were no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws.

For **Pramod Kothari & Co.**
Company Secretaries
Peer Review Certificate No: 6701/2025

Pramod Kothari
Proprietor
CP NO; 11532
Membership No. F7091
UDIN: F007091H000502883

Noida, May 27, 2026

Annexure-5

FORM No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2026

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

To,

The Members,
SARASWATI SUGAR MILLS LIMITED
(CIN: U01115HR2000PLC034519)
RADAUR SAHARAMPUR ROAD,
YAMUNA NAGAR-135001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by SARASWATI SUGAR MILLS LIMITED ("**the Company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

We report that:

a) Maintenance of secretarial records are the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

b) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.

c) We have not verified the correctness and appropriateness of the financial statements of the Company.

d) Wherever required, we have obtained the management representation about the compliances of laws, rules and regulations and happening of events etc.

e) The compliance of the provisions of the corporate and other applicable laws, rules, regulations, standards etc. is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year started from April 01, 2025 and ended on March 31, 2026 ('**Audit Period**') complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

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

(i) The Companies Act, 2013 ("**the Act**") and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ("**SCRA**") and the rules made thereunder; **Not Applicable**

(iii) The Depositories Act, 1996, and the Regulations and byelaws framed thereunder; **Not Applicable**

(iv) The Foreign Exchange Management Act, 1999, and the Rules and Regulations were made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment, and External Commercial Borrowings; Not Applicable

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

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **Not Applicable**

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **Not Applicable**

(c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; **Not Applicable**

(d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **Not Applicable**

(e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **Not Applicable**

(f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **Not Applicable**

(g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993; **Not Applicable**

(h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **Not Applicable**

(i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable**

(vi) As per the information provided and explanation given by the management, the following laws are specifically applicable to the Company: -

1. The Environment Protection Act.
2. The Disposal of Hazardous Waste Rules.
3. The Sugar Cess Act, 1982.
4. The Levy Sugar Price Equalisation Fund Act, 1976.
5. The Food Safety and Standards Act, 2006.
6. The Essential Commodities Act, 1955.
7. The Sugar Development Fund Act, 1982.

We have also examined compliance with the applicable clauses of the Secretarial Standard on Meetings of the Board of Directors **(SS-1)** and Secretarial Standard on General Meetings **(SS-2)** issued by the Institute of Company Secretaries of India, with which the Company has complied with. The Company is regular in filing e-forms with Registrar of Companies under the provisions of the Act.

In our opinion and to the best of our information and according to explanations given to us, we believe that the Company is having systems in place to check the compliance of laws specifically applicable to the Company.

We further report that The Board of Directors of the Company is duly constituted in terms of the provisions of the Companies Act, 2013. The changes in the composition of the Board of Directors/Committee that took place during the audit period under review were carried out in compliance with the provisions of the Act.

Advance notice was given to all directors to schedule the Board Meetings; agenda and detailed notes on agenda were sent in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes, the decisions at the Board meetings were taken unanimously.

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

We further report that during the Audit Period, there were no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws.

For **Pramod Kothari & Co.**
Company Secretaries
Peer Review Certificate No: 6701/2025

Pramod Kothari
Proprietor
CP NO; 11532
Membership No. F7091
UDIN: F007091H000275139

Noida, May 04, 2026

Annexure-6

ISGEC HEAVY ENGINEERING LIMITED

STATEMENT OF INFORMATION TO BE FURNISHED PURSUANT TO SECTION 197 (12) OF THE COMPANIES ACT, 2013 AND RULE 5 (1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL RULES, 2014

(i)	**the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;**	1) Mr. Aditya Puri (Managing Director)	135
		2) Mr. Kishore Chatnani (Joint Managing Director & Chief Financial Officer)	24
		3) Mr. Sanjay Gulati (Joint Managing Director & Head Manufacturing Units)	28

(ii)	**the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;**	1) Mr. Aditya Puri (Managing Director)	24%
		2) Mr. Kishore Chatnani (Joint Managing Director & Chief Financial Officer)	21%
		3) Mr. Sanjay Gulati (Joint Managing Director & Head Manufacturing Units)	18%
		5) Mr. Kalyan Ghosh (Chief Legal & Compliance Officer)	14%
		4) Mr. Sachin Saluja (Company Secretary)	24%

Independent Directors:

The ratio of remuneration of each director to the median remuneration of the employees and percentage increase in remuneration of each director:

Independent Directors are paid maximum remuneration of ₹ 2,50,000 per annum. Besides this, they are paid sitting fees for attending Board and Committee meetings. Details of sitting fees paid to independent Directors are given in the report on Corporate Governance forming part of Annual Report and hence, are not included in the above table. The non Independent Directors do not receive any sitting fees.

(iii)	**the percentage increase in the median remuneration of employees in the financial year;**	7.00%
(iv)	**the number of permanent employees on the rolls of company;**	3396 as on 31st March 2026 (3089 as on 31st March 2025)
(v)	**average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;**	The average percentile increase in salaries of employees other than managerial personnel in 2025-26 was 7.00% and average percentile increase in the remuneration of Managerial Personnel was 21.90% viz-a-viz the last financial year. The remuneration of the managing director was linked to net profit of the Company.
(vi)	**affirmation that the remuneration is as per the remuneration policy of the company.**	Remuneration is paid as per the remuneration policy of the company

Annexure-7

Business Responsibility & Sustainability Report

FY 2025-26

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1	**Corporate Identity Number (CIN) of the Company**	L23423HR1933PLC000097
2	**Name of the Company**	Isgec Heavy Engineering Limited
3	**Year of Incorporation**	23/01/1933
4	**Registered office address**	Radaur Road, Yamuna Nagar-135001, Haryana, India
5	**Corporate office address**	A-4, Sector-24, Noida, Uttar Pradesh 201301, India
6	**E-mail id**	cs@isgec.co.in; cfo@isgec.com
7	**Telephone**	0120-4085408
8	**Website**	www.isgec.com
9	**Financial year for which reporting is being done**	2025-26
10	**Name of the Stock Exchange(s) where shares are listed**	National Stock Exchange of India Limited (NSE) and the BSE Ltd. (Bombay Stock Exchange)
11	**Paid-up capital**	Rs. 735.29 lakh
12	**Name and contact details of the person who may be contacted incase of any queries on the BRSR report**	Mr. Kishore Chatnani Joint Managing Director & Chief Financial Officer Email id.: cfo@isgec.com Contact No.: +91 120 4085405
13	**Reporting Boundary**	Standalone Basis
14	**Name of assurance provider**	NA since the Company does not fall among the top 500 listed companies by market capitalisation.
15	**Type of assurance obtained**	

II. Products/services

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

S. No	Description of main activity	Description of business activity	% of turnover
1	Industrial Projects	The Company undertakes projects for supply of Boilers, Sugar Plants, Power Plants, Air Pollution Control Equipment, Material Handling Systems.	63.1%
2	Manufacturing of Machinery and Equipment	The Company manufactures heavy capital goods such as Mechanical and Hydraulic Presses, Steel and Iron Castings, Boiler Tubes and Panels, Process Plant Equipment and Liquefied Gas Containers.	36.9%

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

S. No.	Product/Service	NIC Code	% of total turnover contributed
1	Boiler and Boiler Parts	25130	28.0%
2	Sugar Machinery and Distillery Plant	28259 and 42901	13.0%
3	Presses	25910	1.0%
4	Erection, commissioning and related services	33200	9.0%
5	Flue Gas Desulfurization	28299	8.0%

S. No.	Product/Service	NIC Code	% of total turnover contributed
6	Pressure Vessels, Heat Exchangers	25122 and 28190	8.0%
7	Material Handling Equipment	28162	7.0%
8	Castings	24319	6.0%
9	Power Plants	42201	4.0%
10	Air Pollution Control Equipment	28299	3.0%
11	Containers	25129	3.0%

III. Operations

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

Location	Number of plants	Number of offices	Total
National	7	5	12
International	0	1	1

19. Markets served by the entity

a. Number of locations

Locations	Number
National (No. of states)	23*
International (No. of countries)	1**

*The Company has a wide network of offices and project sites across India to support its business operations. The Company has identified its number of locations based on the Goods and Services Tax (GST) numbers for each location.

** The Company has marketing agents in many countries, and its own representative office in Thailand.

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

The Company has progressively reinforced its global presence by consistently delivering products and services of exceptional quality. In FY 2025–26, export of goods and services accounted for 22.36% of the Company's total turnover, highlighting the effectiveness of its global growth strategy and the increasing traction of its offerings across key international geographies.

c. A brief on types of customers

The Company offers a comprehensive portfolio of machinery, equipment, and integrated project solutions to a wide spectrum of industrial sectors across both domestic and international markets. Backed by decades of engineering expertise and a strong focus on operational efficiency, the Company serves critical industries such as power generation, oil and gas, petrochemicals, automotive, fertilizers, green energy, hydro power, mining, paper, sugar, steel, cement, chemicals, railways, distilleries, aerospace, and port infrastructure.

IV. Employees

20. Details as on March 31, 2026

a. Employees and workers (including differently abled)

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
EMPLOYEES						
1	Permanent (D)	2,961	2,857	96.5%	104	3.5%
2	Other than Permanent (E)	668	655	98.1%	13	2.0%
3	Total employees (D+E)	3,629	3,512	96.8%	117	3.2%
WORKERS						
1	Permanent (F)	435	435	100%	0	0
2	Other than Permanent (G)	15	15	100%	0	0
3	Total workers (F+G)	450	450	100%	0	0

b. Differently abled employees and workers

The Company is firmly committed to fostering a diverse and inclusive workplace, where equal opportunity is not merely a stated policy, but a fundamental value embedded within its organizational culture. It follows a merit-based approach to recruitment and employment, ensuring that all decisions are guided strictly by qualifications, skills and performance, without any discrimination based on race, caste, gender, sexual orientation, disability, religion or any other personal attribute. This commitment to fairness and inclusion is evident in the composition of the company's workforce, which recognizes and values diversity as a key strength. In line with its efforts to build an accessible and supportive work environment, the Company currently employs three individuals with disabilities as of the current financial year and continues to actively explore opportunities to further strengthen representation and inclusivity across all levels of the organization.

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
DIFFERENTLY ABLED EMPLOYEES						
1	Permanent (D)	3	3	100%	0	0
2	Other than Permanent (E)	0	0	0	0	0
3	Total differently abled employees (D+E)	3	3	100%	0	0
DIFFERENTLY ABLED WORKERS						
1	Permanent (F)	0	0	0	0	0
2	Other than Permanent (G)	0	0	0	0	0
3	Total differently abled workers (F+G)	0	0	0	0	0

21. Participation / inclusion/ representation of women

	Total (A)	No. and percentage of females	
		No. (B)	% (B/A)
Board of Directors	8	1	12.5%
Key Management Personnel	2	0	0

22. Turnover rate for permanent employees and workers

During the FY 2025-26, the overall turnover rate stood at 14.32% for employees and 13.33% for workers.

	FY 2025-26			FY 2024-25			FY 2023-24		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	14.3%	15.4%	14.3%	14.4%	0.7%	15.1%	14.6%	0.4%	14.9%
Permanent Workers	13.3%	0	13.3%	7.5%	0	7.5%	7.8%	0.2%	8.0%

V. Holding, subsidiary and associate companies (including joint ventures)

23. a. Names of holding / subsidiary / associate companies / joint ventures:

S. No.	Name of Holding / Subsidiary / Associate Companies / Joint Venture (A)	Indicate whether Holding / Subsidiary / Associate / Joint Venture	% Of shares held by listed entity	Does the entity indicated in column A, participate in the Business Responsibility initiatives of listed entity? (Yes/No)
1	Saraswati Sugar Mills Limited	Subsidiary	100%	No
2	Isgec Covema Limited	Subsidiary	100%	No
3	Isgec Exports Limited	Subsidiary	100%	No
4	Isgec Engineering & Projects Limited	Subsidiary	100%	No
5	Free Look Software Private Limited	Subsidiary	100%	No
6	Eagle Press & Equipment Co. Limited, Canada	Subsidiary	100%	No
7	Isgec Investment Pte Ltd., Singapore	Subsidiary	100%	No
8	Isgec Eswatini (Proprietary) Limited, Eswatini	Subsidiary	100%	No
9	Isgec Hitachi Zosen Limited	Subsidiary and Joint Venture Company	51%	No
10	Isgec SFW Boilers Private Limited*	Subsidiary and Joint Venture Company	51%	No
11	Isgec Titan Metal Fabricators Private Limited	Subsidiary and Joint Venture Company	51%	No
12	Isgec Redecam Enviro Solutions Private Limited	Subsidiary and Joint Venture Company	51%	No

* Renamed to SFW Isgec Energy Private Limited, consequent to reduction of the Company's shareholding to 26% with effect from June 25, 2026.

VI. CSR Details

24 i. Whether CSR is applicable as per section 135 of Companies Act, 2013: Yes

ii. Turnover (in Rs.): 5,228.63 Crore

iii. Net worth (in Rs.): 2,733.64 Crore

VII. Transparency and Disclosures Compliances

25. Complaints/grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct (NGRBC)

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	FY 2025-26			FY 2024-25		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes, The Company has implemented a structured grievance redressal process to address the concerns of community members in the vicinity of its operations. The Company has appointed dedicated personnel to manage and resolve these queries. Additionally, Isgec actively engages with the community through various Corporate Social Responsibility (CSR) initiatives.	0	0	-	0	0	-
Investors (other than shareholders)	Yes, investors and shareholders have multiple avenues to address their concerns. They can contact the Company's CFO or Company Secretary or Compliance Officer via email for prompt grievance resolution. Additionally, investors can utilise the Online Dispute Resolution (ODR) platform available on Isgec's website. This platform, known as Smart ODR, is user-friendly and provides easy access to online dispute resolution services. Within the Smart ODR system, investors can monitor the progress of their disputes after submission. Furthermore, investors have access to SCORES, an online grievance redressal platform by SEBI, which allows them to lodge complaints related to the securities market against SEBI-regulated entities.	0	0	-	0	0	-
Shareholders		1	0	-	3	0	-

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	FY 2025-26			FY 2024-25		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Employees and workers	Yes, the Company has established a dedicated and structured process to effectively address the grievances and concerns of its employees and workers. Initially, employees are encouraged to bring their concerns to the attention of the Head of the Department. If the issue is not resolved in a timely manner or if the response is unsatisfactory, employees have the option to escalate the matter further to the Division Chief Executive or HR Head of the Unit	1	0	-	1	0	-
Customers	Yes, both customers and suppliers may send out their complaints to the chief executive of the respective divisions. The chief executives take immediate action to redress the issues of the complainant. If unresolved, they may reach out to managing directors.	23	5	-	0	0	-
Value Chain Partners		11	0	-	0	0	-

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

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk, as per the following format;

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate.	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Corporate Governance and Code of Conduct	Opportunity	At Isgec, Corporate Governance transcends compliance, serving as a pathway for progress. Beyond regulatory mandates, the Company's values emphasise a robust commitment to ethics, transparency, and the enhancement of shareholders value. The Board of Directors vigilantly oversees the governance framework, consistently upholding transparency quarter after quarter. Compliance reports, aligned with the Securities and Exchange Board of India's (SEBI's) best practices, are diligently submitted, reinforcing the Company's commitment to openness. From the boardroom to the plant floor, a comprehensive Code of Conduct steers every decision outlining ethical principles and expected behaviour for employees/directors, guiding decision-making processes.	-	Positive Implication: By upholding transparency and accountability, the Company garners investor trust, mitigates financial risks, and amplifies shareholder value. Furthermore, the Company's ethical culture not only fosters employee commitment but also drives operational efficiency, solidifying its financial standing and competitive edge in the industry.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate.	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2	Health and Safety	Risk and Opportunity	Risk: Isgec employs a significant number of employees and workers across its various offices, factories and construction sites. Consequently, the Company places paramount importance on ensuring the safety of its employees and workers. In the event of any lapses in the Company's safety related processes or injury and even fatality of workers, the government may issue a prohibition order, potentially resulting in the partial shutdown of the manufacturing unit /sites. Safety incidents also have detrimental effects on the physical and mental health, as well as the overall morale of the workforce. Opportunity: Isgec is dedicated to ensuring the health and safety of its entire workforce, including employees and workers. Numerous initiatives have been implemented throughout the business operations, encompassing both Project and Manufacturing service lines, to establish a resilient health and safety management system. The ongoing efforts aim to cultivate a "Zero Accident Culture" across all operations. Engaged employees and contractors through National Safety Week activities and over 1,200 participants during Electrical Safety Week and World Environment Day, supported by awareness campaigns, mock drills, safety demonstrations, inspection drives, and knowledge-sharing initiatives to strengthen workplace safety and environmental stewardship.	The Company is steadfastly committed to ensuring a safe, secure, and healthy workplace for its entire workforce, with a vision of achieving zero accidents. To support this commitment, the Company has established robust occupational health and safety processes and systems across all its locations and is certified to ISO 45001:2018 for its Occupational Health and Safety Management System. The Company conducts regular internal and external audits to assess the effectiveness of its occupational health and safety management practices and identify opportunities for continual improvement. In addition, health and safety risk assessments are periodically undertaken across various sites and projects to proactively identify hazards, evaluate associated risks, and implement appropriate mitigation measures. Further, at a regular frequency, the Company conducts multiple health check-up camps and webinars for its workforce with Doctors and Consultants. During the reporting period, covered 49 project sites through cross-functional IMS internal audits, reinforcing governance, risk management, and compliance with internationally recognized occupational health, safety, and environmental management standards. The audit programme facilitated proactive identification of gaps, strengthened accountability, and drove continuous improvement across operations.	Negative Implication: A significant negative financial implication of not ensuring compliance with health and safety regulations is the potential restrictions of the manufacturing unit following any government order. This can lead to substantial financial losses due to halted production, disrupted operations, and the associated costs of addressing and rectifying safety issues. Additionally, there may be legal penalties and reputational damage, further impacting the Company's financial standing. In the event of accidents or injuries, legal costs and potential settlements can be financially burdensome. Positive Implication: A healthy and safe workplace promotes a positive work environment, enhancing employee morale and engagement. This, in turn, can lead to overall improved operational efficiency and productivity, building a positive reputation both internally and externally.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate.	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3	Emission Reduction & Emission Management	Risk and Opportunity	Risk: The Company is proactively working to meet and exceed regulatory standards while reducing its carbon footprint. By investing in emission control technologies, the Company not only demonstrates its commitment to sustainability but also positions itself as a leader in environmental responsibility. Through these efforts, the Company conducts IMS internal audits to enhance its reputation among stakeholders who prioritise eco-friendly practices. The Company is confident in its ability to navigate the evolving environmental landscape while maintaining its competitiveness and esteemed reputation in the market. Opportunity: The Company views emission reduction as a strategic opportunity and continues to enhance its share of renewable and clean energy while improving energy efficiency. The Company has installed 2,050 kWp of rooftop solar power at its Yamunanagar unit and 1,000 kWp at its Rattangarh unit, generating approximately 33,92,160 units of green energy during the year. In addition, the Company purchased 4,36,000 units of green power through the Indian Energy Exchange (IEX) and signed a 7 MWp solar power PPA for its Yamunanagar plant, expected to generate approximately 98 lakh units annually. The Company is also implementing energy-efficient equipment and technologies, including inverter/IGBT-based systems, VFDs, BLDC fans and automated controls, while transitioning from LSHS to PNG at its Muzaffarnagar plant. These initiatives are contributing to lower energy consumption, increased renewable energy adoption and a reduction in the Company's carbon footprint, supporting its transition towards a cleaner and more sustainable future.	The Company addresses emission reduction through initiatives focused on renewable energy, energy efficiency and cleaner fuels. It has installed 2,050 kWp rooftop solar at Yamunanagar and 1,000 kWp at Rattangarh, purchased green power through IEX, and signed a 7 MWp solar PPA for Yamunanagar. The Company is also replacing inefficient equipment with energy-efficient alternatives and has switched boiler and heat-treatment furnace fuel from LSHS to PNG at its Muzaffarnagar plant. These initiatives contribute to reducing energy consumption and the Company's carbon footprint. The Company remains committed to continuous improvement in energy conservation, renewable energy adoption and environmental sustainability.	Positive Implication: Embracing emission reduction measures fosters innovation and collaboration, making the Company an appealing partner for investors and stakeholders aligned with sustainability goals. Isgec's commitment to emission reduction represents a strategic investment in long-term resilience, competitiveness, and environmental stewardship. Negative Implication: Implementing necessary emission control measures demands upfront investments in technology and infrastructure, exerting pressure on the Company's financial reserves and limiting its ability to allocate resources elsewhere. Operational costs are incurred, including ongoing maintenance and staff training are also required.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate.	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4	Supply Chain Management	Opportunity	Isgec's large and diverse supplier base makes supply chain sustainability a critical issue, both as a risk and strategic opportunity. Risks include non-compliance with labour laws, human rights violations, environmental damage and ethical misconduct by suppliers, which can lead to reputational harm, project delays and regulatory penalties. On the opportunity side, promoting a sustainable and resilient supply chain enables the Company to collaborate with suppliers and contractors for its own as well suppliers' capabilities, improve efficiency and drive innovation and enhance vendor performance. Sustainable supply chain also supports customer trust. Prior to onboarding any suppliers, the Company conducts thorough assessments of potential suppliers or vendors. This evaluation ensures that there are no associated risks with the prospective suppliers, particularly in terms of financial and legal compliances, as well as adherence to robust health and safety measures.	-	Positive Implication: A strong supply chain evaluation system helps identify and mitigate potential risks, minimising the impact of disruptions such as delays, shortages, or unexpected events.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate.	Financial implications of the risk or opportunity (Indicate positive or negative implications)
5	Data Security and Privacy	Risk	The Company confronts the substantial risk of data security and privacy, given the rising tide of cyber threats. An array of predatory entities, including hackers and cybercriminal syndicates, persistently endeavours to breach any Company's digital defences, seeking unauthorised access to its confidential data repositories. These incursions are not haphazard but calculated efforts driven by motives ranging from financial gain to industrial deception and outright sabotage. As the Company manoeuvres through the digital landscape, safeguarding its sensitive information becomes essential to shield against the ever-present threats posed by malicious individuals operating online.	Recognising the critical importance of data security, the Company has taken proactive measures to fortify its defences. The Company has a data security policy which is in line with ITGC (Information Technology General Controls) and ensures data security and controlled access. Through collaborative efforts with external experts, the Company has implemented robust measures such as firewall setups, advanced software solutions, and strict authentication protocols. However, there remains ample scope for improvement in continually refining and updating these measures to address emerging cyber threats effectively. The Company generally conducts IT security audits such as "Vulnerability Assessment & Penetration Testing" through external agencies. The Company employs cyber security experts in-house in its IT team and conducts extensive use of awareness and training programs on cyber security using in-house resources as well as external resources from time to time. Recognising that not all risks can be fully protected, the Company has taken Cyber Security & Criminal Liability Insurance Policy to cover the risks. Further to strengthen the IT Governance and Security, the Company is implementing ISO 27001; 2022 framework.	Negative Implication: In the network of data security and privacy, the financial toll of risks is substantial. Remediation costs, legal battles, and regulatory fines can drain resources and strain budgets. Operational disruptions hamper productivity and stifle growth. Meanwhile, reputational damage erodes trust and investor confidence.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate.	Financial implications of the risk or opportunity (Indicate positive or negative implications)
6	Human Rights, Diversity and Inclusion	Risk and Opportunity	Risk: Possible occurrences of breaches in human rights or failure to adhere to legal standards may result in negative financial and reputational consequences. Opportunity: The Company holds the belief that championing human rights and promoting equity, diversity, and inclusion fortifies the Company's business. A workforce characterised by diversity and inclusivity has the potential to enhance performance and innovation. Upholding human rights allows the Company to nurture shared values and maintain a positive workplace. This commitment contributes to the creation of a more equitable world and, at the same time, strengthens the business.	The Company prioritises safeguarding the human rights of its employees and workers. This commitment is evident in various policies, including the Human Resource (HR) policy, which explicitly states that no individual shall face discrimination by the Company or their peers. In addition, the Company is dedicated to being an equal opportunity employer and has a standalone Prevention of Sexual Harassment at Workplace (POSH) policy. Through the implementation of human rights assessment processes, engaging with suppliers and stakeholders on human rights issues and promoting awareness and training among employees, the Company actively fosters a commitment to human rights. This comprehensive approach underscores the Company's commitment to promoting a safe, respectful, and inclusive work environment. The Company does not distinguish individuals based on their religion, sex or colour but strives to identify those who have the skills and commitment to take the Company forward.	Negative Implication: Discrimination or human rights violations can lead to legal actions, investigations, and fines, resulting in significant financial liabilities for the Company. This can cause reputation damage, talent drain and even potential customer boycotts, negatively impacting sales and revenue. Positive Implication: Companies that prioritise human rights and create an inclusive environment are more likely to attract and retain talent. This reduces recruitment and training costs and contributes to higher employee morale and productivity.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate.	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7	Waste Management	Risk and Opportunity	Risk: Amidst tightening environmental regulations and heightened public awareness of waste disposal, the Company faces a critical imperative: to uphold exemplary practices and secure public trust. In this pivotal moment, the Company must rise to the challenge, navigating the complexities of waste management, to solidify its reputation as a responsible corporate citizen in an environmentally conscious world. Opportunity: Waste management presents a prime opportunity for the Company to showcase its commitment to sustainability. By adhering to the 3-R principle and minimising plastic usage, the Company underscores its dedication to curbing waste generation. Additionally, its proactive approach to e-waste management and water conservation further solidifies its reputation as a leader in sustainable business practices. While the Company has made strides in waste management, the Company remains open to adopting new technologies for further waste minimisation, demonstrating its commitment to continuous improvement in environmental stewardship.	The Company has been actively working to reduce waste generated from its operations. Additionally, the Company has implemented initiatives to repurpose scrap materials within its operations, ensuring that valuable resources are not wasted. Furthermore, the Company has invested in an Effluent Treatment Plant and Sewage Treatment Plant to manage liquid waste efficiently. This plant plays a crucial role in treating and recycling liquid waste, minimising environmental impact and promoting sustainability across its operations.	Positive Implication: Efficient waste management presents financial opportunities for the Company. By reducing waste and recycling, the Company cuts disposal costs and saves on raw material expenses by reusing scrap materials. These practices enhance the Company's reputation, attracting environmentally conscious customers and investors while mitigating regulatory risks. Negative Implication: Inadequate waste management poses substantial financial risks for the Company. Failure to comply with regulations may lead to significant fines, while inefficient processes inflate operational costs, diminishing profit margins. Poor practices can also damage the Company's reputation, eroding investor confidence and potentially lowering market value.
8	Water Management	Opportunity	Water management presents a strategic opportunity for the Company rooted in environmental responsibility, operational efficiency, and long-term sustainability. The Company acknowledges water as a critical natural resource, the commitment to judicious water usage aligns with emerging global trends and regulatory expectations. Implementing robust water management practices positions the Company to mitigate operational risks associated with water scarcity and contamination, ensuring continuity and resilience. The Company actively takes measures to decrease overall water consumption in all its operations	-	Positive Implication: The Company's strategic focus on water management also translates into tangible financial benefits. By actively reducing overall water consumption and implementing initiatives to enhance water recyclability, the Company can achieve operational cost savings. Additionally, the adoption of water-efficient technologies and practices not only aligns with environmental stewardship but also positions the Company as an innovative industry leader. This, in turn, creates a competitive advantage, attracting environmentally conscious customers and investors while contributing to the Company's long-term viability and profitability.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate.	Financial implications of the risk or opportunity (Indicate positive or negative implications)
9	Human Capital Development	Opportunity	The Company has a diverse workforce covering various specializations and gives high priority to human capital development. The training and management development activities form a part of the continuous process in integrating the organization's needs with the needs of individuals for growth and development. Training development needs are identified through the performance management system, and discussions with head of the departments, Annual training Calendars are prepared, and programs and Workshops are organised periodically. The Company has external training programs wherein the employees get the opportunity to learn through the Management Development Programs through various high skills professionals. The Company also has internal training programs wherein employees are trained from time to time as and when required according to the jobs being undertaken. Training to develop functional skills is given importance. Soft skill training like personality development, communication, teamwork, improving the workplace behavior, planning and organizing, etc., are imparted as a continuous learning process. Individuals are encouraged to learn from the marketplace, customer project sites through site visits and interaction. The Company has a program for inducting fresh engineering graduates through a structured one-year program for Graduate Engineer Trainees. After completion of the program, the individuals are absorbed across different divisions and functions at Isgec. The Company also runs a focused initiative for employees identified as "high potential" to train and prepare them to take over higher responsibilities in their career with the Company. It offers apprentice training programs as part of its commitment to skill development and employee growth. These programs aim to provide skills in various technical disciplines and prepare for future employment in engineering factories.	-	Positive Implication: Human capital development fuels profound financial transformation. Skilled employees drive increased productivity, sharpen competitiveness, and cut turnover costs. Human capital development is a pathway to future excellence - a legacy that extends far beyond financial metrics.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate.	Financial implications of the risk or opportunity (Indicate positive or negative implications)
10	Economic Performance and Market Share	Risk and Opportunity	Risk: Operating in the engineering sector, the Company is susceptible to economic fluctuations, rendering it vulnerable to downturns and market uncertainties. Economic downturns can negatively influence the demand for the products and services. Intense competition requires constant innovation and adaptation to changing market dynamics. The risk is heightened in the context of emerging and disruptive technologies and evolving customer preferences. A proactive approach to market intelligence, product development, and strategic partnerships becomes essential to not only protect but also enhance the Company's market share. Opportunity: Economic performance and market share serve as strategic opportunities for the Company. In favourable economic conditions, the Company can maximise revenue and profitability, using the financial strength to invest in innovation and sustainability. Simultaneously, an increased market share positions the Company as an industry leader, providing economies of scale, enhanced operational efficiency, and greater negotiating power.	The Company maintains a commitment to strengthening relationships with its stakeholders while focusing on enhancing the quality, technology, and competitiveness of its products. The Company has curated a diverse portfolio comprising manufacture of heavy capital goods machinery and equipment. The Company also has extensive capabilities in executing industrial projects on Turnkey basis across chosen product lines. The Company holds a prominent position, ranking either as the top or second in the Indian market in its product lines. The Company's strategic approach includes establishing technical tie-ups (collaboration and joint venture) with reputable companies, particularly in specialised fields such as Air Pollution Control, Process Plant Equipment, Boilers, and Presses. These collaborations empower the Company to provide optimal technical solutions and high-quality products to customers both within India and internationally.	Negative Implication: Economic downturns and a decrease in market share may lead to increased competition and can limit the Company's ability to invest in research and development, hindering long-term growth. Financial challenges may lead to cost-cutting measures, potentially resulting in layoffs or reduced employee benefits, impacting workforce morale and productivity. Positive Implication: A larger market share and robust economic performance often contribute to improved pricing power, expansion opportunities, stakeholder confidence and overall enhanced profitability for the Company.
11	Customer Relationship Management	Opportunity	Customer Relationship Management (CRM) offers Isgec a prime chance to hold up its standing in the market and strengthen ties with clients. In today's cutthroat competitive environment, nurturing enduring relationships with customers can make or break the Company's fortunes. Through engaging with Customers at different levels of the Customer organisation, the Company can unlock invaluable perspectives, boost customer interaction, and customise its solutions to keep pace with changing needs. With this approach we can better understand the need of the customers and offer products more suited to their requirements. This not only reinforces customer allegiance but also boosts brand endorsement, charting a course for enduring expansion and financial viability down the line.	-	Positive Implication: By leveraging insights from Customer interactions, the Company can identify upselling and cross-selling opportunities, thereby boosting sales and revenue generation. Additionally, improved customer relationships fostered through multiple customer engagements both by the Company's service staff at the Customer plant and in technical conferences organised by Isgec alongside participation in Industry specific exhibitions results in positive word-of-mouth referrals and enhanced brand reputation, attracting new customers and further driving financial growth. The Company also conducts customer satisfaction surveys from time to time to engage with Customers.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate.	Financial implications of the risk or opportunity (Indicate positive or negative implications)
12	Biodiversity Management and Land Use	Opportunity	The Company recognises an opportunity in biodiversity management and land-use as strategic imperatives by acknowledging the fundamental importance of preserving biodiversity for a balanced ecosystem.	-	Positive Implication: The dedication to biodiversity preservation ensures long-term sustainability and distinguishes the Company from its competitors. The Company's appeal to environmentally conscious consumers and businesses not only sets it apart but also reduces the legal challenges faced by companies operating in the engineering sector.
13	Corporate Citizenship and Charity	Opportunity	With a strong CSR policy in place, the Company channels its resources into initiatives aimed at uplifting marginalised communities surrounding its plants. From installing rainwater harvesting systems to providing solar energy in schools, the Company's commitment to environmental sustainability and social development shines through. By investing in skills development and rural projects, the Company not only enriches lives but also fortifies its position as a responsible corporate entity dedicated to societal progress.	-	Positive Implication: By investing in the well-being of communities and promoting sustainable development, Isgec strengthens its social license to operate. This, in turn, enhances brand reputation and customer loyalty, potentially leading to increased sales and market share. Moreover, participating in Corporate Social Responsibility activities can attract socially conscious investors and partners, expanding access to capital and fostering long-term financial stability.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURE

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Isgec adheres to a comprehensive set of policies aimed at ensuring effective governance within the Company. These policies are centred around the nine principles delineated in NGRBC (P1 to P9). The Company places significant emphasis on compliance with relevant regulatory and statutory mandates across all its operations. Regular policy reviews are conducted to ensure alignment with evolving regulations, particularly those concerning Environment, Social, and Governance (ESG) standards.

The National Guidelines for Responsible Business Conduct (NGRBC) as prescribed by the Ministry of Corporate Affairs advocates nine principles referred to P1-P9 as given below:

P1	Businesses should conduct and govern themselves with integrity in a manner that is ethical, transparent and accountable
P2	Businesses should provide goods and services in a manner that is sustainable and safe
P3	Businesses should respect and promote the well-being of all employees, including those in their value chains
P4	Businesses should respect the interests of and be responsive towards all its stakeholders
P5	Businesses should respect and promote human rights
P6	Businesses should respect, protect and make efforts to restore the environment
P7	Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent
P8	Businesses should promote inclusive growth and equitable development
P9	Businesses should engage with and provide value to their consumers in a responsible manner

Disclosure Question	P 1	P 2	P3	P4	P5	P6	P7	P8	P9
POLICY AND MANAGEMENT PROCESSES									
1. a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web link of the policies, if available	1. Anti Bribery and Corruption Policy https://www.isgec.com/pdf/Anti-Bribery-Corruption-Policy.pdf 2. Policy on Materiality of Related Party Transactions and on dealing with Related Part Transactions. https://www.isgec.com/pdf/PolicyonMaterialityofRelatedPartyTransactionsandonDealingwithRelatedPartyTransactions(Updatedon09February2026).pdf 3. Code of Conduct and Investors policies: https://isgec.com/pdf/CodeofConducttoRegulateMonitoranddReportTradingforDesignatedPersons-8july2025.pdf	1.Quality policy https://www.isgec.com/pdf/CorporateQualityPolicy-Isgec.pdf 2. Code of Conduct and Investors policies: https://www.isgec.com/aboutus-policies-investor.php https://www.lsgec.com/aboutus-code-conduct-investor.php	1. HR Policy https://www.lsgec.com/careers-hr-policy.php 2. POSH Policy https://www.isgec.com/pdf/POSHPolicyProcedureforResolutionofSexualHarassment-new.pdf 3. Code of Conduct and Investors policies: https://www.lsgec.com/aboutus-policies-investor.php https://www.lsgec.com/aboutus-code-conduct-investor.php	1. Anti Bribery and Corruption Policy https://www.lsgec.com/pdf/Anti-Bribery-Corruption-Policy.pdf 2. Whistle-blower Policy https://www.isgec.com/pdf/VigilMechanism-WhistleBlower-Policy(Updatedon09.02.2026).pdf 3. Dividend Distrihttps://www.isgec.com/pdf/Dividend-Distribution-Policy-1219.pdf 4. Code of Conduct and Investors policies: https://www.lsgec.com/aboutus-policies-investor.php https://www.lsgec.com/aboutus-code-conduct-investor.php	1. Whistle-blower Policy https://www.isgec.com/pdf/VigilMechanismWhistle BlowerPolicy(Updatedon09.02.2026).pdf 2. HR Policy https://www.lsgec.com/careers-hr-policy.php 3. POSH Policy https://www.isgec.com/pdf/POSHPolicyProcedureforResolutionofSexualHarassmentnew.pdf 4. Code of Conduct and Investors policies: https://www.lsgec.com/aboutus-policies-investor.php https://www.lsgec.com/aboutus-code-conduct-investor.php	1. EHS Policy https://www.isgec.com/pdf/EHS-Policy.pdf 2. Code of Conduct and Investors policies: https://www.lsgec.com/aboutus-policies-investor.php https://www.lsgec.com/aboutus-code-conduct-investor.php	1. ESG Policy https://www.isgec.com/pdf/EnvironmentSocialandGovernancePolicy.pdf 2. Code of Conduct and Investors policies: https://www.lsgec.com/aboutus-policies-investor.php https://www.lsgec.com/aboutus-code-conduct-investor.php	1. CSR policy https://www.lsgec.com/pdf/CSR-Policy-12oct.pdf 2. Code of Conduct and Investors policies: https://www.lsgec.com/aboutus-policies-investor.php https://www.lsgec.com/aboutus-code-conduct-investor.php	1. Archival Policy https://www.lsgec.com/pdf/archivalpolicy11feb2021.pdf 2. Quality policy https://www.isgec.com/pdf/CorporateQualityPolicy-Isgec.pdf 3. Code of Conduct and Investors policies: https://www.lsgec.com/aboutus-policies-investor.php https://www.lsgec.com/aboutus-code-conduct-investor.php

Disclosure Question	P 1	P 2	P3	P4	P5	P6	P7	P8	P9
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/ No)	Yes*	No	No	No	No	No	No	No	No
4. Name the national and international codes/ certifications/ labels/ standards	Quality Management System (ISO 9001:2015)	Environmental Management System (ISO 14001:2015)	Occupational Health and Safety Management System (ISO 45001:2018)	Isgec does not have any codes/ certifications/ labels/ standards in line with principle 4 of the NGRBCs. However, the Company engages with the community members through community development program carried out specifically around the area of its operations.	Occupational Health and Safety Management System (ISO 45001:2018)	Environmental management System (ISO 14001:2015)	Isgec does not have any codes/ certifications/ labels/ standards in line with principle 7 of the NGRBCs.	Isgec does not have any codes/ certifications/ labels/ standards in line with principle 8 of the NGRBCs.	Isgec has multiple certifications/ accreditations/ labels in line with Principle 9 of the NGRBCs. They are ASME U-2, U, S, 'R' Stamp of National Board with 'NB' certification, 'CE' Marking for supply to European Union, IBR Approval, Class 1 fabricator of Fusion welded pressure from Lloyd's Register of Shipping, approval for Liquefiable Gas Containers and license from China safety and quality. These are globally recognized certifications which authenticate quality of the Company's products and in turn instill trust and satisfaction among the Company's customers.

Disclosure Question	P 1	P 2	P3	P4	P5	P6	P7	P8	P9
5. Specific commitments, goals and targets set by the entity with defined timelines, if any	The Company has consistently upheld its commitment to environmental, social, and governance (ESG) principles by implementing various initiatives aimed at cultivating a sustainable and responsible business. Through dedicated efforts, the Company has successfully reduced its carbon footprint and minimised resource consumption, underscoring its dedication to environmental stewardship. With a robust foundation in corporate governance, the Company has continuously taken significant steps to enhance employee well-being, cultivating a workplace that prioritizes growth and support. Currently, the Company is focused on defining specific and measurable targets to guide its sustainability efforts in the coming years. As it progresses on this path, the Company remains committed to making a positive impact both within the organization and across the broader community, ensuring a future that is ethical and sustainable.								
6. Performance of the entity against specific commitments, goals and targets along-with reasons in case the same are not met.	The Company remains dedicated to advancing the initiatives already in place, ensuring continued progress toward sustainability and responsible governance. With a determined focus, it will work diligently to achieve the targets that will be carefully crafted through a process of thoughtful consultation. By embracing a collaborative approach, the Company aims to set meaningful and achievable goals that align with its long-term vision for positive impact and growth.								

*Anti-Bribery and Anti-Corruption Policy of the Company is applicable to its suppliers and other third-party contractors. Other than this, no other policy has its scope extended beyond the employees of the Company.

GOVERNANCE, LEADERSHIP AND OVERSIGHT	
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure).	At Isgec, business is conducted in accordance with the highest standards of integrity, accountability, and responsibility. The Company maintains a zero-tolerance approach towards unethical practices and reported no instances of conflict of interest during the financial year. Its Anti-Bribery and Corruption Policy continues to guide conduct across operations and stakeholder interactions. The health, safety, and well-being of employees and workers remain a key priority for the Company. Clear health and safety objectives have been established and are reviewed periodically to monitor progress and drive continuous improvement. All permanent employees are covered under health and accident insurance, while both employees and workers have access to non-occupational healthcare services, supporting their overall well-being. The Company is actively increasing its share of renewable and green energy through rooftop solar generation, green power procurement, and long-term renewable energy agreements. It has installed 2,050 kWp of rooftop solar capacity at its Yamuna Nagar unit and 1,000 kWp at its Rattangarh unit, generating approximately 33,92,160 units of green energy during the year. In addition, approximately 4,36,000 units of green power were procured through the Indian Energy Exchange (IEX). Further, the Company has signed a Power Purchase Agreement (PPA) for 7 MWp of solar power for its Yamuna Nagar plant, with an expected annual generation of approximately 98 lakh units. These initiatives are helping increase the share of renewable energy in the Company's energy mix while reducing power costs, reliance on conventional energy sources, and its overall carbon footprint. The Company continues to integrate circular economy principles into its operations. During the financial year, resource efficiency measures included the in-house recycling of approximately 1,500 MT of iron scrap. Additionally, around 55 MT of old sheets and structures recovered from scrap were reused to develop approximately 1,125 sq. m. of area for the main store and car parking, resulting in cost savings and promoting the efficient utilization of resources. While significant progress has been made, challenges remain in accelerating decarbonisation, expanding renewable energy adoption, and enhancing process efficiencies across a diversified manufacturing footprint. The Company is addressing these challenges through continued investments in cleaner technologies, energy-efficient systems, and operational improvements. diversified technologies, energy-efficient systems, and operational improvements.
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility & Sustainability (BRSR) Policy.	At the highest level, the Board of Directors, Key Managerial Personnel (KMPs), and the CSR Committee are responsible for driving, overseeing, and periodically assessing the Company's business responsibility and sustainability performance.
9. Does the entity have a specified committee of the board/ director responsible for decision making on sustainability related issues? (Yes/ No). If yes, provide details.	No. There is no specified committee of the Board. The implementation of policies is to be reviewed by the Management and by the Internal Audit Department.

10. Details of Review of the National Guidelines on Responsible Business Conduct (NGRBC) by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency: Annually (A) / Half yearly (H) / Quarterly (Q) / Any other – please specify								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies & follow up action	The Company has implemented and follows all policies formulated in compliance with all applicable laws. These policies are reviewed by the Managing Director/Joint Managing Directors periodically or whenever there is any amendment in any applicable law.									Yearly	Yearly	Yearly	Yearly	Yearly	Yearly	Yearly	Yearly	Yearly
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	The Company complies with all statutory requirements which are reviewed by the Directors/ committee(s) periodically apart from review by KMPs and internal audit teams.									Yearly	Yearly	Yearly	Yearly	Yearly	Yearly	Yearly	Yearly	Yearly

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.

No assessment/ evaluation of Company Policies has been conducted by any external agency.

12. If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated:

All principles are covered under relevant policies. The Company has ensured that all the policies that have been formulated are in compliance with all applicable laws. These policies are reviewed by the Managing Director/Joint Managing Directors as and when necessary or whenever there is any amendment in any applicable law.

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/ No)	No	No	No	No	No	No	No	No	No
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	No	No	No	No	No	No	No	No	No
The entity does not have the financial or/human and technical resources available for the task (Yes/No)	No	No	No	No	No	No	No	No	No
It is planned to be done in the next financial year (Yes/No)	No	No	No	No	No	No	No	No	No
Any other reason (please specify)	No	No	No	No	No	No	No	No	No

SECTION C: PRINCIPLE-WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1 - BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE

The Company is dedicated to maintaining the highest standards of integrity and ethical conduct across all facets of its operations. In accordance with Regulation 17(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it has established a robust Code of Conduct applicable to the Board of Directors and Senior Management. This Code outlines the expected standards of behaviour, reinforces compliance with applicable laws and regulations, and strictly prohibits conflicts of interest, ensuring that the Company's interests are always prioritized.

To further strengthen its governance framework, the Company has instituted a Vigil Mechanism and Whistleblower Policy. This mechanism enables Directors, employees, stakeholders, and their representatives to confidentially report genuine concerns, unethical practices, or any suspected leakage of unpublished price-sensitive information. The Audit Committee is responsible for monitoring and ensuring the effective implementation of this policy. For further details, please refer to the responses provided below:

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

The Company regularly conducts various training programs for all its employees at various levels. The detailed information on the number and type of trainings imparted is provided below in the standard format:

Segment	Total number of training and awareness programmes held	Topics/ principles covered under the training audits impact	% of persons in respective category covered by the awareness programmes
Board of Directors	1	P5 – Human Rights Policy & Procedure for Resolution of Human Rights	12.5%
Key Managerial Personnel (KMP)	1	P1 – Ethics, Integrity & Governance • Aarohan-HI POT Leadership Programme	50.0%

Segment	Total number of training and awareness programmes held	Topics/ principles covered under the training audits impact	% of persons in respective category covered by the awareness programmes
Employees other than BoD and KMPs	648	P1 – Ethics, Integrity & Governance • Code of conduct • Organisational values and induction programs • PMS and leadership development • Communication and problem-solving • Finance and labour laws • POSH • ISO/QMS and audit trainings • Compliance systems (SAP/workflows) P2 – Sustainable & Safe Products / Services • Engineering design and tools (AutoCAD, PV Elite, CEASAR II) • Product systems (boilers, turbines, pressure vessels) • Machining, CNC/PLC, hydraulics • Metallurgy, casting, welding • Inspection (NDT/DT) and testing • Commissioning and maintenance P3 – Employee Well-being • HSE and first aid • Fire safety • Machine/material handling safety • PPE and emergency response • Risk analysis • Resilience and stress management P4 – Stakeholder Engagement • Stakeholder management • Project planning • Communication and teamwork • Customer and site management • Inventory and operations coordination P5 – Human Rights • Code of conduct • POSH • Women's safety • Labour laws • Behavioural safety P6 – Environment Protection • ISO 14001 and EHS systems • Energy conservation • Emissions control systems (ESP, WFGD) • Chemical handling • CPCB/CEMS compliance • Boiler efficiency and water treatment • Risk/aspect analysis P7 – Responsible Policy Advocacy • CPCB and IBR frameworks • ISO/QMS audits • ASME codes • Client specifications • Labour laws P8 – Inclusive Growth • Technical and vocational skills • Sectoral learning (engineering, sugar, distillery) • Site exposure (SAIL, IOCL, GAIL) • Operations and manufacturing improvement P9 – Consumer Value & Responsibility • Customer centricity • Quality systems and audits • Inspection and testing • Surface finish and packaging • Project and customer management	84.6%

Segment	Total number of training and awareness programmes held	Topics/ principles covered under the training audits impact	% of persons in respective category covered by the awareness programmes
Workers	204	P1 – Ethics, Integrity & Governance • Labour Laws on Labour Day • Policy & Procedure for Resolution of Human Rights • POSH Act • POSH Awareness P2 – Sustainable & Safe Products / Services • Client Specification PED • Basics of Engineering Drawing • Drawing Reading • Dimension Inspection • Destructive Test • Measuring Instruments • Testing of Raw Materials • Visual Inspection • Surface Finish • Surface Finish Benefits • Fillet Size Calculation • Cutting Tools & Parameters • Cutting Tools Types • CNC Programming • CNC / PLC Troubleshooting 0i-MD • PLC Programming • PLC Motion Programming • Electric Control Panel • Electric Motor • Type of Welding & Welding Procedure Qualification • Recent Welding Rework & Corrective Measures • Troubleshooting of Welding Rectifier & Saw Machine • Packaging Method • Loading of Material • Assembly of Crown • Assembly of Die Cushion • Assembly of Slide Adjustment P3 – Employee Well-being • Awareness Program from Vidal Health Care • Behaviour Based Safety • Health & Safety Awareness • Electrical Safety • EHS Legal Requirement • Emergency Preparedness & Response Plan • Fire Extinguisher Use • Fire Fighting • Fire Fighting Basics • Fire Hydrant System • Fire Safety • PPE Importance • Respiratory Protection • Road Safety • Road Safety Awareness Program • Scaffolding Safety • Workplace Safety Steps • Women's Safety • EOT Crane Safety • Lifting Tools & Tackle Safety during Material Handling • Material Handling Safety • Material Handling Safety by EOT Crane • Storage & Handling of Chemical & Gas Cylinder P4 – Stakeholder Engagement • Awareness Program from Vidal Health Care • Labour Laws on Labour Day • POSH Awareness • Women's Safety	80.2%

Segment	Total number of training and awareness programmes held	Topics/ principles covered under the training audits impact	% of persons in respective category covered by the awareness programmes
Workers	204	• Client Specification PED P5 – Human Rights • Policy & Procedure for Resolution of Human Rights • POSH Act • POSH Awareness • Labour Laws on Labour Day • Women's Safety P6 – Environment Protection • 5S Implementation • 5S Principle • Housekeeping Implementation • Machine Cleaning • Energy Conservation • Furnace Operation • Furnace Lining • Band Roll & Furnace Operation • Melting & Pouring • Full Mould Process • Gating System • Methoding • Casting Defects • Casting Defect & Core Assembly • Core Assembly • Fettling & Dressing • Pattern Making & Casting Defects • Pattern Finishing • Surface Grinding • Material Handling • Storage & Handling of Chemical & Gas Cylinder • Gas Cutting Process & Safety P7 – Responsible Policy Advocacy • EHS Legal Requirement • Labour Laws on Labour Day • Policy & Procedure for Resolution of Human Rights; POSH Act; Client Specification PED P8 – Inclusive Growth • Awareness Program from Vidal Health Care Labour Laws on Labour Day • POSH Awareness • Women's Safety • Human Rights Policy & Procedure P9 – Consumer Value & Responsibility • Client Specification PED • Basics of Engineering Drawing • Drawing Reading • Dimension Inspection • Destructive Test • Testing of Raw Materials • Visual Inspection • Measuring Instruments • Surface Finish • Surface Finish Benefits • Type of Welding & Welding Procedure Qualification • Recent Welding Rework & Corrective Measures • Packaging Method • Quality-related technical training	80.2%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of the SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

The Company incurred monetary fines or penalties during FY 2025-26.

	Monetary				
	NGRBC Principle	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Amount (in INR)**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
Penalty/ Fine	Principle 1	Deputy Excise and Taxation Commissioner, Department of Excise and Taxation, Jagadhari, Ambala, Haryana	Imposition of penalty of Rs.23,87,276/-, which includes Rs. 11,87,053 IGST, and Rs. 6,00,112 each for CGST and SGST.	The order received on August 07, 2025, w.r.t. Input Tax Credit claimed but disallowed by Authority	No appeal is necessary, as the order has been issued for dropping the proceedings against the Company.
		Office of the Commissioner of Customs & Central Tax	Imposition of Penalty: Rs.31,05,617/- Interest: Rs.8,94,401/-	The order received on December 08, 2025, w.r.t. Input Tax Credit claimed in contravention to Rule 36(4) of the CGST Rules, 2017.	No. The Appeal in respect of this adverse Appellate Order is yet to be filed before GSTAT.
		State Tax Officer (1), Enforcement, Div-6, Vadodara under State GST Act.	Imposition of: Penalty: Rs.24,58,323/- Interest: Rs.29,71,405/	The order received on December 15, 2025, w.r.t. The State Tax Officer, State Tax levied tax demand of Rs.24,58,323/- alleging Ineligible Input Tax Credit claimed from cancelled taxpayers, non-genuine and non-existent taxpayers and return defaulters as per Section 16(2) of the CGST Act	Yes. The Company has filed an appeal as per acknowledgement no: AD240326021042T dated 17-03-2026, against the demand notice received from the department.

Monetary				
NGRBC Principle	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Amount (in INR)**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
	Joint Commissioner of Central Tax & Central Excise, Bengaluru East Commissionerate, Bengaluru.	Imposition of Penalty of Rs.13,67,16,445/-	The order received on December 30, 2025, w.r.t. The Joint Commissioner, Central Tax & Central Excise levied tax demand of Rs.6,27,80,982/- alleging to declare discharge the GST liability on the advance received for the supply of services in statutory returns and failed to discharge the GST liability on the advances received for the supply of services as per Section 7 4(9) of the CGST Act.	Yes. The Company has filed an appeal as per acknowledgement no: AD290326059427 dated 27-03-2026, against the demand notice received from the department.
	Assistant Commissioner (C. Tax), East Division 3, Bangalore East Commissionerate	Imposition of Penalty of Rs.17,33, 779 /-	The order received on December 30, 2025, w.r.t. the Assistant Commissioner of Central Tax, Bengaluru, has passed an order raising a tax demand of Rs. 1,73,37,786/- and a penalty of Rs. 17,33,779/- . The demand has been raised on the grounds that the reconciliation reported in Column 12F of GSTR-9C was not found acceptable by the department, resulting in the issuance of this order.	Yes. The Company has filed an appeal as per acknowledgement no: AD2903260592017dated 27-03-2026, against the demand notice received from the department.
	Superintendent, CGST, Raipur	Imposition of penalty of Rs.1,29,351/-	The order received on December 31, 2025, w.r.t., The Superintendent, CGST, Raipur levied tax demand of Rs.12,93,512/- alleging inadmissible Input Tax Credit wrongly availed and utilized as per Section 73(1) of the CGST Act.	Yes. The Company has filed an appeal as per acknowledgement no: AD220326006925A dated 25-03-2026, against the demand notice received from the department.

Monetary				
NGRBC Principle	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Amount (in INR)**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
	Assistant Commissioner (C. Tax), East Division 3, Bangalore East Commissionerate	Imposition of Penalty Rs.1,56,49,425/	The order received on December 31, 2025, from the Assistant Commissioner of Central Tax, Bengaluru, has passed an order raising a tax demand of Rs.58,28,379/- , and a penalty of Rs.1,56,49,425/- The demand has been raised on the grounds that of ITC claim where suppliers fail to file GSTR-3B during Audit period	Yes. The Company has filed an appeal as per acknowledgement no: AD290326053077Y, AD2903260533607 & AD290326053986H dated 26-03-2026, against the demand notice received from the department.
	Assistant Commissioner (C. Tax), East Division 3, Bangalore East Commissionerate	Imposition of Penalty of Rs.1,71,116/-	The order received on December 31, 2025, w.r.t., the Assistant Commissioner of Central Tax, Bengaluru, has passed an order raising a demand of penalty of Rs.1,71,116/-. This penalty demand is on account of Taxes already paid without any interest and penalty.	Yes. The Company has filed an appeal as per acknowledgement no: AD290326046816P dated 24-03-2026, against the demand notice received from the department.
	Assistant Commissioner (Central Tax Division), 1572/A, 1st Floor, Court Road, Jagadhri, Distt. Yamunanagar-135003	Confirmation of Demand of Rs.15,95,700/- and Imposition of Penalty of Rs.15,95,700/- with Interest.	The order received on January 07, 2026, w.r.t., The department has alleged that Input Tax Credit was wrongly availed on the invoice: raised by Supplier.	Yes. Appeal filed before The Commissioner (Appeal), CGST, Panchkula. With Acknowledgement no. AD060326016170N dated 24-03-2026.
	Assistant Commissioner or GSTO, Ward 62, Zone 5, Delhi	Imposition of Penalty of Rs.60,518	The order received on December 12, 2025, w.r.t., Alleging Ineligible Input Tax Credit claimed from cancelled dealers, return defaulters & non-taxpayers as per Section 16(2) of the CGST Act.	Yes. The Company has filed an appeal as per acknowledgement no: -AD0703260332295 dated 26-03-2026, against the demand notice received from the department.

		Monetary			
	NGRBC Principle	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Amount (in INR)**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
		Indian Customs (Air Cargo Complex, Sahar, Mumbai)	A fine of Rs.5,000 was imposed during the assessment of the Bill of Entry	The order received on December 12, 2025, w.r.t., Late filing of Customs Bill of Entry.	No. It is late filing fee. Importer has to file Bill of Entry for customs clearance of import consignment latest by the date of arrival of aircraft at the Indian airport. There can be delay in filing Bill of Entry for various reasons such as delay in receipt of documents from foreign suppliers. As an administrative measure, Government levies fine of Rs.5,000 per day if the Bill of Entry is not filed on time. This is neither a penalty nor a fine. This is "late fee charge". There is no violation either. There is no provision for filing Appeal / Revision.
		Chief Judicial Magistrate, Rewari, Haryana	Fine of Rs.10,000/- deposited in CJM Court – Rewari, Haryana on 25.08.2025	The order received on August 08, 2025, w.r.t., Safety violation under Factory Act	No.
		Labour Department / Lok Adalat, Nagpur, MH.	Fine of Rs.7,150/-	The order received on March 14, 2026, w.r.t., EPC Project: Violation of Payment of Wages Act for Contract Worker at EPC Project Site of M/s. MAHAGENCO - Koradi, Nagpur, MH (O&M Project)	No. Case has been closed in Lok Adalat at Saoner court. Challan amount has been paid by Vendor same is attached for your reference. Labour payment of O&M workers was delayed due to some reason at site. Ensured labour payment between 7-10th of every month. Same is continued till last month.
Settlement	None	-	0	-	No
Compounding fee	None	-	0	-	No

	Monetary				
	NGRBC Principle	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Amount (in INR)**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
	Non-Monetary				
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)	
Imprisonment	None	-	-	No	
Punishment	None	-	-	No	

3. Of the instances disclosed in Question 2 above, details of the appeal/revision preferred in cases where monetary or non-monetary action has been appealed.

Information pertaining to whether an appeal has been referred or not, has been provided in the table above.

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

The Company has an anti-bribery and corruption policy. This policy aims to ensure that all business dealings are conducted in compliance with applicable laws and following high standards of professionalism, fairness and integrity.

The policy can be accessed from the following link:

https://www.lsgec.com/pdf/Anti-Bribery-Corruption-Policy.pdf

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

There have been no instances of disciplinary action taken against Directors, Key Managerial Personnel (KMP), or employees/ workers at lsgec regarding corruption and bribery.

	FY 2025-26	**FY 2024-25**
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

6. Details of complaints about conflict of interest.

	FY 2025-26		**FY 2024-25**	
	Number	**Remarks**	**Number**	**Remarks**
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	NA	0	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	NA	0	NA

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

Since there were no complaints against the Board of Directors, KMPs, senior management employees and other employees of the Company, no corrective action was needed to be taken on cases of corruption and conflict of interest.

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

No. of days of accounts payables	FY 2025-26	FY 2024-25
	109.2	115.9

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics	FY 2025-26	FY 2024-25
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	No purchases from trading houses	No purchases from trading houses
	b. Number of trading houses where purchases are made from		
	c. Purchases from top 10 trading houses as % of total purchases from trading houses		
Concentration of sales	a. Sales to dealers / distributors as % of total sales	The Company does not involve in any sales to dealers	The Company does not involve in any sales to dealers
	b. Number of dealers / distributors to whom sales are made		
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors		
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	3.2%	2.6%
	b. Sales (Sales to related parties / Total Sales)	0.7%	0.9%
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	99.1%	97.6%
	d. Investments (Investments in related parties / Total Investments made)	78.2%	65.8%

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year.

Isgec works with well-known, reliable suppliers for sourcing raw materials and equipment. It also partners with MSME suppliers and construction & erection contractors. The vendor selection process emphasizes collaborating with companies that maintain high standards of quality, health, and safety, and comply fully with all relevant laws and regulations.

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
1914	P3 - Employee Well-being* • Working at height • Confined Space • Scaffolding • Lifting Safety • First Aid • Electrical Safety • Fire Safety • Emergency preparedness • Hazard Identification & risk Assessment	85.0%

*Note: Training was given to employees of contractors.

2. Does the entity have processes in place to avoid / manage conflicts of interest involving members of the Board? (Yes / No) If yes, provide details of the same.

The Company maintains a Code of Conduct that applies to its Board of Directors and senior management employees. This Code includes provisions on conflicts of interest, clearly defining the criteria for such conflicts. It requires Directors and senior management to disclose any external business interests that could potentially conflict with their personal interests or the interests of the Company. Every Director and Member of Senior Management must avoid any situation in which there is an actual or apparent conflict of interest that could interfere or could be perceived to interfere with the Director's or Member of Senior Management's judgment in making decisions in the Company's best interests.

PRINCIPLE 2 - BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE

Isgec excels in the design and manufacture of bespoke engineering solutions, meticulously tailored to align with specific client requirements. Each product is engineered with precision, incorporating advanced features that ensure superior quality, operational safety, user-friendliness, ease of maintenance, energy efficiency, and long-term durability.

To uphold its commitment to excellence, the Company enforces rigorous quality control and inspection protocols at every stage of production. These systems are designed not only to guarantee the safety and reliability of its offerings but also to ensure their performance and sustainability throughout their operational lifecycle.

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY 2025-26	FY 2024-25	Details of improvements in environmental and social impact
R&D	-	-	-
Capex	0.7%	0	PNG Connection with Field Regulating Station (FRS) and Metering and Regulating Station (MRS) for environmental emission reduction. And Heat Transfer Fluid Furnace (HTF) upgradation for cleaner fuel as PNG. Stop usage of Asbestos sheet and start usage of Metal sheet for social and environment impact reduction.

Note: The Company continuously works on improving designs and technology of its products and value engineering to make its products competitive and value for money. It also has strategic tie-ups and technical collaboration with some of the leading foreign manufacturers for specific products for the Indian market.

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

Isgec is actively advancing its sustainable procurement practices by implementing structured sourcing procedures for all purchases. Prior to engaging with suppliers, the Company conducts comprehensive evaluations through a detailed vendor assessment framework. This process rigorously reviews supplier performance, with particular emphasis on environmental stewardship and social responsibility, ensuring alignment with Isgec's ethical and operational standards before formal onboarding.

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

NA

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for

(a) Plastics (including packaging): Isgec's primary customers are some of the leading companies in the industry. The Company supplies heavy machinery for these companies and sells both nationally and internationally. The products manufactured by the Company have a longer life cycle ranging even up to 25-30 years.

The plastic used by the Company in packaging is mostly the reused component of the packaging material from suppliers supplying raw materials, thus reducing the need for virgin plastic and reducing the environmental footprint.

(b) E-waste: The Company does not manufacture and sell any product which falls under the electronics category.

(c) Hazardous waste: The Company does not manufacture and sell any product which falls under the hazardous category.

(d) Other waste: Isgec stands as a prominent supplier of heavy machinery to leading industry entities, serving markets domestically and abroad. Renowned for their longevity, Isgec's products endure for 25-30 years. In packaging practices, the Company champions sustainability by primarily employing recycled wood, sourced from suppliers of raw materials.

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

Extended Producer Responsibility (EPR) provisions of the Environment Protection Act 1986, read with different rules made thereunder, is not applicable to the Company.

Leadership Indicators

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

Type of Waste	FY 2025-26			FY 2024-25		
	Re-Used	Recycled	Safely Disposed (Metric Tonnes)	Re-Used	Recycled	Safely Disposed (Metric Tonnes)
Plastics (including packaging)	0	0	19.5	0	5068.5	0
E-waste	0	0	0	0	4.3	0
Hazardous waste (used oil & battery)	0	0	0	0	23.7	0
Other waste (wood)	0	5090.0	0	38.5	0	0

PRINCIPLE 3 - BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS

Isgec places the highest priority on the health and well-being of its employees and workers. Every permanent employee is fully covered by health and accident insurance, ensuring comprehensive protection. The workplace is designed to be inclusive, featuring wheelchair ramps, braille signage, accessible restrooms, and digital accessibility wherever possible to enhance ease of access for all. Various grievance redressal committees are in place to address concerns and foster a supportive work environment. Additionally, the Company is certified with ISO 45001, underscoring its commitment to occupational health and safety standards.

Essential Indicators

1. a. Details of measures for the well-being of employees:

% of employees covered by											
Category	Total (A)	Health insurance*		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
PERMANENT EMPLOYEES											
Male*	2,857	2,856	99.96%	2,857	100%	0	0	0	0	0	0
Female	104	104	100%	104	100%	79	75.96%	0	0	0	0
Total	2,961	2,960	99.97%	2,961	100%	79	2.67%	0	0	0	0
OTHER THAN PERMANENT EMPLOYEES											
Male**	655	655	100%	655	100%	0	0	0	0	0	0
Female	13	13	100%	13	100%	12	92.31%	0	0	0	0
Total	668	668	100%	668	100%	12	1.80%	0	0	0	0

*One of the Company's employees has requested not to be covered under the GMC Policy, as he is already covered under his spouse's medical insurance policy. He has informed that in case he opts for the company's GMC policy, he will be excluded from his spouse's policy coverage.

**Providing Medical allowance to the workers for taking the Medical policy

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

% Of workers covered by											
Category	**Total (A)**	**Health insurance****		**Accident insurance**		**Maternity benefits**		**Paternity benefits**		**Day care facilities**	
		No. (B)	**% (B/A)**	**No. (C)**	**% (C/A)**	**No. (D)**	**% (D/A)**	**No. (E)**	**% (E/A)**	**No. (F)**	**% (F/A)**
PERMANENT WORKERS											
Male**	435	435	100%	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	435	435	100%	0	0	0	0	0	0	0	0
OTHER THAN PERMANENT WORKERS											
Male	15	0	0	15	100%	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	15	0	0	15	100%	0	0	0	0	0	0

**The Company offers an option to employees and workers to enrol in a group Mediclaim policy arranged by the Company on attractive rates and terms. The above table has been prepared accordingly.

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

	FY 2025-26	FY 2024-25
Cost incurred on well-being measures as a % of total revenue of the Company	0.2%	0.1%

2. Details of retirement benefits for the current and previous financial year

The Company places strong emphasis on the long-term financial security of its employees by providing a robust framework of retirement benefits. These initiatives are intended to offer stability and reassurance, allowing employees to plan for the future with confidence and transition into retirement with dignity and security. This approach underscores Isgec's continued commitment to supporting its workforce not only during their active service but also in the years beyond.

Benefits	**FY 2025-26**			**FY 2024-25**		
	No. of employees covered (as a % of total employee)	**No. of workers covered (as a % of total workers)**	**Deducted and deposited with the authority (Yes/No/N.A.)**	**No. of employees covered (as a % of total employee)**	**No. of workers covered (as a % of total workers)**	**Deducted and deposited with the authority (Yes/No/N.A.)**
PF*	90.5%	100%	Yes	89.9%	100%	Yes
Gratuity*	100%	100%	Yes	89.8%	100%	Yes
ESI	0.2%	6.7%	Yes	0.2%	0.2%	Yes
Others-Leave Encashment**	100%	100%	NA	100%	100%	NA
Others-NPS	6.4%	0%	Yes	10.4%	0	Yes

*321 other than permanent employees are not covered

**All employees are eligible for leave encashment. However, if the question pertains to how many employees have actually availed the benefit, the percentage may vary.

3. Accessibility of workplaces

Are the premises/offices accessible to differently abled employees as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes.

The Company remains strongly committed to creating an inclusive workplace where individuals of all abilities are valued, respected and supported. It maintains a zero-tolerance stance toward discrimination on the basis of disability, a principle that is reflected in the diverse composition of its workforce. To promote equal access and participation, the company's offices and facilities are designed in line with universal accessibility standards, incorporating features such as ramps and other enabling infrastructure to ensure ease of movement and a safe, welcoming environment for all employees, regardless of physical ability.

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

Yes.

Isgec implements a comprehensive Human Resource policy that is applied consistently to all existing and prospective employees. Central to this policy is the company's commitment to non-discrimination, ensuring that every individual is treated with fairness, dignity and respect, irrespective of race, religion, colour, gender, age or social background. All forms of discriminatory practices, including those related to recruitment and selection, are strictly prohibited, reinforcing the Company's resolve to maintain an equitable and inclusive workplace.

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

	Permanent employees		Permanent Workers	
Gender	**Return to work rate**	**Retention rate**	**Return to work rate**	**Retention rate**
Male	NA	NA	NA	NA
Female	100%	100%	NA	NA
Total	100%	100%	NA	NA

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

	Yes/No (If yes, then give details of the mechanism in brief)
Permanent Employees	Yes. The Company considers timely and effective grievance redressal to be fundamental to fostering trust, transparency and a positive work environment for employees and workers. To this end, a structured mechanism is in place across offices and plants, under which employees and workers are encouraged to raise their concerns with their respective business or team heads. Necessary corrective actions are initiated at this level and where concerns remain unresolved or the complainant is not satisfied with the outcome, matters may be taken to the Human Resource Head for further review and resolution. In addition to this defined grievance redressal process, the Company has instituted a comprehensive framework of statutory and non-statutory committees and mechanisms to safeguard employee welfare, promote workplace harmony and enhance operational efficiency. These include the Works Committee, Grievance Redressal Committee, Safety Committee, Canteen Committee, and the implementation of Industrial Standing Orders. The Company also recognizes the role of a Registered Trade Union, where applicable, in facilitating constructive dialogue between management and workers. Further, Complaint and Suggestion Boxes are provided at workplaces to enable employees and workers to share concerns or suggestions confidentially and without hesitation. Collectively, these committees, policies and forums ensure that employee voices are heard, concerns are addressed fairly and transparently, and a safe, inclusive and supportive work environment is consistently maintained, reinforcing the Company's commitment to employee well-being and engagement.
Other than Permanent Employees	
Permanent Workers	
Other than Permanent Workers	

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

Category	FY 2025-26			FY 2024-25		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	2,961	0	0	2,662	0	0
- **Male**	2,857	0	0	2,595	0	0
- **Female**	104	0	0	67	0	0
Total Permanent Workers	435	387	89.0%	427	421	98.6%
- **Male**	435	387	89.0%	427	421	98.6%
- **Female**	0	0	0	0	0	0

8. Details of training given to employees and workers

Category	FY 2025-26					FY 2024-25				
	Total (A)	On health & safety/ wellness measures		On skill upgradation		Total (D)	On health and safety measures / wellness		On skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. F	% (F/D)
EMPLOYEES										
Male	3,512	2,136	60.8%	2,949	84.0%	3,264	1,072	32.8%	2,272	69.6%
Female	117	38	32.5%	90	76.9%	74	21	28.4%	68	91.9%
Total	3,629	2,174	59.9%	3,039	83.7%	3,338	1,093	32.7%	2,340	70.1%
WORKERS										
Male	450	300	66.7%	430	95.6%	427	366	85.7%	339	79.3%
Female	0	0	0	0	0	0	0	0	0	0
Total	450	300	66.7%	430	95.6%	427	366	85.7%	339	79.3%

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

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
EMPLOYEES						
Male	3,512	3,046	86.7%	3,264	2,775	85.0%
Female	117	75	64.1%	74	58	78.4%
Total	3,629	3,121	86.0%	3,338	2,833	84.9%
WORKERS						
Male	450	450	100%	427	427	100%
Female	0	0	0	0	0	0
Total	450	450	100%	427	427	100%

10. a. Whether an occupational health and safety management system has been implemented by the entity?(Yes/ No). If yes, the coverage such system?

Isgec's operations are certified with ISO 45001:2018 and ISO 14001:2015, reflecting its commitment to a robust and structured Environment, Health and Safety (EHS) Management System. The EHS framework is independently certified by DNV for manufacturing operations, covering all manufacturing processes, essential services, storage, and internal material transportation, while project-related activities are certified by Lloyd's Register Quality Assurance.

The certification scope encompasses the installation and commissioning of boilers and power plants, process plants, air pollution control systems, sugar machinery, and material handling equipment, along with associated site operations across India. To drive continual improvement, Isgec conducts periodic internal audits and regular third-party surveillance audits to assess system performance and compliance. Feedback and observations gathered from workers, employees, and supervisory personnel during these audits are systematically reviewed and integrated into the EHS processes, ensuring ongoing strengthening and effectiveness of the management system.

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

Isgec follows a structured and practical approach to hazard identification, risk assessment, and safety management across both routine and non-routine operations. For routine activities, hazards are systematically identified through Hazard Identification and Risk Assessment (HIRA), supported by regular safety inspections and intershop safety patrolling to proactively identify unsafe conditions. These measures are reinforced through routine safety inspections carried out by

supervisory and EHS teams, ensuring continuous monitoring and control at the operational level.

For non-routine and higher-risk activities, Isgec implements a more rigorous risk management framework. Job Safety Analysis (JSA) is undertaken to assess task-specific risks, and a formal Permit to Work (PTW) system is applied for all routine and non-routine activities to ensure that hazards are evaluated and control measures are verified prior to work execution. This process is complemented by pre-job discussions and clear communication of safety requirements to all involved personnel.

Strengthened safety governance and capability development through membership of the National Safety Council (India), facilitating adoption of industry best practices and continuous improvement in workplace health and safety performance.

The effectiveness of these practices is periodically evaluated through internal safety audits conducted in line with ISO 14001 and ISO 45001 requirements. Audit findings and observations from inspections, patrolling, and workforce feedback are systematically reviewed to identify gaps and improvement opportunities. Through the combined application of hazard assessments, permit systems, inspections, and audits, Isgec ensures consistent implementation of safety controls while continually strengthening its EHS management practices.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes/No)

Isgec actively promotes workmen participation in safety management through structured Safety Committee meetings, providing a formal platform for employees and workers to raise safety concerns and share observations from the workplace. Issues and hazards highlighted during these interactions are assigned to the relevant incharges, who are accountable for ensuring timely closure of actions and elimination of risks to prevent accidents.

In parallel, Isgec's EHS Policy clearly empowers all employees and workmen to report work-related hazards and withdraw from situations they consider unsafe, without fear of reprisal. This reinforces a strong safety culture where protection of life and health takes priority over operational considerations. Before the commencement of any activity, workers are briefed on the associated risks and required precautions, ensuring clarity and preparedness at the outset.

A structured hazard reporting and escalation mechanism is in place to address safety concerns effectively. Workers are encouraged to first report hazards to their immediate supervisors, with provisions for further escalation through the site leadership hierarchy, including the Site Incharge, Construction Manager, and EHS team, where necessary. To enable swift response during emergencies, emergency contact details and information on responsible personnel are prominently displayed at accessible locations across sites. Work areas are classified based on risk levels, and safety personnel are deployed accordingly to ensure adequate supervision of higherrisk activities. Most sites are additionally supported by emergency response arrangements, including access to ambulances or equivalent medical facilities, to manage health and safety incidents promptly.

Together, these practices ensure that workers are not only encouraged to actively participate in safety management but are also supported through clear processes, defined responsibilities, and emergency preparedness, enabling them to safeguard themselves and others from unsafe conditions.

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

Yes, employees and workers have access to non-occupational medical and healthcare services. The Company has arrangements with reputed healthcare providers such as Apollo, HCL Healthcare, ICARE, and other multi-specialty clinics, enabling employees to avail medical consultations and health check-ups at concessional rates. At the Yamunanagar plant, in-house medical facilities including a dispensary and health centre are available for employees, workers, and their families. Regular health check-up camps are also conducted to promote overall well-being.

These provisions ensure that employees and workers have adequate access to both preventive and emergency healthcare services beyond occupational requirements. At project sites, basic healthcare support is ensured through first aid facilities, ambulance availability, and tie-ups with nearby multi-specialty hospitals for emergency and medical needs.

11. Details of safety related incidents

Safety Incident/Number	Category	FY 2025-26	FY 2024-25
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	**Employees**	0.057	0
	Workers	0	0
Total recordable work-related injuries	**Employees**	2	0
	Workers	0	0
No. of fatalities	**Employees**	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	**Employees**	0	0
	Workers	0	0

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

Isgec treats health and safety as a core organizational value and integrates it comprehensively across all activities and operations. Risk assessments are conducted for all routine and nonroutine activities, with additional control measures implemented wherever required to mitigate identified risks. For nonroutine activities, Job Safety Analysis (JSA) and a formal Permit to Work system are mandatorily applied to ensure that hazards are assessed in advance and appropriate safeguards are in place before work commencement. Safe Operating Procedures and detailed work instructions are established for all operations, providing clear guidance on safe methods of working.

To build and sustain competence, Isgec ensures that safety training is imparted to all employees and workers, covering job-specific hazards, control measures, and safe work practices. Compliance with legal requirements, internal procedures, and safety guidelines is monitored through periodic inspections, internal audits, and external audits. Workmen participation in safety management is actively encouraged through Plant Central Safety team meetings, enabling employees to contribute to hazard identification and improvement initiatives. One-point lessons and regular toolbox talks are circulated and conducted on the shop floor to reinforce critical safety messages and promote continuous awareness.

Clear health and safety objectives and targets are defined and reviewed periodically to drive measurable improvement. Employees are encouraged to report all near-miss incidents and accidents, which are systematically investigated to identify root causes and prevent recurrence. Safety information, including posters and standard operating procedures, is prominently displayed at workplaces to reinforce safe behavior. Isgec also promotes a positive safety culture through motivational programs, recognizing and rewarding good safety practices and performance.

Contractor safety is managed through a structured Contractor Safety Management System, ensuring that contractors' workmen are subject to the same safety standards and controls as direct employees. In addition, periodic health checkups are conducted for employees to monitor occupational health risks and support overall wellbeing. Collectively, these measures enable the Company to maintain a proactive, participative, and continually improving safety management framework.

13. Number of complaints on working conditions and health and safety made by employees and workers.

Category	FY 2025-26			FY 2024-25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	-	0	0	-
Health & Safety	0	0	-	0	0	-

14. Assessments for the year

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

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health and safety practices and working conditions.

Isgec follows a structured and responsive approach to incident prevention and risk mitigation, aligned with the requirements of ISO 45001. Hazard Identification and Risk Assessments (HIRA), along with associated operational control procedures, are periodically reviewed to ensure their continued relevance and effectiveness. Where gaps or recurring trends are identified, additional control measures are introduced to strengthen risk management.

Engineering controls are systematically implemented to eliminate or reduce the likelihood of recurrence of similar incidents. For example, risk assessments have identified activities such as working at height and material handling as key safety concerns. To manage workatheight risks, Isgec deploys certified scaffolding systems, aerial work platforms, and fixed lifelines, supported by mandatory use of full-body harnesses. All work-at-height activities are governed by a dedicated Permit to Work system, ensuring prior risk assessment, authorization, and compliance with defined safety controls.

Similarly, material handling activities are managed through detailed lifting plans that consider load characteristics, equipment capacity, and site conditions. Critical lifting operations are carried out under competent supervision and controlled through a Lifting Permit to Work system, which includes mandatory pre-lift checks and verification of safety arrangements before execution.

Incidents and near-miss events are formally communicated and shared with all relevant stakeholders to promote learning across the organization. This structured dissemination of information, combined with regular reviews and strengthened engineering controls, reinforces a culture of transparency, proactive risk mitigation, regulatory compliance, and continual improvement in workplace safety.

During the reporting year, the Company further strengthened its commitment to a Zero Harm workplace through leadership-driven EHS governance, Life Saving Rules, critical control verification programmes and focused management of high-risk activities. During the year, over 7,400 employees and contractors participated in National Safety Week initiatives, while more than 1,200 individuals were engaged through Electrical Safety Week and World Environment Day activities. Safety performance and accountability were further enhanced through 18+ leadership safety visits, IMS internal audits covering 49 project sites, implementation of a Contractor EHS Scorecard Framework, establishment of the EHS Connect platform, and the launch of a Digital EHS Transformation Programme. The Company also strengthened workforce capability through targeted safety training, enhanced emergency preparedness through regular mock drills and first-aid initiatives and leveraged its membership of the National Safety Council (India) to drive the adoption of industry best practices and continuous improvement in workplace health and safety performance.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)?

The Company has established provisions for a compensatory package in the event of the death of an employee or worker, as outlined below:

I. **Death Relief Scheme:** Financial assistance is provided to the family of a deceased employee or worker in the event of death during active service, offering immediate support during a difficult period.

II. **Statutory Benefit under the Provident Fund Scheme:** Benefits are extended in accordance with the Employees' Death Linked Insurance (EDLI) scheme, as prescribed under applicable statutory regulations.

III. **Gratuity Insurance Benefit:** An amount equivalent to the gratuity payable is disbursed to the nominee or legal heir in the event of the employee's death. This amount is calculated as if the employee had continued in service until the normal age of retirement.

These provisions reflect the Company's commitment to providing financial security and support to employees' families during unforeseen circumstances.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

Isgec engages with suppliers which are GST registered companies and periodically reviews on the portal if GST dues have been paid to the authority on time. In case of any discrepancy found, supplier payment is held back by the Company until compliance is ensured. Similarly, company ensures that PF and ESI contributions for workers/employees engaged through contractors are deposited on time.

3. Provide the number of employees / workers having suffered high consequence work- related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total Number of affected employees / workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year	FY 2025-26 Current Financial Year	FY 2024-25 Previous Financial Year
Employees	0	-	0	-
Workers	0	-	0	-

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No).

No. Staff/Workers in the past few years have never been made redundant or asked to leave.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health & Safety practices*	100%
Working Conditions*	100%

***Note:** 100% of contractors for projects Business.

PRINCIPLE 4 - BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS

The Company maintains active engagement with both internal and external stakeholders across its value chain to gain a comprehensive understanding of their expectations and priorities. Recognising the importance of continuous dialogue, the Company considers stakeholder interaction a critical driver of sustainable business growth and a key contributor to long-term value creation.

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

Isgec recognises the crucial role of all stakeholders in driving the Company's sustainable growth. It identifies as stakeholders those individuals and institutions that significantly influence or are affected by the Company's business. Further, Isgec has identified shareholders, banks, the stock exchange of India, directors, employees, customers, and suppliers as its primary internal and external stakeholders.

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

Key Stakeholders	**Whether identified as Vulnerable & Marginalized Group (Yes/ No)**	**Channels of communication** (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Others	**Frequency of engagement** (Annually/ Half yearly/ Quarterly / others – please specify)	**Purpose and scope of engagement including key topics and concerns raised during such engagement**
Investors/ Shareholders/ Bankers Consortium meeting	No	Annual General Meeting, Quarterly Investor Calls, Investor presentation on website, Consortium meeting with Banks	Quarterly / Annually / periodically	To update about Company's business position
Employees	No	Periodic emails, intranet, social media groups, Virtual Meetings, In house magazine "Isgec Alive"	On a regular basis	Employees are one of the major drivers for the success of Isgec. The Company believes that regular interaction with employees boosts their morale and motivates them. The interaction helps in increasing retention of talent.
Workers	No	Tool Box Talks, Safety Committee Meetings, Notice Boards, Training Programmes, Suggestion Boxes	On a regular basis	The Company regularly engages with workers to promote a safe, healthy and inclusive workplace. Engagement focuses on occupational health and safety, working conditions, welfare measures, skill development and awareness on Company policies and procedures. Feedback received from workers is considered to improve workplace practices and enhance employee well-being and productivity.
Directors	No	Email, telecalls, Board Meetings	On a regular basis	To keep them informed/updated on the Company's activities and take inputs from them on policies/growth plans.
Customers, Suppliers and Service Providers	No	Email, telecalls, Customer Meets, Supplier Meets, participation in Trade Shows and Exhibitions, Social Media Posts	On a regular basis	The Company engages with its customers with the objective to build trust amongst its customers and incorporate their perspective and demand in the product and service portfolio. Isgec also ensures that its customers are informed about its product offerings. To this end, the Company has dedicated vendor development department and quality teams which work to improve capabilities of vendors and contractors.

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   Feedback is provided by the Managing Director and Joint Managing Directors to the Board.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   Yes.

   For Isgec, a sustainability issue is considered material if it presents a significant risk or contributes to a broader risk that could impact the Company's business performance. Additionally, issues identified as critical by key internal stakeholders are also classified as material. Stakeholder perspectives play a pivotal role in assessing the relevance and urgency of each issue, enabling the Company to prioritise its sustainability agenda effectively.

   Through the identification and prioritization of material topics, Isgec aims to strengthen its sustainability initiatives and embed responsible business practices across its operations. This approach ensures alignment with stakeholder expectations, regulatory requirements, and evolving industry standards.

   Our new office buildings are designed to have minimal impact on the environment which inculcate sustainable practices such as energy-efficient design, use of renewable energy sources, rainwater harvesting, waste management and green landscaping. By reducing resource consumption and minimizing environmental pollution, these buildings contribute to a greener and more sustainable future.

PRINCIPLE 5 - BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

Isgec upholds the protection of human rights as a fundamental principle across its workforce. This commitment is embedded in its core policies, including the Human Resource (HR) policy, which explicitly prohibits any form of discrimination and ensures equal treatment for all individuals. Isgec also maintains a zero-tolerance approach toward harassment in any form—be it bullying, intimidation, or sexual harassment.

To address such concerns effectively, the Company has instituted a dedicated Prevention of Sexual Harassment at Workplace (POSH) policy, which outlines a clear and structured mechanism for reporting and resolving complaints. Any violations of human rights are addressed promptly and appropriately through a formal grievance redressal process, reinforcing the Company's dedication to fostering a safe, respectful, and inclusive work environment.

Essential Indicators

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
EMPLOYEES						
Permanent	2,961	1,579	53.3%	2,662	823	30.9%
Other than Permanent	668	104	15.6%	676	256	37.9%
Total employees	3,629	1683	46.4%	3,338	1,079	32.3%

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
WORKERS						
Permanent	435	355	81.6%	427	10	2.3%
Other than Permanent	15	4	26.7%	0	0	0
Total workers	450	359	79.8%	427	10	2.3%

2. Details of minimum wages paid to employees and workers:

Category	FY 2025-26					FY 2024-25				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
EMPLOYEES										
Permanent	2,961	0	0	2,961	100%	2,662	0	0	2,662	100%
Male	2,857	0	0	2,857	100%	2,595	0	0	2,595	100%
Female	104	0	0	104	100%	67	0	0	67	100%
Non-permanent	668	0	0	668	100%	676	0	0	676	100%
Male	655	0	0	655	100%	669	0	0	669	100%
Female	13	0	0	13	100%	7	0	0	7	100%
WORKERS										
Permanent	435	0	0	435	100%	427	0	0	427	100%
Male	435	0	0	435	100%	427	0	0	427	100%
Female	0	0	0	0	0	0	0	0	0	0
Non-permanent	15	0	0	15	100%	0	0	0	0	0
Male	15	0	0	15	100%	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0

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

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	7	8,50,000	1	7,00,000
KMP (other than BoD)	2	93,93,661	0	0
Employees other than BOD & KMP	2,855	11,81,000	104	8,77,521
Workers	435	6,60,000	0	0

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

	FY 2025-26	FY 2024-25
Gross wages paid to females as % of total wages.	1.2%	2.1%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, the Company's Chief Human Resource Officer (for Industrial Project Business offices & sites) and Head - HR & Admin for manufacturing locations is responsible for dealing with Human rights issues.

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

Isgec has put appropriate internal systems in place to address human rights-related grievances in a fair and effective manner. The Whistleblower Policy enables employees and other stakeholders to report concerns directly to the Audit Committee. In addition, the Company's website displays contact information for different business units, allowing concerns to be raised and resolved through clear communication channels. Isgec also complies with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH Act), ensuring a safe work environment and a defined process for the timely handling of sexual harassment complaints. These practices reflect Isgec's continued commitment to respecting human rights and maintaining a dignified and respectful workplace.

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

Category	FY 2025-26			FY 2024-25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	1	0	-	1	0	-
Discrimination at workplace	0	0	-	0	0	-
Child Labour	0	0	-	0	0	-
Forced /Involuntary Labour	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Other human rights related issues	0	0	-	0	0	-

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

	FY 2025-26	FY 2024-25
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	1	1
Complaints on POSH as a % of female employees / workers	0.9%	1.0%
Complaints on POSH upheld	1	1

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

Isgec has established internal mechanisms to address human rights-related grievances in an effective and transparent manner. Under the Whistleblower Policy, individuals may report concerns directly to the Audit Committee. The Company's website also includes contact details for its various business units, enabling straightforward communication and timely resolution of issues. In addition, the Company complies with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH Act), thereby ensuring a safe work environment and clear procedures for the prompt handling of sexual harassment cases.

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

Yes.

The company's vendor assessment process includes checks to ensure that vendors do not engage in child labour or forced labour and that they comply with applicable minimum wage laws.

10. Assessments for the year:

	% of plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	0
Forced/ involuntary labour	0
Sexual harassment	0
Discrimination at workplace	0
Wages	0
Others – please specify	0

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

Nil

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

NA

2. Details of the scope and coverage of any Human rights due diligence conducted.

NA

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

The Company is committed to ensuring accessibility for all individuals, including those with disabilities. To achieve this, the Company has implemented ramps and lifts in its office premises, allowing easy access for differently abled visitors.

PRINCIPLE 6 - BUSINESS SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT

Isgec is committed to reducing its environmental impact and advancing sustainability initiatives. With a clear understanding of the pressing challenges posed by climate change, the Company emphasizes the importance of maintaining a healthy and pollution-free environment. This environmental responsibility is demonstrated through the ISO 14001 certification of its facilities, which ensures compliance with internationally recognized environmental management practices.

Essential Indicators

1. Details of total energy consumption *(in Tera Joules)* and energy intensity, in the following format:

Parameter	FY 2025-26	FY 2024-25
From renewable sources		
Total electricity consumption (A)	77.7	29.3
Total fuel consumption (B)	-	-

Parameter	FY 2025-26	FY 2024-25
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	77.7	29.3
From non-renewable sources		
Total electricity consumption (D)	165.5	156.8
Total fuel consumption (E)	154.3	98.9
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	319.8	255.7
Total energy consumption (A+B+C+D+E+F)	397.4	285.0
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)-J/Rs	7,583.7	5,678.3
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)-GJ/USD	0.0001549	0.0001147
Energy intensity in terms of physical output	NA	NA
Energy intensity (optional) - the relevant metric may be selected by the entity	-	-

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

No independent assessment has been carried out by any external agency for FY 25-26.

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set underthe PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No, the Company's facilities do not fall under Performance, Achieve and Trade (PAT) Scheme of the Government of India.

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

Parameter	FY 2025-26	FY 2024-25
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Ground Water	2,43,948.0	2,40,903.0
(iii) Third Party Water	16,992.0	14,975.0
(iv) Seawater/Desalinated Water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i+ii+iii+iv+v)	**2,60,940.0**	2,55,878.0
Total volume of water consumption (in kilolitres)	**2,12,753.0**	1,56,913.0
Water intensity per rupee of turnover (Total water consumption/ Revenue from operations)-litre/Rs	0.004	0.003
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption/ Revenue from operations adjusted for PPP)-litre/USD	0.083	0.063
Water intensity in terms of physical output	NA	NA
Water intensity (optional) - the relevant metric may be selected by the entity	-	-

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

No independent assessment has been carried out by any external agency for FY 25-26.

4. Provide the following details related to water discharged.

Parameter	FY 2025-26	FY 2024-25
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	-	-
- No treatment	-	-
- With treatment, please specify level of treatment	-	-
(ii) To Groundwater	-	-
- No treatment	-	-
- With treatment, please specify level of treatment	-	-
(iii) To Seawater	-	-
- No treatment	-	-
- With treatment, please specify level of treatment	-	-
(iv) Sent to third parties	48,187.0	98,965.0
- No treatment	48,187.0	35,068.0
- With treatment, please specify level of treatment	-	63,897.0
(v) Others	-	
- No treatment	-	
- With treatment, please specify level of treatment	-	-
Total water discharged in kilolitres	**48,187.0**	**98,965.0**

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

No independent assessment has been carried out by any external agency for FY25-26.

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

Yes, we have implemented ZLD systems across all operational locations, with the exception of one facility.

The Company recognises the critical importance of water conservation and has implemented targeted initiatives to enhance efficiency. Key water conservation techniques undertaken by Isgec include:

I. Installation of self-closing taps.

II. Modification of cooling tower to reduce water usage.

III. Removal of water-cooled air compressors.

IV. Reduction in water consumption for cooling towers by securing a zero-cut feeder from UHBVN.

V. Recycling of hydro-testing water and reusing STP water for toilet flushing, gardening and floor cleaning.

VI. Planting less water consuming tree species.

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

Parameter	Please specify unit	FY 2025-26	FY 2024-25
NOx	mg/Nm^3	27.3	28.4
SOx	mg/Nm^3	10.4	10.0
Particulate matter (PM)	mg/Nm^3	33.7	43.5

Parameter	Please specify unit	FY 2025-26	FY 2024-25
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others	-	-	-

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

Yes. Third party assessment was carried out by M/s Haryana Test House & Consultancy Services (Panipat) Haryana.

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

Parameter	Unit	FY 2025-26	FY 2024-25
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	9,699.0	13,919.6
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	32,639.1	33,321.1
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 emissions/ Revenue from operations)-gmCO_2e/Rs	*gCO_2e/Rs*	0.8	0.9
Total Scope 1 and Scope 2 emissions per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)- gmCO_2e/rupee adjusted for PPP	*gCO_2e/USD*	16.5	19.0
Total Scope 1 and Scope 2 emission intensity in terms of physical output	-	NA	NA
Total Scope 1 and Scope 2 emission intensity (optional) - the relevant metric may be selected by the entity	-	-	-

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

No independent assessment has been carried out by any external agency for FY25-26.

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

Yes, the Company has undertaken various projects and initiatives aimed at reducing Greenhouse Gas (GHG) emissions and its carbon footprint. These include:

I. **Renewable Energy:** Installation of 2,050 kWp rooftop solar power plants at Yamuna Nagar and 1,000 kWp at Rattangarh, generating approximately 33,92,160 units of green energy during the year. The Company also purchased approximately 4,36,000 units of green power through the Indian Energy Exchange (IEX) and signed a PPA for 7 MWp of solar power for the Yamuna Nagar plant, expected to generate approximately 98 lakh units annually.

II. **Energy Efficiency:** The Company replaced inefficient and high-power-consuming equipment with energy-efficient alternatives, including replacement of conventional equipment with inverter/IGBT-based systems, installation of VFDs, BLDC fans, timers and automated controls. These initiatives resulted in estimated energy savings of approximately 2.24 lakh kWh during the year.

III. **Cleaner Fuel Transition:** At the Muzaffarnagar plant, the fuel used in the boiler and most heat-treatment furnaces was converted from LSHS to PNG, while PNG was also introduced for casting preheating and riser cutting in place of LPG cylinders. These measures support the transition towards cleaner fuels and reduction in associated emissions.

IV. **Waste Reduction, Reuse and Recycling:** The Company implemented Reduce, Reuse and Recycle (3-R) practices, including recycling approximately 1,500 MT of iron scrap in-house and approximately 500 MT sold for recycling. The Company also reused approximately 55 MT of old sheets/structures recovered from scrap for creating additional infrastructure, thereby reducing resource consumption and associated carbon emissions.

V. **Renewable Electricity at Muzaffarnagar:** The Muzaffarnagar plant increased the use of solar power to approximately 50% of its total electricity consumption, further contributing to the reduction of emissions associated with conventional electricity sources.

VI. **Boiler technology initiatives:**

- Isgec manufactures Circulating Fluidized Bed Combustion (CFBC) Boilers up to 150 MWe under a technology licensing agreement with Sumitomo SHI FW Energia Oy, Finland, enabling the use of biomass and waste fuels.
- The Company also utilizes reheat design for CFBC Boilers up to 100 MW, licensed by Sumitomo, which improves thermal efficiency and lowers GHG emissions per unit of electricity generated.
- Through a collaboration with BHI FW Korea, Isgec offers super-critical and sub-critical pulverized coal-fired boilers (60 MWe to 1000 MWe), which operate at higher efficiencies and reduce CO_2 emissions compared to conventional systems.
- Under a technology agreement with Amec Foster Wheeler Energia S.L.U, Spain, Isgec supplies high-efficiency oil & gas packaged boilers (up to 260 TPH), designed to optimize combustion and reduce fuel-related emissions.
- In partnership with Siemens Heat Transfer Technology b.v, Netherlands, Isgec provides Drum-type Heat Recovery Steam Generators (HRSGs) that recover waste heat from gas turbines, reducing the need for additional fuel combustion and associated GHG emissions.
- On a case-to-case basis, Isgec collaborates with Tenova, Italy to supply Waste Heat Recovery Boilers for submerged arc, electric arc, and reheat furnaces, enabling energy recovery from industrial processes and reducing fossil fuel use.

Overall, these initiatives collectively contribute to reducing energy consumption, increasing the share of renewable energy, transitioning to cleaner fuels, improving resource efficiency and thereby reducing the Company's overall GHG emissions and carbon footprint.

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

Parameter	FY 2025-26	FY 2024-25
Total waste generated (in metric tonnes)		
Plastic waste (A)	19.6	12.4
E-Waste (B)	3.2	4.3
Bio-Medical Waste (C)	0	0
Construction and demolition waste (D)	3.7	2.0
Battery Waste (E)	11.1	5.8
Radioactive waste (F)	1.6	0.4
Other Hazardous waste. Please specify, if any-Used Oil (G)	22.7	18.2
Other Non-hazardous waste generated (H). Please specify, if any - MS melting scrap, wooden waste, cardboard, thermocol, etc.	10,636.5	10,034.1
Total (A+B+C+D+E+F+G+H)	10,698.3	10,077.2
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)-gm/Rs	0.2	0.2

Parameter	FY 2025-26	FY 2024-25
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)-gm/ USD	4.2	4.1
Waste intensity in terms of physical output	NA	NA
Waste intensity (optional) – the relevant metric may be selected by the entity	0	0
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	5,090.0	5,092.2
(ii) Re-used	3.2	38.5
(iii) Other recovery operations	77.0	0
Total	5,170.1	5,130.7
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	0	0
Total	**0**	**0**

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

No independent assessment has been carried out by any external agency for FY25-26.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The Company abides by the 3-R principle—Reduce, Reuse, and Recycle—to minimize waste generation. Additionally, it consciously minimizes plastic usage, such as avoiding plastic bottles in meetings and official gatherings whenever feasible. Moreover, the Company predominantly utilizes electronic devices in its offices. After these devices reach the end of their lifespan, they are sold to authorized recyclers to ensure proper e-waste management.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) whereenvironmental approvals / clearances are required, please specify details.

S. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval/ clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
NA			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in FY 2025-26.

During the reporting period, none of the projects required Environment Impact Assessment to be undertaken in compliance with EIA notification 2006.

Name and brief details of project	EIA Notification Number	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes/No)	Relevant Web Links
NA					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances.

Yes. Isgec complies with all applicable environmental laws and guidelines.

Sl No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken if any
NA				

Leadership Indicators

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes. The Company has established Business Continuity and Disaster Management Plans, integrated with its Environment, Health and Safety (EHS) Management System, particularly at construction and project sites. The plans address flooding, earthquakes, major fires, disease outbreaks, and other emergencies through mitigation, preparedness, response, and recovery measures. Emergency sirens, first-aid and medical facilities, assembly points, training, and mock drills support preparedness. Business continuity is further strengthened through cybersecurity initiatives, including adoption of the ISO 27001 Information Security Management System framework, VAPT, asset and patch management, Data Loss Prevention (DLP), Digital Rights Management (DRM) and enhanced email security measures.

PRINCIPLE 7 - BUSINESS, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT

The Company engages in public policy advocacy and is a proud member of 19 trade and industry chambers/associations. Through these partnerships, it contributes to policy discussions, collaborates with stakeholders, and helps shape industry standards and best practices. This commitment to advocacy demonstrates its dedication to driving positive change and strengthening the business landscape.

Essential Indicators

1 a.Number of affiliations with trade and industry chambers/ associations.

Isgec is a member of nineteen (19) trade and industry chambers/associations.

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

S. No.	Name of the trade and industry chambers / associations	Reach of trade and industry chambers/ associations (State/National)
1	Confederation of Indian Industry (CII)	National
2	Federation of Indian Chambers of Commerce and Industry (FICCI)	National
3	PHD Chamber of Commerce and Industry (PHD)	National
4	Sugar Technologist's Association of India (STAI)	National
5	Deccan Sugar Technologists' Association (DSTA)	National
6	Sugar Industry Technologists (SIT)	National
7	Indian Sugar & Bio-energy Manufacturers Association (ISMA)	National
8	All India Sugar Trade Association (AISTA)	National
9	All India Distillers' Association (AIDA)	National
10	Grain Ethanol Manufacturers Association (GEMA)	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of the Authority	Brief of the case	Corrective Action Taken
NA as Isgec does not have any adverse order against it.		

PRINCIPLE 8 - BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

Isgec is dedicated to uplifting underprivileged, marginalized, and vulnerable communities through its Corporate Social Responsibility (CSR) initiatives. Guided by a structured CSR Policy, the Company undertakes both long-term and short-term projects, primarily in the regions surrounding its manufacturing facilities. Key initiatives have included the installation of rainwater harvesting systems, provision of solar energy solutions to government schools, vocational training and skill development programs for numerous apprentices—who receive stipends during their training—establishment of CNC Centres of Excellence at Industrial Training Institutes (ITIs), and contributions to educational organizations.

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
In the Financial Year 2025-26, the Company has not undertaken any projects that required Social Impact Assessment (SIA) as per the applicable law. Thus, this provision is NA.					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity.

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
NA, no project/activity undertaken by the Company caused displacement of the population and thus R&R was not required.						

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

Isgec has developed structured processes to effectively manage and respond to community grievances. The Company's website serves as a key platform, offering accessible contact information for various departments to facilitate open dialogue and quick resolution of concerns. Community members can also directly email their issues to designated contacts, ensuring their voices are heard. These measures highlight Isgec's ongoing commitment to transparency, accountability, and building strong community relations.

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

	FY 2025-26	FY 2024-25
Directly sourced from MSMEs/ small producers	25.7%	21.1%
Directly from within India	97.4% (including MSME)	79.0%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost.

Location	FY 2025-26	FY 2024-25
Rural	-	-
Semi-urban	-	-
Urban	34.3%	36.8%
Metropolitan	65.7%	63.2%

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential indicators above).

Since Isgec does not need Social Impact Assessment for any projects, no mitigation measures are adopted for assessing the negative impacts of the same.

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies.

None of the projects undertaken by the Company falls into the aspirational districts category. All projects undertaken by the Company are in two regions, Yamunanagar and NCR.

S. No.	State	Aspirational district	Amount spent (in Rs.)
		Nil	

3. a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)

The Company prefers vendors/contractors situated in close vicinity for the procurement of products and services for its manufacturing and project business respectively. It also procures significantly from MSMEs, thus lending its support to small businesses. However, the Company does not have any dedicated Preferential Procurement Policy in place.

(b) From which marginalized /vulnerable groups do you procure?

NA

(c) What percentage of total procurement (by value) does it constitute?

25.73% (procured from MSME).

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/ No)	Benefit shared (Yes / No)	Basis of calculating benefit share
NA, since Isgec does not use traditional knowledge				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
NA, since Isgec does not use traditional knowledge		

PRINCIPLE 9 - BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER

Isgec holds its customers in the highest regard and is dedicated to delivering products and services with unwavering integrity and excellence. By prioritising quality and ethical business practices, it strives to exceed expectations and build lasting relationships. Its commitment to innovation and customer satisfaction ensures that every offering is designed to meet the highest standards, reinforcing trust and reliability.

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

In case of any issue/complaint, the customers may directly email the business head stating its concern. Further, as soon as the complaint is received by the business head, the Company promptly investigates the reason behind the concern and take appropriate measure to address the problem on time. Additionally, the website provides contact information for various business units, facilitating direct communication for issue resolution.

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

	As a percentage to total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	Since the primary business activity of the Company is setting up projects and manufacturing heavy engineering goods or capital goods, the lifecycle of its products is significantly high with a lifetime of 25 to 30 years. Therefore, this provision is NA to the Company.

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

	FY 2025-26		Remarks	FY 2024-25		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0	No complaints have been received on data privacy	0	0	No complaints have been received on data privacy

	FY 2025-26		Remarks	FY 2024-25		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Advertising	0	0	No complaints have been received on advertising	0	0	No complaints have been received on advertising
Cybersecurity	0	0	No complaints have been received on cybersecurity	0	0	No complaints have been received on cybersecurity
Delivery of essential services	0	0	Project business and manufacturing of capital goods do not qualify as essential services	0	0	Project business and manufacturing of capital goods do not qualify as essential services
Restrictive Trade Practices	0	0	No complaints received on restrictive trade practices	0	0	No complaints received on restrictive trade practices
Unfair Trade Practices	0	0	No complaints received on unfair trade practices	0	0	No complaints received on unfair trade practices
Other	0	0	-	0	0	-

4. Details of instances of product recalls on accounts of safety issues.

	Number	Reasons for recall
Voluntary recalls	NA	NA
Forced recalls	NA	NA

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

Isgec has implemented a Data Security Policy aligned with IT General Controls, ensuring robust data protection and regulated access to information systems.

Web link for Policies: http://192.168.59.172:8080/joomla/index.php/infosec-posts/75-it-a-system-informations/1016-it-security-policy

6. Provide details of any corrective actions taken or underway on issues relating to advertising and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Isgec continues to advance its IT infrastructure and cybersecurity capabilities through ongoing enhancements to its systems and applications. Over the past year, the Company has implemented several organization-wide initiatives to bolster digital security. An external consultant was engaged to perform a comprehensive vulnerability assessment and penetration testing, with the project now nearing completion.

To safeguard its public-facing applications from cyber threats and application-level attacks, Isgec has deployed multiple Web Application Firewalls (WAFs). Email security has also been significantly upgraded, with implementation efforts currently in progress.

In addition, a senior cybersecurity expert has been appointed to lead awareness and training programs across the organization. A dedicated "Personal Cyber Security Month" campaign was also launched to educate employees on best practices for online safety.

Notably, there have been no product recalls, nor have there been any penalties or regulatory actions related to product or service safety.

7. Provide the following information relating to data breaches:

a. Number of instances of data breaches:

No data breaches faced in FY 2025-26.

b. Percentage of data breaches involving personally identifiable information of customer

NA

c. Impact, if any, of the data breaches

NA

Leadership Indicators

1. Channels / platforms where information on products and services of the Company can be accessed.

Isgec uses multiple channels to circulate information regarding its products and services. They are as follows- Website address: https://www.Isgec.com/, LinkedIn Profile: https://www.linkedin.com/company/isgec-heavy-engineering-ltd/

Magazine: Powerline, Facebook: https://www.facebook.com/Isgec.engg/

Instagram: https://www.instagram.com/isgec.engg/

2. Steps taken to inform and educate consumers, especially vulnerable and marginalised consumers, about safe and responsible usage of products and services.

Isgec ensures that each product it manufactures and delivers is supported by a comprehensive Operations and Maintenance (O&M) Manual, offering clear instructions for safe and effective use. To further support its customers, the Company conducts in-depth training sessions at its Head Office, where operators and maintenance personnel receive hands-on guidance to ensure proper handling and long-term performance of the equipment.

3. Mechanisms in place to inform consumers of any risk of disruption / discontinuation of essential services.

Isgec does not provide essential services. Therefore this is NA.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/ Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Yes, the Company carries out division-wise surveys with regard to consumer satisfaction.

Annexure-8

ANNUAL REPORT ON CSR ACTIVITIES

1 Brief outline on CSR Policy of the Company :

The Board has approved a Policy for CSR expenditure on the following activities:-

(i) Multi-year Ongoing Projects regarding Water Harvesting System and Solar Power System for ensuring environmental sustainability and conservation of natural resources and maintaining quality of soil, air and water

(ii) Programme for renovation of buildings of schools, providing desks, dharis, white boards, books and other educational material

(iii) Imparting training for employment, enhancing vocational skill under Apprentices and National Employment Enhancement Mission Scheme

(iv) Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation (including contribution to Swach Bharat Kosh set up by the central government for the promotion of sanitation) and making available safe drinking water

(v) Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly and differently abled and livelihood enhancement projects

(vi) Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, forestry, conservation of natral resources and maintaing quality of soil, air and water including contribution to the Clean Ganga Fund set up by the Central government for rejuvenation of river Ganga

(vii) Rural Development projects

(viii) Disaster management, including relief , rehabilitation and reconstruction activities including COVID-19

(ix) The Company will give preference to the local area or areas around which the Company operates for spending the CSR expenditure.

2 The Composition of the CSR Committee:

Sl. No.	Name of the Committee Member	Position	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Ranjit Puri (DIN: 00052459)	Chairman	2	2
2	Mr. Aditya Puri (DIN: 00052534)	Member	2	2
3	Mr. Vishal Kirti Keshav Marwaha* (DIN: 00164204)	Member	1	1
4	Mrs. Rashi Sikka** (DIN: 00320145)	Member	1	1
5	Mr. Vivek Dhir** (DIN: 00774349)	Member	1	1

*Ceased on August 13, 2025

** Inducted on August 13, 2025

3 Web-link where Composition of CSR committee, CSR policy and CSR projects approved by board are disclosed on the website of the Company: http://www.isgec.com/aboutus-csr-policy.php

4 Executive Summary of Impact Assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Resposibility Policy) Rules, 2014, if applicable : **Not applicable**

₹ in Lakhs

5	(a)	Average net profit of the company as per sub -section (5) of section 135	32,497.18
	(b)	Two percentage of average net profit as per sub -section (5) of section 135	649.94
	(c)	Surplus arising out of CSR projects or programmes or activities of the previous financial years	-
	(d)	Amount required to be set off for the financial year	2.45
	(e)	Total CSR obligation for the financial year 2025-26 (b+c-d)	647.49

₹ in Lakhs

6	(a)	Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project).	625.26
	(b)	Amount spent in Administrative overheads (Rs. in Lakhs)	32.45
	(c)	Amount spent on Impact assessment, if applicable	2.95
	(d)	Total amount spent for the financial year (a+b+c)	660.66

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

Total amount spent for the Financial year (₹ in Lakhs)	Amount Unspent (₹ in Lakhs)				
	Total amount transferred to Unspent CSR Account as per sub section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub section (5) of section 135		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
660.66	Nil	NA	Nil	Nil	NA

(f) Excess amount for set off, if any

S. No.	Particular	Amount (₹ in Lakhs)
(i)	Two percent of average net profit of the company as per sub section (5) of section 135	649.94
(ii)	Total amount spent for Financial Year	660.66
(iii)	Excess amount spent for Financial Year (ii-i)	10.72
(iv)	Surplus arising out of CSR projects or programmes or activities of previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years (iii-iv)	10.72

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

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under sub section (6) of section 135 (₹ in Lakhs)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (₹ in Lakhs)	Amount spent in the reporting Financial Year (₹ in Lakhs)	Amount transferred to a fund as specified under Schedule VII as per second proviso to sub section (5) of section 135, if any			Amount remaining to be spent in succeeding financial years (₹ in Lakhs)	Deficiency, if any
					Name of the fund	Amount (₹ in Lakhs)	Date of transfer		
1	2022-23	-	-	-	Nil	Nil	NA	-	NA
2	2023-24	-	-	-	Nil	Nil	NA	-	NA
3	2024-25	-	-	-	Nil	Nil	NA	-	NA

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

◯ Yes

◉ No

If Yes, enter the number of Capital assets created/ acquired

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

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
1	2	3	4	5	6		
					CSR Registration number, if applicable	Name	Registered address

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

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

Aditya Puri
(Managing Director)

Ranjit Puri
(Chairman - CSR Committee)

Independent Auditor's Report

To the Members of
Isgec Heavy Engineering Limited

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of **Isgec Heavy Engineering Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2026, the Statement of Profit and Loss (including the Statement of Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone Ind AS financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2026, and its profit including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the standalone Ind AS 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	Auditor's Response
1	**Revenue recognition for Industrial Project (IP) contracts** Refer Note 2.4 to the standalone Ind AS financial statements. The Company's significant portion of business is undertaken through IP contracts. Revenue from these contracts is recognized over a period of time in accordance with the requirements of Ind AS 115, "Revenue from Contracts with Customers". Due to the nature of the contracts, revenue recognition involves usage of percentage of completion method which is determined based on proportion of contract costs incurred to date compared to estimated total contract costs.	**Principal Audit Procedures** In the context of our work, the audit procedures set up in terms of revenues of IP contracts consisted of : • Considering the appropriateness of the Company's revenue recognition accounting policies and assessing compliance with the policies in terms of Ind AS 115. • Performing testing of the design and implementation of controls over revenue recognition with specific focus on controls over determination of progress and corresponding percentage of completion, recording of costs incurred and estimation of costs to complete the remaining contract obligations.

S.No.	Key Audit Matter	Auditor's Response
	The determination of revenues and margin relating to IP contracts depends on total cost at completion estimated by the management. These estimates are reviewed on a quarterly basis or more frequently in the event of any major development during the progress of projects. This method involves significant judgments, identification of contractual obligations and the Company's rights to receive payments for performance completed till date, changes in scope and consequential revised contract price and recognition of the liability for loss making contracts. Accordingly, this is considered as a Key Audit Matter.	• Performing tests of details, on a sample basis, and verifying the underlying customer contracts, performing review of actual costs incurred with estimated costs to identify significant variations and assess whether those variations have been considered in estimating the remaining costs to complete and consequential determination of stage of completion, which formed the basis of revenue recognition under the input method. We reviewed the management's evaluation process to recognize revenue over a period of time, status of completion for projects and total cost estimates. We reviewed and verified the estimated cost of contracts, on test check basis, arising from contract modifications and analysed current on-going negotiations and settlements that may impair the profitability of such contracts. • Examining contracts with exceptions including contracts with low or negative margins, loss making contracts, contracts with significant changes in planned cost estimates to determine the level of provisioning required. • We read and tested the presentation and disclosures in the standalone Ind AS financial statements are in accordance with Ind AS 115.

Information other than the Standalone Ind AS Financial Statements and Auditor's Report Thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Annual Report but does not include the standalone Ind AS financial statements and our auditor's report thereon. The Company's annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Responsibility of management and those charged with governance for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and the cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation

Independent Auditor's Report

and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's responsibility for the Audit of the Standalone Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone Ind AS 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 standalone Ind AS 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 standalone Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure -A, which forms a part of this report, a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143 (3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

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

   (c) The Balance Sheet, Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;

   (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

   (e) On the basis of written representations received from the Directors as on 31st March 2026 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2026 from being appointed as a Director in terms of Section 164(2) of the Companies Act, 2013.

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure-B".

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

   (a) The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 42 to the standalone Ind AS financial statements.

   (b) The Company has made provision, as required under the applicable law and accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

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

   (d) i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the Note 52 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed fund or share premium or any other sources of kinds of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate beneficiaries.

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

iii) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representation under sub-clause (i) and (ii) contains any material misstatement.

e) The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.

As stated in note 51(c) to the standalone Ind AS financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

f) Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.

Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with in respect of such accounting software. Additionally, the audit trail feature of prior year(s) has been preserved by the Company as per the statutory requirements for record retention.

3. 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 managerial remuneration for the year ended 31st March 2026 has been paid/provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.

For SCV & Co. LLP
Chartered Accountants
Firm Regn. No: 000235N/ N500089

Sanjay Vasudeva
Partner

Place: Noida
Dated: 27 May 2026

Membership No.: 090989
ICAI UDIN:26090989YEOEAC8338

ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 to "Report on Other legal and regulatory requirements" of the Independent Auditors' Report of even date to the members of Isgec Heavy Engineering Limited on the Standalone Ind AS Financial Statements for the year ended 31st March 2026)

Based on the audit procedures performed for the purpose of reporting a true and fair view on the standalone Ind AS financial statements of the Company and taking into considerations in the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

(i) (a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment and relevant details of Right of Use Assets.

(i) (a) (B) The Company has maintained proper records showing full particulars of intangible assets.

(i) (b) According to the information and explanations given to us, Property, Plant and Equipment have been physically verified by the management during the year. No material discrepancies were noticed on such verification.

(i) (c) The title deed of all the immovable properties (other than properties where the Company is lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the standalone Ind AS financial statements are held in the name of the Company.

(i) (d) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has neither revalued it's Property, Plant and Equipment (Including Right of Use Assets) nor intangible assets during the year ended 31st March 2026.

(i) (e) According to the information and explanations given to us and on the basis of our audit procedures, we report that there are no proceedings that have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions (Prohibitions) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) (a) According to the information and explanations given to us and on the basis of our audit procedures, we report that physical verification of Inventory (except stock-in-transit) has been conducted at reasonable intervals by the management and in our opinion the coverage and procedure of such verification is appropriate. No discrepancy of 10% or more in the aggregate for each class of inventory were noticed during such verification conducted during the year.

(ii) (b) The Company has been sanctioned working capital limits in excess of ₹ Five Crore, in aggregate, from banks during the year on the basis of security of current assets of the Company. Quarterly returns or statements filed by the Company with such banks are in agreement with the unaudited books of account of the Company. According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been sanctioned working capital limits from financial institutions.

(iii) (a) According to information and explanations given to us and on the basis of our audit procedures, we report that the Company has not provided any security or granted any advances in the nature of loans to companies, firms, Limited Liability Partnership or any other parties during the year ended 31st March 2026. However, the company has provided loans and guarantees to companies and other parties during the year ended 31st March 2026, the details in respect of the same are as below:

(Amount in lakhs)

Particulars	Guarantees (including SBLC) provided	Loans granted*
Aggregate amount granted/ provided during the year:		
- Subsidiaries	1,363.00	42,741.78
- Joint ventures	Nil	Nil
- Associates	Nil	Nil
- Others**	Nil	752.62

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(Amount in lakhs)

Particulars	Guarantees (including SBLC) provided	Loans granted*
Balance outstanding at the balance sheet date in respect of above cases:		
- Subsidiaries	15,289.00	1,08,750.09
- Joint ventures	Nil	Nil
- Associates	Nil	Nil
- Others**	Nil	962.73

* excluding interest accrued but not due

** to employees

(iii) (b) According to information and explanation given to us and based on audit procedures performed by us, we are of the opinion that investments made, guarantees provided and the terms and conditions of the grant of all loans are not prejudicial to the Company's interest. The Company has not provided security or advances in the nature of loans to companies, firms, Limited Liability Partnership or any other parties.

(iii) (c) According to information and explanation given to us and on the basis of our audit procedures, we report that in respect of loans the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts of interest are not due during the year.

(iii) (d) According to information and explanation given to us and on the basis of our audit procedures, we report that no amount is overdue for more than ninety days in respect of principal and interest.

(iii) (e) According to information and explanation given to us and on the basis of our audit procedures, we report that no loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties except the following:

Name of the parties	Aggregate amount of loans or advances in the nature of loans granted during the year	Aggregate overdue amount settled by renewal or extension or by fresh loans granted to same parties	Percentage of the aggregate to the total loans or advances in the nature of loans granted during the year
Isgec Investments Pte. Ltd.	42,738.15 lakhs	7,423.82 lakhs	17%
Eagle Press & Equipment Co.	-	1,022.25 lakhs	-*

* No loan or advance in the nature of loan granted during the year.

(iii) (f) According to information and explanation given to us and on the basis of our audit procedures, we report that the Company has not granted any loans or advances in the nature of loan either repayable on demand or without specifying any terms or period of repayment.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it, as applicable.

(v) According to information and explanation given to us and on the basis of our audit procedures, we report that the Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits, within the meaning of the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules made thereunder. Accordingly, the paragraph 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the cost records maintained by the Company pursuant to the sub-section (1) of section 148 of the Companies Act, 2013, specified by the Central Government in respect of its products

and are of the opinion that, prima facie, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) The Company is generally regular in depositing undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and any other statutory dues applicable to it to the appropriate authorities. The provisions related to sales-tax, service tax, duty of excise and value added tax are not applicable to Company.

According to the information and explanation given to us and based on audit procedures performed by us, no undisputed amount payable in respect of these statutory dues were outstanding at the year end, for a period of more than six months from the date they became payable.

(vii) (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, goods and service tax or value added tax which have not been deposited on account of any dispute except as given under:

Name Of the Statute	Nature of Due	Amount Involved (₹ in lakhs)	Amount Unpaid (₹ in lakhs)	Period to which it relates	Forum where Dispute is pending
The Orissa Value Added Tax Act, 2004	Sales Tax	18.30	16.67	2009-10 & 2013-14	Sales Tax Tribunal, Orissa
The Uttar Pradesh Value Added Tax Act, 2008	Sales Tax	53.77	21.33	2013-14	Hon'ble High Court, Allahabad, U.P.
Finance Act,1994	Service Tax	60.77	53.23	2015-16 & 2016-17	Commissioner, Central Goods & Service Tax, (Appeals), Noida, U.P.
The Maharashtra Value Added Tax Act, 2002.	Sales Tax	559.88	536.27	2016-17	Joint Commissioner of State Tax [Appeal], Mumbai
The Maharashtra Value Added Tax Act, 2002.	Sales Tax	64.24	61.39	2017-18	Joint Commissioner of State Tax [Appeal], Mumbai
Central Goods and Services Tax Act, 2017	Goods & Services Tax	5.22	4.75	2018-19	Asstt. Commissioner (Appeals), CGST Division, Haldwani
Central Goods and Services Tax Act, 2017	Goods & Services Tax	1,247.15	730.17	2017-18 & 2022-23	Asstt. Commissioner State Tax, Investigation Wing, Mumbai
Central Goods and Services Tax Act, 2017	Goods & Services Tax	134.75	107.73	2017-18 & 2018-19	Addl. Commissioner (Appeals), Guwahati
Central Goods and Services Tax Act, 2017	Goods & Services Tax	43.04	30.96	2017-18	Addl. Commissioner (Appeals), Guwahati
Central Goods and Services Tax Act, 2017	Goods & Services Tax	13.11	12.48	2018-19	Addl. Commissioner (Appeals), Commercial Tax, Gujarat

Independent Auditor's Report

Name Of the Statute	Nature of Due	Amount Involved (₹ in lakhs)	Amount Unpaid (₹ in lakhs)	Period to which it relates	Forum where Dispute is pending
Central Goods and Services Tax Act, 2017	Goods & Services Tax	40.00	40.00	2017-18 & 2021-22	Commissioner of Central Tax & Customs (Appeals), Commercial Tax, Visakhapatnam
Central Goods and Services Tax Act, 2017	Goods & Services Tax	10.54	10.54	2019-20	Deputy Commissioner (GST-Appeal), Commercial Tax, Chennai
Central Goods and Services Tax Act, 2017	Goods and Services Tax	297.85	297.81	2018-19	Joint/Additional Commissioner(Appeals), Bengaluru
Central Goods and Services Tax Act, 2017	Goods and Services Tax	214.72	201.81	2018-19 to 2022	Joint/Additional Commissioner(Appeals), Bengaluru
Central Goods and Services Tax Act, 2017	Goods and Services Tax	1.71	1.54	2018-19 to 2022-23	Joint/Additional Commissioner(Appeals), Bengaluru
Central Goods and Services Tax Act, 2017	Goods and Services Tax	1,697.13	1,634.39	2018-19	Joint/Additional Commissioner(Appeals), Bengaluru
Central Goods and Services Tax Act, 2017	Goods and Services Tax	191.11	173.77	2021-22	Joint/Additional Commissioner(Appeals), Bengaluru
Central Goods and Services Tax Act, 2017	Goods and Services Tax	78.81	54.23	2019-20	Joint/Additional Commissioner(Appeals), Gujarat
Central Goods and Services Tax Act, 2017	Goods and Services Tax	4.59	4.35	2020-21	Deputy Commissioner (GST-Appeal), Central Tax, Chennai
Central Goods and Services Tax Act, 2017	Goods and Services Tax	14.23	12.94	2021-22	Joint/Additional Commissioner(Appeals), Raipur
Central Goods and Services Tax Act, 2017	Goods and Services Tax	10.90	10.30	2021-22	Joint/Additional Commissioner(Appeals), Delhi
Central Goods and Service tax Act, 2017	Interest & penalty for late filing of GST-3B	623.88	623.88	2017-18	Commissioner Appeals, Central Goods and Services tax, Panchkula
Central Goods and Service tax Act, 2017	Late fees for delay in filing of GST- 3B	0.14	0.14	2017-18	Commissioner Appeals, Central Goods and Services tax, Panchkula

Name Of the Statute	Nature of Due	Amount Involved (₹ in lakhs)	Amount Unpaid (₹ in lakhs)	Period to which it relates	Forum where Dispute is pending
Central Goods and Service tax Act, 2017	During the audit, Department issued Demand on Various issues.	897.04	897.04	2017-18 to 2021-22	Commissioner Appeals, Central Goods and Services tax, Panchkula
Central Goods and Service tax Act, 2017	Incorrect admissibility of input tax credit by vendor	31.91	30.32	2018-19	Commissioner Appeals, Central Goods and Services tax, Panchkula
The Central Excise Act, 1944	Excise duty	3.57	3.57	2012-13	Assistant Commissioner, Yamunanagar
The Finance Act, 1994	Service tax	0.37	0.37	2015-16 & 2016-17	Superintendent, Yamunanagar (Office of Assistant Commissioner, Yamunanagar)
The Customs Act, 1962	Custom Duty along with Interest	1,516.93	1,466.78	2012-13	Gujarat High Court
The Central Excise Act, 1944	Excise Duty	19.66	19.66	2014-15	Additional commissioner central excise, customs & service tax, Bharuch, Commissionerate
Income Tax Act, 1961	Income Tax	164.07	131.25	1987-88 & 1988-89	Commissioner of Income Tax Appeals, National Faceless Appeal Centre
Income Tax Act, 1961	Income Tax	312.00	249.56	2017-18	Commissioner of Income Tax Appeals, National Faceless Appeal Centre
Income Tax Act, 1961	Income Tax	82.00	65.61	2018-19	Commissioner of Income Tax Appeals, National Faceless Appeal Centre

(viii) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessment under the Income Tax Act, 1961 as income during the year, accordingly the provisions of paragraph 3 (viii) of the Order are not applicable to the Company.

(ix) (a) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(ix) (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or by any government authority.

Independent Auditor's Report

(ix) (c) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has utilised the money obtained by way of term loans during the year for the purposes for which they were obtained.

(ix) (d) According to the information and explanations given to us and on the basis of our audit procedures, we report that no funds raised on short term basis have been utilised for long term purposes during the year.

(ix) (e) According to the information and explanations given to us and on an overall examination of the standalone Ind AS financial statements of the Company, we report that the Company has taken funds from following entity to meet the obligations of its subsidiary as per details below:

Nature of fund taken	Name of lender	Amount involved (INR in Lakhs)	Name of the subsidiary, associate or joint venture	Relation	Nature of transaction for which funds utilised	Remarks, if any
External commercial borrowing (ECB loan)	Standard Chartered Bank	41,800.78	Isgec Investments Pte. Ltd.	Subsidiary	For repayment of loans and working capital requirement of a step down subsidiary company	

(ix) (f) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint venture or associate companies.

(x) (a) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not raised any moneys by way of initial public offer/ further public offer (including debt instruments) during the year. Accordingly, the provisions paragraph 3(x)(a) of the Order are not applicable to the Company.

(x) (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year and hence the provisions on paragraph 3(x)(b) of the Order are not applicable to the Company.

(xi) (a) According to the information and explanations given to us and on the basis of our audit procedures, we report that no fraud by the Company or no material fraud on the Company has been noticed or reported during the year, nor we have been informed of any such case by the management.

(xi) (b) During the year, no report under Sub-section (12) of section 143 of Companies Act, 2013 was required to be filed by the auditors in form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(xi) (c) According to the information and explanation given to us, there are no whistle blower complaints received by the Company during the year.

(xii) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company is not a Nidhi Company. Therefore, the provisions of paragraph 3(xii)(a), (b), (c) of the Order are not applicable to the Company.

(xiii) According to the information and explanations given to us, and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013. Further the details of the transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.

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

(xiv) (b) We have considered the internal audit reports of the Company issued till date, for the period under audit.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence the requirement to report on paragraph 3(xv) of the Order is not applicable to the Company.

(xvi) (a) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934). Accordingly, requirement to report on paragraph (xvi)(a) of the Order is not applicable to the Company.

(xvi) (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause 3(xvi)(b) of the Order is not applicable to the Company.

(xvi) (c) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company is not a Core Investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on paragraph 3 (xvi)(c) of the Order is not applicable to the Company.

(xvi) (d) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Group does not have any CIC as part of the Group, Accordingly, the provisions of paragraph (xvi)(d) of the Order are not applicable to the Company. We have not, however, separately evaluated whether the information provided by the management is accurate and complete.

(xvii) According to the information and explanations given to us and on the basis of our audit procedures, we report that, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditor during the year and accordingly, the provisions of paragraph 3 (xviii) of the Order are not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in Note 53 of the standalone Ind AS financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone Ind AS financial statements, our knowledge of the Board of Directors and management plan and based on our examination of the evidence supporting the assumption, nothing has come to our attention, which causes us to believe that no material uncertainty exists as on the date of audit report that Company is not capable of meeting its liabilities existing at date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not the assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of audit report and we neither give any guarantee nor any assurance that all the liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company does not have unspent amount in respect of other than ongoing projects in compliance with second proviso to sub section (5) of section 135 of the Act.

(xx) (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company does not have any unspent amount pursuant to ongoing projects requiring transfer to a special account in compliance with the provisions of sub-section (6) of the section 135 of the Companies Act, 2013.

(xxi) The provisions of paragraph 3(xxi) of the Order are not applicable in respect of standalone Ind AS financial statements. Accordingly, no comment in respect of said clause has been included in this report.

For SCV & Co. LLP
Chartered Accountants
Firm Regn. No: 000235N/ N500089

Sanjay Vasudeva
Partner

Place: Noida **Membership No.: 090989**
Dated: 27 May 2026 **ICAI UDIN:26090989YEOEAC8338**

Independent Auditor's Report

ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of the independent Auditor's Report of even date to the members of Isgec Heavy Engineering Limited on the standalone Ind AS financial statements for the year ended 31st March 2026)

Report on the Internal Financial Controls 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 Isgec Heavy Engineering Limited ("the Company") as of 31st March 2026 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Responsibility of management and those charged with governance for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by Institute of Chartered Accountants of India and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error.

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

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 standalone Ind AS 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 standalone Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting with reference to these standalone Ind AS financial statements were operating effectively as at 31st March 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For SCV & Co. LLP
Chartered Accountants
Firm Regn. No: 000235N/ N500089

Sanjay Vasudeva
Partner

Place: Noida
Dated: 27 May 2026

Membership No.: 090989
ICAI UDIN:26090989YEOEAC8338

Balance Sheet

As At March 31, 2026

(₹ in lakhs)

Particulars	Note No.	As at March 31, 2026	As at March 31, 2025
ASSETS			
(1) Non - current assets			
(a) Property, plant and equipment	3	44,666.10	43,388.78
(b) Right-of-use assets	4	3,883.71	3,657.02
(c) Capital work - in - progress	54.1	13,058.89	5,548.36
(d) Other intangible assets	5	1,930.07	2,415.00
(e) Intangible assets under development	54.2	66.47	43.96
(f) Financial assets			
(i) Investments	6	16,263.01	16,038.69
(ii) Loans	7	1,11,639.43	55,633.33
(iii) Other financial assets	8	1,813.05	2,123.77
(g) Deferred tax assets (net)	24	7,682.86	5,161.13
(h) Other non - current assets	9	689.18	436.96
Total non-current assets		**2,01,692.77**	**1,34,447.00**
(2) Current assets			
(a) Inventories	10	1,03,873.33	79,558.80
(b) Financial assets			
(i) Investments	11	4,417.87	8,333.47
(ii) Trade receivables	12	2,87,238.99	3,01,438.29
(iii) Cash and cash equivalents	13	21,546.02	6,753.10
(iv) Bank balances other than (iii) above	14	2,585.86	1,430.43
(v) Loans	15	453.46	882.20
(vi) Other financial assets	16	3,437.35	2,242.93
(c) Other current assets	18	79,194.09	61,822.55
Total current assets		**5,02,746.97**	**4,62,461.77**
Total assets		**7,04,439.74**	**5,96,908.77**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	19	735.29	735.29
(b) Other equity	20	2,72,628.53	2,40,951.17
Total equity		**2,73,363.82**	**2,41,686.46**

Balance Sheet

As At March 31, 2026

(₹ in lakhs)

Particulars	Note No.	As at March 31, 2026	As at March 31, 2025
LIABILITIES			
(1) Non - current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	47,401.06	20,863.10
(ia) Lease liabilities	45	672.87	1,072.65
(ii) Other financial liabilities	22	109.57	140.16
(b) Provisions	23	7,190.52	4,613.18
(c) Other non - current liabilities	25	18,104.87	14,936.47
Total non-current liabilities		**73,478.89**	**41,625.56**
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	26	19,212.97	5,238.06
(ia) Lease liabilities	45	1,220.72	545.77
(ii) Trade payables	27		
a) Total outstanding dues of micro enterprises and small enterprises		15,364.31	6,220.35
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,03,081.67	1,07,124.81
(iii) Other financial liabilities	28	11,001.11	11,335.82
(b) Other current liabilities	29	1,92,492.50	1,61,467.88
(c) Provisions	30	11,710.15	17,826.84
(d) Current tax liabilities (net)	17	3,513.60	3,837.22
Total current liabilities		**3,57,597.03**	**3,13,596.75**
Total equity & liabilities		**7,04,439.74**	**5,96,908.77**

The accompanying notes from 1 to 57 form an integral part of the financial statements

As per our report of even date.

for S C V & Co. LLP
Chartered Accountants
Firm Regn. No.000235N / N500089

Sanjay Vasudeva
Partner
M.No.090989

Bhupinder Kumar Malik
Chief Accounts & Taxation Officer

For & on behalf of the Board of Directors

Sachin Saluja
Company Secretary
M.No. A24269

Kishore Chatnani
Joint Managing Director and
Chief Financial Officer
DIN: 07805465

Rashi Sikka
Director
DIN: 00320145

Rajiv Roy Chaudhury
Director
DIN: 03545734

Aditya Puri
Managing Director
DIN: 00052534

Place:- Noida
Dated : May 27, 2026

Statement of Profit and Loss

For the year ended March 31, 2026

(₹ in lakhs)

Particulars			Note No.	Year ended March 31, 2026	Year ended March 31, 2025
I	Revenue from operations		31	5,22,862.96	5,01,825.78
II	Other income		32	23,003.19	6,111.83
III	**Total income (I + II)**			**5,45,866.15**	**5,07,937.61**
IV	**Expenses**				
	Cost of materials consumed		33	1,16,231.35	1,06,258.16
	Cost of projects including boughtouts		34	1,82,241.55	1,82,412.87
	Erection & commissioning expenses			66,092.85	61,953.30
	Changes in inventories of finished goods and work - in - progress		35	(13,000.95)	(2,643.94)
	Employee benefits expense		36	50,075.05	43,239.35
	Finance costs		37	5,026.15	1,619.16
	Depreciation and amortization expense		38	7,389.58	6,727.12
	Other expenses		39	84,916.60	69,541.15
	Total expenses (IV)			**4,98,972.18**	**4,69,107.17**
V	**Profit / (loss) before exceptional items and tax (III - IV)**			**46,893.97**	**38,830.44**
VI	**Exceptional items**				
	Statutory impact of new Labour Codes			1,403.25	-
VII	**Profit before tax (V - VI)**			**45,490.72**	**38,830.44**
VIII	**Tax expense**		40		
	(1) Current tax			13,565.42	10,884.87
	(2) Deferred tax			(2,749.96)	(1,428.86)
	Total tax expenses			**10,815.46**	**9,456.01**
IX	**Profit for the year (VII - VIII)**			**34,675.26**	**29,374.43**
X	**Other comprehensive income**				
	A (i)	Items that will not be reclassified to profit or loss			
		(a) Remeasurement of post employment defined benefit plans		906.81	(276.89)
	(ii)	Income tax relating to items that will not be reclassified to profit or loss		(228.23)	69.69
	Total other comprehensive income			**678.58**	**(207.20)**
XI	**Total comprehensive income (IX + X) (Comprising profit and other comprehensive Income for the year)**			**35,353.84**	**29,167.23**
XII	**Earnings per equity share of ₹ 1/- each**		41		
	Basic (in ₹)			47.16	39.95
	Diluted (in ₹)			47.16	39.95

As per our report of even date.

for S C V & Co. LLP
Chartered Accountants
Firm Regn. No.000235N / N500089

Sanjay Vasudeva
Partner
M.No.090989

Bhupinder Kumar Malik
Chief Accounts & Taxation Officer

For & on behalf of the Board of Directors

Sachin Saluja
Company Secretary
M.No. A24269

Kishore Chatnani
Joint Managing Director and
Chief Financial Officer
DIN: 07805465

Rashi Sikka
Director
DIN: 00320145

Rajiv Roy Chaudhury
Director
DIN: 03545734

Aditya Puri
Managing Director
DIN: 00052534

Place:- Noida
Dated : May 27, 2026

Statement of Cash Flows

For the year ended March 31, 2026

(₹ in lakhs)

Particulars		Year ended March 31, 2026	Year ended March 31, 2025
A	**Cash flow from operating activities**		
	Profit before tax	45,490.72	38,830.44
	Adjustments for :		
	Depreciation and amortisation expense	7,389.58	6,727.12
	(Gain) / loss on property, plant and equipment sold / written off	(16.77)	111.96
	Provision for expected credit loss	8,503.16	5,297.57
	Finance income	(7,561.36)	(2,317.35)
	Finance costs	5,026.15	1,619.16
	Income from investment-Dividends	(2,166.65)	(2,725.91)
	(Gain) / loss on sale of financial instruments (investment)	(319.36)	(495.47)
	Change in fair value of financial instrument (investment)	(14.16)	44.61
	Adjustment due to discounting in warranty provision	(273.94)	(37.27)
	Unrealised (gain) / loss on foreign currency translation	(18,452.33)	(402.49)
	Operating profit before working capital adjustments	**37,605.04**	**46,652.37**
	Working capital adjustments		
	(Increase) / Decrease in trade receivables	17,839.49	12,436.37
	(Increase) / Decrease in other receivables	(16,142.63)	29,255.61
	(Increase) / Decrease in inventories	(24,314.53)	(1,795.28)
	Increase / (Decrease) in trade and other payables	37,115.30	(43,349.36)
	Increase / (Decrease) in payables and provisions	(2,273.99)	1,053.26
	Cash generated from operations	**49,828.68**	**44,252.97**
	Income tax paid (net of refund)	(13,889.04)	(7,703.82)
	Net cash flow from / (used in) operating activities	**35,939.64**	**36,549.15**
B	**Cash flow from investing activities**		
	Purchase of property, plant and equipment including capital work-in-progress and intangible assets	(15,305.47)	(12,453.03)
	Proceeds from sale of property, plant and equipment	325.63	118.28
	Investment in equity shares	(224.32)	(415.00)
	Purchase of mutual funds	(1,87,460.84)	(2,33,732.61)
	Proceeds from sale of mutual funds	1,91,709.96	2,26,994.99
	Loans given	(42,741.78)	(37,926.93)
	(Increase)/decrease in other bank balances	(1,155.43)	363.13
	Interest received	393.68	153.83
	Dividend received	2,166.65	2,725.91
	Net cash flow from / (used in) investing activities	**(52,291.92)**	**(54,171.43)**
C	**Cash flow from financing activities**		
	Dividend paid on equity shares	(3,673.72)	(2,938.53)
	Payment of lease liabilities	(759.41)	(637.65)
	Finance cost	(4,916.10)	(1,441.75)
	Proceeds from long term borrowings	45,101.34	23,279.68
	Repayment of long term borrowings	(3,934.28)	-
	Proceeds / (repayment) from short term borrowings (net)	(672.63)	(184.92)
	Net cash flow from / (used in) financing activities	**31,145.20**	**18,076.83**

Statement of Cash Flows

For the year ended March 31, 2026

(₹ in lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Net increase in cash and cash equivalents (A+B+C)	**14,792.92**	**454.55**
Cash and cash equivalents at the beginning of the year	6,753.10	6,298.55
Cash and cash equivalents at the end of the year	**21,546.02**	**6,753.10**
Components of cash and cash equivalents		
Balance with banks in current account (refer note 13)	21,535.04	6,739.89
Cheques and drafts on hand (refer note 13)	-	0.01
Cash on hand (refer note 13)	10.98	13.20
Cash and cash equivalents	**21,546.02**	**6,753.10**

Notes:

1 The above statement of cash flows has been prepared under the indirect method setout in Indian Accounting Standard (Ind AS) 7.

2 **Reconciliation of liabilities arising from financing activities:**

(₹ in lakhs)

Particulars	Total borrowing	
	Year ended March 31, 2026	Year ended March 31, 2025
Opening balance as on April 1	26,101.16	2,923.19
Non-cash changes due to		
- Interest expense	18.44	83.21
Cash flows during the year		
- Proceeds from long term borrowings (refer note 21.1)	45,101.34	23,279.68
- Repayment of long term borrowings (refer note 21.1)	(3,934.28)	-
- Proceeds / (repayment) from short term borrowings (net), other than current maturities of long term debt (refer note 26)	(672.63)	(184.92)
Closing balance as on March 31	**66,614.03**	**26,101.16**

3 Figures in brackets indicate cash outgo.

As per our report of even date.

for S C V & Co. LLP
Chartered Accountants
Firm Regn. No.000235N / N500089

Sanjay Vasudeva
Partner
M.No.090989

Bhupinder Kumar Malik
Chief Accounts & Taxation Officer

For & on behalf of the Board of Directors

Sachin Saluja
Company Secretary
M.No. A24269

Kishore Chatnani
Joint Managing Director and
Chief Financial Officer
DIN: 07805465

Rashi Sikka
Director
DIN: 00320145

Rajiv Roy Chaudhury
Director
DIN: 03545734

Aditya Puri
Managing Director
DIN: 00052534

Place:- Noida
Dated : May 27, 2026

Statement of Changes in Equity

For the year ended March 31, 2026

A. Equity Share Capital

(₹ in lakhs)

As at April 1, 2024	Changes during the year	As at March 31, 2025	Changes during the year	As at March 31, 2026
735.29	-	735.29	-	735.29

B. Other Equity

(₹ in lakhs)

Particulars	Reserves and surplus					Items of other comprehensive income (remeasurement of post employment defined benefit plans)	Total
	Capital reserve	Securities premium	Capital redemption reserve	General reserve	Retained earnings		
Balance as at April 1, 2024	**0.01**	**450.22**	**3.24**	**17,439.54**	**1,96,482.89**	**349.22**	**2,14,725.12**
Profit for the year	-	-	-	-	29,374.43	-	29,374.43
Other comprehensive income	-	-	-	-	-	(207.20)	(207.20)
Final dividend paid for the year ended March 31, 2024	-	-	-	-	(2,941.18)	-	(2,941.18)
Interim dividend paid during the year ended March 31, 2025	-	-	-	-	-	-	-
Balance as at March 31, 2025	**0.01**	**450.22**	**3.24**	**17,439.54**	**2,22,916.14**	**142.02**	**2,40,951.17**
Profit for the year	-	-	-	-	34,675.26	-	34,675.26
Other comprehensive income	-	-	-	-	-	678.58	678.58
Final dividend paid for the year ended March 31, 2025	-	-	-	-	(3,676.48)	-	(3,676.48)
Interim dividend paid during the year ended March 31, 2026	-	-	-	-	-	-	-
Balance as at March 31, 2026	**0.01**	**450.22**	**3.24**	**17,439.54**	**2,53,914.92**	**820.60**	**2,72,628.53**

As per our report of even date.

for S C V & Co. LLP
Chartered Accountants
Firm Regn. No.000235N / N500089

Sanjay Vasudeva
Partner
M.No.090989

Place:- Noida
Dated : May 27, 2026

Bhupinder Kumar Malik
Chief Accounts & Taxation Officer

For & on behalf of the Board of Directors

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Director
DIN: 00320145

Rajiv Roy Chaudhury
Director
DIN: 03545734

Aditya Puri
Managing Director
DIN: 00052534

Notes to the Standalone Financial Statements

Note 1 : Corporate Information

Isgec Heavy Engineering Limited (the "Company") is a public limited company incorporated and domiciled in India, whose shares are listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The registered office of the Company is situated at Radaur Road, Yamunanagar-135001, Haryana, India.

The Company is a Heavy Engineering Company having two segments i.e. Manufacturing of machinery & equipment and Industrial Projects. Manufacture of machinery & equipment comprise manufacture of process plant equipment, mechanical and hydraulic presses, alloy steel and ferrous castings, boiler tubes & panels and containers. Industrial Projects comprise contract manufacturing and execution of projects for setting up boilers, sugar plants, distilleries, power plants, buildings and factories, material handling equipment and air pollution control equipment for customers in India and abroad.

Note 2 : Summary of Material Accounting Policies

2.1 Basis of Preparation and Statement of Compliance

These standalone financial statements have been prepared under the provisions of the Companies Act , 2013 ('Act'), Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Act) and guidelines issued by the Securities and Exchange Board of India (SEBI).

The standalone financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities that are measured at fair values at the end of each reporting period.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The standalone financial statements were authorized for issue by the Company's Board of Directors on **27 May 2026**.

2.2 Use of Estimates

The preparation of standalone financial statements in conformity with Indian Accounting Standards (Ind AS) requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future period.

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

a. Revenue from contracts with customers

A significant portion of the Company's business relates to Industrial Projects contracts which are accounted for using percentage of completion method, recognizing revenue on the performance as the contract progresses. This requires management to make judgement with respect to identifying contracts for which revenue needs to be recognised over a period of time, depending upon when the customer consumes the benefit, when the control is passed to customer, whether the asset created has an alternative use and whether the Company has the right to payment for performance completed till date, either contractually or legally. The Company is required to estimate costs to complete on fixed-price contracts. Estimating costs to complete such contracts requires the Company to make estimates of future costs to be incurred, based on work to be performed beyond the reporting date. This estimate impacts revenues from operations, unbilled revenue and unearned revenue.

b. Provision for onerous contracts

The Company provides for future losses where it is considered highly probable that the contract costs are likely to exceed revenues in future years. Estimating these future losses involves a number of assumptions about the likely levels of future cost escalation over time.

Notes to the Standalone Financial Statements

c. Defined benefit plans

The present value of the post-employment benefit obligation depends on a number of factors that are determined using actuarial valuations. An actuarial valuation involves making various assumptions including determination of the discount rate, future salary increases and mortality rates. Any changes in these assumptions will impact upon the carrying amount of post-employment benefit obligations. Key assumptions and sensitivities for post-employment benefit obligations are disclosed in note 36.

d. Warranty provision

Provision is made for the estimated warranty claims and after sales services in respect of products sold based on the historical warranty claim information and any recent trends that may suggest future claims could differ from historical amounts. The assumption made in current period are consistent with those in the prior year. Warranty provisions are discounted using a pre-tax discount rate which reflects current market assessments of time value of money and risks specific to the liability. Refer Note 23 for further details.

e. Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default, expected loss rates and timing of cash flows. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

As a practical expedient, the Company uses a provision matrix to determine ECL impairment allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. The Company follows provisioning norms based on ageing of receivables to estimate the impairment allowance under ECL.

For Computing the expected credit loss allowance for other financial assets, the probability of default is applied as per default matrix comprises of exposure due, risk ranking of the grades for similar industries, macro-economic parameters relevant to the industry and financial status of the entity involved.

At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are assessed by an independent registered valuer and are provided for. Refer Note 50 for details of impairment allowances recognised at the reporting date.

f. Deferred tax asset recognition

The extent to which deferred tax assets can be recognised is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences can be utilised. In addition, significant judgement is required in assessing the impact of any uncertainties in tax.

g. Legal contingencies

The Company receives various orders and notices from tax authorities and other parties in respect of direct and indirect taxes and other claims. The outcome of these matters may have a material effect on the financial position, results of operations or cash flows.

Management regularly analyses current information about these matters and provides provisions for probable losses including the estimate of legal expense to resolve such matters. In making the decision regarding the need for loss provisions, management considers the degree of probability of an unfavorable outcome and the ability to make a sufficiently reliable estimate of the amount of loss. The filing of a suit or formal assertion of a claim against the company or the disclosure of any such suit or assertions does not automatically indicate that a provision of a loss may be appropriate.

h. Useful lives of property plant and equipment and Intangible assets

The estimated useful lives of property plant and equipment and intangible assets are based

Notes to the Standalone Financial Statements

on a number of factors including the effects of obsolescence, internal assessment of user experience and other economic factors (such as the known technological advancements, commercial obsolescence of the asset etc.). The useful life of property plant and equipment and intangible assets is reviewed on an ongoing basis.

i. Inventories

Management has estimated the net realizable values of inventories, taking into account the most reliable evidence available at each reporting date.

The future realization of these inventories may be affected by market driven changes.

2.3 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification as per company's normal operating cycle and other criteria set out in the Schedule III to the Act. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- It does not have the right at the end of the reporting period to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. Based on the nature of products and services and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

2.4 Revenue Recognition

The Company recognises revenue from contracts with customers when it satisfies a performance obligation by transferring promised goods or services to its customers. The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Performance obligation is satisfied over time when the transfer of control of asset (goods or services) to a customer is done over time and in other cases, performance obligation is satisfied at a point in time.

Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring goods or services to a customer excluding amounts collected on behalf of a third party. Variable consideration is estimated using the expected value method or most likely amount as appropriate in a given circumstance. Payment terms agreed with a customer are as per business practice and there is no financing component involved in the transaction price.

A. Sale of products and services

Revenue from the sale of manufactured and traded goods is recognised when control of the goods is transferred to the customer i.e. at the point of sale / delivery to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. Sale is net of sales returns, discounts and goods & services tax.

Revenue from services rendered is recognised in the accounting period in which the services are rendered based on the arrangements/ agreements with the concerned parties.

Revenue is measured at the transaction price. Revenue is reduced for returns, trade allowances

Notes to the Standalone Financial Statements

for deduction, rebates, value added taxes and amounts collected on behalf of third parties.

B. Revenue from Industrial Projects

Revenues are recognised over time to the extent of performance obligation satisfied and control is transferred to the customer. The company recognises revenue over time as it performs because of continuous transfer of control to the customers. For all project contracts, this continuous transfer of control to the customer is supported by the fact that the customer typically controls the work in process as evidenced either by contractual termination clauses or by the rights of the Company to payment for work performed to date plus a reasonable profit to deliver products or services that do not have an alternate use.

Contract revenue is recognised at allocable transaction price which represents the cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed to-date, to the total estimated contract costs. The Company uses cost based measure of progress (or input method) for contracts because it best depicts the transfer of control to the customer which occurs as it incurs costs on contracts.

Contract Costs comprise of costs that directly relate to specific contract, costs that are attributable to contract activity in general and can be allocated to contract and such other costs as are specifically chargeable to the customer under the terms of contract.

Generally, the Company is entering into fixed price contracts with its customers. However, in very few contracts, additional revenue is claimable or revenue is reduced, based on variations in prices of few of key raw material prices such as steel, cement etc. Additional claims are raised on customers for such variations in prices of such materials, on pre-fixed terms and conditions specified in these contracts with customers.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

For contracts where the aggregate of contract cost incurred to date plus recognised profits (or minus recognised losses as the case may be) exceeds the progress billing, the surplus is shown as contract asset and termed as “Unbilled revenue”. For contracts where progress billing exceeds the aggregate of contract costs incurred to-date plus recognised profits (or minus recognised losses, as the case may be), the surplus is shown as contract liability and termed as “Unearned Revenue”. Amounts received before the related work is performed are disclosed in the Balance Sheet as contract liability and termed as “Advances from customer”.

C. Other operational revenue represents income earned from the activities incidental to the business and is recognised when the performance obligation is satisfied and right to receive the income is established. Foreign exchange fluctuation is treated as other operating income as the same mainly comprises of fluctuation on trade receivables and trade payables.

D. Rental Income

Rental income from operating leases is recognized on straight line basis over lease term.

E. Other Income

(i) Interest income is accounted on a time proportion basis taking into account the amount outstanding and the effective interest rate (EIR). Effective Interest Rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset’s net carrying amount on initial recognition.

(ii) Insurance Claims, export incentives, escalation, etc. are accounted for as and when the estimated amounts recoverable can be reasonably determined as being acceptable to the concerned authorities/ parties.

(iii) Dividend

Dividend income from investments is recognised when the shareholder’s right to receive payment has been established (provided that it is probable that the

Notes to the Standalone Financial Statements

economic benefits will flow to the Company and the amount of income can be measured reliably).

2.5 Inventories

Raw materials, Stores & Spares are valued at lower of weighted average cost and net realisable value. However, items held for use in the production are not valued below cost if the finished goods in which these will be incorporated are expected to be sold at or above cost. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Finished goods and work in progress are valued at lower of cost and net realizable value. Cost includes cost of direct materials and applicable direct manufacturing and administrative overheads but exclude borrowing costs. Cost is determined on weighted average basis.

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

Stock of projects including boughtouts are valued at lower of cost and net realizable value. Cost of stock of projects includes cost of purchase, cost of conversion and other cost incurred in bringing the inventories to their present location and condition.

2.6 Property, Plant & Equipment (PPE)

Recognition

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

Cost includes its purchase price (including import duties and non-refundable purchase taxes), after deducting trade discounts and rebates. It includes other costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and the borrowing costs for qualifying assets and the initial estimate of restoration cost if the recognition criteria is met.

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the costs of the item can be measured reliably.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Repairs and maintenance costs are charged to the statement of profit and loss when incurred.

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is disposed.

2.7 Intangible Assets

An Intangible asset is recognized when it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company; and the cost of the asset can be measured reliably.

Intangible assets are acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as “Intangible assets under development”.

The cost of an intangible asset comprises of its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates; and any directly attributable cost of preparing the asset for its intended use.

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

Notes to the Standalone Financial Statements

2.8 Depreciation and Amortization

Depreciation is provided on Property, Plant & Equipment as per the written down value method except in respect of certain Plant & Machinery which are depreciated as per straight line method, in the manner as prescribed in Schedule II to the Companies Act, 2013, and as per useful life estimated by the management from time to time. Assets costing not more than ₹ 5,000/- are fully depreciated in the year of their acquisition.

The management has estimated the following useful lives of assets:

Asset Category	Company's estimate of useful life (years)	Useful life as prescribed under Schedule II (years)
Land (leasehold)	30 to 99	Lease period
Buildings	3 to 60	3 to 60
Plant and equipment	7.5 to 15	15
Furniture & fixtures	10	10
Vehicles	8 to 10	8 to 10
Office equipment	3 to 10	3 to 10

The asset's residual values, useful life and methods of depreciation are reviewed at each financial year end and adjusted prospectively.

Intangible assets are amortized over the useful economic life which is reviewed at the end of each reporting period. Based on this criteria, presently amortisation rates applied to the Company's intangible assets are as below:

Technical know-how 5 to 10 years

Computer software 5 years

Right-of-use assets are amortized on the straight-line basis over the period of lease term.

Leasehold improvements are written off over the shorter of its useful life or over the period of lease.

2.9 Impairment of Non-Financial Assets

The Company recognises impairment loss (termed as provision for expected credit loss on contract assets in the financial statements) on account of credit risk in respect of a contract asset using expected credit loss model on similar basis as applicable to trade receivables.

If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset.

The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

Financial guarantees are issued by the Company to secure the credit facilities extended to its subsidiary companies by their lenders. These guarantees are to reimburse the lenders of subsidiary companies in the event of a default. The liability on account of impairment is measured at the loss determined as per requirements of Ind AS 109 and the same is recognised as Provision for expected credit loss on these guarantees.

At each reporting date, the company assesses whether the credit risk on these guarantees has increased significantly since initial recognition. When making the assessment, the company uses the change in the risk of a default occurring over the expected life of these guarantees instead of the change in the amount of expected credit losses. To make that assessment, the company compares the risk of a default occurring on these guarantees as at the reporting date with the risk of a default occurring on these guarantees as at the date of initial recognition and consider reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

The company measures the loss allowance for a financial instrument at an amount equal to lifetime expected credit losses in the previous reporting period but determines at the current reporting date that requirement is no longer met, the company measures the loss allowance at an amount equal to 12-month expected credit losses at the current reporting date.

2.10 Non-current assets held for sale and discontinued operations

The Company classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale

Notes to the Standalone Financial Statements

rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The Criteria for held for sale classification is regarded as met when the sale is highly probable and the asset, or disposal group, is available for immediate sale in its present condition and is marketed for sale at a price that is reasonable in relation to its current fair value. The Management is also be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Where a disposal group represents a separate major line of business or geographical area of operations, or is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations, then it is treated as a discontinued operation. The post-tax profit or loss of the discontinued operation together with the gain or loss recognised on its disposal are disclosed as a single amount in the statement of profit and loss, with all prior periods being presented on this basis.

When a disposal group or component of the business previously classified as held for sale or as a discontinued operations, no longer meets the criteria for such classification, the Company ceases to classify the disposal group as held for sale and reclassifies the results of the disposal group component within continuing operations. The comparative periods are represented where required.

2.11 Employee Benefits

(i) Provident Fund

The Company makes contribution to the recognised provident fund trust for its employees which is operated by the Company, which is a defined benefit plan to the extent that the Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate. The Company's obligation in this regard is determined by an independent actuary and provided for if the circumstances indicate that the Trust may not be able to generate adequate returns to cover the interest rates notified by the Government. Company's contribution to the provident fund is charged to Statement of Profit and Loss.

For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to statement of profit and loss in subsequent periods.

Past service costs are recognised in statement of profit and loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

When the benefits of a plan are changed or curtailed, the resulting change in the benefit that relates to the past service ('past service cost') or the gain or loss on curtailment is recognised immediately in the statement of profit and loss.

The Company recognises the gains and losses on the settlement of a defined benefit plan when settlement occurs.

Notes to the Standalone Financial Statements

(ii) Gratuity

The Company operates a Gratuity Fund Trust which in turn has taken Group Gratuity cum Life Assurance policies with the Life Insurance Corporation of India for all the employees. Gratuity is a post-employment benefit and is in the nature of a defined benefit plan.

The liability determined by actuarial valuation using projected credit method is recognised in the balance sheet in respect of gratuity is the present value of the defined benefit/obligation at the balance sheet date less the fair value of plan assets, together with adjustment for unrecognized actuarial gains or losses and past service costs. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in other comprehensive income.

(iii) Leave Encashment

The expected cost of accumulated leaves is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the amount expected to be paid/ availed as a result of the unused entitlement that has accumulated at the balance sheet date. The Company treats the accumulated leave, which is expected to be utilised or paid in next twelve months, as short-term employee benefits. The Company treats accumulated leaves expected to be carried forward beyond twelve months, as long-term employee benefits for measurement purposes. Any gains and losses on actuarial valuation are recognised as expense in the statement of profit and loss.

(iv) Retirement Benefits

National Pension Scheme: Contributions towards pension is made to various funds and such benefits are classified as defined contribution scheme as the Company does not carry any further obligations, apart from the contributions made on the monthly/yearly basis.

(v) Pension

Liability on account of pension payable to employees covered under Company's erstwhile Pension scheme (since discontinued) has been accounted for on accrual basis based on actuarial valuation.

(vi) Superannuation Benefit

The Company operates a Superannuation Scheme Trust which in turn has taken Group Gratuity cum Life Assurance policies with the Life Insurance Corporation of India. The Company makes contribution to superannuation fund, for the employees who have opted for this scheme, which is a post-employment benefit in the nature of a defined contribution plan and contribution paid or payable is recognized as an expense in the period in which services are rendered by the employee.

(vii) Other Short-Term Benefits

Expense in respect of other short-term benefits is recognized in Statement of Profit and Loss, on the basis of the amount paid or payable for the period during which services are rendered by the employee.

2.12 Leases

As a Lessee

The Company has lease contracts for various items of building, plant, machinery, vehicles and other equipment. The Company classifies its leases as finance lease or operating lease. A lease is classified as a finance lease if it transfers substantially all of the risks and rewards incidental to ownership of the leased asset to the Company, otherwise it is classified as an operating lease. Finance lease is capitalized at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between interest (recognized as finance costs) and reduction of the lease liability. In an operating lease, the leased property is not capitalized, and the lease payments are recognized as rent expense in the statement of profit or loss on a straight-line basis over the lease term. Any prepaid rent and accrued rent are recognized under prepayments and trade and other payables, respectively.

In the statement of financial position, lease liability is included under other financial liability and ROU assets is included in property, plant and equipment's and the payment of principal portion of lease liabilities has been classified as financing cash flows.

Notes to the Standalone Financial Statements

The Company assesses whether a contract contains a lease at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset, (2) the Company has substantially all of the economic benefits from the use of the asset through the period of the lease, and (3) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a ROU asset and a corresponding lease liability for all lease arrangements under which it is a lessee, except for short-term leases and low value leases.

For short-term leases and low value leases, the Company recognizes the lease payments as an expense on a straight-line basis over the term of the lease. The lease arrangements include 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 ROU 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 incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the future lease payments, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest.

As a Lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Lease income from operating leases where the Company is a lessor is recognized in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

2.13 Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid/ payable to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted at the reporting date. Current income tax is charged at the end of reporting period to statement of profit & loss.

Deferred Tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at reporting date.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it

Notes to the Standalone Financial Statements

is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognized in Other Comprehensive Income is recognized in Other Comprehensive Income.

2.14 Borrowing Cost

As per Ind AS 23, Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds.

2.15 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A contingent liability is disclosed when

(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 Company; or

(b) a present obligation that arises from past events but is not recognized 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 not recognized but are disclosed in notes.

Contingent assets not recognized in the financial statements.

2.16 Dividends

Dividend to equity shareholders is recognized as a liability in the period in which the dividends are approved by the equity shareholders.

Interim dividends that are declared by the Board of Directors without the need for equity shareholders' approvals are recognized as a liability and deducted from shareholders' equity in the year in which the dividends are declared by the Board of directors.

2.17 Earnings Per Share

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The Weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue, buy back of shares, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

2.18 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities except trade receivables are recognized at

Notes to the Standalone Financial Statements

fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition. Trade receivables are initially recognised at their transaction price.

Subsequent measurement

For the purpose of subsequent measurement, financial assets and financial liabilities are classified in the following broad categories:

A. Non-derivative financial instruments

(i) **Debt instrument carried at amortized cost**

A debt instrument is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

B. Derivative financial instruments

(i) Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps to hedge its foreign currency risks and interest rate risks respectively.

Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the statement of profit and loss.

For the purpose of hedge accounting, hedges are classified as Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment. When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit and loss.

For fair value hedges relating to items carried at amortised cost, any adjustment to carrying value is amortised through profit or loss over the remaining term of the hedge using the Effective Interest Rate. Effective interest rate amortisation may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged. The Company is following

Notes to the Standalone Financial Statements

fair value hedges method as the same is applicable to the kind of transactions being carried out by the Company.

If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognized when:

(i) The contractual right to receive cash flows from the assets have expired, or

(ii) The Company has transferred its right to receive cash flow from the financial assets and substantially all the risks and rewards of ownership of the asset to another party.

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities.

2.19 Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Bank overdrafts are shown within borrowings in current liabilities in the Balance Sheet.

The statement of cash flows is prepared in accordance with the Indian Accounting Standard (Ind AS) - 7 "Statement of Cash flows" using the indirect method for operating activities.

2.20 Investments in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses in the Company's balance sheet. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognized in the Statement of profit and loss.

2.21 Impairment of Financial Assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. The Company follows 'simplified approach' for recognition of impairment allowance. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognized as an impairment gain or loss in profit or loss. ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

2.22 Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are initially recognised at their transaction price. The Company holds the trade receivables with the objective to collect the contractual cash flows less loss allowance.

2.23 Government Grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended

Notes to the Standalone Financial Statements

to compensate, are expensed. It is shown as net of related expense except where the related expense is not directly identifiable. In such cases, the grant is presented in the 'Other Income'.

Export incentives are recognised as income when the right to receive credit as per the terms of the scheme is established in respect of the exports made and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

The company also avails incentive in the form of nil import duty on import of specified capital goods under Government's EPCG scheme. The company anticipates no challenge in complying with the conditions attached to the said scheme in normal course of business and thus capitalized goods without considering value of import duty saved.

2.24 Functional and Presentation Currency

The standalone financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs and two decimals thereof, unless otherwise indicated.

2.25 Foreign currencies

i. Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii. Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date.

iii. Exchange differences

The Company accounts for exchange differences arising on translation/ settlement of foreign currency monetary items by recognizing the exchange differences as income or as expenses in the period in which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

2.26 Research and Development Expenses

Research expenditure is charged to the standalone statement of profit and loss. Development costs of products are also charged to the standalone statement of profit and loss unless a product's technical feasibility has been established, in which case such expenditure is capitalised. Tangible assets used in research and development are capitalised.

2.27 Fair Value Measurement

The Company measures financial instruments at fair value at each balance sheet date.

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

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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

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

Notes to the Standalone Financial Statements

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

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

For the purpose of fair value disclosures, the Company has determined classes of assets & liabilities on the basis of the nature, characteristics and the risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.28 Recent accounting pronouncements

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

In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 1, 2025. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any impact in its financial statements.

In August 2025, MCA notified the following amendments to:

a. Ind AS 1, Presentation of Financial Statements, applicable w.e.f. April 1, 2025 – The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Company has no impact of these amendments in its classification criteria of current and non-current liabilities.

b. Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments: Disclosures, applicable w.e.f. April 1, 2025 – The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any impact in its financial statements.

c. Ind AS 12, International Tax Reform – Pillar Two Model Rules applicable immediately - The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. This relief is immediate and applies retrospectively. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any impact in its financial statements.

Notes to the Standalone Financial Statements

Note 3 : Property, plant & equipment

(₹ in lakhs)

Particulars	Land (Freehold)	Buildings	Plant & equipment	Furniture & fixtures	Vehicles	Office equipment	Total
Gross carrying value							
As at April 1, 2024	**9,785.39**	**21,563.35**	**45,948.45**	**1,378.16**	**2,381.86**	**5,031.13**	**86,088.34**
Additions	678.30	1,511.30	6,112.00	51.09	954.41	724.26	10,031.36
Disposals	-	256.53	395.35	4.15	306.96	86.85	1,049.84
As at March 31, 2025	**10,463.69**	**22,818.12**	**51,665.10**	**1,425.10**	**3,029.31**	**5,668.54**	**95,069.86**
Additions	34.00	1,397.56	4341.57	49.94	737.08	993.92	7,554.07
Disposals	34.00	79.71	320.89	43.58	347.31	137.06	962.55
As at March 31, 2026	**10,463.69**	**24,135.97**	**55,685.78**	**1,431.46**	**3,419.08**	**6,525.40**	**101,661.38**
Accumulated depreciation							
As at April 1, 2024	**-**	**10,098.67**	**30,891.09**	**978.53**	**1,253.16**	**3,852.58**	**47,074.03**
Charge for the year	-	992.61	3,301.68	51.14	461.67	619.55	5,426.65
Disposals	-	147.72	336.83	3.89	245.47	85.69	819.60
As at March 31, 2025	**-**	**10,943.56**	**33,855.94**	**1,025.78**	**1,469.36**	**4,386.44**	**51,681.08**
Charge for the year	-	1,009.13	3,631.60	56.02	570.20	700.94	5,967.89
Disposals	-	49.84	210.40	38.68	236.71	118.06	653.69
As at March 31, 2026	**-**	**11,902.85**	**37,277.14**	**1,043.12**	**1,802.85**	**4,969.32**	**56,995.28**
Net carrying value							
As at March 31, 2025	**10,463.69**	**11,874.56**	**17,809.16**	**399.32**	**1,559.95**	**1,282.10**	**43,388.78**
As at March 31, 2026	**10,463.69**	**12,233.12**	**18,408.64**	**388.34**	**1,616.23**	**1,556.08**	**44,666.10**

Notes:

(i) Capital commitment towards purchase of property, plant and equipment, refer note - 44.

(ii) Borrowing cost capitalized during the year is nil (previous year nil).

(iii) A part of land, building and plant situated at Dahej, Gujarat and Yamunanagar, Haryana has been leased out to group companies for operation of their business.

The details of the assets leased out is given below : (₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Gross carrying value	17,350.43	17,348.08
Accumulated depreciation	14,138.36	13,874.14
Net carrying value	3,212.07	3,473.94

Notes to the Standalone Financial Statements

Note 4 : Right-of-use assets

(₹ in lakhs)

Particulars	Category of Right of Use asset		Total
	Land (Leasehold)	Buildings	
Gross carrying value			
As at April 1, 2024	**2,952.35**	**2,714.44**	5,666.79
Additions	-	689.94	689.94
Deletions	-	655.14	655.14
As at March 31, 2025	**2,952.35**	**2,749.24**	**5,701.59**
Additions	-	1,047.66	1,047.66
Deletions	-	551.97	551.97
As at March 31, 2026	**2,952.35**	**3,244.93**	**6,197.28**
Accumulated depreciation			
As at April 1, 2024	**695.35**	**1,329.65**	**2,025.00**
Charge for the year	82.58	532.21	614.79
Deletions	-	595.22	595.22
As at March 31, 2025	**777.93**	**1,266.64**	**2,044.57**
Charge for the year	82.57	635.83	718.40
Deletions	-	449.40	449.40
As at March 31, 2026	**860.50**	**1,453.07**	**2,313.57**
Net carrying value			
As at March 31, 2025	**2,174.42**	**1,482.60**	**3,657.02**
As at March 31, 2026	**2,091.85**	**1,791.86**	**3,883.71**

Note - Refer note 45 for other disclosures related to leases.

Notes to the Standalone Financial Statements

Note 5 : Other intangible assets

(₹ in lakhs)

Particulars	Software	Technical know-how	Total
Gross carrying value			
As at April 1, 2024	**4,252.49**	**6,786.13**	11,038.62
Additions	198.65	-	198.65
Disposals	-	-	-
As at March 31, 2025	**4,451.14**	**6,786.13**	**11,237.27**
Additions	218.36	-	218.36
Disposals	-	-	-
As at March 31, 2026	**4,669.50**	**6,786.13**	**11,455.63**
Accumulated amortisation			
As at April 1, 2024	**2,538.73**	**5,597.86**	**8,136.59**
Charge for the year	441.27	244.41	685.68
Disposals	-	-	-
As at March 31, 2025	**2,980.00**	**5,842.27**	**8,822.27**
Charge for the year	458.88	244.41	703.29
Disposals	-	-	-
As at March 31, 2026	**3,438.88**	**6,086.68**	**9,525.56**
Net carrying value			
As at March 31, 2025	**1,471.14**	**943.86**	**2,415.00**
As at March 31, 2026	**1,230.62**	**699.45**	**1,930.07**

Note 6 : Non-current financial assets - Investments

Particulars	As at March 31, 2026			As at March 31, 2025		
	Face Value(₹)	No. of Shares/ units	Value (₹ in lakhs)	Face Value(₹)	No. of Shares/ units	Value (₹ in lakhs)
a) Investment in equity instruments (at cost)						
Equity shares of subsidiary companies fully paid up - unquoted						
Isgec Covema Limited	10	20,00,000	200.00	10	20,00,000	200.00
Isgec Exports Limited	10	1,00,000	10.00	10	1,00,000	10.00
Isgec Engineering & Projects Limited	10	40,00,000	400.00	10	40,00,000	400.00
Freelook Software Private Limited	10	24,650	1,306.45	10	24,650	1,306.45
Saraswati Sugar Mills Limited	10	70,99,900	7,009.99	10	70,99,900	7,009.99

Notes to the Standalone Financial Statements

Particulars	As at March 31, 2026			As at March 31, 2025		
	Face Value(₹)	No. of Shares/ units	Value (₹ in lakhs)	Face Value(₹)	No. of Shares/ units	Value (₹ in lakhs)
Isgec Hitachi Zosen Limited	10	5,10,00,000	5,100.00	10	5,10,00,000	5,100.00
Isgec SFW Boilers Private Limited	10	10,20,000	102.00	10	10,20,000	102.00
Isgec Titan Metal Fabricators Private Limited	10	612,000	306.00	10	612,000	306.00
Isgec Redecam Enviro Solutions Private Limited	10	10,20,000	102.00	10	10,20,000	102.00
Eagle Press & Equipment Co. Limited, Canada	CAD 1	45,00,000	2,643.05	CAD1	45,00,000	2,643.05
Isgec Investments PTE Ltd, Singapore	SGD 1	10,000	5.20	SGD1	10,000	5.20
			17,184.69			**17,184.69**
b) Investment in equity instruments - unquoted (at fair value through profit or loss) *						
Fourth Partner Solar Power Private Limited	10	3,18,725	160.00	10	3,18,725	160.00
FPEL HR1 Energy Private Limited	10	7,09,873	224.32	-	-	-
			384.32			**160.00**
Total			**17,569.01**			**17,344.69**
Provision for impairment in value of investments :						
- Eagle Press & Equipment Co. Limited, Canada			(1,300.80)			(1,300.80)
- Isgec Investments PTE Ltd, Singapore			(5.20)			(5.20)
Total provision for impairment in value of investments			**(1,306.00)**			**(1,306.00)**
			16,263.01			**16,038.69**
Aggregate amount of quoted investments and market value thereof :			-			-
Aggregate amount of unquoted investments:			16,263.01			16,038.69
Aggregate amount of impairment in value of investments:			1,306.00			1,306.00

* This is the transaction price as at which the investment was made. In accordance with the Share Holder's Agreement ('SHA') executed between the Company and Fourth Partner Solar Power Private Limited, FPEL HR1 Energy Private Limited (investees), the Holding company of the investees or any of their nominees have an obligation to buy-back the aforementioned equity shares held by the Company for an amount, at the price at which the shares were acquired or at the prevailing price at the time of buy-back of shares, whichever is higher.

Notes to the Standalone Financial Statements

Note 7 : Non-current financial assets - Loans

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Loans to related parties		
Loans receivables considered good - Unsecured		
Loan to subsidiary companies (refer note 48)	1,08,750.09	54,031.86
Interest accrued but not due on loan to subsidiary companies (refer note 48)	11,725.78	4,010.27
Allowance for expected credit losses	(9,403.52)	(2,901.90)
Loans receivables which have significant increase in credit risk	-	-
Loans receivables - credit impaired	-	-
Other loans		
Loans receivables considered good - Secured		
Loans to employees	125.99	249.99
Loans receivables considered good - Unsecured		
Loans to employees	441.09	243.11
Loans receivables which have significant increase in credit risk	-	-
Loans receivables - credit impaired	-	-
Total	**1,11,639.43**	**55,633.33**

Note 7.1 : Movement of allowance for expected credit losses

(₹ in lakhs)

Particulars	2025-26	2024-25
Movement of allowance for expected credit losses		
Opening balance at the beginning of the year	2,901.90	853.56
Provided during the year	6,501.62	2,048.34
Amounts written off	-	-
Reversal of provisions	-	-
Closing balance at the end of the year	**9,403.52**	**2,901.90**
Break up of closing balance at the end of the year		
Allowance for expected credit losses on long term loan	9,403.52	2,901.90
Allowance for expected credit losses on short term loan (refer note 15)	-	-

Notes to the Standalone Financial Statements

Note 8 : Non-current financial assets - other financial assets

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good		
- Security deposits *	875.55	1,102.56
- Bank fixed deposits under lien held as margin money (for credit facility and bank guarantee) having maturity of more than twelve months	868.38	997.18
- Interest accrued but not due on deposits with banks	69.12	24.03
Total	**1,813.05**	**2,123.77**

* includes balances with related parties (refer note 48)

Note 9 : Other non-current assets

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Considered good - unsecured		
Capital advances	673.22	406.62
Prepaid expenses	15.96	30.34
Total	**689.18**	**436.96**

Note 10 : Inventories (at lower of cost or net realisable value)

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Raw materials		
Raw materials	25,033.55	19,142.66
Raw materials in transit	400.86	265.28
Work - in - progress		
Engineering goods	30,999.37	26,273.40
Ingots and steel castings	9,048.82	3,828.93
Finished goods		
Engineering goods	16,089.71	13,047.45
Ingots and steel castings	12.83	-
Stock of projects including boughtouts		
Goods in transit	18,072.40	12,679.29
Goods at warehouse	387.73	473.87
Stores and spares		
Stores and spares	3,597.92	3,723.99
Loose tools	230.14	123.93
Total	**103,873.33**	**79,558.80**

Notes to the Standalone Financial Statements

Note 11 : Current Financial Assets - investments

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
At fair value through profit or loss		
a) Investments in mutual funds		
-Unquoted		
Baroda BNP Paribas Liquid Fund - Direct growth	-	1,502.48
Axis Liquid Fund - Regular - Growth	-	1,502.44
SBI Liquid Fund - Regular - Growth	1,275.86	2,003.02
SBI Overnight Fund - Regular - Growth	2,550.77	2,408.36
	3,826.63	**7,416.30**
b) Other investments		
-Unquoted		
Annuities in Senior Secured Estate Transactions II Fund- Essel Finance	-	64.50
ASK Real Estate Special Opportunities Fund	194.80	228.60
ASK Real Estate Special Situations Fund	34.08	73.07
Edelweiss Real Estate Opportunities Fund (EROF)	9.35	11.64
Investcorp Score Fund	-	31.89
Indiabulls High Yield Fund	31.95	41.29
Indiabulls Dual Advantage Commercial Asset Fund	292.90	433.34
Nippon India Yield Maximiser Fund Scheme-I	4.75	5.60
Nippon India Yield Maximiser Scheme-III	23.41	27.24
	591.24	**917.17**
Total current investments (a + b)	**4,417.87**	**8,333.47**
Aggregate value of investments :		
Aggregate amount of quoted investments	-	-
Market value of quoted investments	-	-
Aggregate amount of unquoted investments (accounted based on respective net asset value)	4,417.87	8,333.47
Aggregate amount of impairment in value of investments	-	-

Note 12 : Current financial assets - Trade receivables

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured *	2,99,504.24	3,10,147.70
Trade receivables which have significant increase in credit risk	-	640.04
Trade receivables - credit impaired	14.42	844.07
Allowance for expected credit losses	(12,279.67)	(10,193.52)
Total	**2,87,238.99**	**3,01,438.29**

* includes balances with related parties (refer note 48)

Notes to the Standalone Financial Statements

Note 12.1 : Current trade receivables ageing

(₹ in lakhs)

Particulars	Outstanding as on March 31, 2026 for the following period from the due date of payment						
	Not due	Less than 6 months	6 months to 1 year	1 year to 2 years	2 years to 3 years	More than 3 years	Total
i) Undisputed Trade receivables - considered good	1,58,846.97	57,107.51	34,977.04	8,092.61	6,405.82	25,971.10	2,91,401.05
ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-
iv) Disputed Trade receivables - considered good	7,560.45	-	-	18.04	294.79	229.91	8,103.19
v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	14.42	14.42
Total	**1,66,407.42**	**57,107.51**	**34,977.04**	**8,110.65**	**6,700.61**	**26,215.43**	**2,99,518.66**
vii) Allowance for expected credit losses							(12,279.67)
Total							**2,87,238.99**

(₹ in lakhs)

Particulars	Outstanding as on March 31, 2025 for the following period from the due date of payment						
	Not due	Less than 6 months	6 months to 1 year	1 year to 2 years	2 years to 3 years	More than 3 years	Total
i) Undisputed Trade receivables - considered good	1,89,198.56	68,939.72	6,291.64	7,942.50	3,375.60	28,412.20	3,04,160.22
ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	365.77	274.27	-	-	640.04
iii) Undisputed Trade receivables - credit impaired	-	-	-	-	751.63	78.02	829.65
iv) Disputed Trade receivables - considered good	5,209.45	18.04	-	-	449.93	310.06	5,987.48
v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	14.42	14.42
Total	**1,94,408.01**	**68,957.76**	**6,657.41**	**8,216.77**	**4,577.16**	**28,814.70**	**3,11,631.81**
vii) Allowance for expected credit losses							(10,193.52)
Total							**3,01,438.29**

Notes to the Standalone Financial Statements

Note 13 : Current financial assets - Cash and cash equivalents

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with banks		
- In current and cash credit accounts	21,535.04	6,739.89
Cheques and drafts on hand	-	0.01
Cash on hand	10.98	13.20
Total	**21,546.02**	**6,753.10**

Note 14 : Current financial assets - Other bank balances

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Balance with banks:		
- In fixed deposit under lien held as margin money (for bank guarantees) maturing within one year	2,521.66	1,368.99
Earmarked - unclaimed dividend accounts	64.20	61.44
Total	**2,585.86**	**1,430.43**

Note 15 : Current financial assets - Loans

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Other loans		
Loans receivables considered good - Secured		
Loans to employees	50.59	66.47
Loans receivables considered good - Unsecured		
Advances to employees	345.06	796.42
Advance to group gratuity trust	57.81	19.31
Total	**453.46**	**882.20**

Notes to the Standalone Financial Statements

Note 16 : Current financial assets - Other financial assets

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Considered good - Unsecured		
Security deposits	489.85	1,089.36
Interest accrued on security deposits	25.00	14.59
Derivatives		
Foreign exchange forward contract receivables	2,500.93	542.21
Others		
Interest accrued but not due on bank fixed deposits	64.00	57.74
Recoverables from related parties (refer note 48)	356.05	537.54
Recoverables from other than related parties	1.52	1.49
Total	**3,437.35**	**2,242.93**

Note 17 : Current tax assets/(liabilities) (net)

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Prepaid Income Taxes	10,051.82	7,047.65
Less: Provisions for income- tax	13,565.42	10,884.87
Total	**(3,513.60)**	**(3,837.22)**

Note 18 : Other current assets

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Advances other than capital advances		
Advances to related parties (refer note 48)	1,655.10	1,602.98
Advances to suppliers	8,998.38	16,609.14
Others		
Unbilled revenue considered good - unsecured	39,352.79	28,811.71
Allowance for expected credit losses	(59.95)	(59.95)
Prepaid expenses	1,548.50	1,040.58
Balance with government authorities	25,813.26	13,082.08
Group gratuity fund (refer note 36.1)	276.41	-
Export Incentive receivable	533.79	514.66
Capital advances	277.80	-
Advances to employees	581.17	-
Others *	216.84	221.35
Total	**79,194.09**	**61,822.55**

* includes miscellaneous recoverables from employees and suppliers, excess expenditure on CSR (refer note 39.1)

Notes to the Standalone Financial Statements

Note 18.1 : Movement of allowance for expected credit losses on unbilled revenue and advances to suppliers

(₹ in lakhs)

Particulars	2025-26	2024-25
Movement of allowance for expected credit losses on unbilled revenue and advances to suppliers		
Opening balance at the beginning of the year	**59.95**	**399.23**
Provided during the year	-	-
Amounts written off	-	-
Reversal of provisions		
-Advances to suppliers	-	(335.00)
-Unbilled Revenue	-	(4.28)
Closing balance at the end of the year	**59.95**	**59.95**
-Advances to suppliers	**-**	**-**
-Unbilled Revenue	**59.95**	**59.95**

Note 19 : Equity share capital

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of shares	(₹ in lakhs)	Number of shares	(₹ in lakhs)
Authorised share capital	**85,000,000**	**850.00**	**85,000,000**	850.00
(Equity shares of ₹ 1/- each with voting rights)				
Issued, subscribed & paid up	**73,529,510**	**735.29**	**73,529,510**	**735.29**
(Equity shares of ₹ 1/-each fully paid up with voting rights)				
Total	**73,529,510**	**735.29**	**73,529,510**	**735.29**

Notes:

(a) The rights, preferences and restrictions attached to each class of shares including restrictions on the distribution of dividends and the repayment of capital are as under :

The Company has only one class of equity shares having a par value of ₹ 1 per share. Each share holder is entitled to one vote per share. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive the remaining assets of the Company, after distribution of all the preferential amounts. The distribution will be in proportion to the number of equity shares held by each of the equity share holders.

(b) There were no issue of bonus shares/buy back of shares/issue of shares for consideration other than cash during the period of five years immediately preceding the reporting date.

(c) Reconciliation of the number of shares and amount outstanding:

Notes to the Standalone Financial Statements

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of shares	(₹ in lakhs)	Number of shares	(₹ in lakhs)
Equity shares outstanding at the beginning of the Year	**73,529,510**	**735.29**	**73,529,510**	**735.29**
Add: Issued during the year	-	-	-	-
Less: Shares bought back	-	-	-	-
Equity shares outstanding at the end of the year	**73,529,510**	**735.29**	**73,529,510**	**735.29**

(d) Detail of shares held by each shareholder holding more than 5% of total number of equity shares:

Class of shares/name of the shareholders	As at March 31, 2026		As at March 31, 2025	
	Number of shares	% holding in that class of shares	Number of shares	% holding in that class of shares
Equity shares with voting rights				
(i) The Yamuna Syndicate Limited	33,084,798	45.00%	33,084,798	45.00%
(ii) Mr. Ranjit Puri	6,592,010	8.97%	6,592,010	8.97%
(iii) Mr. Aditya Puri	4,568,080	6.21%	4,568,080	6.21%
(iv) Nippon Life India Trustee Ltd	4,840,827	6.58%	4,385,591	5.96%

(e) Shareholding of Promoters:

Shares held by promoters at the end of the year

Class of shares/name of the shareholders	As at March 31, 2026		As at March 31, 2025		% change during the year
	Number of shares	% of total shares	Number of shares	% of total shares	
(i) The Yamuna Syndicate Limited	33,084,798	45.00%	33,084,798	45.00%	No change
(ii) Mr. Ranjit Puri	6,592,010	8.97%	6,592,010	8.97%	
(iii) Mr. Aditya Puri	4,568,080	6.21%	4,568,080	6.21%	
(iv) N. A. Cold Storages Private Limited	1,500,470	2.04%	1,500,470	2.04%	
(v) Mrs. Nina Puri	159,530	0.22%	159,530	0.22%	

Note 20 : Other equity

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Capital reserve		
Balance outstanding at the beginning of the year	0.01	0.01
Add: Additions during the year	-	-
Less: Utilised during the year	-	-
Balance outstanding at the end of the year	0.01	0.01
(b) Capital redemption reserve		
Balance outstanding at the beginning of the year	3.24	3.24

Notes to the Standalone Financial Statements

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Add: Additions during the year	-	-
Less: Utilised during the year	-	-
Balance outstanding at the end of the year	3.24	3.24
(c) Securities premium		
Balance outstanding at the beginning of the year	450.22	450.22
Add: Additions during the year	-	-
Less: Utilised during the year	-	-
Balance outstanding at the end of the year	450.22	450.22
(d) General reserve		
Balance outstanding at the beginning of the year	17,439.54	17,439.54
Add: Additions during the year	-	-
Less: Utilised during the year	-	-
Balance outstanding at the end of the year	17,439.54	17,439.54
(e) Retained earnings		
Balance outstanding at the beginning of the year	2,23,058.16	1,96,832.11
Add: Net profit for the year	34,675.26	29,374.43
Add: Items of other comprehensive income recognised directly in retained earnings		
- Remeasurement of post employment benefit obligation (net of tax)	678.58	(207.20)
(refer note 20.1)		
Less: Appropriations		
- Dividend for the year ended March 31, 2025 @ ₹ 5 per share of ₹ 1 each	3,676.48	2,941.18
(for the year ended March 31, 2024 @ ₹ 4 per share of ₹ 1 each)		
Balance outstanding at the end of the year	2,54,735.52	2,23,058.16
Total	**2,72,628.53**	**2,40,951.17**

Note 20.1: Items of other comprehensive income arising from remeasurement of defined benefit obligation net of income tax, which is directly recognised in retained earning.

Note 20.2 : Nature and purpose of reserves

Capital Reserve

400 equity shares of ₹ 1/- each are yet to be allotted by way of bonus shares on receipt of fractional certificates, value of which has been shown under capital reserve.

Capital Redemption Reserve

Capital redemption reserve of ₹ 1.58 lakhs was created against the redemption of cumulative preference shares in financial year 1991-92 and ₹ 1.66 lakhs against the buy back of equity shares in financial year 2013-14.

Notes to the Standalone Financial Statements

Securities Premium

Securities premium represents the premium on issue of equity shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013.

General Reserve

This represents appropriation of profit after tax by the company.

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. Consequent to introduction of the Companies Act 2013, the requirement to mandatory transfer a specified percentage of the net profit to general reserve has been withdrawn.

Retained Earnings

This comprise company's undistributed profit after taxes.

Note 21 : Non-current financial liabilities - Borrowings (measured at amortised cost)

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Secured		
Term loan from bank (refer note 21.1 a)	4,110.63	2,169.12
Unsecured		
Term loan from NBFC (refer note 21.1 b)	-	4,157.18
ECB loan from bank (refer note 21.1 c)	43,290.43	14,536.80
Total	**47,401.06**	**20,863.10**

Note 21.1 - Terms of contract and repayment schedule for borrowings

(₹ in lakhs)

Balance		Loan amount outstanding	Current maturity	Long term	Rate of interest (p.a.)	Initial loan amount	Terms of repayment	Security
a	As at March 31, 2026	5,580.38	1,469.75	4,110.63	Rate is linked to internal benchmark of the bank, which is varying from time to time. Presently varying from 6.58% to 8.02%. (previous year 8.02% to 8.60%)"	5,878.99	6 year door-to-door tenor with 2 years of moratorium from the date of first disbursement. Repayment in 16 equal quarterly instalments. Last instalment is to be paid in December, 2029.	Exclusive charges over Corporate Office being built at Plot No. 4, Sector 142, Noida.
	As at March 31, 2025	2,313.73	144.61	2,169.12				
b	As at March 31, 2026	3,298.80	3,298.80	-	9.50%	7,233.08	As per repayment schedule, payable in maximum 24 months. Last instalment to be paid in February 2027.	Unsecured
	As at March 31, 2025	7,233.08	3,075.90	4,157.18	9.50%			
c	As at March 31, 2026	56,389.93	13,099.50	43,290.43	8.70% to 9.70%	56,389.93	4 year tenor with 1 year of moratorium from the date of disbursement. Repayment in 12 equal quarterly instalments, starting from June 2026 onwards.	Unsecured
	As at March 31, 2025	14,536.80	-	14,536.80	9.70%			

Notes to the Standalone Financial Statements

Note 22 : Non-current financial liabilities - Other financial liabilities

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Security deposit under car loan scheme	108.77	139.36
Security deposit	0.80	0.80
Total	**109.57**	**140.16**

Note 23 : Long term provisions

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for employee benefits		
-Leave encashment	2,591.41	2,442.42
-Pension	333.51	382.93
	2,924.92	**2,825.35**
Provision for Guarantee liabilities (refer note 23.3)	10.32	94.93
Provision for warranty (refer note 23.1 and 23.2)	4,255.28	1,692.90
Total	**7,190.52**	**4,613.18**

Note 23.1 : Provision for warranty

Provision is made for the estimated warranty claims and after sales services in respect of products sold based on the historical warranty claim information and any recent trends that may suggest future claims could differ from historical amounts.

Note 23.2 : Movement of provision for warranty

(₹ in lakhs)

Particulars	2025-26	2025-26
Carrying amount at the beginning of the year	18,559.65	17,535.79
Additional provision made during the year	5,016.50	4,473.33
Amount used during the year	(7,001.23)	(2,680.09)
Amount reversed during the year	(1,014.92)	(732.11)
Adjustment due to discounting	(273.94)	(37.27)
Carrying amount at the end of the year	**15,286.06**	**18,559.65**
Break up of carrying amount at the end of the year		
Long term provisions	4,255.28	1,692.90
Short term provisions (refer note 30)	11,030.78	16,866.75

Notes to the Standalone Financial Statements

Note 23.3 : Movement of provision for Guarantee liabilities

(₹ in lakhs)

Particulars	2025-26	2025-26
Carrying amount at the beginning of the year	94.93	833.01
Additional provision made during the year	-	-
Amount used during the year	-	-
Amount reversed during the year	(84.61)	(738.08)
Adjustment due to discounting	-	-
Carrying amount at the end of the year	**10.32**	**94.93**
Break up of carrying amount at the end of the year		
Long term provisions	10.32	94.93
Short term provisions	-	-

Note 24 : Deferred Tax

24.1 : The balance comprises temporary differences attributable to:

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Employee benefits deductible in future years	907.13	868.95
Property, plant and equipment	744.82	630.84
Right of use assets	25.60	34.18
Provision for expected credit losses - Trade receivables	3,090.55	2,565.51
Provision for expected credit losses - Loan to subsidiaries	2,366.68	730.35
Provision for expected credit losses - Unbilled revenue	15.09	15.09
Provision for expected credit losses - Guarantee liability	2.60	23.89
Provision for impairment on investments	328.69	328.69
Fair valuation of investments	63.41	(85.93)
Fair valuation of security deposits	(3.32)	(2.44)
Overdue payments of Micro and Small Enterprises	141.61	52.00
Net deferred tax (liabilities) / assets	**7,682.86**	**5,161.13**

Notes to the Standalone Financial Statements

24.2 : Movement in deferred tax liabilities/assets

(₹ in lakhs)

Particulars	Employee benefits deductible in future years	Property, plant and equipment	Right of use assets	Provision for expected credit losses					Impairment on investments	Fair valuation of investments	Fair valuation of security deposits	Overdue payments of Micro and Small Enterprises	Total
				Trade receivables	Guarantee liability	Unbilled Revenue	Advance to suppliers	Loan to subsidiaries					
At March 31, 2024	**772.07**	**454.64**	**37.80**	**1,476.59**	**209.66**	**16.17**	**84.31**	**214.82**	**328.69**	**58.59**	**(3.17)**	**12.41**	**3,662.58**
(Charged)/credited:-													
-to profit & loss	27.19	176.20	(3.62)	1,088.92	(185.77)	(1.08)	(84.31)	515.53	-	(144.52)	0.73	39.59	1,428.86
-to other Comprehensive Income	69.69	-	-	-	-	-	-	-	-	-	-	-	69.69
At March 31, 2025	**868.95**	**630.84**	**34.18**	**2,565.51**	**23.89**	**15.09**	**-**	**730.35**	**328.69**	**(85.93)**	**(2.44)**	**52.00**	**5,161.13**
(Charged)/credited:-													
-to profit & loss	266.41	113.98	(8.58)	525.04	(21.29)	-	-	1,636.33	-	149.34	(0.88)	89.61	2,749.96
-to other Comprehensive Income	(228.23)	-	-	-	-	-	-	-	-	-	-	-	(228.23)
At March 31, 2026	**907.13**	**744.82**	**25.60**	**3,090.55**	**2.60**	**15.09**	**-**	**2,366.68**	**328.69**	**63.41**	**(3.32)**	**141.61**	**7,682.86**

Notes to the Standalone Financial Statements

Note 25 : Other non-current liabilities

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Advance from customers	18,104.87	14,936.47
Total	**18,104.87**	**14,936.47**

Note 26 : Current financial liabilities - Borrowings

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Loans repayable on demand		
From banks		
Secured		
Working capital demand loans (WCDL) including cash credit accounts	85.05	97.64
(refer note 26.1 and 26.2)		
Other loans		
Secured		
Current maturities of long term debt (refer note 21.1 a)	1,469.75	144.61
Unsecured		
Other loans (refer note 26.3)	1,259.87	1,919.91
Current maturities of long term debt from NBFC (refer note 21.1 b)	3,298.80	3,075.90
Current maturities of long term debt from bank (refer note 21.1 c)	13,099.50	-
Total	**19,212.97**	**5,238.06**

Note: 26.1 Secured by hypothecation of inventories and by a charge on book debts and other assets of the Company, in favor of working capital consortium bankers on pari passu basis.

Note: 26.2 Repayable on demand. Rates of interest for WCDL varied from 7.30% to 8.20% during the current year (previous year 7.30% to 8.25%).

Note: 26.3 Represents payments to MSME creditors through Receivable Exchange of India Ltd. (RXIL) and MYND Solutions portal, payable to RXIL and MYND Solutions on due dates.

Notes to the Standalone Financial Statements

Note 27 : Current financial liabilities - Trade payables

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Total outstanding dues of micro and small enterprises (refer note 27.1)	15,364.31	6,220.35
Total outstanding dues of creditors other than micro and small enterprises *	1,03,081.67	1,07,124.81
Total	**1,18,445.98**	**1,13,345.16**

* includes balances with related parties (refer note 48)

Note 27.1 : Trade payables to micro and small enterprises

The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 ("the Act") has been determined to the extent such parties have been identified by the Company, on the basis of information and records available with the Company. Disclosure in respect of amount remaining unpaid and interest due on delayed payment has been determined only in respect of payments made after the receipt of information, with regards to filing of memorandum, from the respective suppliers. Disclosure as required under section 22 of the Act, is as under:

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
(a) the principal amount and interest due thereon remaining unpaid to any supplier as at the end of accounting year;		
- principal	15,364.31	6,220.35
- interest	13.33	4.99
(b) the amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(c) the amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid)	-	10.75
(d) the amount of interest accrued and remaining unpaid at the end of the accounting year	13.33	15.74
(e) the amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowance as a deductible expenditure under section 23 of the Act.	-	-

Notes to the Standalone Financial Statements

Note 27.2 : Trade payables ageing

(₹ in lakhs)

Particulars	Outstanding as on March 31, 2026 for the following period from the due date of payment					
	Not due	Less than 1 year	1 year to 2 years	2 years to 3 years	More than 3 years	Total
i) MSME	14,644.80	715.16	4.35	-	-	15,364.31
ii) Others	67,572.22	11,341.97	963.74	612.51	1,409.60	81,900.04
iii) Disputed dues - MSME	-	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	69.66	69.66
v) Unbilled	21,111.97	-	-	-	-	21,111.97
Total	**1,03,328.99**	**12,057.13**	**968.09**	**612.51**	**1,479.26**	**1,18,445.98**

(₹ in lakhs)

Particulars	Outstanding as on March 31, 2025 for the following period from the due date of payment					
	Not due	Less than 1 year	1 year to 2 years	2 years to 3 years	More than 3 years	Total
i) MSME	5,981.52	237.01	1.78	0.04	-	6,220.35
ii) Others	61,076.00	18,933.31	649.36	575.32	999.07	82,233.06
iii) Disputed dues - MSME	-	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	17.43	17.43
v) Unbilled	24,874.32	-	-	-	-	24,874.32
Total	**91,931.84**	**19,170.32**	**651.14**	**575.36**	**1,016.50**	**1,13,345.16**

Note 28 : Current financial liabilities - Other financial liabilities

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Unclaimed dividends	64.20	61.44
Interest accrued but not due on borrowings	13.33	11.21
Security deposits received	414.31	334.76
Payable to employees	3,738.60	5,159.57
Foreign exchange forward contract payable	2,500.93	542.21
Capital creditors	381.59	413.56
Managerial /directors remuneration payable *	1,286.06	1,013.31
Expense payable	2,305.71	3,308.50
Other payables #	296.38	491.26
Total	**11,001.11**	**11,335.82**

* includes balances of related parties (refer note 48)

includes stale cheques and other refundables

Notes to the Standalone Financial Statements

Note 29 : Other current liabilities

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Advance from customers	1,17,229.99	94,607.92
Unearned revenue	71,372.68	62,321.57
Statutory dues	3,377.21	3,823.63
Government grants	17.27	17.27
Others *	495.35	697.49
Total	**1,92,492.50**	**1,61,467.88**

* includes provision for site expense

Note 30 : Short term provisions

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for employee benefits		
-Leave encashment	430.72	345.21
-Gratuity (refer note 36.1)	-	332.83
-Pension	248.65	282.05
	679.37	**960.09**
Provision for warranty (refer note 23.1 and 23.2)	11,030.78	16,866.75
Total	**11,710.15**	**17,826.84**

Note 31 : Revenue from operations

(₹ in lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Sale of products	4,59,032.46	4,52,070.22
Erection, commissioning and related services	51,720.46	43,471.05
Other operating revenues (refer note 31.1)	12,110.04	6,284.51
Total	**5,22,862.96**	**5,01,825.78**

Notes to the Standalone Financial Statements

Note 31.1 : Other operating revenues

(₹ in lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Commission earned	1,296.05	169.40
Export incentives	2,095.98	880.07
Packing receipts	7.39	12.02
Foreign exchange fluctuations	1,502.72	454.54
Fair value gain on derivatives	2,445.28	518.53
Sale of scrap and waste	2,284.31	2,121.95
Lease rent receipts	2,128.00	2,128.00
Miscellaneous income	350.31	-
Total	**12,110.04**	**6,284.51**

Note 32 : Other income

(₹ in lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
(a) Interest income :		
On loans to subsidiary companies (refer note 48)	7,201.98	1,989.63
On bank deposits	191.34	124.81
On other deposits and investments	154.84	193.21
On financial assets measured at amortised cost	13.20	9.70
Total	**7,561.36**	**2,317.35**
(b) Dividend income on equity investments :		
Subsidiary companies (refer note 48)		
- Saraswati Sugar Mills Limited	1,419.98	2,129.97
- Isgec Hitachi Zosen Limited	341.70	193.80
- Isgec SFW Boilers Private Limited	61.20	102.00
- Isgec Covema Limited	200.00	300.00
- Isgec Redecam Enviro Solutions Private Limited	51.00	-
- Isgec Exports Limited	92.50	-
Other companies	0.27	0.14
Total	**2,166.65**	**2,725.91**
(c) Net gain on sale of current investments	319.36	495.47
Total	**319.36**	**495.47**
(d) Other non operating income :		
Profit on sale of property, plant and equipment	16.77	58.79
Insurance claim receipts	54.28	229.23
Gain on investments carried at fair value through profit or loss	14.16	-
Foreign exchange fluctuations	12,575.64	-
Miscellaneous income	294.97	285.08
Total	**12,955.82**	**573.10**
Grand Total	**23,003.19**	**6,111.83**

Notes to the Standalone Financial Statements

Note:

The Company has extended loans to its subsidiary, Isgec Investment Pte. Ltd. (IIPL) out of borrowings and internal accruals. As a result:-

a) Other income includes interest earned from these loans amounting to ₹ 6,673 lakhs (previous year ₹ 1,543 lakhs);

b) Other income also includes income from foreign exchange fluctuations on these loans of ₹ 11,524 lakhs (previous year loss of ₹ 57 lakhs);

c) Finance cost includes interest on related borrowings of ₹ 3,853 lakhs (previous year ₹ 83 lakhs);

d) Other expenses includes expected credit loss of ₹ 6,361 lakhs (previous year ₹ 2,016 lakhs) on these loans.

Note 33 : Cost of materials consumed

(₹ in lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Raw material and components consumed	1,15,213.00	1,00,272.32
Store consumed	1,018.35	5,985.84
Total	**1,16,231.35**	**1,06,258.16**

Note 34 : Cost of projects including boughtouts

(₹ in lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Cost of projects including boughtouts	1,82,241.55	1,81,905.88
Provision/(reversal) for foreseeable losses on construction contracts	-	506.99
Total	**1,82,241.55**	**1,82,412.87**

Note 35 : Changes in inventories of finished goods & work - in - progress

(₹ in lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Opening stock		
Finished goods	13,047.45	-
Work - in - progress	30,102.33	40,505.84
Total	**43,149.78**	**40,505.84**
Closing stock		
Finished Goods	16,102.54	13,047.45
Work - in - Progress	40,048.19	30,102.33
Total	**56,150.73**	**43,149.78**
Changes in inventory	**(13,000.95)**	**(2,643.94)**

Notes to the Standalone Financial Statements

Note 36 : Employee benefits expense

(₹ in lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Salaries & wages *	44,653.99	39,363.33
Contribution to provident & other funds **	4,526.40	3,216.20
Staff welfare expenses	894.66	659.82
Total	**50,075.05**	**43,239.35**

* includes managerial remuneration of ₹ 1,796.67 lakhs (Previous year ₹ 1,447.34 lakhs)

** includes amount of managerial remuneration of ₹ 47.04 lakhs (Previous year ₹ 42.12 lakhs)

Note 36.1 : Additional information as per Ind AS 19, employee benefits

(a) Defined contribution plan:

The Company has recognised, in the statement of profit and loss, expenses for the following defined contribution plans:

(₹ in lakhs)

Particulars	2025-26	2024-25
Employer contribution towards:		
Employees state insurance	2.08	2.44
Superannuation fund	29.08	29.75
National pension scheme	359.14	103.16
Labour welfare fund	12.13	9.94
Total	**402.43**	**145.29**

(b) Defined Benefits Plan :

The liability for employee gratuity is determined on actuarial valuation using projected unit credit method.

The obligations are as under:-

(₹ in lakhs)

Particulars	Gratuity (Funded)	
	2025-26	2024-25
i. Change in present value of obligation		
a. Present value of obligation at the beginning of the year	8,203.37	7,342.32
b. Interest cost	573.42	530.85
c. Current service cost	755.44	689.77
d. Past service cost	1,403.25	-
e. Benefits paid	(841.74)	(640.31)
f. Actuarial (gain) / loss	(878.41)	280.74
g. Present value of obligation at the end of the year	9,215.33	8,203.37
ii. Change in the fair value of plan assets		
a. Fair value of plan assets at the beginning of the year	7,870.54	6,895.97

Notes to the Standalone Financial Statements

(₹ in lakhs)

Particulars		Gratuity (Funded)	
		2025-26	2024-25
b.	Expected Interest Income	550.15	509.61
c.	Actuarial gain/(loss) for the year on asset	28.40	3.85
d.	Contributions	1,884.62	1,101.64
e.	Mortality, admin and FMC charges	(0.23)	(0.22)
f.	Benefits paid	(841.74)	(640.31)
g.	Actuarial gain / (loss) on plan assets	-	-
h.	Fair value of plan assets at the end of the year	9,491.74	7,870.54
iii.	**Reconciliation of fair value of assets and obligations**		
a.	Fair value of plan assets at the end of the year	9,491.74	7,870.54
b.	Present value of obligation at the end of the year	9,215.33	8,203.37
c.	Amount recognised in the balance sheet	276.41	(332.83)
	- Current	276.41	(332.83)
	- Non current	-	-
iv.	**Expenses recognised in the statement of profit & loss**		
a.	Current service cost	755.44	689.77
b.	Interest cost	573.42	530.85
c.	Expected return on plan assets	(550.15)	(509.61)
d.	Expenses recognised in the profit & loss	778.71	711.01
v.	**Recognised in other comprehensive income for the year**		
a.	Net cumulative unrecognized actuarial gain/(loss) opening	(329.02)	(52.13)
b.	Actuarial gain/(loss) for the year on present benefit obligation	878.41	(280.74)
c.	Actuarial gain/(loss) for the year on assets	28.40	3.85
d.	Unrecognized actuarial gain/(loss) at the end of the year	577.79	(329.02)
vi.	**Actuarial assumptions**		
a.	Discount rate (per annum)	7.78%	6.99%
b.	Rate of escalation in salary (per annum)	6.50%	6.50%

(c) Amounts for the current and previous year in respect of gratuity are as follows:

(₹ in lakhs)

Particulars	Gratuity (Funded)				
	2025-26	2024-25	2023-24	2022-23	2021-22
Defined benefit obligation	9,215.33	8,203.37	7,342.32	7,022.65	6,695.68
Plan assets	9,491.74	7,870.54	6,895.97	6,668.37	6,381.92
Surplus / (deficit)	276.41	(332.83)	(446.35)	(354.28)	(313.76)

Notes to the Standalone Financial Statements

(d) Maturity profile of defined benefit obligation

(₹ in lakhs)

Particulars	Gratuity (funded)	
	2025-26	2024-25
a. Within next twelve months	1,310.41	1,324.85
b. Between one to five years	2,603.48	2,156.46
c. Between five to ten years	5,301.44	4,722.06

(e) Sensitivity analysis of the defined benefit obligation

(₹ in lakhs)

Particulars	Gratuity (funded)	
	2025-26	2024-25
(a) Impact of the change in discount rate		
Present value of obligation at the end of the period	9,215.33	8,203.37
(i) Impact due to increase of 0.50%	(352.86)	(311.75)
(ii) Impact due to decrease of 0.50%	379.99	336.19
(b) Impact of the change in salary increase		
Present value of obligation at the end of the period	9,215.33	8,203.37
(i) Impact due to increase of 0.50%	382.86	336.16
(ii) Impact due to decrease of 0.50%	(358.57)	(314.55)

Sensitivities due to mortality and withdrawals are not material and hence impact of change not calculated.

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement.

(f) Major category of plan asset (as percentage of total plan asset)

Particulars	Gratuity (funded)	
	2025-26	2024-25
Fund managed by insurer	100%	100%

(g) Other long term employee benefits

Long term compensated absences - Leave salary

Principal assumptions for long term compensated absences

Particulars	As at March 31, 2026	As at March 31, 2025
	Rate (%)	Rate (%)
a) Discount rate	7.32 - 7.78	6.78 - 6.99
b) Future salary increase*	6.50	6.50
c) Retirement age (years) **	60-65	60
d) Ages (withdrawal rate %)		
Up to 30 Years	3	3
From 31 to 44 Years	2	2
Above 44 Years	1	1

* The estimates of future salary increase take into account inflation, seniority, promotion and other relevant factors.

** In case of employees above retirement age, for the purpose of valuation it is assumed they will retire immediately and benefit is considered up to actual retirement age.

Notes to the Standalone Financial Statements

(h) Mortality rate

	Age	Mortality rate	Age	Mortality rate	Age	Mortality rate
Mortality rate for specimen ages	15	0.000698	45	0.002579	75	0.038221
	20	0.000924	50	0.004436	80	0.061985
	25	0.000931	55	0.007513	85	0.100979
	30	0.000977	60	0.011162	90	0.163507
	35	0.001202	65	0.015932	95	0.259706
	40	0.001680	70	0.024058	100	0.397733

(i) Defined Benefits Plan : Provident fund

The Company started, from the year ended on March 31, 2021, treating the contribution to the recognised provident fund trust for its employees which is operated by the Company, as a defined benefit plan instead of defined contribution plan being followed hitherto. The Company makes monthly contributions to provident fund managed by trust for qualifying employees. Under the scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. As per Ind AS 19 on "Employee Benefits", employer established provident fund trusts are treated as defined benefit plans, since the Company is obliged to meet interest shortfall, if any, with respect to covered employees. The total liability of ₹ Nil (March 31, 2025: ₹ Nil) as worked out by the company has been allocated to the entity based on the corpus value of the entity as at March 31, 2026.

The Company has recognised, in the statement of profit and loss, expenses of ₹ 2,239.35 lakhs for provident fund during the year ended March 31, 2026 (March 31, 2025: ₹ 1,969.27 lakhs).

(j) Defined Contribution Plan : Pension

(₹ in lakhs)

Asset/Liability	2025-26	2024-25
Present value of obligation	(582.16)	(664.98)
Fair value of plan assets	-	-
Net assets / (liability) recognized in balance sheet as provision	**(582.16)**	**(664.98)**

(₹ in lakhs)

The Break down in given below	2025-26	2024-25
Interest Guarantee Liability	(46.10)	(61.38)
(Shortfall)/Surplus in fund	(536.06)	(603.60)
Net (Shortfall)/ Surplus	**(582.16)**	**(664.98)**

Principal assumptions are as follows

Particulars	As at March 31, 2026 Rate (%)	As at March 31, 2025 Rate (%)
a) Discount rate	7.78	6.99
b) Expected interest rate on the ledger balance	7.87	7.96
c) Retirement age (years)	60	60
d) Ages (withdrawal rate %)		
Up to 30 Years	N/A	N/A
From 31 to 44 Years	N/A	N/A
Above 44 Years	N/A	N/A

Notes to the Standalone Financial Statements

(k) New labour code

The Government of India has consolidated 29 existing labour legislations into a unified framework comprising four labour codes. The Codes have been made effective from November 21, 2025. The New Labour Codes have resulted in estimated one time increase in provision for employee benefits of the Company of ₹ 1,403.25 lakhs on the basis of actuarial valuation and consistent with the guidelines provided by the Institute of Chartered Accountants of India and the same has been recognized as an exceptional item, in the current reporting period. Once Central / State Rules are notified by the Government on all aspects of the Codes, the Company will re-evaluate impact, if any, on the measurement of employee benefits and would provide appropriate accounting treatment.

Note 37 : Finance costs

(₹ in lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest	4,569.42	1,271.34
Interest on lease liability	152.93	132.09
Other borrowing costs *	303.80	215.73
Total	**5,026.15**	**1,619.16**

* includes lead bank charges, stock and bank audit fees

Note 38 : Depreciation and amortization expense

(₹ in lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Depreciation of property, plant & equipment	5,967.89	5,426.65
Depreciation / amortization of right-of-use-assets	718.40	614.79
Amortization of intangible assets	703.29	685.68
Total	**7,389.58**	**6,727.12**

Note 39 : Other expense

(₹ in lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Power & fuel	4,287.09	3,600.43
Other manufacturing expenses	23,004.29	19,329.43
Repairs & maintenance		
- Plant and machinery	1,552.21	1,268.15
- Building	884.14	928.01
- Others	456.49	437.79
Rent {refer note 45 (A)}	963.82	829.71
Insurance	1,603.55	1,583.33
Rates and taxes	256.82	541.85
Commission to selling agents and others	1,133.20	1,023.69
Bank charges	2,156.51	1,394.37

Notes to the Standalone Financial Statements

(₹ in lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Royalty	1,625.95	1,832.41
Electricity and water charges	518.43	596.92
Donation	0.05	4.86
Office and miscellaneous expenses	12,547.86	12,364.21
Legal and professional charges	1,003.66	619.58
Provision for expected credit loss	8,503.16	5,297.57
Payment to auditors		
- Statutory audit fees	50.00	40.00
- Other services (certification work)	4.22	4.44
- For reimbursement of expenses	15.79	8.73
Packing, forwarding and transportation expenses	12,424.69	7,663.84
Design & technical expenses	3,012.28	3,795.67
Travelling expenses	5,774.19	5,125.41
Loss on current investments carried at fair value through profit or loss	-	44.61
Fair value loss on derivatives	2,445.28	518.53
Non executive directors' remuneration / sitting fee	42.98	38.20
Corporate social responsibility (CSR) expenses (refer note 39.1)	649.94	478.66
Loss on property, plant and equipment sold / written off	-	170.75
Total	**84,916.60**	**69,541.15**

Note 39.1: CORPORATE SOCIAL RESPONSIBILITY

Disclosure related to corporate social responsibility:

(₹ in lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
i) Amount required to be spent by the company for the year	649.94	478.66
ii) Amount arising out of previous financial year	(2.45)	2.44
iii) Amount of expenditure incurred		
(a) Construction/acquisition of any asset	-	-
(b) On purposes other than (a) above	658.21	483.55
iv) Shortfall/(excess) at the end of the year	(10.72)	(2.45)
v) Total of previous years shortfall/(excess)	**(10.72)**	**(2.45)**

vi) Reason for shortfall - Not applicable. (Excess will be adjusted against future obligation) (Previous year shortfall - Nil)

vii) Nature of CSR activities -

a) Promoting Education & Ensuring Environmental Sustainability - Providing Solar Power Systems and Rain Water Harvesting Systems to Schools, providing Training and Skill Development to Apprentice

viii) Details of related party transactions :

a) Contribution during the year ending March 31, 2026 - Nil (Previous year Nil)

b) Payable as at March 31, 2026 - Nil (Previous year Nil)

Notes to the Standalone Financial Statements

ix) The company has not incurred any liability by entering into a contractual obligation and accordingly has not made any provision in this regard.

Note 40 : Tax expense (Ind AS 12)

(₹ in lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
(a) Current Tax		
Current tax on profit for the year	13,565.42	10,884.87
Total Current Tax Expenses	**13,565.42**	**10,884.87**
(b) Deferred tax		
Decrease/(Increase) in Deferred Tax Assets	(2,601.50)	(1,572.65)
(Decrease)/Increase in Deferred Tax Liabilities	(148.46)	143.79
Total Deferred Tax Expenses	**(2,749.96)**	**(1,428.86)**
Total Income Tax Expenses	**10,815.46**	**9,456.01**

The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate of 25.168% and the reported tax expense in Statement of Profit and Loss are as follows:

(₹ in lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Accounting profit before income tax	45,490.72	38,830.44
Statutory income tax rate of 25.168% (March 31, 2025: 25.168%)	11,449.10	9,772.85
Expenditure for which deduction is not allowed under Income Tax Act	241.21	202.82
Tax on other comprehensive income	(228.23)	69.69
Differential tax rate on fair value of investments	-	11.23
Tax on exempt income	(545.23)	(686.06)
Other deductions	(101.39)	85.48
Total	**10,815.46**	**9,456.01**

Note 41 : Earnings per share (Ind AS 33)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
a) Net profit available to equity shareholders (₹ in lakhs)	34,675.26	29,374.43
b) Number of weighted average equity shares outstanding during the year for the purpose of calculation of earning per share	73,529,510	73,529,510
c) Nominal value of equity share (in ₹)	1.00	1.00
d) Basic earning per share (in ₹)	47.16	39.95
e) Diluted earning per share (in ₹)	47.16	39.95

Notes to the Standalone Financial Statements

Note 42 : Contingent liabilities (Ind AS 37)

(₹ in lakhs)

Particulars		Year ended March 31, 2026	Year ended March 31, 2025
Contingent Liabilities:			
a)	Claims against the company not acknowledged as debts		
	- Indirect tax matters	7,890.11	5,654.82
	- Direct tax matters	636.53	656.20
	- Others	4,355.36	4,411.62
	(Duty paid under protest for appeal)	(1,173.13)	(915.29)
b)	Bonds executed in favour of President of India against Export Promotion Capital Goods license and advance authorisation and others	13,299.43	9,427.93

Note 43 : Corporate guarantees (to the extent utilised)

(₹ in lakhs)

Particulars		As at March 31, 2026	As at March 31, 2025
a)	Corporate guarantees given to banks to secure credit facilities given to Isgec Hitachi Zosen Limited	-	34,612.83
b)	Corporate guarantees given to banks to secure credit facilities given to Isgec Titan Metal Fabricators Private Limited	7,110.94	7,047.79
c)	Corporate guarantees given to bank to secure credit facilities given to Isgec Redecam Enviro Solutions Private Limited	1,472.72	1,467.83
d)	SBLC provided by HSBC India out of our Non Fund Based limits to Royal Bank of Canada to secure Term Loan and Working Capital Facility to Eagle Press & Equipment Co. Ltd., Canada	2,184.46	2,109.50
	Total	**10,768.12**	**45,237.95**

Note 44 : Commitments

(₹ in lakhs)

Particulars		As at March 31, 2026	As at March 31, 2025
a)	**Capital Commitments**		
	Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances)	8,672.77	6,785.37

b) Other Commitments

The Company has other commitments, for purchase/ sales orders which are issued after considering requirements as per operating cycle for purchase/ sale of goods, employee benefits including union agreements in normal course of business. The Company does not have any other long term commitments or material non-cancellable contractual commitments, which may have a material impact on the financial statements.

Notes to the Standalone Financial Statements

Note 45 : Leases (Ind AS 116)

A. Company as a lessee

The Company has taken various residential /commercial premises and plant and machinery under short term leases. In accordance with Indian Accounting Standard (Ind AS-116) on 'Leases' the lease rent charged to statement of Profit & Loss for the year are:

(₹ in lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
a) Residential premises	780.32	758.13
b) Commercial premises	170.70	67.38
c) Plant and machinery	12.80	4.20
Total	**963.82**	**829.71**

The balance sheet shows the following amounts relating to leases:

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Right-of-use assets		
Building	1,791.86	1,482.60
Land	2,091.85	2,174.42
Total	**3,883.71**	**3,657.02**

The break-up of current and non-current lease liabilities:

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Lease Liabilities		
Current	1,220.72	545.77
Non-current	672.87	1,072.65
Total	**1,893.59**	**1,618.42**

The following is the movement in lease liabilities:

(₹ in lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Balance at the beginning of the year	**1,618.42**	**1,535.00**
Additions	1,016.36	671.99
Finance cost accrued during the period	152.93	132.09
Deletions	134.71	83.01
Payment for leases	759.41	637.65
Balance at the end of the year	**1,893.59**	**1,618.42**

Notes to the Standalone Financial Statements

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

(₹ in lakhs)

Particulars		As at March 31, 2026	As at March 31, 2025
(i)	Less than one year	781.36	636.89
(ii)	One to five years	1,394.82	1,164.18
(iii)	More than five years	-	27.11
	Total	**2,176.18**	**1,828.18**

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.

B. Company as a Lessor

The Company has given on lease factory, land and plant and machinery under operating lease. In accordance with Indian Accounting Standard (Ind AS-116) on 'Leases' disclosure of a maturity analysis of lease receivables, showing the undiscounted lease payments to be received after the reporting date:

(₹ in lakhs)

Particulars		As at March 31, 2026	As at March 31, 2025
(i)	Not later than one year	2,162.53	1,865.86
(ii)	Later than one year and not later than five years	7,945.27	7,334.02
(iii)	Later than five years	1,949.15	3,780.58
	Total	**12,056.95**	**12,980.46**

Note 46 : Segment Information (Ind AS 108)

The Chief Operating Decision Maker (CODM) of the Company is monitoring the performance of the Company in the following Segments:-

a) Manufacturing of machinery and equipment segment

b) Industrial Projects

Composition of the segments consists of:

Manufacturing of machinery & equipment segment comprising manufacture of process plant equipments, presses, castings, boiler tubes & panels and containers.

Industrial Projects Segment consists of projects and turnkey solutions for sugar plants, distilleries, power plants, boilers, air pollution control equipments, buildings and factories.

The Segments reported are as per Ind AS 108 "Operating Segments". The identification of Operating Segments is consistent with performance assessment by the Management.

Notes to the Standalone Financial Statements

In respect of both these Segments for the Company, sales and margins do not accrue uniformly during the year.

1 Segment Revenue

(₹ in lakhs)

Particulars	Year ended March 31, 2026			Year ended March 31, 2025		
	External	Inter Segment	Total	External	Inter Segment	Total
Manufacturing of Machinery & Equipment	1,56,659.43	36,020.21	1,92,679.64	1,58,647.05	26,314.65	1,84,961.70
Industrial Projects	3,66,163.48	266.33	3,66,429.81	3,43,178.73	174.90	3,43,353.63
Unallocated	40.05	-	40.05	-	-	-
Elimination	-	(36,286.54)	(36,286.54)	-	(26,489.55)	(26,489.55)
Segment Total	**5,22,862.96**	**-**	**5,22,862.96**	**5,01,825.78**	**-**	**5,01,825.78**

2 Segment Result (Profit/(Loss) before interest and tax)

(₹ in lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Manufacturing of Machinery & Equipment	23,948.51	23,955.29
Industrial Projects	16,723.75	15,292.32
Unallocated	3,382.70	(1,331.09)
Operating Profit Before Interest and Tax	**44,054.96**	**37,916.52**
Less: Interest Expense	(4,722.35)	(1,403.43)
Less: Statutory impact of new Labour Codes	(1,403.25)	-
Add: Interest Income	7,561.36	2,317.35
Profit Before Tax	**45,490.72**	**38,830.44**
Tax Expense	(10,815.46)	(9,456.01)
Profit after tax	**34,675.26**	**29,374.43**

3 Segment Assets and Liabilities

(₹ in lakhs)

Particulars	Segment Assets		Segment Liabilities	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Manufacturing of machinery & equipment	1,76,972.34	1,48,568.48	86,222.87	73,387.54
Industrial Projects	3,62,461.91	3,51,271.97	2,79,339.25	2,63,853.16
Unallocated corporate assets/liabilities	1,67,803.40	99,776.22	68,311.71	20,689.51
Total	**7,07,237.65**	**5,99,616.67**	**4,33,873.83**	**3,57,930.21**
Less: Inter segment assets/liabilities	2,797.91	2,707.90	2,797.91	2,707.90
Total	**7,04,439.74**	**5,96,908.77**	**4,31,075.92**	**3,55,222.31**

Notes to the Standalone Financial Statements

4 Other information

(₹ in lakhs)

Particulars	Capital Expenditure		Depreciation and Amortisation	
	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2026	Year ended March 31, 2025
Manufacturing of machinery & equipment	11,081.35	7,927.32	5,251.16	4,727.30
Industrial Projects	1,105.54	999.86	1,236.93	1,207.54
Unallocated	3,118.58	3,525.85	265.66	260.07

5 Geographical Information

a) The company is domiciled in India. The amount of its revenue is broken on the basis of location of customer.

(₹ in lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Revenue from external customers		
- Within India	405,954.06	448,635.63
- Outside India		
Vietnam	23,497.24	786.97
Kenya	16,640.04	944.72
Indonesia	12,035.69	226.09
USA	3,069.91	11,165.80
Australia	-	6,595.69
UAE	496.70	5,814.67
Other countries	61,169.32	27,656.21
Total	**522,862.96**	**501,825.78**

b) Assets are allocated based on the operation and physical location of the assets

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current assets		
- Within India	64,294.42	55,490.08
- Outside India	-	-
Total	**64,294.42**	**55,490.08**

c) Number of customers individually accounted for more than 10% of the revenue in the year ended March 31, 2026 - Nil

(Previous year ended March 31, 2025 - Nil)

Notes to the Standalone Financial Statements

Note 47 : Disclosure under Ind AS 115 " Revenue from Contracts with Customers"

a. Disaggregated revenue information

(₹ in lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Type of Services or goods		
Revenue from Manufacturing of Machinery & Equipment	156,659.43	158,647.05
Revenue from Industrial Projects	366,163.48	343,178.73
Others	40.05	-
Total revenue from sale of services or goods	**522,862.96**	**501,825.78**
Revenue from Contracts with Customers		
Revenue from Customers based in India	405,954.06	448,635.63
Revenue from Customers based outside India	116,908.90	53,190.15
Total Revenue from Contracts with Customers	**522,862.96**	**501,825.78**
Timing of Revenue Recognition		
Goods and services transferred over time	366,163.48	343,178.73
Goods and services transferred at a point in time	156,699.48	158,647.05
	522,862.96	**501,825.78**

b. Trade receivables and Contract Customers

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Trade receivables	299,518.66	311,631.81
Contract assets	39,352.79	28,811.71
Contract liabilities	206,707.54	171,865.96

Trade receivables are non-interest bearing and are generally on terms of 0 - 60 days. ₹ 12,279.67 lakhs was recognised as provision for expected credit losses on trade receivables. (previous year ₹ 10,193.52 lakhs)

Trade receivables and unbilled revenue are presented net of impairment in the Balance sheet.

The Company classifies the right to consideration in exchange for deliverables as either a receivable or as contract asset.

A receivables is right to consideration that is unconditional upon passage of time.

Revenue for ongoing services at the reporting date yet to be invoiced is recorded as unbilled revenue (contact asset).

Advance from customers and unearned revenue are termed as contract liabilities.

Notes to the Standalone Financial Statements

c. Set out below is the amount of revenue recognised from:

(₹ in lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Amounts included in contract liabilities at the beginning of the year	171,865.96	199,866.86
Amount increased against contract liability during the year	304,828.42	239,282.05
Performance obligations satisfied during the year	269,986.84	267,282.95
Amounts included in contract liabilities at the end of the year	206,707.54	171,865.96

d. Performance obligation and remaining performance obligation:

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Disclosure of the entity's remaining performance obligations:		
(a) the aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as at the end of the reporting period; and	507,092.37	563,153.69
(b) When the entity expects to recognise as revenue		
Within one year	82.00%	65.00%
Within two years	16.56%	28.56%
Within five years	1.42%	6.94%
Thereafter	0.00%	0.00%

Note 48 : Disclosures as required by Indian Accounting Standard (Ind AS) 24 related party disclosures

A. List of Related Party

S.no	Name of the Related Party	Country of Incorporation	% of Equity interest	
			As at March 31, 2026	As at March 31, 2025
(i)	**Holding Company**	None		
(ii)	**Subsidiaries**			
1	Saraswati Sugar Mills Limited	India	100	100
2	Isgec Covema Limited	India	100	100
3	Isgec Exports Limited	India	100	100
4	Isgec Engineering & Projects Limited	India	100	100
5	Freelook Software Private Limited	India	100	100
6	Eagle Press & Equipment Co. Limited	Canada	100	100
7	Isgec Investments PTE Ltd	Singapore	100	100
8	Isgec Hitachi Zosen Limited	India	51	51
9	Isgec SFW Boilers Private Limited (refer note b)	India	51	51
10	Isgec Titan Metal Fabricators Private Limited	India	51	51

Notes to the Standalone Financial Statements

A. List of Related Party

S.no	Name of the Related Party	Country of Incorporation	% of Equity interest	
			As at March 31, 2026	As at March 31, 2025
11	Isgec Redecam Enviro Solutions Private Limited	India	51	51
	Stepdown subsidiaries of :			
	- Eagle Press & Equipment Co. Limited			
a)	Eagle Press America Inc.	USA		
b)	2197375 Ontario Inc.	Canada		
	- Isgec Investments PTE Ltd			
a)	Bioeq Energy Holdings One	Cayman Islands		
b)	Bioeq Energy Pte. Ltd.	Singapore		
c)	Bioeq Energy B.V	Netherlands		
d)	Bioeq Energy Holdings Corp.	Philippines		
e)	Bukid Verde Inc.	Philippines		
f)	Cavite Biofuels Producers Inc.	Philippines		
(iii)	**Associates**			
	Stepdown associate of Bioeq Energy Holdings Corp.			
1	Penwood Project Land Corp.	Philippines		
(iv)	**Entities over which key management personnel can exercise significant influence**			
1	Yamuna Syndicate Ltd.	India		
2	N. A. Cold Storages Private Limited	India		
3	Kamla Puri Charitable Trust	India		
4	Kamla Puri Charitable Foundation	India		
5	Blue Water Enterprises	India		

(v)	Key Management Personnel	Designation
1	Mr. Ranjit Puri	Chairman and Non Executive Director
2	Mr. Aditya Puri	Managing Director
3	Mr. Kishore Chatnani	Joint Managing Director and Chief Financial Officer #
4	Mr. Sanjay Gulati	Joint Managing Director and Head - Manufacturing Units #
5	Mr. Sidharth Prasad	Non Executive Independent Director *
6	Mr. Vishal Kirti Keshav Marwaha	Non Executive Independent Director **
7	Mrs. Rashi Sikka	Non Executive Independent Director
8	Mr. Arvind Sagar	Non Executive Independent Director
9	Mr. Vivek Dhir	Non Executive Independent Director ^
10	Mr. Rajiv Roy Chaudhury	Non Executive Independent Director ^
11	Mr. Kalyan Ghosh	Compliance Officer @
12	Mr. Sachin Saluja	Company Secretary

Notes to the Standalone Financial Statements

A. List of Related Party

S.no	Name of the Related Party	Country of Incorporation	% of Equity interest	
			As at March 31, 2026	As at March 31, 2025
	# appointed as Joint Managing Director on October 01, 2025			
	* retired on October 31, 2025			
	** retired on September 16, 2025			
	^ appointed as Non Executive Independent Director on July 08, 2025			
	@ appointed as Compliance Officer on July 08, 2025			

(vi)	Relative of Key Management Personnel	Relationship
	Mrs. Nina Puri	Spouse of Mr. Ranjit Puri and mother of Mr. Aditya Puri
	Mrs. Tanu Priya Puri	Spouse of Mr. Aditya Puri and daughter-in-law of Mr. Ranjit Puri
	Mrs. Tanvi Puri	Daughter of Mr. Aditya Puri and grand daughter of Mr. Ranjit Puri
	Mr. Mitchell Peter Young	Son-in-law of Mr. Aditya Puri
	Ms. Nayna Puri	Daughter of Mr. Aditya Puri and grand daughter of Mr. Ranjit Puri
	Note a - "Isgec Eswatini (Proprietary) Limited" subsidiary incorporated on December 09, 2025. Shares of this subsidairy are not subscribed and operations have not being started till the end of the financial year.	
	Note b - The Company has entered in to an agreement on May 08, 2026 with Sumitomo SHI FW Energia OY to divest 5,00,000 number of equity shares. Upon execution of this agreement, Isgec SFW Boilers Private Limited will cease to be a Subsidiary Company and will become an Associate Company accordingly.	

(vii)	Trust for post employment benefit	Principal place of operation /Country of incorporation	Principal Activities
1	The Saraswati Sugar Syndicate Limited Employee Provident Fund Trust	India	Company's employee provident fund trust
2	Isgec Employees Group Gratuity cum Life Assurance Scheme	India	Company's employee gratuity trust
3	Uttar Pradesh Steels Employees Group Gratuity cum Life Assurance Scheme	India	Company's employee gratuity trust
4	The Saraswati Syndicate Employees Group Gratuity cum Life Assurance Scheme	India	Company's employee gratuity trust
5	The Saraswati Industrial Syndicate Limited Employees Group Gratuity Scheme	India	Company's employee gratuity trust
6	Saraswati Industrial Syndicate Limited Superannuation Scheme	India	Company's employee superannuation trust
7	Isgec John Thompson Staff Provident Fund	India	Company's employee provident fund trust

Notes to the Standalone Financial Statements

B. The following transactions were carried out with the related parties in the ordinary course of business

(₹ in lakhs)

S.no	Nature of Transaction/Relationship	2025-26	2024-25
1	**Purchase of goods**		
	– Subsidiaries		
	Saraswati Sugar Mills Limited	1.09	82.62
	Isgec Hitachi Zosen Limited	9,982.56	5,082.43
	Isgec Titan Metal Fabricators Pvt. Ltd.	602.91	246.78
	Isgec Redecam Enviro Solutions Pvt. Ltd.	86.60	645.34
	Eagle Press & Equipment Co. Limited	-	2,606.43
	– Entities over which key management personnel can exercise significant influence		
	Yamuna Syndicate Ltd.	232.24	172.75
	Total	**10,905.40**	**8,836.35**
2	**Sale of goods**		
	– Subsidiaries		
	Saraswati Sugar Mills Limited	321.60	2,373.38
	Isgec Hitachi Zosen Limited	21.04	0.05
	Isgec Titan Metal Fabricators Pvt. Ltd.	371.26	39.76
	Eagle Press & Equipment Co. Limited	113.63	0.45
	Cavite Biofuels Producers Inc.	78.56	175.31
	Total	**906.09**	**2,588.95**
3	**Sale of fixed assets**		
	– Subsidiary		
	Saraswati Sugar Mills Limited	8.94	1.00
	Total	**8.94**	**1.00**
4	**Rendering of services**		
	– Subsidiaries		
	Saraswati Sugar Mills Limited	374.99	162.49
	Isgec Hitachi Zosen Limited	2,078.04	250.74
	Isgec SFW Boilers Pvt. Ltd.	77.44	74.00
	Isgec Titan Metal Fabricators Pvt. Ltd.	155.79	364.20
	Isgec Redecam Enviro Solutions Pvt. Ltd.	451.51	869.63
	Eagle Press & Equipment Co. Limited	3.93	2.48
	Cavite Biofuels Producers Inc.	-	28.49
	– Entities over which key management personnel can exercise significant influence		
	Yamuna Syndicate Ltd.	2.72	2.66
	Total	**3,144.42**	**1,754.69**

Notes to the Standalone Financial Statements

(₹ in lakhs)

S.no	Nature of Transaction/Relationship	2025-26	2024-25
5	**Services received**		
	— **Subsidiaries**		
	Saraswati Sugar Mills Limited	141.32	55.18
	Isgec Hitachi Zosen Limited	105.74	106.48
	Isgec SFW Boilers Pvt. Ltd.	61.51	108.43
	Isgec Titan Metal Fabricators Pvt. Ltd.	-	1.68
	Total	**308.57**	**271.77**
6	**Rent received**		
	— **Subsidiaries**		
	Isgec Hitachi Zosen Limited	1,815.00	1,815.00
	Isgec Titan Metal Fabricators Pvt. Ltd.	313.00	-
	Isgec Covema Limited	0.36	0.36
	— **Entities over which key management personnel can exercise significant influence**		
	Yamuna Syndicate Ltd.	3.00	3.00
	— **Key Management Personnel**		
	Mr. Aditya Puri	30.00	30.00
	Total	**2,161.36**	**1,848.36**
7	**Rent paid**		
	— **Subsidiaries**		
	Isgec Engineering & Projects Limited	8.64	8.64
	— **Entities over which key management personnel can exercise significant influence**		
	Blue Water Enterprises	84.69	76.99
	— **Relative of Key Management Personnel**		
	Mrs. Nina Puri	42.26	34.13
	Total	**135.59**	**119.76**
8	**Interest income**		
	— **Subsidiaries**		
	Isgec Investments PTE Ltd	6,673.30	1,543.48
	Eagle Press & Equipment Co. Limited	528.68	446.15
	Total	**7,201.98**	**1,989.63**

Notes to the Standalone Financial Statements

(₹ in lakhs)

S.no	Nature of Transaction/Relationship	2025-26	2024-25
9	**Reimbursement received for resources utilisation**		
	— **Subsidiaries**		
	Isgec Titan Metal Fabricators Pvt. Ltd.	779.68	587.69
	Cavite Biofuels Producers Inc.	72.10	72.10
	Eagle Press & Equipment Co. Limited	33.69	33.69
	Total	**885.47**	**693.48**
10	**Investment in equity shares**		
	— **Subsidiaries**		
	Isgec Titan Metal Fabricators Pvt. Ltd.	-	255.00
	Total	**-**	**255.00**
11	**Dividend received**		
	— **Subsidiaries**		
	Saraswati Sugar Mills Limited	1,419.98	2,129.97
	Isgec Covema Limited	200.00	300.00
	Isgec Exports Limited	92.50	-
	Isgec Hitachi Zosen Limited	341.70	193.80
	Isgec SFW Boilers Pvt. Ltd.	61.20	102.00
	Isgec Redecam Enviro Solutions Pvt. Ltd.	51.00	-
	Total	**2,166.38**	**2,725.77**
12	**Dividend paid**		
	— **Entities over which key management personnel can exercise significant influence**		
	Yamuna Syndicate Ltd.	1,654.24	1,323.39
	N. A. Cold Storages Private Limited	75.02	60.02
	— **Key Management Personnel**		
	Mr. Ranjit Puri	329.60	263.68
	Mr. Aditya Puri	228.40	182.72
	Mr. Kishore Chatnani	0.03	0.02
	— **Relative of Key Management Personnel**		
	Mrs. Nina Puri	7.97	6.37
	Total	**2,295.26**	**1,836.20**
13	**Provision for Expected credit losses**		
	— **Subsidiaries**		
	Cavite Biofuels Producers Inc.	1,067.78	(83.09)
	Isgec Investments PTE Ltd	6,361.18	2,016.20
	Eagle Press & Equipment Co. Limited	55.84	(13.70)
	Total	**7,484.80**	**1,919.41**

Notes to the Standalone Financial Statements

(₹ in lakhs)

S.no	Nature of Transaction/Relationship	2025-26	2024-25
14	**Loans given**		
	– Subsidiaries		
	Isgec Investments PTE Ltd	42,741.78	37,271.02
	Eagle Press & Equipment Co. Limited	-	655.91
	Total	**42,741.78**	**37,926.93**
15	**Guarantees given**		
	– Subsidiaries		
	Eagle Press & Equipment Co. Limited	1,363.00	-
	Total	**1,363.00**	**-**
16	**Key management personnel compensation ^**		
	Mr. Aditya Puri	1,417.00	1,147.00
	Mr. Kishore Chatnani	255.08	211.23
	Mr. Sanjay Gulati	189.73	145.50
	Mr. Kalyan Ghosh	88.31	-
	Mr. Sachin Saluja	50.33	40.54
	Total	**2,000.45**	**1,544.27**
	^ The post employment benefits exclude provision for gratuity and leave encashment which can not be separately identified from the composite amount as per actuarial valuation report.		
17	**Key management personnel remuneration / sitting fees**		
	Mr. Ranjit Puri	7.80	7.80
	Mr. Sidharth Prasad	4.96	7.20
	Mr. Vishal Kirti Keshav Marwaha	4.66	7.20
	Mrs. Rashi Sikka	7.00	7.70
	Mr. Arvind Sagar	8.50	8.30
	Mr. Vivek Dhir	5.03	-
	Mr. Rajiv Roy Chaudhury	5.03	-
	Total	**42.98**	**38.20**
18	**Compensation given to relative of key management personnel**		
	Mrs. Tanvi Puri	13.27	-
	Total	**13.27**	**-**

Notes to the Standalone Financial Statements

18	Contribution to trust for post employment benefit		(₹ in lakhs)
Name of trust		**2025-26**	**2024-25**
a	The Saraswati Sugar Syndicate Limited Employee Provident Fund Trust	1,723.19	1,493.56
b	Isgec Employees Group Gratuity cum Life Assurance Scheme	1,914.39	1,101.16
c	Uttar Pradesh Steels Employees Group Gratuity cum Life Assurance Scheme	26.63	27.78
d	Saraswati Industrial Syndicate Limited Superannuation Scheme	29.08	31.25

C. Amount due to / from related parties

(₹ in lakhs)

S.no	Nature of Transaction/Relationship	As at March 31, 2026	As at March 31, 2025
1	**Trade payables as at year end**		
	— **Subsidiaries**		
	Isgec Hitachi Zosen Limited	7,607.67	257.53
	Isgec Titan Metal Fabricators Pvt. Ltd.	710.83	6.55
	Isgec Redecam Enviro Solutions Pvt. Ltd.	25.07	12.42
	Isgec SFW Boilers Pvt. Ltd.	7.54	23.16
	— **Entities over which key management personnel can exercise significant influence**		
	Yamuna Syndicate Ltd.	40.86	11.37
2	**Advances from customers**		
	— **Subsidiaries**		
	Isgec Hitachi Zosen Limited	550.08	-
	Saraswati Sugar Mills Limited	12.73	56.95
3	**Payable to MD/Director/KMP**		
	— **Key management personnel**		
	Mr. Aditya Puri (Managing Director)	1,275.08	1,006.83
	Mr. Sanjay Gulati (Joint Managing Director)	6.23	7.75
	Mr. Kishore Chatnani (Joint Managing Director)	11.41	3.02
	Mr. Kalyan Ghosh (Compliance Officer)	5.14	4.17
	Mr. Sachin Saluja (Company Secretary)	2.50	2.13
	Mr. Ranjit Puri (Chairman)	2.25	2.25
	Mr. Sidharth Prasad	1.32	2.25
	Mr. Vishal Kirti Keshav Marwaha	1.04	2.25
	Mrs. Rashi Sikka	2.25	2.25
	Mr. Arvind Sagar	2.25	2.25
	Mr. Vivek Dhir	1.65	-
	Mr. Rajiv Roy Chaudhury	1.65	-

Notes to the Standalone Financial Statements

(₹ in lakhs)

S.no	Nature of Transaction/Relationship	As at March 31, 2026	As at March 31, 2025
	— **Relative of Key Management Personnel**		
	Mrs. Tanvi Puri	2.38	-
	Total	**10,269.93**	**1,403.13**
4	**Trade receivable as at year end**		
	— **Subsidiaries**		
	Saraswati Sugar Mills Limited	366.97	513.90
	Isgec Hitachi Zosen Limited	142.41	64.15
	Isgec SFW Boilers Pvt. Ltd.	20.34	20.34
	Isgec Titan Metal Fabricators Pvt. Ltd.	276.96	10.88
	Isgec Redecam Enviro Solutions Pvt. Ltd.	33.50	205.14
	Eagle Press & Equipment Co. Limited	121.10	94.02
	Cavite Biofuels Producers Inc.	37,151.23	33,407.36
5	**Advance to suppliers**		
	— **Subsidiaries**		
	Isgec Hitachi Zosen Limited	1,648.44	1,590.95
	Isgec Redecam Enviro Solutions Pvt. Ltd.	5.48	3.85
	Isgec Titan Metal Fabricators Pvt. Ltd.	1.18	8.17
6	**Interest accrued**		
	— **Subsidiaries**		
	Eagle Press & Equipment Co. Limited	1,666.75	1,076.51
	Isgec Investments Pte Ltd	10,059.03	2,933.77
7	**Other recoverables (including security deposit)**		
	— **Subsidiaries**		
	Isgec Redecam Enviro Solutions Pvt. Ltd.	1.63	1.59
	Isgec Titan Metal Fabricators Pvt. Ltd.	6.38	13.50
	Eagle Press & Equipment Co. Limited	15.17	189.59
	Isgec Investments Pte Ltd	332.87	332.86
	— **Entities over which key management personnel can exercise significant influence**		
	Blue Water Enterprises	19.25	19.25
	Total	**51,868.69**	**40,485.83**
8	**Provision for expected credit losses outstanding**		
	— **Subsidiaries**		
	Cavite Biofuels Producers Inc.	6,257.00	5,189.22
	Isgec Investments Pte Ltd	8,927.33	2,566.15

Notes to the Standalone Financial Statements

(₹ in lakhs)

S.no	Nature of Transaction/Relationship	As at March 31, 2026	As at March 31, 2025
	Eagle Press & Equipment Co. Limited	486.51	430.67
	Total	**15,670.84**	**8,186.04**
9	**Investment as at year end**		
	– Subsidiaries		
	Saraswati Sugar Mills Limited	7,009.99	7,009.99
	Isgec Covema Limited	200.00	200.00
	Isgec Exports Limited	10.00	10.00
	Isgec Engineering & Projects Limited	400.00	400.00
	Freelook Software Private Limited	1,306.45	1,306.45
	Eagle Press & Equipment Co. Limited	2,643.05	2,643.05
	Isgec Investments Pte Ltd	5.20	5.20
	Isgec Hitachi Zosen Limited	5,100.00	5,100.00
	Isgec SFW Boilers Private Limited	102.00	102.00
	Isgec Titan Metal Fabricators Private Limited	306.00	306.00
	Isgec Redecam Enviro Solutions Private Limited	102.00	102.00
	Total	**17,184.69**	**17,184.69**
10	**Provision for impairment outstanding**		
	– Subsidiaries		
	Eagle Press & Equipment Co. Limited	1,300.80	1,300.80
	Isgec Investments PTE Ltd	5.20	5.20
	Total	**1,306.00**	**1,306.00**

D. Outstanding guarantees and securities given on behalf of related parties

(₹ in lakhs)

S.no	Name of the Company	Balance as at	
		March 31, 2026	March 31, 2025
Guarantees given on behalf of subsidiaries:			
1	Isgec Hitachi Zosen Limited	-	54,705.00
2	Isgec Titan Metal Fabricators Private Limited	9,200.00	9,200.00
3	Isgec Redecam Enviro Solutions Private Limited	2,000.00	2,000.00
SBLC given on behalf of subsidiaries:			
4	Eagle Press & Equipment Co. Limited	4,089.00	2,386.70

Notes to the Standalone Financial Statements

E. Particulars in respect of loans and advances in the nature of loans to related parties as required by the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

S.no	Name of the Company	Balance as at		Maximum outstanding during the year ended	
		March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Loans given to subsidiaries: *					
1	Isgec Investments Pte Ltd	1,01,458.04	47,647.43	1,01,458.04	47,647.43
2	Eagle Press & Equipment Co. Limited	7,292.05	6,384.42	7,292.05	6,384.42
	Total	**1,08,750.09**	**54,031.85**		

* balance of loans given to subsidiaries as at the year end includes foreign exchange fluctuation.

F. Terms and Conditions

The transactions with the related parties are made on term equivalent to those that prevail in arm's length transactions. The assessment is under taken each financial year through examining the financial position of the related party and in the market in which the related party operates. Outstanding balances are unsecured and the settlement will occur in cash.

Note 49 : Fair Value Measurement (Ind AS 113)

Financial instruments by category

(₹ in lakhs)

Particulars	As at March 31, 2026			As at March 31, 2025		
	Amortised Cost	FVTPL *	FVTOCI #	Amortised Cost	FVTPL *	FVTOCI #
Financial Asset						
Investments						
-Investments in mutual funds	-	3,826.63	-	-	7,416.30	-
-Other investments	-	975.56	-	-	1,077.17	-
Trade receivables - current	2,87,238.99	-	-	3,01,438.29	-	-
Loans	1,12,092.89	-	-	56,515.53	-	-
Cash and cash equivalents	21,546.02	-	-	6,753.10	-	-
Bank balances	2,585.86	-	-	1,430.43	-	-
Foreign currency forward contracts	-	2,500.93	-	-	542.21	-
Others financial assets	2,749.47	-	-	3,824.49	-	-
Total Financial Assets	**4,26,213.23**	**7,303.12**	**-**	**3,69,961.84**	**9,035.68**	**-**
Financial Liabilities						
Borrowings	66,614.03	-	-	26,101.16	-	-
Trade payables	1,18,445.98	-	-	1,13,345.16	-	-
Foreign currency forward contracts	-	2,500.93	-	-	542.21	-
Lease liability	1,893.59	-	-	1,618.42	-	-
Other financial liabilities	8,609.75	-	-	10,933.77	-	-
Total Financial Liabilities	**1,95,563.35**	**2,500.93**	**-**	**1,51,998.51**	**542.21**	**-**

* FVTPL - Fair value through profit or loss

FVTOCI - Fair value through other comprehensive income

Notes to the Standalone Financial Statements

(i) Fair value hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in financial statements. To provide an indication about the reliability of inputs used in determining fair values, the group has classified its financial instruments into three levels prescribed under the accounting standards.

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following table provides the fair value measurement hierarchy of the Company's asset and liabilities, grouped into Level 1 to Level 3 as described below :-

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

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

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

(₹ in lakhs)

Particulars	Fair Value Measurement using			
	Carrying Value March 31, 2025	Quoted price in Active Market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
(A) Financial assets and liabilities at fair value through profit or loss				
Financial assets				
Investments				
- Investments in mutual funds	7,416.30	7,416.30	-	-
- Other investments	1,077.17	-	917.17	160.00
Foreign currency forward contracts	542.21	-	542.21	-
Total	**9,035.68**	**7,416.30**	**1,459.38**	**160.00**
Financial liabilities				
Foreign currency forward contracts	542.21	-	542.21	-
Total	**542.21**	**-**	**542.21**	**-**
(B) Financial assets and liabilities measured at amortised cost for which fair values are disclosed at March 31, 2025				
Financial assets				
Loan to employees	1,355.99	-	-	1,355.99
Loan to subsidiary company	54,031.86	-	-	54,031.86
Security deposit	2,191.92	-	-	2,191.92
Total	**57,579.77**	**-**	**-**	**57,579.77**
Financial liabilities				
Borrowings	26,101.16	-	-	26,101.16
Lease liability	1,618.42	-	-	1,618.42
Other financial liabilities	10,933.77	-	-	10,933.77
Total	**38,653.35**	**-**	**-**	**38,653.35**

Notes to the Standalone Financial Statements

(₹ in lakhs)

Particulars	Fair Value Measurement using			
	Carrying Value March 31, 2026	Quoted price in Active Market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
(A) Financial assets at fair value through profit or loss				
Financial assets				
Investments				
-Investments in mutual funds	3,826.63	3,826.63	-	-
-Other investments	975.56	-	591.24	384.32
Foreign currency forward contracts	2,500.93	-	2,500.93	-
Total	**7,303.12**	**3,826.63**	**3,092.17**	**384.32**
Financial liabilities				
Foreign currency forward contracts	2,500.93	-	2,500.93	-
Total	**2,500.93**	**-**	**2,500.93**	**-**
(B)Financial assets and liabilities measured at amortised cost for which fair values are disclosed at March 31, 2026				
Financial assets				
Loan to employees	962.73	-	-	962.73
Loan to subsidiary company	108,750.09	-	-	108,750.09
Security deposit	1,365.40	-	-	1,365.40
Total	**111,078.22**	**-**	**-**	**111,078.22**
Financial liabilities				
Borrowings	66,614.03	-	-	66,614.03
Lease liability	1,893.59	-	-	1,893.59
Other financial liabilities	8,609.75	-	-	8,609.75
Total	**77,117.37**	**-**	**-**	**77,117.37**

(ii) Valuation techniques used to determine fair value

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount 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.

Specific valuation technique used to value financial instrument includes:

> the use of quoted market prices or dealer quotes for similar financial instruments.

> the fair value of financial assets and liabilities at amortised cost is determined using discounted cash flow analysis

The following method and assumptions are used to estimate fair values:

The carrying amounts of trade receivables, trade payables, capital creditors, cash and cash equivalents, short term deposits etc. are considered to be their fair value, due to their short term nature.

Long-term fixed-rate and variable-rate receivables / borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors, credit risk and other risk characteristics. For borrowings fair value

Notes to the Standalone Financial Statements

is determined by using the effective interest rate method. Risk of non-performance for the company is considered to be insignificant in valuation.

Financial assets and liabilities measured at fair value and the carrying amount is the fair value.

Note 50 : FINANCIAL RISK MANAGEMENT

The Company's principal financial liabilities, other than derivatives, comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company's principal financial assets include investments in marketable securities and unlisted companies, loans , trade and other receivables and cash and short-term deposits that arise directly from its operations.

The Company's activities are exposed to Market risk, Credit risk and Liquidity risk.

I. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments, and derivative financial instruments.

The sensitivity analyses in the following sections relate to the position as at March 31, 2026 and March 31, 2025.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regard to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of the fixed rate and floating rate financial instruments in its total portfolio .

(i) The exposure of company borrowings to interest rate changes at the end of reporting period are as follows:

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Variable rate borrowings	6,925.30	4,331.28
Fixed rate borrowings	59,688.73	21,769.88
Total	**66,614.03**	**26,101.16**

Interest on discounting of bills by suppliers, current year ₹ 1,259.87 Lakhs (Previous year ₹1,919.91 Lakhs) is not chargeable to the company.

(ii) As at the end of reporting period, the company had the following variable rate borrowings outstanding:

(₹ in lakhs)

Particulars	As at March 31, 2026			As at March 31, 2025		
	Weighted average interest rate (%)	Balance	% of total borrowings	Weighted average interest rate (%)	Balance	% of total borrowings
Variable rate borrowings	8.02	6,925.30	10.40	8.11	4,331.28	16.59
Net exposure to cash flow interest rate risk		**6,925.30**			**4,331.28**	

Notes to the Standalone Financial Statements

(iii) Sensitivity

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

Particulars	Increase/ Decrease in Basis Points		Impact on Profit before Tax	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
INR	+50	+50	34.63	21.66
	- 50	- 50	(34.63)	(21.66)

(b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company operates internationally and the Company has foreign currency trade payables and receivables and is therefore, exposed to foreign exchange risk.

The Company hedges its exposure to fluctuations by using foreign currency forwards contracts on the basis of risk management policy approved by the Board.

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

(₹ in lakhs)

Particulars	Against exposure in			
Foreign currency exposure as at March 31, 2026	USD	Euro	Others	Total
Trade receivables	58,886.04	3,881.73	121.10	62,888.87
Other receivables *	19,343.17	-	-	19,343.17
Loans and other advances	10,242.03	-	1,10,233.84	120,475.87
Bank balances in current accounts and term deposits accounts	-	-	6.77	6.77
External commercial borrowing	63,539.45	-	-	63,539.45
Trade payables	2,134.27	292.95	204.09	2,631.31
Hedged Portion	98,136.65	4,136.92	204.09	102,477.66
Net Exposure to foreign currency risk (Unhedged)	56,008.31	37.76	1,10,361.71	166,407.78
SBLC Provided by HSBC India to HSBC Canada to secure Term Loan & working capital facilities to its subsidiary company Eagle Press & Equipment Co. Ltd , Canada	-	-	4,089.00	4,089.00

(₹ in lakhs)

Particulars	Against exposure in			
Foreign currency exposure as at March 31, 2025	USD	Euro	Others	Total
Trade receivables	39,915.11	1,908.42	-	41,823.53
Other receivables *	17,434.05	-	-	17,434.05
Loans and other advances	-	-	58,042.13	58,042.13
Bank balances in current accounts and term deposits accounts	-	-	29.51	29.51
External commercial borrowing	14,841.00	-	-	14,841.00
Trade payables	2,158.45	872.73	217.62	3,248.80
Hedged Portion	31,602.03	2,475.33	217.62	34,294.98
Net Exposure to foreign currency risk (Unhedged)	42,746.58	305.82	58,071.64	1,01,124.04
SBLC Provided by HSBC India to HSBC Canada to secure Term Loan & working capital facilities to its subsidiary company Eagle Press & Equipment Co. Ltd , Canada	-	-	2,386.70	2,386.70

Notes to the Standalone Financial Statements

* This amount is recoverable against refund of Bank Guarantee invoked by a customer, Cavite Biofuel Producers Inc (CBPI). Subsequently, CBPI has been acquired by one of our subsidiary companies on 3rd October 2019.

Foreign currency sensitivity

1% increase or decrease in foreign exchange rates will have the following impact on profit before tax and other comprehensive income:

Particulars	2025-26		2024-25	
	1% increase	1% decrease	1% increase	1% decrease
USD	457.66	(457.66)	347.21	(347.21)
Euro	0.38	(0.38)	0.31	(0.31)
Others	1,103.62	(1,103.62)	580.67	(580.67)

The assumed movement in exchange rate sensitivity analysis is based on the currently observable market environment.

(c) Price Risk

The Company's exposure to price risk arises from the investment held by the Company. To manage its price risk arising from investments in marketable securities, the Company diversifies its portfolio and is done in accordance with the Company policy. The Company's major investments are actively traded in markets and are held for short period of time. Therefore no sensitivity is provided for the same.

II. Credit risk

Credit risk arises from the possibility that the counterparty will default on its contractual obligations resulting in financial loss to the company. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial conditions, current economic trends, and analysis of historical bad debts and ageing of accounts receivable.

The Company considers the probability of default upon initial recognition of assets and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is significant increase in credit risk, it considers reasonable and supportive forward looking information such as:

(i) Actual or expected significant adverse changes in business.

(ii) Actual or expected significant changes in the operating results of the counterparty.

(iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligation

(iv) Significant increase in credit risk and other financial instruments of the same counterparty

(v) Significant changes in the value of collateral supporting the obligation or in the quality of third party guarantees or credit enhancements

The Company's major exposure is from trade receivables, which are unsecured and contractually due from external customers. Credit risk on cash and cash equivalents is limited as the Company generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investment in liquid mutual fund units, quoted securities and certificates of deposit which are funds deposited at a bank for a specified time period. Other loans are provided mainly to the subsidiaries and to employees which have very minimal risk because of the nature of such loans.

Expected credit loss for trade receivable on simplified approach :

The ageing analysis of the trade receivables (gross of provision) has been considered from the date the invoice falls due:

Notes to the Standalone Financial Statements

(₹ in lakhs)

Ageing	Not Due	Less than 6 months	6-12 months	More than 12 months	Total
As at March 31, 2024					
Gross Carrying Amount	1,56,552.48	1,15,430.19	10,826.09	40,645.23	3,23,453.99
Expected Credit Loss	20.36	249.28	529.15	5,068.14	5,866.92
Carrying Amount (net of impairment)	**1,56,532.12**	**1,15,180.91**	**10,296.94**	**35,577.09**	**3,17,587.07**
As at March 31, 2025					
Gross Carrying Amount	1,94,408.01	68,957.76	6,657.41	41,608.63	3,11,631.81
Expected Credit Loss	3,653.24	172.24	225.05	6,142.99	10,193.52
Carrying Amount (net of impairment)	**1,90,754.77**	**68,785.52**	**6,432.36**	**35,465.64**	**3,01,438.29**
As at March 31, 2026					
Gross Carrying Amount	1,66,407.42	57,107.51	34,977.04	41,026.69	2,99,518.66
Expected Credit Loss	4,875.37	199.59	110.87	7,093.84	12,279.67
Carrying Amount (net of impairment)	**1,61,532.05**	**56,907.92**	**34,866.17**	**33,932.85**	**2,87,238.99**

The Company uses a provision matrix to determine impairment loss on portfolio of its financial and non-financial assets. The provision matrix is based on its historically observed default data over the expected life of the financial and non-financial assets and is adjusted for forward- looking estimates. At every reporting date, the historical observed default rates are updated and changes in forward-looking estimates are analysed by an independent registered valuer and are provided for.

The following table summarises the change in the loss allowances measured using expected credit loss model (ECL):

(₹ in lakhs)

Particulars	ECL for Trade Receivables	ECL for Loan to Subsidiary Company *	ECL for advance to suppliers	ECL for unbilled revenue *	ECL for guarantee liabilities *	Total
As at March 31, 2024	**5,866.93**	**853.56**	**335.00**	**64.23**	**833.01**	**7,952.73**
Provided during the year	4,326.59	2,048.34	-	-	-	6,374.93
Amounts written off	-	-	-	-	-	-
Reversal of provisions	-	-	(335.00)	(4.28)	(738.08)	(1,077.36)
As at March 31, 2025	**10,193.52**	**2,901.90**	**-**	**59.95**	**94.93**	**13,250.30**
Provided during the year	2,086.15	6,501.62	-	-	-	8,587.77
Amounts written off	-	-	-	-	-	-
Reversal of provisions	-	-	-	-	(84.61)	(84.61)
As at March 31, 2026	**12,279.67**	**9,403.52**	**-**	**59.95**	**10.32**	**21,753.46**

* refer note 7, 18 and 23

III. Liquidity Risk

Notes to the Standalone Financial Statements

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligation on time or at a reasonable price. The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risk are overseen by senior management. Management monitors the Company's net liquidity position through rolling, forecast on the basis of expected cash flows.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments:

(₹ in lakhs)

As at March 31, 2026	Carrying Amount	On Demand	Less than 12 months	More than 12 months	Total
Borrowings	66,614.03	85.05	19,127.92	47,401.06	66,614.03
Trade payables	1,18,445.98	-	1,18,445.98	-	1,18,445.98
Lease liability	1,893.59	-	1,220.72	672.87	1,893.59
Other liabilities	11,110.68	-	11,001.11	109.57	11,110.68
Total	**1,98,064.28**	**85.05**	**1,49,795.73**	**48,183.50**	**1,98,064.28**

(₹ in lakhs)

As at March 31, 2025	Carrying Amount	On Demand	Less than 12 months	More than 12 months	Total
Borrowings	26,101.16	97.64	5,140.42	20,863.10	26,101.16
Trade payables	1,13,345.16	-	1,13,345.16	-	1,13,345.16
Lease liability	1,618.42	-	545.77	1,072.65	1,618.42
Other liabilities	11,475.98	-	11,335.82	140.16	11,475.98
Total	**1,52,540.72**	**97.64**	**1,30,367.17**	**22,075.91**	**1,52,540.72**

Financing arrangements

The company had access to the following undrawn borrowing facilities at the end of reporting period:

(₹ in lakhs)

	As at March 31, 2026	As at March 31, 2025
Bank overdraft and other facilities	59,914.95	59,902.36

Note 51 : Capital Management

Notes to the Standalone Financial Statements

(a) The Company monitors capital using gearing ratio, which is net debt divided by total capital plus debt.

(₹ in lakhs)

	As at March 31, 2026	As at March 31, 2025
Debt	66,614.03	26,101.16
Less: Cash & cash equivalent	21,546.02	6,753.10
Less: investments in liquid mutual funds	3,826.63	7,416.30
Net Debt	41,241.38	11,931.76
Total Equity	2,73,363.82	2,41,686.46
Total Equity and Net Debt	3,14,605.20	2,53,618.22
Net debt to equity plus debt ratio (Gearing Ratio)	**13.1%**	**4.7%**

Notes-

(i) Debt is defined as long-term and short-term borrowings including current maturities (excluding derivatives) as described in note 21 and 26.

(ii) Total equity (as shown in balance sheet) includes issued capital and other equity.

(b) Loan Covenants

In order to achieve this overall objective, the company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to call loans and borrowings or charge some penal interest. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year and the previous years.

No changes were made in the objectives, policies or processes for managing capital during the current year and previous years.

(C) Dividends

(₹ in lakhs)

Particulars	Recognized in the year ending	
	March 31, 2026	March 31, 2025
(i) Dividends Recognized		
Dividend for the year ended March 31, 2025 ₹ 5/- per equity share of ₹ 1/- each (for the year ended March 31, 2024 ₹ 4/ per equity share of ₹ 1/- each)	3,676.48	2,941.18
Interim dividend during the year ended March 31, 2026 ₹ NIL/- per equity share of ₹ 1/- each (during the year ended March 31, 2025 ₹ NIL/- per equity share of ₹ 1/- each)	-	-
(ii) Dividend proposed but not recognised in the books of account *		
The Board of Directors have recommended the payment of a final dividend of ₹ 6/- per equity share of ₹ 1/- each	4,411.77	3,676.48
(March 31, 2025 ₹ 5/- per equity share of ₹ 1/- each)		

* The proposed dividend is subject to the approval of shareholders in the ensuing general meeting

Notes to the Standalone Financial Statements

Note 52 : Particulars of Loans, Guarantees and Investment under Section 186 of Companies Act 2013

(₹ in lakhs)

Sr. No.	Nature of the transaction (Loans given/Guarantee given/Security Provided/Investments made)	Purpose for which the loan/ guarantee/security is utilised by the recipient	As at March 31, 2026	As at March 31, 2025
1	**Guarantees Given to Banks for Subsidiary and Joint Venture Companies:**			
	Isgec Hitachi Zosen Limited	Corporate Guarantees to Secure Working Capital Bank facility	-	54,705.00
	Isgec Titan Metal Fabricators Private Limited	Corporate Guarantees to Secure Working Capital Bank facility	9,200.00	9,200.00
	Isgec Redecam Enviro Solutions Private Limited	Corporate Guarantees to Secure Working Capital Bank facility	2,000.00	2,000.00
	Total		**11,200.00**	**65,905.00**

Sr. No.	Nature of the transaction (Loans given/Guarantee given/Security Provided/Investments made)	Purpose for which the loan/ guarantee/security is utilised by the recipient	As at March 31, 2026	As at March 31, 2025
2	**Guarantees Given to Wholly Owned Subsidiary Companies:**			
	Eagle Press & Equipment Co. Ltd, Canada	SBLC provided by HSBC India out of our Non Fund Based limits to Royal Bank of Canada to secure Working Capital Credit Facilities to Eagle Press & Equipment Co. Ltd., Canada	4,089.00	2,386.70
	Total		**4,089.00**	**2,386.70**

(₹ in lakhs)

3	Investment	Face Value (₹ per Share / Unit)	No. of Shares/ Units	As at March 31, 2026	As at March 31, 2025
	a) Equity Shares of Subsidiary Companies (At cost) :				
	Isgec Covema Limited	10	2000000	200.00	200.00
	Isgec Exports Limited	10	100000	10.00	10.00
	Isgec Engineering & Projects Limited	10	4000000	400.00	400.00
	Saraswati Sugar Mills Limited	10	7099900	7,009.99	7,009.99
	Freelook Software Private Limited	10	24650	1,306.45	1,306.45
	Eagle Press & Equipment Co. Ltd. Canada	CAD 1	4500000	2,643.05	2,643.05
	Isgec Investments PTE Ltd. Singapore	SGD 1	10000	5.20	5.20
	Isgec Hitachi Zosen Limited	10	51000000	5,100.00	5,100.00

Notes to the Standalone Financial Statements

(₹ in lakhs)

3	Investment	Face Value (₹ per Share / Unit)	No. of Shares/ Units	As at March 31, 2026	As at March 31, 2025
	Isgec SFW Boilers Private Limited	10	1020000	102.00	102.00
	Isgec Titan Fabricators Private Limited	10	612000	306.00	306.00
	Isgec Redecam Enviro Solutions Private Limited	10	1020000	102.00	102.00
	b) Investment in equity instruments - unquoted (at fair value through profit or loss)				
	Fourth Partner Solar Power Private Limited	10	318725	160.00	160.00
	FPEL HR1 Energy Private Limited	10	709873	224.32	-

(₹ in lakhs)

Sr. No.	Nature of the transaction (Loans given/Guarantee given/Security Provided/Investments made)	Purpose for which the loan/ guarantee/security is utilised by the recipient	As at March 31, 2026	As at March 31, 2025
4	**Loans to Subsidiaries :**	**Purpose of loan**		
	Isgec Investments PTE Ltd. Singapore	To meet expenses and capital requirement of Subsidiary Company	1,01,458.04	47,647.43
	Eagle Press & Equipment Co. Ltd. Canada	For Capital Expenditure and Working Capital Facility	7,292.05	6,384.42
	Total		**1,08,750.09**	**54,031.85**
	Grand Total :		**1,41,608.10**	**1,39,668.24**

5. Disclosure of Ultimate Beneficiaries

For the year ended March 31, 2026 :

Name of the subsidiary	Date of loan to subsidiary	Nature of transaction	Amount of Loan (₹ in lakhs)	Name of the beneficiary	Date of further loan by subsidiary to beneficiary	Nature of transaction	Amount of Loan (₹ in lakhs)
Isgec Investments PTE Ltd.	23/ 5/2025	Loan	439.16	Cavite Biofuels Producers Inc	27/5/2025	Loan	422.75
Isgec Investments PTE Ltd.	20/ 6/2025	Loan	32,832.00	Cavite Biofuels Producers Inc	20/6/2025	Loan	32,832.00

Notes to the Standalone Financial Statements

Name of the subsidiary	Date of loan to subsidiary	Nature of transaction	Amount of Loan (₹ in lakhs)	Name of the beneficiary	Date of further loan by subsidiary to beneficiary	Nature of transaction	Amount of Loan (₹ in lakhs)
Isgec Investments PTE Ltd.	19/11/2025	Loan	498.21	Cavite Biofuels Producers Inc	19/11/2025	Loan	443.25
Isgec Investments PTE Ltd.	1/12/2025	Loan	6,246.80	Cavite Biofuels Producers Inc	1/12/2025	Loan	3,034.16
					26/1/2026	Loan	1,070.88
					2/3/2026	Loan	2,141.76
Isgec Investments PTE Ltd.	10/2/2026	Loan	2,721.98	Cavite Biofuels Producers Inc	10/2/2026	Loan	2,086.85
					2/3/2026	Loan	181.47
					25/3/2026	Loan	362.93

For the year ended March 31, 2025 :

Name of the subsidiary	Date of loan to subsidiary	Nature of transaction	Amount of Loan (₹ in lakhs)	Name of the beneficiary	Date of further loan by subsidiary to beneficiary	Nature of transaction	Amount of Loan (₹ in lakhs)
Isgec Investments PTE Ltd.	9/4/2024	Loan	1,795.10	Cavite Biofuels Producers Inc	9/4/2024	Loan	1,767.86
Isgec Investments PTE Ltd.	11/7/2024	Loan	2,105.96	Cavite Biofuels Producers Inc	11/7/2024	Loan	1,280.99
				Cavite Biofuels Producers Inc	24/7/2024	Loan	811.71
Isgec Investments PTE Ltd.	23/8/2024	Loan	2,911.96	Cavite Biofuels Producers Inc	26/8/2024	Loan	126.46
					23/8/2024	Loan	1,549.37
					29/8/2024	Loan	193.83
					3/9/2024	Loan	847.48
					9/9/2024	Loan	92.84
					11/9/2024	Loan	181.20
Isgec Investments PTE Ltd.	19/9/2024	Loan	1,945.50	Cavite Biofuels Producers Inc	19/9/2024	Loan	449.26
					23/9/2024	Loan	1,478.40

Notes to the Standalone Financial Statements

Name of the subsidiary	Date of loan to subsidiary	Nature of transaction	Amount of Loan (₹ in lakhs)	Name of the beneficiary	Date of further loan by subsidiary to beneficiary	Nature of transaction	Amount of Loan (₹ in lakhs)
Isgec Investments PTE Ltd.	9/10/2024	Loan	3,663.60	Cavite Biofuels Producers Inc	9/10/2024	Loan	3,562.82
					29/10/2024	Loan	51.77
Isgec Investments PTE Ltd.	19/11/2024	Loan	597.74	Cavite Biofuels Producers Inc	19/11/2024	Loan	544.31
Isgec Investments PTE Ltd.	2/1/2025	Loan	1,110.38	Cavite Biofuels Producers Inc	2/1/2025	Loan	1,127.90
Isgec Investments PTE Ltd.	13/1/2025	Loan	1,100.58	Cavite Biofuels Producers Inc	13/1/2025	Loan	1,115.24
Isgec Investments PTE Ltd.	21/1/2025	Loan	1,333.71	Cavite Biofuels Producers Inc	21/1/2025	Loan	1,392.55
Isgec Investments PTE Ltd.	28/1/2025	Loan	5,578.44	Cavite Biofuels Producers Inc	28/1/2025	Loan	5,621.22
					21/2/2025	Loan	25.91
Isgec Investments PTE Ltd.	13/3/2025	Loan	15,217.01	Cavite Biofuels Producers Inc	13/3/2025	Loan	15,201.93

The Company has complied with the relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and the Companies Act for the above transactions and the transactions are not violative of the Prevention of Money-Laundering Act, 2002 (15 of 2003).

Notes to the Standalone Financial Statements

Note 53 : Ratio Analysis

	Ratios	Numerator	Denominator	FY 2025-2026	FY 2024-2025	Percentage variance	Explanation for any change in the ratio by more than 25% as compared to the preceding year
1	Current Ratio	Current assets	Current liabilities	1.41	1.47	-4.08	
2	Debt-Equity Ratio	Total debt = Long term borrowings + Short term borrowings	Shareholder's equity	0.24	0.11	118.18	Mainly due to increase in long term and short term borrowings.
3	Debt Service Coverage Ratio	Earnings available for debt service	Debt service	4.84	16.76	-71.12	Mainly due to repayment of long term borrowings.
4	Return on Equity Ratio	Net profit after tax*	Average shareholder's equity	13.46%	12.85%	4.77	
5	Inventory Turnover Ratio	Sale of product	Average inventory	5.00	5.75	-12.91	
6	Trade Receivables Turnover Ratio	Revenue from operation	Average trade receivables	2.00	1.85	7.96	
7	Trade Payables Turnover Ratio	Net credit purchases	Average trade payables	3.34	3.15	6.19	
8	Net Capital Turnover Ratio	Revenue from operation	Average working capital	3.56	3.46	2.77	
9	Net Profit Ratio	Net profit after tax*	Revenue from operation	6.63%	5.85%	13.30	
10	Return on Capital Employed	Profit before interest and tax	Total equity + long term borrowings + Deferred tax liability	15.75%	15.41%	2.22	
11	Return on Investment	Income on Investment = Interest income on loans and deposits, dividends, capital gain on alternate investment funds	Average of Non-current & Current Investments, Loans to subsidiaries and Fixed Deposits	9.28%	9.33%	-0.48	

* Profit after tax before other comprehensive income

Notes to the Standalone Financial Statements

Note 54 :Other Statutory Information

(i) The Company neither have any Benami property, nor any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company does not have any transactions with companies struck off.

(iii) The Company does not have any charges or satisfaction which is yet to be registered with Registrar Of Companies (ROC) beyond the statutory period.

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Company has not advanced or loaned or invested funds (except the cases mentioned in Note-52) in any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

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

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

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

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

b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(vii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(viii) There is no Immovable Properties Title deeds of those are not held in the name of the Company.

(ix) The Company has no investment property and accordingly its fair valuation is not required at year end.

(x) No revaluation of Property, Plant & Equipment (Including ROU) & Intangible assets has been carried out during the year.

(xi) The Company has not granted loans or advances in the nature of loans to promoters, directors, KMPs and the related parties, either severally or jointly with any other person, that are :

a. repayable on demand; or

b. without specifying any terms or period of repayment.

(xii) The Company has not defaulted on loan from any bank or financial Institution or other lender

(xiii) Compliance with approved Scheme(s) on the basis of security of current assets - Not Applicable

(xiv) The Company has borrowings from banks, secured by hypothecation of inventories and by a charge on book debts and other assets of the company, and quarterly returns or statements of current assets filed by the company with banks are in agreement with the books of accounts without any material discrepancies.

(xv) The Company is not declared wilful defaulter by any bank or financial institution or other lender.

(xvi) The Company has complied with number of layers prescribed under clause (87) of Section 2 of the Act read with Companies (restriction on number of layers) Rules, 2017.

(xvii) The Company has used the borrowings from bank for specific purpose for which it was taken at the balance sheet date.

Notes to the Standalone Financial Statements

Note 54.1 : Capital Work in Progress (CWIP) aging schedule

(₹ in lakhs)

Particulars	Amount in capital work in progress for a period of (as at March 31, 2026)				
	Less than 1 year	1 year to 2 years	2 years to 3 years	More than 3 years	Total
i) Projects in progress	8,254.06	1,156.89	3,647.94	-	13,058.89
ii) Projects temporarily suspended	-	-	-	-	-
Total					**13,058.89**

Particulars	Amount in capital work in progress for a period of (as at March 31, 2025)				
	Less than 1 year	1 year to 2 years	2 years to 3 years	More than 3 years	Total
i) Projects in progress	3,786.40	1,122.51	639.45	-	5,548.36
ii) Projects temporarily suspended	-	-	-	-	-
Total					**5,548.36**

Capital work-in-progress as on March 31, 2026 includes interest on Term Loan capitalised (ROI 7.19%) - ₹ 265.49 Lakhs (as at March 31, 2025 - ₹ 157.53 Lakhs)

No project in capital work-in-progress as on March 31, 2025 and March 31, 2026 has become overdue nor its cost has exceeded compared to its original plan.

Note 54.2 : Intangible assets under development aging schedule

(₹ in lakhs)

Particulars	Amount in Intangible assets under development for a period of (as at March 31, 2026)				
	Less than 1 year	1 year to 2 years	2 years to 3 years	More than 3 years	Total
i) Projects in progress	22.51	40.16	3.80	-	66.47
ii) Projects temporarily suspended	-	-	-	-	-
Total					**66.47**

Particulars	Amount in Intangible assets under development for a period of (as at March 31, 2025)				
	Less than 1 year	1 year to 2 years	2 years to 3 years	More than 3 years	Total
i) Projects in progress	40.16	3.80	-	-	43.96
ii) Projects temporarily suspended	-	-	-	-	-
Total					**43.96**

No project in Intangible assets under development aging schedule as on March 31, 2025 and March 31, 2026 has become overdue nor its cost has exceeded compared to its original plan.

Notes to the Standalone Financial Statements

Note 55 : Revenue expenditure on Research & Development

(₹ in lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Salaries & wages	348.04	282.41
Contribution to provident & other funds	15.84	11.01
Others	95.57	24.16
Total	**459.45**	**317.58**

Note 56 :

Contribution to political parties during the financial year 2025-26 is ₹ Nil (previous year: ₹ Nil)

Note 57 :

Previous year figures have been regrouped/reclassified wherever necessary to make them comparable as per requirements of amended Schedule III.

As per our report of even date.

for S C V & Co. LLP
Chartered Accountants
Firm Regn. No.000235N / N500089

Sanjay Vasudeva
Partner
M.No.090989

Bhupinder Kumar Malik
Chief Accounts & Taxation Officer

For & on behalf of the Board of Directors

Sachin Saluja
Company Secretary
M.No. A24269

Kishore Chatnani
Joint Managing Director and
Chief Financial Officer
DIN: 07805465

Rashi Sikka
Director
DIN: 00320145

Rajiv Roy Chaudhury
Director
DIN: 03545734

Aditya Puri
Managing Director
DIN: 00052534

Place:- Noida
Dated : May 27, 2026

INDEPENDENT AUDITOR'S REPORT

To the Members of

Isgec Heavy Engineering Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS Financial Statements of **Isgec Heavy Engineering Limited** (hereinafter referred to as "the Parent Company") and its Subsidiaries (Parent Company and its subsidiaries together referred to as "the Group") and its associate, which comprise the Consolidated Balance Sheet as at 31st March 2026, and the Consolidated Statement of Profit and Loss (including the Statement of Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated Ind AS financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and other financial information of subsidiaries and its associate referred to in the "Other Matters" paragraph below, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at 31st March 2026, and their consolidated profit and other comprehensive income, the consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements' section of our report. We are independent of the Group and its associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by other auditor in terms of their reports referred to in the "Other Matter" Paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated Ind AS financial statements.

Matters reported in the Auditor's Report on Standalone/ Consolidated Financial Statements of the Subsidiary Companies

(A) Material uncertainty related to going concern of a subsidiary

In case of Isgec Investment PTE. LTD. subsidiary of the Parent Company:

We draw attention to the matter related to material uncertainty related to going concern of Isgec Investment PTE. LTD, a subsidiary of ISGEC Heavy Engineering Limited (Parent Company), reported in the Auditor's Report on Standalone Financial Statements of the subsidiary which is being reproduced hereunder:

We draw attention to Note-2 (Note 53B(i) of the Consolidated Financial Statement) that the company incurred a loss after tax of S$ 3,531,212 (INR equivalent: INR 2,596.32 lakhs) during the financial year ended March 31, 2026 and as of that date, the company's current liabilities exceeded its current assets by S$ 1,478,317 (INR equivalent: INR 1086.93 lakhs) and the total liabilities exceeded its total assets by S$4,319,672 I(INR equivalent: INR 3,176.04 lakhs). The financial statement have been prepared on a going concern basis on the assumption that financial support from holding company will continue to be available. In the event that there is no continued financial support, the going concern basis would be invalid and provision would have to be made for any loss on realisation of the company's assets and further cost, which might arise. The directors are satisfied that financial support from holding company will be available as and when required

The opinion of the auditor of the subsidiary company is not modified in respect of this matter. Further,

our opinion on the Consolidated Ind AS Financial Statements is also not modified in respect of this matter.

(B) Emphasis of Matter

In case of Consolidated Financial Statements of Bioeq Energy Holdings Corp., step-down subsidiary of the Parent Company

We draw attention to the Emphasis of Matter reported in the Auditor's Report on Consolidated Financial Statements of Bioeq Energy Holdings Corp., a step-down subsidiary of the Parent Company, which is being reproduced hereunder:

We draw attention to Note 1 (Note 53B(ii) of the Consolidated Financial Statement) to the accompanying consolidated financial statements which indicate that the Group has capital deficiency amounting to P2,835,892,794 (INR equivalent: INR 44,277.56 lakhs) as at March 31, 2026. As stated in Note 1, this condition, among other matters, indicates the existence of a material uncertainty that may cast significant doubt on the group's ability to continue as a going concern. It is further stated in Note 1 that the group expects to operate at its full capacity once its subsidiary, Cavite Biofuel Producer Inc. received local monthly allocation from the Department of Energy on January 19, 2026 and commenced commercial sales on March 25, 2026. Management expect that these developments will improve the Group's financial performance and reduce its capital deficiency. In addition, the Parent Company has provided an undertaking that it will continue to provide financial support to its subsidiary, as necessary.

The opinion of the auditor of the step-down subsidiary is not modified in respect of this matter. Further, our opinion on the Consolidated Ind AS Financial Statements is also not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the consolidated Ind AS 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	Auditor's Response
1	Revenue recognition for Industrial Project (IP) contracts Refer Note 3.5 to the consolidated Ind AS financial statements. The Parent Company's significant portion of business is undertaken through IP contracts. Revenue from these contracts is recognized over a period of time in accordance with the requirements of Ind AS 115, "Revenue from Contracts with Customers". Due to the nature of the contracts, revenue recognition involves usage of percentage of completion method which is determined based on proportion of contract costs incurred to date compared to estimated total contract costs.	Principal Audit Procedures In the context of our work, the audit procedures set up in terms of revenues of IP contracts consisted of : • Considering the appropriateness of the Parent Company's revenue recognition accounting policies and assessing compliance with the policies in terms of Ind AS 115. • Performing testing of the design and implementation of controls over revenue recognition with specific focus on controls over determination of progress and corresponding percentage of completion, recording of costs incurred and estimation of costs to complete the remaining contract obligations.

The determination of revenues and margin relating to IP contracts depends on total cost at completion estimated by the Management. These estimates are reviewed on a quarterly basis or more frequently in the event of any major development during the progress of projects. This method involves significant judgments, identification of contractual obligations and the Parent Company's rights to receive payments for performance completed till date, changes in scope and consequential revised contract price and recognition of the liability for loss making contracts. Accordingly, this is considered as a Key Audit Matter.	• Performing tests of details, on a sample basis, and verifying the underlying customer contracts, performing review of actual costs incurred with estimated costs to identify significant variations and assess whether those variations have been considered in estimating the remaining costs to complete and consequential determination of stage of completion, which formed the basis of revenue recognition under the input method. We reviewed the Management's evaluation process to recognize revenue over a period of time, status of completion for projects and total cost estimates. We reviewed and tested the estimated cost of contracts, on test check basis, arising from contract modifications and analysed current on-going negotiations and settlements that may impair the profitability of such contracts. • Examining contracts with exceptions including contracts with low or negative margins, loss making contracts, contracts with significant changes in planned cost estimates to determine the level of provisioning required. • We read and tested the presentation and disclosures in the consolidated Ind AS financial statements are in accordance with Ind AS 115.

Information other than the Consolidated Ind AS Financial Statements and Auditor's Report Thereon

The Parent Company's Management and Board of Directors is responsible for the other information. The other information comprises the information included in the Parent Company's Annual Report but does not include the consolidated Ind AS financial statements and our auditor's report thereon. Such other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated Ind AS 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 Ind AS 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 Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Responsibility of management and those charged with governance for the Consolidated Ind AS Financial Statements

The Parent Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group and its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Management and Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of

the Act for safeguarding of the assets of the Group and its associate and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS 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 presentation of the consolidated Ind AS financial statements by the Management and the Directors of the Parent Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Management and the Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of the Group and its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors 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 of its associate are also responsible for overseeing the financial reporting process of the Group and of its associate.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS 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 Ind AS 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 Ind AS 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent Company has adequate internal financial controls in the reference to the consolidated Ind AS financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of the Management and Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS 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 within the Group and its associate of which we are the independent

Auditors and whose financial statements we have audited, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the Audit of the financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated Ind AS 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 Ind AS financial statements.

We communicate with those charged with governance of the Parent Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

We did not audit the financial statements and other financial information in respect of seventeen subsidiaries, whose financial statement reflect total assets of ₹ 1,42,053.52 Lakhs as at 31st March 2026, the total revenues of ₹ 22,390.84 Lakhs, total net loss after tax of ₹ 35,329.98 Lakhs, total comprehensive loss of ₹ 37,041.11 Lakhs and net cash inflows of ₹ 1441.75 Lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements also include the Group's share of net profit of ₹ 7.85 Lakhs for the year ended 31st March 2026, as considered in the consolidated Ind AS financial statements, in respect of one associate, whose financial statements and other financial information have not been audited by us. These financial statements and other financial information have been audited by other auditors whose auditor's reports have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far it relates to the amounts and disclosures included in respect of these subsidiaries and associate and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associate, is based solely on the reports of the other auditors.

Certain of the above mentioned subsidiaries and associate are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Parent Company's Management has converted the financial statements of such subsidiaries and associate located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Parent Company's Management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries and associate located outside India is based on the report of other auditors and the conversion adjustments prepared by the Management of the Parent Company and audited by us.

Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, based on our audit and on the consideration of reports of other auditors on separate financial statements and other financial information of subsidiaries and associate, as noted in the 'other matter' paragraph, we report, to the extent applicable that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated Ind AS financial statements;

   (b) In our opinion, proper books of account, as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the report of other auditors;

   (c) The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation for consolidated Ind AS financial statements;

   (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of written representations received from the Directors of the Parent Company as on 31st March 2026 taken on record by the Board of Directors of the Parent Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the Directors of Group Companies incorporated in India, is disqualified as on 31st March 2026 from being appointed as a Director in terms of Section 164(2) of the Companies Act, 2013;

   (f) With respect to the adequacy of internal financial controls over financial reporting of the Parent Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure A".

   (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based upon the reports of other auditors on separate financial statements as also the other financial information of the subsidiaries and associate, as noted in the "Other matter" paragraph:

      1) The consolidated Ind AS financial statements disclose the impact of pending litigation on its consolidated financial position of the Group and its associate- Refer Note 42 to the consolidated Ind AS financial statements.

      2) Provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

      3) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent Company and its subsidiary companies incorporated in India.

      4) i) The respective Management of the Parent Company and its subsidiary companies incorporated in India have represented that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed fund or share premium or any other sources or kinds of funds) by the Parent Company or its subsidiary companies incorporated in India to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent Company or its subsidiary companies incorporated

in India ("Ultimate Beneficiaries ") or provide any guarantee, security or the like on behalf of the Ultimate beneficiaries.

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

iii) Based on such audit procedures performed by us and that performed by auditors of the subsidiary companies that were considered reasonable and appropriate in the circumstances, nothing has come to our notice or other auditor that has caused us or other auditors to believe that the representation under sub-clause (i) and (ii) above contains any material misstatement.

5) The final dividend paid by the Parent 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.

As stated in note 46(c) to the consolidated Ind AS financial statements, the Board of Directors of the Parent Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

6) Based on our examination which included test checks and as reported by the respective auditors of subsidiaries incorporated in India whose financial statements have been audited under the Act, the Parent Company and such subsidiary companies, have used accounting software for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective accounting software except for one subsidiary, wherein the audit trail feature was not enabled throughout the year for certain relevant tables. Further, during the course of our audit, we and respective auditors of the above said subsidiaries did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the Parent Company and its subsidiaries incorporated in India as per the statutory requirements for record retention to the extent it was enabled and recorded in respective years.

2. 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 Companies Act, 2013, as amended;

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other statutory auditors of subsidiary companies incorporated in India, the managerial remuneration for the year ended 31st March 2026 has been paid/provided by the Parent Company and its subsidiary companies incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Companies Act, 2013.

3. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO" or "the Order") issued by the Central Government in terms of Section

143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective subsidiary companies included in the consolidated Ind AS financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent Company, we report that in respect of those companies where audits have been completed under section 143 of the Act, there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated Ind AS financial statements except for the following:

Name of the company	CIN	Nature of relationship	Clause number of the CARO report which is qualified or adverse remarks
Isgec Covema Limited	U52109DL1986PLC025908	Subsidiary	Clause 3(xvii)
Saraswati Sugar Mills Limited	U01115HR2000PLC034519	Subsidiary	Clause 3(ii)(b)

For SCV & Co. LLP
Chartered Accountants
Firm Reg. No: 000235N/ N500089

Sanjay Vasudeva
Partner
Membership No.: 090989
ICAI UDIN: 26090989OUOULT7387

Place: Noida
Dated: 27th May 2026

Annexure-A to Independent Auditor's Report

Referred to in Paragraph (1)(f) 'Report on Other Legal and Regulatory Requirements' of the Independent Auditor's Report of even date to the members of Isgec Heavy Engineering Limited on the Consolidated Ind AS Financial Statements for the year ended 31st March 2026

Report on the Internal Financial Controls under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of Isgec Heavy Engineering Limited as of and for the year ended 31st March 2026, we have audited the internal financial controls over financial reporting of Isgec Heavy Engineering Limited (hereinafter referred to as "the Parent Company") and its subsidiaries which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Management of the Parent Company and its subsidiaries, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Parent Company and its subsidiaries, which are companies incorporated in India, considering the essential components of internal control stated in the 'Guidance Note on Audit of Internal Financial Controls Over Financial Reporting' issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Parent Company's and its subsidiary companies', which are companies incorporated in India, internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. 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.

An 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 Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditors in terms of their reports referred to in the other matter paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements.

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 consolidated Ind AS 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 Ind AS 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 Ind AS 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 based on the consideration of the reports of the other auditors referred to in the Other Matter paragraph below, the Parent Company and its subsidiary companies which are companies incorporated in India have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls with reference to consolidated Ind AS financial statements were operating effectively as at 31st March 2026, based on the criteria for internal financial controls with reference to consolidated Ind AS financial statements established by the respective companies 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 Matter

Our aforesaid report under section 143(3)(i) of the Companies Act, 2013 on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements in so far as it relates to seven subsidiary companies, which are companies incorporated in India, and audited by other auditors is based solely on the corresponding reports of the auditors of such subsidiary companies incorporated in India.

Our opinion is not modified in respect of the above matter.

For SCV & Co. LLP
Chartered Accountants
Firm Reg. No: 000235N/ N500089

Sanjay Vasudeva
Partner
Membership No.: 090989
ICAI UDIN: 26090989OUOULT7387

Place: Noida
Dated: 27th May 2026

Consolidated Balance Sheet

As at March 31, 2026

(₹ in lakhs)

Particulars	Note No.	As at March 31, 2026	As at March 31, 2025
ASSETS			
(1) Non - current assets			
(a) Property, plant and equipment	4	169,486.64	182,066.48
(b) Right-of-use assets	4A	4,230.58	4,065.53
(c) Capital work - in - progress	52.1	13,727.06	6,592.57
(d) Goodwill	5	1,230.45	1,001.93
(e) Other intangible assets	5	4,073.29	4,259.20
(f) Intangible assets under development	52.2	66.47	43.96
(g) Biological assets other than bearer plants	4	2.50	2.38
(h) Investments	6(a) & 6(b)	2,144.82	1,832.44
(i) Financial assets			
(i) Loans	7	648.77	559.81
(ii) Other financial assets	8	1,994.59	2,321.97
(j) Deferred tax assets	9	4,404.29	4,524.73
(k) Other non - current assets	10	2,270.10	1,854.00
Total non-current assets		**204,279.56**	**209,125.00**
(2) Current assets			
(a) Inventories	11	165,264.61	149,168.64
(b) Financial assets			
(i) Investments	12	4,470.53	8,379.13
(ii) Trade receivables	13	275,129.63	283,322.86
(iii) Cash and cash equivalents	14	32,422.42	9,312.22
(iv) Bank balances other than (iii) above	15	7,293.64	5,468.61
(v) Loans	16	509.66	941.86
(vi) Other financial assets	17	4,998.40	2,698.01
(c) Current tax assets	18	18.22	190.85
(d) Other current assets	19	113,327.29	129,585.95
Total current assets		**603,434.40**	**589,068.13**
Total assets		**807,713.96**	**798,193.13**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	20	735.29	735.29
(b) Other equity	21	272,923.36	267,189.13
Equity attributable to owners of parent		273,658.65	267,924.42
Non controlling interest		15,108.72	11,004.86
Total equity		**288,767.37**	**278,929.28**
LIABILITIES			
(1) Non - current liabilities			
(a) Financial liabilities			
(i) Borrowings	22	51,742.30	40,209.08

Consolidated Balance Sheet

As at March 31, 2026

(₹ in lakhs)

Particulars	Note No.	As at March 31, 2026	As at March 31, 2025
(ia) Lease liabilities		1,769.48	2,070.21
(ii) Other financial liabilities	23	179.97	4,717.52
(b) Provisions	24	8,665.07	5,495.99
(c) Deferred tax liabilities	9	3,729.16	3,307.32
(d) Other non - current liabilities	25	18,116.83	20,064.71
Total non-current liabilities		**84,202.81**	**75,864.83**
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	26	40,064.87	66,730.73
(ia) Lease liabilities		1,514.70	746.02
(ii) Trade payables	27		
(a) Total outstanding dues of micro enterprises and small enterprises		16,807.58	6,994.65
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		103,184.41	118,433.23
(iii) Other financial liabilities	28	19,584.08	15,493.01
(b) Other current liabilities	29	240,482.45	213,598.50
(c) Provisions	30	13,028.84	18,965.49
(d) Current tax liabilities	18	76.85	2,437.39
Total current liabilities		**434,743.78**	**443,399.02**
Total Liabilities		**518,946.59**	**519,263.85**
Total equity & liabilities		**807,713.96**	**798,193.13**

The accompanying notes from 1 to 56 form an integral part of the financial statements

As per our report of even date.

for S C V & Co. LLP
Chartered Accountants
Firm Regn. No.000235N / N500089

Sanjay Vasudeva
Partner
M.No.090989

Place:- Noida
Dated : May 27, 2026

Bhupinder Kumar Malik
Chief Accounts & Taxation Officer

For & on behalf of the Board of Directors

Sachin Saluja
Company Secretary
M.No. A24269

Rashi Sikka
Director
DIN: 00320145

Kishore Chatnani
Joint Managing Director and
Chief Financial Officer
DIN: 07805465

Rajiv Roy Chaudhury
Director
DIN: 03545734

Aditya Puri
Managing Director
DIN: 00052534

Consolidated Statement of Profit and Loss

For the year Ended March 31, 2026

(₹ in lakhs)

				Note No.	Year ended March 31, 2026	Year ended March 31, 2025
I	Revenue from operations			31	678,925.58	642,500.74
II	Other Income			32	13,302.35	3,935.12
III	**Total income (I + II)**				692,227.93	646,435.86
IV	Expenses					
	Cost of materials consumed			33	199,485.78	201,251.12
	Cost of projects including boughtouts			34	177,022.42	183,448.34
	Erection and commissioning expenses				66,546.04	62,443.38
	Changes in inventories of finished goods and work - in - progress			35	(4,089.49)	(6,464.58)
	Employee benefits expense			36	66,641.69	56,825.38
	Finance costs			37	8,510.41	6,521.67
	Depreciation and amortization expenses			38	27,834.04	17,462.69
	Other expenses			39	117,846.20	92,326.44
	Total expenses				**659,797.09**	**613,814.44**
V	**Profit before share of an associate, exceptional items and tax (III - IV)**				**32,430.84**	**32,621.42**
VI	Share of profit of an associate				7.85	6.71
VII	**Profit before exceptional items and tax(V +VI)**				**32,438.69**	**32,628.13**
VIII	Exceptional items					
	Statutory impact of new Labour Codes				1,648.67	-
IX	**Profit before tax (VII - VIII)**				**30,790.02**	**32,628.13**
X	**Tax expense**			40		
	(1)	Current tax			15,070.52	12,912.01
	(2)	Deferred tax			294.18	(724.65)
	(3)	Earlier year's tax			21.65	1.60
	Total tax expense				15,386.35	12,188.96
XI	**Profit / (loss) for the year (IX -X)**				**15,403.67**	**20,439.17**
XII	**Other comprehensive income**					
	A	(i)	Items that will not be reclassified to profit or loss			
		a)	Remeasurements of post employment benefits plans		958.88	(285.44)
		b)	Income tax relating to items that will not be reclassified to profit or loss		(241.15)	92.79
	B	(ii)	Items that will be reclassified to profit or loss			
		a)	Reclassified to profit or loss		-	-
		b)	Exchange difference on translation of foreign operation		(2,170.74)	(190.71)

Consolidated Statement of Profit and Loss

For the year Ended March 31, 2026

(₹ in lakhs)

		Note No.	Year ended March 31, 2026	Year ended March 31, 2025
XIII	**Total comprehensive income (XI+XII) (comprising profit and other comprehensive income for the year)**		13,950.66	20,055.81
	Profit for the year		15,403.67	20,439.17
	Attributable to:			
	Owners of the parent		10,892.46	18,966.24
	Non-controlling interests		4,511.21	1,472.93
	Other comprehensive income for the year		(1,453.01)	(383.36)
	Attributable to:			
	Owners of the parent		(1,481.76)	(356.92)
	Non-controlling interests		28.75	(26.44)
	Total comprehensive income of the year:		13,950.66	20,055.81
	Attributable to:			
	Owners of the parent		9,410.70	18,609.32
	Non-controlling interests		4,539.96	1,446.49
XIV	**Earnings per equity share (nominal value of ₹ 1/- each) for profit attributable to owners of the parent**	41		
	Basic (in ₹)		14.81	25.79
	Diluted (in ₹)		14.81	25.79

The accompanying notes from 1 to 56 form an integral part of the financial statements

As per our report of even date.

for S C V & Co. LLP
Chartered Accountants
Firm Regn. No.000235N / N500089

Sanjay Vasudeva
Partner
M.No.090989

Place:- Noida
Dated : May 27, 2026

Bhupinder Kumar Malik
Chief Accounts & Taxation Officer

For & on behalf of the Board of Directors

Sachin Saluja
Company Secretary
M.No. A24269

Rashi Sikka
Director
DIN: 00320145

Kishore Chatnani
Joint Managing Director and
Chief Financial Officer
DIN: 07805465

Rajiv Roy Chaudhury
Director
DIN: 03545734

Aditya Puri
Managing Director
DIN: 00052534

Consolidated Statement of Cash Flows

For the year Ended March 31, 2026

(₹ in lakhs)

	Particulars	Year ended March 31, 2026	Year ended March 31, 2025
A	**Cash Flow from Operating Activities**		
	Profit before tax	30,790.02	32,628.13
	Adjustments :		
	Depreciation and amortization expenses	27,834.04	17,462.69
	Provision on diminution in value of inventories	343.60	314.38
	(Gain)/Loss on disposal of property, plant and equipment	(49.17)	398.15
	(Gain)/loss on sale of investments	(381.41)	(534.99)
	Change in fair value of financial instruments (investment)	(21.15)	44.61
	Income from investments - dividends	(0.27)	(0.14)
	Provision for expected credit loss	91.70	3,614.29
	Bad debts written off	1.26	-
	Finance income	(788.16)	(663.53)
	Amortization of processing fees	12.57	22.81
	Finance costs	8,510.41	6,521.67
	Unrealised foreign exchange (gain)/loss	(204.89)	(616.95)
	Adjustment for profit / (loss) from associate	(7.85)	(6.71)
	Adjustment due to discounting in warranty provision	(279.33)	(35.03)
	Cash flow before working capital adjustments	**65,851.37**	**59,149.38**
	Working capital adjustments		
	(Increase) / Decrease in trade receivables	8,302.48	13,492.70
	(Increase) / Decrease in other receivables	13,878.90	(13,379.21)
	(Increase)/decrease in inventories	(16,439.57)	(8,449.45)
	Increase / (Decrease) in trade and other payables	23,706.47	(30,372.87)
	Increase / (Decrease) in payables and provisions	(1,529.36)	1,166.25
	Cash flow after working capital requirements	**93,770.29**	**21,606.80**
	Income Tax paid (net of refund)	(17,273.13)	(9,989.23)
	Net cash from / (used in) operating activities	**76,497.16**	**11,617.57**
B	**Cash flow from Investing activities**		
	Proceeds from sale of property, plant and equipment	376.46	592.31
	Purchase of property, plant and equipment including capital work-in-progress	(16,509.86)	(23,987.11)
	Purchase of intangible assets including intangible assets under development	(318.50)	(106.54)
	Investment in equity shares	(224.32)	(160.00)
	Purchase of mutual funds	(210,609.68)	(253,531.62)
	Proceeds from sale of mutual funds	214,920.84	246,833.51
	(Increase)/decrease in other bank balances	(1,497.65)	(757.43)
	Interest income received	794.67	700.13
	Dividend received	0.27	0.14
	Income received from investment in associates	7.85	6.71
	Net cash flow from / (used in) investing activities	**(13,059.92)**	**(30,409.90)**
C	**Cash flow from Financing activities**		
	Dividend paid on equity shares	(4,109.82)	(3,222.73)
	Proceeds from Issue of Equity Share to non controlling interest entity	-	245.00
	Payments of lease liability	(845.32)	(712.90)
	Finance cost	(12,923.25)	(10,385.06)
	Proceeds from long term borrowings	49,442.58	23,279.68
	Repayment of long term borrowings	(30,182.86)	(27,838.11)
	Proceeds / (repayment) from short term borrowings (net)	(35,506.46)	29,474.48
	Net cash flow from / (used in) financing activities	**(34,125.13)**	**10,840.36**

Consolidated Statement of Cash Flows For the year Ended March 31, 2026

(₹ in lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Net increase/(decrease) in cash and cash equivalents (A+B+C)	29,312.11	(7,951.96)
Cash and cash equivalents at the beginning of the year	9,312.22	14,261.60
Effect of Foreign currency translation	(6,201.93)	3,002.58
Cash and cash equivalents at the end of the year	**32,422.40**	**9,312.22**
Components of cash and cash equivalents		
Balances with banks - In current accounts (refer note 14)	25,712.75	8,733.37
Balances with banks - In fixed deposits accounts with original maturity of less than three months (refer note 14)	6,655.85	560.00
Cheques and drafts on hand (refer note 14)	37.93	0.01
Cash on hand (refer note 14)	15.89	18.84
Cash and cash equivalents	**32,422.42**	**9,312.22**

Notes:

1 **Reconciliation of liabilities arising from financing activities:**

(₹ in lakhs)

Particulars	Total borrowing	
	Year ended March 31, 2026	Year ended March 31, 2025
Opening balance as on April 1	106,939.81	78,724.45
Non-cash changes due to		
- Interest expenses	18.44	83.21
- Charge of amortization of processing fees	12.57	22.81
- Effect of Foreign currency translation	1,083.09	3,193.29
Cash flows during the year		
- Proceeds from long term borrowings (refer note 22)	49,442.58	23,279.68
- Repayment of long term borrowings (refer note 22)	(30,182.86)	(27,838.11)
- Proceeds / (repayment) from short term borrowings (net), other than current maturities of long term debt (refer note 26)	(35,506.46)	29,474.48
Closing balance as on March 31	**91,807.17**	**106,939.81**

2 The above statement of cash flows has been prepared under the indirect method setout in Indian Accounting Standard (Ind AS) 7.

3 Figures in brackets indicate cash outgo.

As per our report of even date.

for S C V & Co. LLP
Chartered Accountants
Firm Regn. No.000235N / N500089

Sanjay Vasudeva
Partner
M.No.090989

Place:- Noida
Dated : May 27, 2026

Bhupinder Kumar Malik
Chief Accounts & Taxation Officer

For & on behalf of the Board of Directors

Sachin Saluja
Company Secretary
M.No. A24269

Rashi Sikka
Director
DIN: 00320145

Kishore Chatnani
Joint Managing Director and
Chief Financial Officer
DIN: 07805465

Rajiv Roy Chaudhury
Director
DIN: 03545734

Aditya Puri
Managing Director
DIN: 00052534

Consolidated Statement of Changes in Equity

For the year Ended March 31, 2026

A. Equity Share Capital

(₹ in lakhs)

As at April 1, 2024	Changes during the year	As at March 31, 2025	Changes during the year	As at March 31, 2026
735.29	-	735.29	-	735.29

B. Other Equity

(₹ in lakhs)

Particulars	Attributable to owners of the parent								Non controlling interest	Total
	Reserves and surplus					Items of other comprehensive income		Total other equity		
	Capital reserve	Securities premium	Capital redemption reserve	General reserve	Retained earnings	Remeasurement of post employment defined benefit plans	Foreign currency translation reserve			
Balance as at April 1, 2024	**14,445.71**	**450.22**	**3.24**	**18,816.93**	**216,814.18**	**250.42**	**740.29**	**251,520.99**	**9,597.57**	**261,118.56**
Profit for the year	-	-	-	-	18,959.53	-	-	18,959.53	1,472.93	20,432.46
Share of profit/(loss) of an associate	-	-	-	-	6.71	-	-	6.71	-	6.71
Other comprehensive income for the year	-	-	-	-	-	(166.21)	(190.71)	(356.92)	(26.44)	(383.36)
Total comprehensive income for the year	-	-	-	-	18,966.24	84.21	(190.71)	18,609.32	1,446.49	20,055.81
Issue of equity shares on premium by subsidiary company to non controlling interest entity	-	-	-	-	-	-	-	-	245.00	245.00
Dividend paid	-	-	-	-	(2,941.18)	-	-	(2,941.18)	(284.20)	(3,225.38)

Consolidated Statement of Changes in Equity

For the year Ended March 31, 2026

Particulars	Attributable to owners of the parent								Non controlling interest	Total
	Reserves and surplus					Items of other comprehensive income		Total other equity		
	Capital reserve	Securities premium	Capital redemption reserve	General reserve	Retained earnings	Remeasurement of post employment defined benefit plans	Foreign currency translation reserve			
Balance as at March 31, 2025	**14,445.71**	**450.22**	**3.24**	**18,816.93**	**232,839.24**	**84.21**	**549.58**	**267,189.13**	**11,004.86**	**278,193.99**
Profit for the year	-	-	-	-	10,884.61	-	-	10,884.61	4,511.21	15,395.82
Share of profit/(loss) of an associate	-	-	-	-	7.85	-	-	7.85	-	7.85
Other comprehensive income for the year	-	-	-	-	-	688.99	(2,170.74)	(1,481.76)	28.75	(1,453.01)
Total comprehensive income for the year	-	-	-	-	10,892.46	688.99	(2,170.74)	9,410.70	4,539.96	13,950.67
Issue of equity shares on premium by subsidiary company to non controlling interest entity	-	-	-	-	-	-	-	-	-	-
Transfer from General Reserve	-	-	-	-	6.75	-	-	-	-	-
Transfer to Retained Earning	-	-	-	(6.75)	-	-	-	-	-	-
Dividend paid	-	-	-	-	(3,676.48)	-	-	(3,676.48)	(436.10)	(4,112.58)
Balance as at March 31, 2026	**14,445.71**	**450.22**	**3.24**	**18,810.18**	**240,061.97**	**773.20**	**(1,621.16)**	**272,923.36**	15,108.72	288,032.08

As per our report of even date.

for S C V & Co. LLP
Chartered Accountants
Firm Regn. No.000235N / N500089

Sanjay Vasudeva
Partner
M.No.090989

Place:- Noida
Dated : May 27, 2026

Bhupinder Kumar Malik
Chief Accounts & Taxation Officer

For & on behalf of the Board of Directors

Sachin Saluja
Company Secretary
M.No. A24269

Rashi Sikka
Director
DIN: 00320145

Kishore Chatnani
Joint Managing Director and
Chief Financial Officer
DIN: 07805465

Rajiv Roy Chaudhury
Director
DIN: 03545734

Aditya Puri
Managing Director
DIN: 00052534

Notes to the Consolidated Financial Statements

Note 1 : Corporate Information

Isgec Heavy Engineering Limited (the "Company" or the "Parent Company") is a public limited company incorporated and domiciled in India, whose shares are listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The registered office of the Company is situated at Radaur Road, Yamunanagar-135001, Haryana, India.

The Group has five segments i.e.(a) Manufacturing of machinery & equipment (b) Industrial Projects, (c) Sugar (d) Ethanol (e) Ethanol plant at Philippines. Manufacture of machinery & equipment comprise manufacture of process plant equipment, mechanical and hydraulic presses, alloy steel and ferrous castings, boiler tubes & panels and containers. Industrial Projects comprise contract manufacturing and execution of projects for setting up boilers, sugar plants, distilleries, power plants, material handling equipments and air pollution control equipment for customers in India and abroad. Sugar consists of manufacture and sale of sugar and its by-products and Ethanol consists of manufacture and sale of ethanol and its by-products. Ethanol plant at Philippines consists of business of Cavite Biofuels Producers Inc. which has a ethanol plant at Philippines.

The Company together with its subsidiaries is hereinafter referred to as "the Group".

Note 2 : Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its Subsidiaries as at 31 March 2026. Control is achieved when the Company is exposed, or has right to variable return from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Company controls an investee if and only if the Company has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

The Company re-assesses whether or not it controls an investee if facts and circumstances indicates that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company losses control of the subsidiary. Assets, Liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Company gains control until the date the Company ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statement in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e. year ended on 31 March.

Profit or loss, each component of other comprehensive income (OCI) is attributed to the equity holders of the Company and to the non-controlling interests, even if the results in the non-controlling interests having a deficit balance. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the group are eliminated in full on consolidation.

Consolidation Procedure:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows to the Company with those of its subsidiaries. For this purpose, income and expenses of the subsidiaries are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the Company's investment in each subsidiary and the Company's portion of equity of each subsidiary. Business combination policy explains how to account for any related goodwill.

(c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intra group transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intra group losses may

Notes to the Consolidated Financial Statements

indicate an impairment that requires recognition in the consolidated financial statement. Ind AS 12 Income tax applies to temporary differences that arise from the elimination of profits and losses resulting from intra group transactions.

Note 3 : Summary of Material Accounting Policies

3.1 Basis of Preparation and Statement of Compliance

These consolidated financial statements have been prepared under the provisions of the Companies Act , 2013 (The Act), Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (The Act) and guidelines issued by the Securities and Exchange Board of India (SEBI).

The consolidated financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities that are measured at fair values at the end of each reporting period.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The consolidated financial statements are presented in Indian rupees and all values are rounded to the nearest lakhs and two decimals thereof, except otherwise stated. The financial statements were authorized for issue by the Group's Board of Directors on **27 May 2026**.

3.2 Business Combination and Goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis Indicated below:

- Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognized and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Any contingent consideration to be transferred by the acquirer is recognized at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognized in profit or loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses

Notes to the Consolidated Financial Statements

whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognized at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognized in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognizes the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an Indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognized in profit or loss. An impairment loss recognized for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

3.3 Use of Estimates

The preparation of consolidated financial statements in conformity with Indian Accounting Standards (Ind AS) requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future period.

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

a. Revenue from contracts with customers

A significant portion of the Group's business relates to EPC contracts which are accounted for using percentage of completion method, recognizing revenue on the performance as the contract progresses. This requires management to make judgement with respect to identifying contracts for which revenue needs to be recognised over a period of time, depending upon when the customer consumes the benefit, when the control is passed to customer, whether the asset created has an alternative use and whether the Group has the right to payment for performance completed till date, either contractually or legally. The Group is required to estimate costs to complete on fixed-price contracts. Estimating costs to complete such contracts requires the Group to make estimates of future costs to be incurred, based on work to be performed beyond the reporting date. This estimate impacts revenues from operations,

Notes to the Consolidated Financial Statements

unbilled revenue and unearned revenue.

b. Provision for onerous contracts

The Group provides for future losses where it is considered highly probable that the contract costs are likely to exceed revenues in future years. Estimating these future losses involves a number of assumptions about the likely levels of future cost escalation over time.

c. Defined benefit plans

The present value of the post-employment benefit obligation depends on a number of factors that are determined using actuarial valuations. An actuarial valuation involves making various assumptions including determination of the discount rate, future salary increases and mortality rates. Any changes in these assumptions will impact upon the carrying amount of post-employment benefit obligations. Key assumptions and sensitivities for post-employment benefit obligations are disclosed in note 36.

d. Warranty provision

Provision is made for the estimated warranty claims and after sales services in respect of products sold based on the historical warranty claim information and any recent trends that may suggest future claims could differ from historical amounts. The assumption made in current period are consistent with those in the prior year. Warranty provisions are discounted using a pre-tax discount rate which reflects current market assessments of time value of money and risks specific to the liability. Refer Note 24 for further details.

e. Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default, expected loss rates and timing of cash flows. The Group uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

As a practical expedient, the Group uses a provision matrix to determine ECL impairment allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. The Group follows provisioning norms based on ageing of receivables to estimate the impairment allowance under ECL.

For Computing the expected credit loss allowance for other financial assets, the probability of default is applied as per default matrix comprises of exposure due, risk ranking of the grades for similar industries, macro-economic parameters relevant to the industry and financial status of the entity involved.

At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are assessed by an independent registered valuer and are provided for. Refer Note 48 for details of impairment allowances recognised at the reporting date.

f. Deferred tax asset recognition

The extent to which deferred tax assets can be recognised is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences can be utilised. In addition, significant judgement is required in assessing the impact of any uncertainties in tax.

g. Legal contingencies

The Group receive various orders and notices from tax authorities and other parties in respect of direct and indirect taxes and other claims. The outcome of these matters may have a material effect on the financial position, results of operations or cash flows.

Management regularly analyses current information about these matters and provides provisions for probable losses including the estimate of legal expense to resolve such matters. In making the decision regarding the need for loss provisions, management considers the degree of probability of an unfavorable outcome and the ability to make a sufficiently reliable estimate of

Notes to the Consolidated Financial Statements

the amount of loss. The filing of a suit or formal assertion of a claim against the group or the disclosure of any such suit or assertions does not automatically indicate that a provision of a loss may be appropriate.

h. Useful lives of property plant and equipment and Intangible assets

The estimated useful lives of property plant and equipment and intangible assets are based on a number of factors including the effects of obsolescence, internal assessment of user experience and other economic factors (such as the known technological advancements, commercial obsolescence of the asset etc.). The useful life of property plant and equipment and intangible assets is reviewed on an ongoing basis.

i. Inventories

Management has estimated the net realizable values of inventories, taking into account the most reliable evidence available at each reporting date.The future realization of these inventories may be affected by market driven changes.

3.4 Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification as per Group's normal operating cycle and other criteria set out in the Schedule III to the Act. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- It does not have the right at the end of the reporting period to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. Based on the nature of products and services and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the group has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

3.5 Revenue Recognition

The Group recognises revenue from contracts with customers when it satisfies a performance obligation by transferring promised goods or services to its customers. The revenue is recognised to the extent of transaction price allocated to the performance obligation satisfied. Performance obligation is satisfied over time when the transfer of control of asset (goods or services) to a customer is done over time and in other cases, performance obligation is satisfied at a point in time.

Transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring goods or service to a customer excluding amounts collected on behalf of a third party. Variable consideration is estimated using the expected value method or most likely amount as appropriate in a given circumstance. Payment terms agreed with a customer are as per business practice and there is no financing component involved in the transaction price.

A. Sale of products and services

Revenue from the sale of manufactured and traded goods is recognised when control of the goods is transferred to the customer i.e. at the point of sale / delivery to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods. Sale is net of sales returns, discounts and

Notes to the Consolidated Financial Statements

goods & services tax.

Revenue from services rendered is recognised in the accounting period in which the services are rendered based on the arrangements/ agreements with the concerned parties.

Revenue is measured at the transaction price. Revenue is reduced for returns, trade allowances for deduction, rebates, value added taxes and amounts collected on behalf of third parties.

B. Revenue from Industrial Projects

Revenues are recognised over time to the extent of performance obligation satisfied and control is transferred to the customer. The Group recognises revenue over time as it performs because of continuous transfer of control to the customers. For all project contracts, this continuous transfer of control to the customer is supported by the fact that the customer typically controls the work in process as evidenced either by contractual termination clauses or by the rights of the Group to payment for work performed to date plus a reasonable profit to deliver products or services that do not have an alternate use.

Contract revenue is recognised at allocable transaction price which represents the cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed to-date, to the total estimated contract costs. The Group uses cost based measure of progress (or input method) for contracts because it best depicts the transfer of control to the customer which occurs as it incurs costs on contracts.

Contract Costs comprise of costs that directly relate to specific contract, costs that are attributable to contract activity in general and can be allocated to contract and such other costs as are specifically chargeable to the customer under the terms of contract.

Generally, the Group is entering into fixed price contracts with its customers. However, in very few contracts, additional revenue is claimable or revenue is reduced, based on variations in prices of few of key raw material prices such as steel, cement etc. Additional claims are raised on customers for such variations in prices of such materials, on pre-fixed terms and conditions specified in these contracts with customers.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

For contracts where the aggregate of contract cost incurred to date plus recognised profits (or minus recognised losses as the case may be) exceeds the progress billing, the surplus is shown as contract asset and termed as “Unbilled revenue”. For contracts where progress billing exceeds the aggregate of contract costs incurred to-date plus recognised profits (or minus recognised losses, as the case may be), the surplus is shown as contract liability and termed as “Unearned Revenue”. Amounts received before the related work is performed are disclosed in the Balance Sheet as contract liability and termed as “Advances from customer”.

Other operational revenue represents income earned from the activities incidental to the business and is recognised when the performance obligation is satisfied and right to receive the income is established. Foreign exchange fluctuation is treated as other operating income as the same mainly comprises of fluctuation on trade receivables and trade payables.

C. Rental Income

Rental income from operating leases is recognized on straight line basis over lease term.

D. Other Income

(i) Interest income is accounted on a time proportion basis taking into account the amount outstanding and the effective interest rate (EIR). Effective Interest Rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset’s net carrying amount on initial recognition.

(ii) Insurance Claims, export incentives, escalation, etc. are accounted for as and when the estimated amounts recoverable

Notes to the Consolidated Financial Statements

can be reasonably determined as being acceptable to the concerned authorities/ parties.

(iii) Dividend

Dividend income from investments is recognised when the shareholder'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).

3.6 Inventories

Raw materials, Stores & Spares are valued at lower of weighted average cost and net realisable value. However, items held for use in the production are not valued below cost if the finished goods in which these will be incorporated are expected to be sold at or above cost. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Finished goods and work in progress are valued at lower of cost and net realizable value. Cost includes cost of direct materials and applicable direct manufacturing and administrative overheads but exclude borrowing costs. Cost is determined on weighted average basis.

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

Stock of projects including boughtouts are valued at lower of cost and net realisable value. Cost of stock of project goods includes cost of purchase, cost of conversion and other cost incurred in bringing the inventories to their present location and condition.

3.7 Property, Plant & Equipment

Recognition

Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

Cost includes its purchase price (including import duties and non-refundable purchase taxes), after deducting trade discounts and rebates. It includes other costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and the borrowing costs for qualifying assets and the initial estimate of restoration cost if the recognition criteria is met.

Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Group and the costs of the item can be measured reliably.

When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Repairs and maintenance costs are charged to the statement of profit and loss when incurred.

Capital work-in-progress includes cost of property, plant and equipment under installation / under development as at the balance sheet date.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is disposed.

3.8 Intangible Assets

An intangible asset is recognised when it is probable that the expected future economic benefits that are attributable to the asset will flow to the Group; and the cost of the asset can be measured reliably.

Intangible assets are acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as "Intangible assets under development".

The cost of an intangible asset comprises of its purchase price, including import duties and non-

Notes to the Consolidated Financial Statements

refundable purchase taxes, after deducting trade discounts and rebates; and any directly attributable cost of preparing the asset for its intended use.

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

3.9 Biological Assets

Biological assets pertain to the costs of unharvested sugarcane crops which consist of direct costs incurred in growing the crops that will be charged to operations in the succeeding year when the crops are harvested and sold. The Group uses the cost model in accounting for these biological assets since their fair values are not readily available of determinable without undue cost and effort.

3.10 Depreciation and Amortization

Depreciation is provided on Property, Plant & Equipment in the manner and useful life prescribed in Schedule II to the Companies Act,2013 as per the written down value method except in respect of certain Plant & Machinery which are depreciated as per straight line method. Assets costing not more than ₹ 5,000/- are fully depreciated in the year of their acquisition.

The management has estimated the following useful lives of assets:

Asset Category	Company's estimate of useful life (years)	Useful life as prescribed under Schedule II (years)
Land (leasehold)	30 to 99	Lease period
Buildings	3 to 60	3 to 60
Plant and equipment	5 to 15	15
Furniture & fixtures	5 to 10	10
Vehicles	8 to 10	8 to 10
Office equipment	3 to 10	3 to 10
Bearer plants	3	Not Prescribed

The asset's residual values, useful life and methods of depreciation are reviewed at each financial year end and adjusted prospectively.

The useful life of sugar rollers under the head of plant and machinery has been estimated at three years based on the technical estimates, which is different from the life specified in part c of schedule II of the Companies Act, 2013.

Intangible assets are amortized over the useful economic life which is reviewed at the end of each reporting period. Based on this criteria, presently amortisation rates applied to the Group's intangible assets are as below:

Technical know-how 5 to 10 years

Computer software 5 years

Right of use asset is amortized on the straight-line basis over the period of lease term.

Leasehold improvements are written off over the shorter of its useful life or over the period of lease.

3.11 Impairment of Non-Financial Assets

The Group recognises impairment loss (termed as provision for expected credit loss on contract assets in the financial statements) on account of credit risk in respect of a contract asset using expected credit loss model on similar basis as applicable to trade receivables.

If such assets are considered to be impaired, the impairment to be recognized in the statement of profit and loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset.

The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

The group measures the loss allowance for a financial instrument at an amount equal to lifetime expected credit losses in the previous reporting period but determines at the current reporting date that requirement is no longer met, the company shall measure the loss allowance at an amount equal to 12-month expected credit losses at the current reporting date.

Notes to the Consolidated Financial Statements

3.12 Non-current assets held for sale and discontinued operations

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Costs to sell are the incremental costs directly attributable to the disposal of an asset (disposal group), excluding finance costs and income tax expense.

The Criteria for held for sale classification is regarded as met when the sale is highly probable and the asset, or disposal group, is available for immediate sale in its present condition and is marketed for sale at a price that is reasonable in relation to its current fair value. The Management is also be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Where a disposal group represents a separate major line of business or geographical area of operations, or is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations, then it is treated as a discontinued operation. The post-tax profit or loss of the discontinued operation together with the gain or loss recognised on its disposal are disclosed as a single amount in the statement of profit and loss, with all prior periods being presented on this basis.

When a disposal group or component of the business previously classified as held for sale or as a discontinued operations, no longer meets the criteria for such classification, the Group ceases to classify the disposal group as held for sale and reclassifies the results of the disposal group component within continuing operations. The comparative periods are represented where required.

3.13 Employee Benefits

(i) **Provident Fund**

The Group makes contribution to the recognised provident fund trust for its employees which is operated by the Group, which is a defined benefit plan to the extent that the Group has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate. The Group's obligation in this regard is determined by an independent actuary and provided for if the circumstances indicate that the Trust may not be able to generate adequate returns to cover the interest rates notified by the Government. Group's contribution to the provident fund is charged to Statement of Profit and Loss.

For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to statement of profit and loss in subsequent periods.

Past service costs are recognised in statement of profit and loss on the earlier of:

- The date of the plan amendment or curtailment, or
- The date that the Group recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

When the benefits of a plan are changed or curtailed, the resulting change in the benefit that relates to the past service ('past service cost') or the gain or loss on curtailment is recognised

Notes to the Consolidated Financial Statements

immediately in the statement of profit and loss.

The Group recognises the gains and losses on the settlement of a defined benefit plan when settlement occurs.

(ii) **Gratuity**

The Group operates a Gratuity Fund Trust which in turn has taken Group Gratuity cum Life Assurance policies with the Life Insurance Corporation of India for all the employees. Gratuity is a post-employment benefit and is in the nature of a defined benefit plan.

The liability determined by actuarial valuation using projected credit method is recognised in the balance sheet in respect of gratuity is the present value of the defined benefit/obligation at the balance sheet date less the fair value of plan assets, together with adjustment for unrecognized actuarial gains or losses and past service costs. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in other comprehensive income.

(iii) **Leave Encashment**

The expected cost of accumulated leaves is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the amount expected to be paid/ availed as a result of the unused entitlement that has accumulated at the balance sheet date. The Group treats the accumulated leave, which is expected to be utilised or paid in next twelve months, as short term employee benefits. The Group treats accumulated leaves expected to be carried forward beyond twelve months, as long-term employee benefits for measurement purposes. Any gains and losses on actuarial valuation are recognised as expense in the statement of profit and loss.

(iv) **Retirement Benefits**

National Pension Scheme:- Contributions towards pension is made to various funds and such benefits are classified as defined contribution scheme as the Group does not carry any further obligations, apart from the contributions made on the monthly/yearly basis.

(v) **Pension**

Liability on account of pension payable to employees covered under Group's erstwhile Pension scheme (since discontinued) has been accounted for on accrual basis based on actuarial valuation.

(vi) **Superannuation Benefit**

The Group operates a Superannuation Scheme Trust which in turn has taken Group Gratuity cum Life Assurance policies with the Life Insurance Corporation of India. The Group makes contribution to superannuation fund, for the employees who have opted for this scheme, which is a post-employment benefit in the nature of a defined contribution plan and contribution paid or payable is recognized as an expense in the period in which services are rendered by the employee.

(vii) **Other Short Term Benefits**

Expense in respect of other short term benefits is recognized in statement of profit and loss, on the basis of the amount paid or payable for the period during which services are rendered by the employee.

3.14 Leases

As a Lessee

The Group has lease contracts for various items of building, plant, machinery, vehicles and other equipment. The Group classified its leases as finance lease or an operating lease. A lease is classified as a finance lease if it transferred substantially all of the risks and rewards incidental to ownership of the leased asset to the Group, otherwise it is classified as an operating lease. Finance lease is capitalized at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between interest (recognized as finance costs) and reduction of the lease liability. In an operating lease, the leased property is not capitalized, and the lease payments are recognized as rent expense in the statement of profit or loss on a straight-line basis over the lease term. Any prepaid rent and accrued rent are recognized under prepayments and trade and other payables, respectively.

Notes to the Consolidated Financial Statements

In the statement of financial position, lease liability is included under other financial liability and ROU assets is included in property, plant and equipment's and the payment of principal portion of lease liabilities have been classified as financing cash flows.

The Group assesses whether a contract contains a lease at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (1) the contract involves the use of an identified asset, (2) the Group has substantially all of the economic benefits from the use of the asset through the period of the lease, and (3) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a ROU asset and a corresponding lease liability for all lease arrangements under which it is a lessee, except for short-term leases and low value leases.

For short-term leases and low value leases, the Group recognizes the lease payments as an expense on a straight-line basis over the term of the lease. The lease arrangements include 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 ROU 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 incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the future lease payments, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest.

As a Lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Lease income from operating leases where the group is a lessor is recognized in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

3.15 Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid/ payable to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted at the reporting date. Current income tax is charged at the end of reporting period to statement of profit & loss.

Deferred Tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at reporting date.

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Notes to the Consolidated Financial Statements

Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax relating to items recognized in Other Comprehensive Income is recognized in Other Comprehensive Income.

3.16 Borrowing Cost

As per Ind AS 23 Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds.

3.17 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

A contingent liability is disclosed when

(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 Group; or

(b) a present obligation that arises from past events but is not recognized 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 not recognized but are disclosed in notes.

Contingent assets are not recognized in the financial statements.

3.18 Dividends

Dividend to equity shareholders is recognized as a liability in the period in which the dividends are approved by the equity shareholders of the companies in the Group.

Interim dividends that are declared by the Board of Directors, of the respective companies in the Group, without the need for equity shareholders' approvals are recognized as a liability and deducted from shareholders' equity in the year in which the dividends are declared by the Board of directors.

3.19 Earnings Per Share

The Group presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The Weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue, buy back of shares, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Notes to the Consolidated Financial Statements

3.20 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition

The Group recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities except trade receivables are recognized at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition. Trade receivables are initially recognised at their transaction price.

Subsequent measurement

For the purpose of subsequent measurement financial assets and financial liabilities are classified in the following broad categories:

A. Non-derivative financial instruments

(i) Debt instrument carried at amortized cost

A debt instrument is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

(iv) Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

B. Derivative financial instruments

(i) Initial recognition and subsequent measurement

The Group uses derivative financial instruments, such as forward currency contracts and interest rate swaps to hedge its foreign currency risks and interest rate risks respectively.

Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the statement of profit and loss.

For the purpose of hedge accounting, hedges are classified as Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment. When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with

Notes to the Consolidated Financial Statements

a corresponding gain or loss recognised in profit and loss.

For fair value hedges relating to items carried at amortised cost, any adjustment to carrying value is amortised through profit or loss over the remaining term of the hedge using the Effective Interest Rate. Effective interest rate amortisation may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged. The Group is following fair value hedges method as the same is applicable to the kind of transactions being carried out by the Group.

If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset) is primarily derecognized when:

(i) The contractual right to receive cash flows from the assets have expired, or

(ii) The Group has transferred its right to receive cash flow from the financial assets and substantially all the risks and rewards of ownership of the asset to another party.

Reclassification of financial assets

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities.

3.21 Cash and cash equivalents

Cash and cash equivalents in the statement of financial position comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Bank overdrafts are shown within borrowings in current liabilities in the Balance Sheet.

The statement of cash flows is prepared in accordance with the Indian Accounting Standard (Ind AS) - 7 "Statement of Cash flows" using the indirect method for operating activities.

3.22 Impairment of Financial Assets

The Group recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. The Group follows 'simplified approach' for recognition of impairment allowance. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognized as an impairment gain or loss in profit or loss. ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

3.23 Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognised initially at transaction price. The Group holds the trade receivables with the objective to collect the contractual cash flows less loss allowance.

3.24 Government Grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

Notes to the Consolidated Financial Statements

When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. It is shown as net of related expense except where the related expense is not directly identifiable. In such cases, the grant is presented in the 'Other Income'.

Export incentives are recognised as income when the right to receive credit as per the terms of the scheme is established in respect of the exports made and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

The Group also avails incentive in the form of nil import duty on import of specified capital goods under Government's EPCG scheme. The Group anticipates no challenge in complying with the conditions attached to the said scheme in normal course of business and thus capitalized goods without considering value of import duty saved.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income. It is recognized as income in proportion to the depreciation charged over the expected useful life of the related asset.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is regarded as a government grant. The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial instruments.

3.25 Foreign currency transactions and translation

i. **Initial recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

ii. **Conversion**

Foreign currency monetary and non-monetary items are translated using the exchange rate prevailing at the reporting date.

iii. **Exchange differences**

The Group accounts for exchange differences arising on translation/ settlement of foreign currency items by recognizing the exchange differences as income or as expenses in the period in which they arise.

iv. For the purpose of presenting the consolidated financial statements, the assets and liabilities of the Company's foreign subsidiaries, associates and joint ventures are expressed in "₹" using exchange rates prevailing at the end of the reporting period. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in a separate component of equity. On the disposal of a foreign operation, all of the accumulated exchange differences in respect of that operation attributable to the Company are reclassified to the consolidated statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

3.26 Research and Development Expenses

Research expenditure is charged to the consolidated statement of profit and loss. Development costs of products are also charged to the consolidated statement of profit and loss unless a product's technical feasibility has been established, in which case such expenditure is capitalised. Tangible assets used in research and development are capitalised.

3.27 Fair Value Measurement

The Group measures financial instruments at fair value at each balance sheet date.

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

Notes to the Consolidated Financial Statements

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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

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

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

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

For the purpose of fair value disclosures, the Group has determined classes of assets & liabilities on the basis of the nature, characteristics and the risks of the asset or liability and the level of the fair value hierarchy as explained above.

3.28 Recent accounting pronouncements

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

In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 1, 2025. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any impact in its financial statements.

In August 2025, MCA notified the following amendments to:

a. Ind AS 1, Presentation of Financial Statements, applicable w.e.f. April 1, 2025 – The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Company has no impact of these amendments in its classification criteria of current and non-current liabilities.

b. Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments: Disclosures, applicable w.e.f. April 1, 2025 – The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any impact in its financial statements.

c. Ind AS 12, International Tax Reform – Pillar Two Model Rules applicable immediately - The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. This relief is immediate and applies retrospectively. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any impact in its financial statements.

Note 4 : Property, plant & equipment

(₹ in lakhs)

Particulars	Land (Free Hold)	Buildings	Plant & equipment	Furniture & fixtures	Vehicles	Office equipment	Bearer plants	Total	Biological assets other than bearer plants
Gross carrying value									
As at April 1, 2024	**13,696.60**	**28,957.48**	**99,303.06**	**1,573.21**	**2,771.36**	**6,785.58**	**489.81**	**153,577.08**	**238.58**
Additions	678.30	1,511.30	108,798.86	103.92	1,138.81	999.51	0.55	113,231.26	2.74
Disposals	-	280.47	438.06	7.18	393.20	101.03	-	1,219.94	-
Write off	-	-	-	-	-	-	133.80	133.80	88.78
Translation difference	(7.16)	(70.13)	(47.51)	0.01	-	(5.88)	2.66	(128.01)	0.66
As at March 31, 2025	**14,367.74**	**30,118.18**	**207,616.34**	**1,669.96**	**3,516.98**	**7,678.18**	**359.22**	**265,326.58**	**153.20**
Additions	111.40	2,225.71	4,910.93	70.99	792.91	1,227.54	-	9,339.48	-
Disposals	34.00	80.03	438.47	43.97	377.43	169.15	-	1,143.05	-
Translation difference	37.97	416.96	5,274.30	1.48	-	36.42	17.20	5,784.34	
As at March 31, 2026	**14,483.11**	**32,680.82**	**217,363.09**	**1,698.46**	**3,932.46**	**8,772.99**	**376.42**	**279,307.35**	**153.20**
Accumulated depreciation									
As at April 1, 2024	**-**	**12,330.54**	**47,755.99**	**1,119.09**	**1,465.34**	**5,165.48**	**292.31**	**68,128.75**	**115.71**
Charge for the year	-	1,397.32	13,137.08	74.01	550.92	791.86	19.52	15,970.71	-
Disposals	-	166.75	370.20	6.46	311.26	97.51	-	952.18	-
Write off	-	-	-	-	-	-	42.02	42.02	35.11
Translation difference	-	(18.95)	91.40	0.06	-	(4.34)	2.63	70.80	-
As at March 31, 2025	**-**	**13,542.17**	**60,614.26**	**1,186.69**	**1,705.00**	**5,855.49**	**356.48**	**83,260.10**	**150.82**
Charge for the year	-	1,390.47	23,136.87	83.03	654.99	923.88	-	26,189.25	-
Disposals	-	50.86	315.87	39.45	262.74	147.05	-	815.97	-
Translation difference	-	124.87	1,019.48	0.30	-	25.61	17.07	1,187.33	(0.12)
As at March 31, 2026	**-**	**15,006.65**	**84,454.75**	**1,230.58**	**2,097.25**	**6,657.93**	**373.55**	**109,820.71**	**150.70**
Net carrying value									
As at March 31, 2025	**14,367.74**	**16,576.01**	**147,002.08**	**483.27**	**1,811.98**	**1,822.69**	**2.74**	**182,066.48**	**2.38**
As at March 31, 2026	**14,483.11**	**17,674.17**	**132,908.35**	**467.88**	**1,835.20**	**2,115.05**	**2.87**	**169,486.64**	**2.50**

(i) Capital commitment towards purchase of property, plant and equipment, refer note - 42

(ii) Borrowing cost capitalized during the year is ₹ Nil (previous year ₹ Nil).

Notes to the Consolidated Financial Statements

Note 4A : Right-of-use Assets

(₹ in lakhs)

Particulars	Category of Right of Use asset		Total
	Land (Leasehold)	Buildings	
Gross carrying value			
As at April 1, 2024	**3,025.03**	**3,894.88**	6,919.91
Additions	8.38	762.34	770.72
Deletions	-	655.14	655.14
Adjustments	-	(47.22)	(47.22)
Translation difference	0.34	(67.79)	(67.45)
As at March 31, 2025	**3,033.75**	**3,887.07**	**6,920.82**
Additions	15.28	1,243.09	1,258.37
Deletions	-	601.87	601.87
Translation difference	-	-	-
As at March 31, 2026	**3,049.03**	**4,528.29**	**7,577.32**
Accumulated depreciation			
As at April 1, 2024	**754.75**	**2,003.41**	**2,758.16**
Charge for the year	101.40	643.77	745.17
Deletions	-	579.83	579.83
Translation difference	0.41	(68.62)	(68.21)
As at March 31, 2025	**856.56**	**1,998.73**	**2,855.29**
Charge for the year	183.75	724.02	907.77
Deletions	-	449.40	449.40
Translation difference	-	33.08	33.08
As at March 31, 2026	**1,040.31**	**2,306.43**	**3,346.74**
Net carrying value			
As at March 31, 2025	**2,177.19**	**1,888.34**	**4,065.53**
As at March 31, 2026	**2,008.72**	**2,221.86**	**4,230.58**

Note - Refer note 43 for other disclosures related to leases.

Notes to the Consolidated Financial Statements

Note 5 : Goodwill and other intangible assets

(₹ in lakhs)

Particulars	Software	Technical know-how	Total (other intangible assets)	Goodwill	Total
Gross carrying value					
As at April 1, 2024	**4,962.26**	**8,618.07**	**13,580.33**	**1,045.03**	**14,625.36**
Additions	218.29	-	218.29	-	218.29
Disposals	2.33	-	2.33	-	2.33
Translation difference	-	(47.84)	(47.84)	(43.10)	(90.94)
As at March 31, 2025	**5,178.23**	**8,570.23**	**13,748.46**	**1,001.93**	**14,750.39**
Additions	295.99	-	295.99	-	295.99
Disposals	-	-	-	-	-
Translation difference	-	253.47	253.47	228.52	481.99
As at March 31, 2026	**5,474.22**	**8,823.70**	**14,297.92**	**1,230.45**	**15,528.37**
Accumulated depreciation					
As at April 1, 2024	**3,146.69**	**5,597.92**	**8,744.61**	**-**	**8,744.61**
Charge for the year	502.40	244.41	746.81		746.81
Disposals	2.16	-	2.16	-	2.16
As at March 31, 2025	**3,646.93**	**5,842.33**	**9,489.26**	**-**	**9,489.26**
Charge for the year	492.62	244.41	737.03		737.03
Disposals	1.66	-	1.66	-	1.66
As at March 31, 2026	**4,137.89**	**6,086.74**	**10,224.63**	**-**	**10,224.63**
Net carrying value					
As at March 31, 2025	**1,531.30**	**2,727.90**	**4,259.20**	**1,001.93**	**5,261.13**
As at March 31, 2026	**1,336.33**	**2,736.96**	**4,073.29**	**1,230.45**	**5,303.74**

Notes to the Consolidated Financial Statements

Note 6 : Non-current assets - Investments

Note 6 (a) : Non-current Investments in associates

Particulars	As at March 31, 2026			As at March 31, 2025		
	Face Value(₹)	No. of Shares/ units	Value (₹ in lakhs)	Face Value(₹)	No. of Shares/ units	Value (₹ in lakhs)
Note 6 (a) : Non-current Investments in associates						
Investment in equity instruments of associate company - unquoted (accounted for using equity method)						
Penwood Project Land Corporation (PPLC)	Peso 100	299,997	1,760.50	Peso 100	299,997	1,672.44
Total (a)			**1,760.50**			**1,672.44**
Note 6 (b) : Non-current Investments -other						
Investment in equity instruments - unquoted (at fair value through profit or loss)*						
Fourth Partner Solar Power Private Limited	10	318,725	160.00	10.00	318,725.00	160.00
FPEL HR1 Energy Private Limited	10	709,873	224.32	-	-	-
Total (b)			**384.32**			**160.00**
Total Investments (a + b)			**2,144.82**			**1,832.44**
Aggregate value of investments:						
Aggregate amount of quoted investments and marketvalue thereof			**-**			**-**
Aggregate amount of unquoted investments			2,144.82			1,832.44
Aggregate amount of impairment in value of investments			-			-

* This is the transaction price as at which the investment was made. In accordance with the Share Holder's Agreement ('SHA') executed between the Group and Fourth Partner Solar Power Private Limited, FPEL HR1 Energy Private Limited (investees), the Holding company of the investees or any of their nominees have an obligation to buy-back the aforementioned equity shares held by the Group for an amount, at the price at which the shares were acquired or at the prevailing price at the time of buy-back of shares, whichever is higher.

Notes to the Consolidated Financial Statements

Note 7 : Non-current financial assets - Loans

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Loans receivables considered good - Secured		
- Loans to employees	164.01	297.47
Loans receivables considered good - Unsecured		
- Loans to employees	484.76	262.34
Loans receivable which have significant increase in credit risk	-	-
Loans receivable - credit impaired	-	-
Total	**648.77**	**559.81**

Note 8 : Non-current financial assets - others financial assets

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good		
- Security deposits *	1,008.94	1,185.18
- Bank Fixed deposits under lien held as margin money (for credit facility and bank guarantee) having maturity of more than twelve months	913.80	1,112.76
- Bank Fixed deposits having maturity of more than twelve months (free from lien)	1.49	-
- Interest accrued but not due on deposits with banks	70.36	24.03
Total	**1,994.59**	**2,321.97**

* Includes balances with related parties (refer note 45)

Note 9 : Deferred tax assets / liabilities

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax assets (refer note 9.1)	4,404.29	4,524.73
Deferred tax liabilities (refer note 9.2)	3,729.16	3,307.32

Notes to the Consolidated Financial Statements

Note 9.1 : The balance comprises temporary differences attributable to:

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Deferred tax assets		
Employee benefits	984.10	978.11
Fair valuation of investments	73.50	(75.83)
Property, plant & equipment	1,681.17	1,512.81
Brought forward business losses	(977.80)	(399.69)
Provision for expected credit losses	1,980.25	1,972.54
Other items	663.07	536.79
Net deferred tax assets/(liabilities)	**4,404.29**	**4,524.73**

Movement in Deferred tax Assets

(₹ in lakhs)

	Employee benefits deductible in future years	Fair valuation of investments	Property, Plant & Equipment	B/F Business Losses	Provision for expected credit losses	Other items	Total
As at April 1, 2024	**850.94**	**68.70**	**1,245.19**	**(440.48)**	**1,122.33**	**370.21**	**3,216.89**
(Charged)/credited:-							
-to statement of profit & loss	39.32	(144.53)	254.92	67.88	850.21	169.64	1,237.44
-to other comprehensive income	87.85	-	-	-	-	-	87.85
-to translation difference	-	-	12.70	(27.09)	-	(3.06)	(17.45)
As at March 31, 2025	**978.11**	**(75.83)**	**1,512.81**	**(399.69)**	**1,972.54**	**536.79**	**4,524.73**
(Charged)/credited:-							
-to statement of profit & loss	253.94	149.33	230.54	(680.27)	7.71	110.07	71.32
-to other comprehensive income	(247.95)	-	-	-	-	-	(247.95)
-to translation difference	-	-	(62.18)	102.16	-	16.21	56.19
As at March 31, 2026	**984.10**	**73.50**	**1,681.17**	**(977.80)**	**1,980.25**	**663.07**	**4,404.29**

Note 9.2 : The balance comprises temporary differences attributable to:

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Deferred Tax Liabilities		
Defined benefit obligation	75.07	72.89
Property, plant & equipment	(3,382.81)	(3,090.84)
Other items	(421.42)	(289.37)
Net deferred tax assets/(liabilities)	**(3,729.16)**	**(3,307.32)**

Notes to the Consolidated Financial Statements

Movement in deferred tax liabilities

(₹ in lakhs)

Particulars	Defined Benefit Obligation/Employee Benefits	Property, Plant & Equipment	Other items	Total
As at April 1, 2024	**67.35**	**(2,662.04)**	**(207.15)**	**(2,801.85)**
(Charged)/credited:-				
- to statement of profit & loss	0.60	(428.80)	(84.60)	(512.80)
-to other comprehensive income	4.94	-	-	4.94
-to translation difference	-	-	2.38	2.38
As at March 31, 2025	**72.89**	**(3,090.84)**	**(289.37)**	**(3,307.32)**
(Charged)/credited:-				
- to statement of profit & loss	(4.62)	(291.97)	(68.91)	(365.50)
-to other comprehensive income	6.80	-	-	6.80
-to translation difference	-	-	(63.14)	(63.14)
As at March 31, 2026	**75.07**	**(3,382.81)**	**(421.42)**	**(3,729.16)**

Note 10 : Other non-current assets

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Considered good - Unsecured		
Capital advances	709.65	406.64
Balance with statutory / government authorities	1,493.68	1,301.09
Prepaid expenses	52.42	67.74
Others*	14.35	78.53
Total	**2,270.10**	**1,854.00**

* includes miscellaneous recoverable from suppliers

Note 11 : Inventories (lower of cost or net realisable value)

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Raw materials		
Raw materials	38,150.36	32,739.26
Raw materials in transit	2,464.02	898.89
Work - in - progress		
Engineering goods	40,808.96	34,707.54
Ingots and steel castings	9,048.82	3,828.93
Sugar	106.09	134.93
Molasses & ethanol	1,197.34	4,087.22

Notes to the Consolidated Financial Statements

Particulars	As at March 31, 2026	As at March 31, 2025
Finished goods		
Ingots and Steel Castings	12.83	-
Engineering goods	18,920.80	15,878.54
Sugar	21,342.76	36,120.85
Ethanol	9,664.03	2,283.36
Stock of projects including boughouts		
Goods in transit	18,072.40	12,679.29
Goods at warehouse	387.73	473.87
Stores & spares		
Stores & spares	4,846.38	5,147.42
Loose tools	235.35	126.51
Others	6.74	62.03
Total	**165,264.61**	**149,168.64**

For inventories hypothecated/pledged as security, please refer note 26.

Note 12 : Current financial assets - Investments

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
At fair value through profit or loss		
a) Investments in mutual funds		
- Unquoted		
IG Mackenzie- Dividend Fund	52.65	45.66
Baroda BNP Paribas Liquid Fund - Direct Growth	-	1,502.48
Axis Liquid Fund - Regular - Growth	-	1,502.44
SBI Liquid Fund - Regular - Growth	1,275.86	2,003.02
SBI Overnight Fund - Regular - Growth	2,550.77	2,408.36
	3,879.28	**7,461.96**
b) Other investments		
- Unquoted		
Annuities in senior Secured Estate Transactions II Fund- Essel Finance	-	64.50
ASK Real Estate Special Opportunities Fund	194.80	228.60
ASK Real Estate Special Situations Fund	34.08	73.07
Edelweiss Real Estate Opportunities Fund (EROF)	9.35	11.64

Notes to the Consolidated Financial Statements

Particulars	As at March 31, 2026	As at March 31, 2025
Investcorp Score Fund	-	31.89
Indiabulls High Yield Fund	31.95	41.29
Indiabulls Dual Advantage Commercial Asset Fund	292.90	433.34
Nippon India Yield Maximiser Fund Scheme-I	4.75	5.60
Nippon India Yield Maximiser Scheme-III	23.41	27.24
	591.24	**917.17**
Total current investments (a + b)	**4,470.52**	**8,379.13**
Aggregate value of investments :		
Aggregate amount of quoted investments	-	-
Market value of quoted investments	-	-
Aggregate amount of unquoted investments (accounted based on respective net asset value)	4,470.52	8,379.13
Aggregate amount of impairment in value of investments	-	-

Note 13 : Current financial assets - Trade receivables

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Trade receivable considered good - secured	-	-
Trade receivable considered good - unsecured	281,706.94	288,362.13
Trade receivable which have significant increase in credit risk	-	640.04
Trade receivable - credit impaired	129.49	923.31
Allowance for expected credit losses	(6,706.80)	(6,602.62)
Total	**275,129.63**	**283,322.86**

Note 13.1 : Trade receivables ageing

(₹ in lakhs)

Particulars	Outstanding as on March 31, 2026 for the following period from the due date of payment						
	Not due	Less than 6 months	6 months to 1 year	1 year to 2 years	2 years to 3 years	More than 3 years	Total
i) Undisputed Trade receivables - considered good	156,251.72	62,390.04	36,007.78	8,155.74	6,448.01	4,350.46	273,603.75
ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-
iv) Disputed Trade receivables - considered good	7,560.45	-	-	18.04	294.79	229.91	8,103.19

Notes to the Consolidated Financial Statements

Particulars	Outstanding as on March 31, 2026 for the following period from the due date of payment						
	Not due	Less than 6 months	6 months to 1 year	1 year to 2 years	2 years to 3 years	More than 3 years	Total
v) Disputed Trade receivables - which have significant increase in credit risk		-	-	-	-	-	-
vi) Disputed Trade receivables - credit impaired	-	-	-	-	35.81	93.68	129.49
Total	**163,812.17**	**62,390.04**	**36,007.78**	**8,173.78**	**6,778.61**	**4,674.04**	**281,836.43**
vii) Allowance for expected credit losses	-						(6,706.80)
Total							**275,129.63**

Particulars	Outstanding as on March 31, 2025 for the following period from the due date of payment						
	Not due	Less than 6 months	6 months to 1 year	1 year to 2 years	2 years to 3 years	More than 3 years	Total
i) Undisputed Trade receivables - considered good	193,496.25	69,720.80	6,461.06	7,907.67	3,469.37	1,318.30	282,373.45
ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	365.77	274.27	-	-	640.04
iii) Undisputed Trade receivables - credit impaired	-	-	-	-	751.63	78.02	829.65
iv) Disputed Trade receivables - considered good	5,209.44	18.04	-	-	451.14	310.06	5,988.68
v) Disputed Trade receivables - which have significant increase in credit risk		-	-	-	-	-	-
vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	93.66	93.66
Total	**198,705.69**	**69,738.84**	**6,826.83**	**8,181.94**	**4,672.14**	**1,800.04**	**289,925.48**
vii) Allowance for expected credit losses	-						(6,602.62)
Total							**283,322.86**

Notes to the Consolidated Financial Statements

Note 14 : Current financial assets - Cash & cash equivalents

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with banks		
- In current and cash credit accounts	25,712.75	8,733.37
- In fixed deposit accounts with original maturity of less than three months	6,655.85	560.00
Cheques and drafts on hand	37.93	0.01
Cash on hand	15.89	18.84
Total	**32,422.42**	**9,312.22**

Note 15 : Current financial assets - Other bank balances

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with banks		
- In fixed deposit accounts with maturing within one year	4,190.71	3,144.74
- In fixed deposit under lien held as margin money (for bank guarantees) maturing within one year	3,038.73	2,262.43
Earmarked - Unclaimed dividend accounts	64.20	61.44
Total	**7,293.64**	**5,468.61**

Note 16 : Current financial assets - Loans

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Other loans		
Loans receivables considered good - Secured		
Loans to employees	55.93	72.69
Loans receivables considered good - Unsecured		
Advances to employees	395.92	849.86
Advance to group gratuity trust	57.81	19.31
Total	**509.66**	**941.86**

Notes to the Consolidated Financial Statements

Note 17 : Current financial assets - Other financial assets

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Considered good - Unsecured		
Security deposits	617.02	1,092.60
Interest accrued on security deposits	53.84	26.01
Derivatives		
Foreign exchange forward contract receivables	3,700.96	641.57
Others		
Interest accrued but not due on bank fixed deposits	126.25	179.09
Government subsidy recoverable	331.58	473.67
Interest subvention on term loan recoverable	167.23	283.58
Recoverables from other than related parties	1.52	1.49
Total	**4,998.40**	**2,698.01**

Note 18 : Current tax assets /liabilities

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Prepaid income taxes	98.38	195.91
Less: provisions for income tax	80.16	5.06
Net current tax assets	**18.22**	**190.85**
Provisions for income- tax	13,945.99	12,908.55
Less: Prepaid income taxes	13,869.14	10,471.16
Net current tax liabilities	**76.85**	**2,437.39**

Notes to the Consolidated Financial Statements

Note 19 : Other current assets

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Advances other than capital advances		
Advance to suppliers	14,858.94	17,425.25
Others		
Unbilled revenue considered good - unsecured	67,916.68	90,322.66
Allowance for expected credit losses	(354.94)	(331.59)
Prepaid expenses	1,958.86	1,347.28
Balance with government authorities	26,703.36	19,683.02
Group gratuity fund	350.64	186.38
Export incentive receivable (refer note 39.2)	562.38	527.14
Advance to employees	618.60	-
Others *	712.77	425.81
Total	**113,327.29**	**129,585.95**

* includes miscellaneous recoverable from employees, suppliers and excess expenditure on CSR (refer note 39.1)

Note 19.1 : Movement of allowance for expected credit losses on unbilled revenue and advances to suppliers

(₹ in lakhs)

Particulars	2025-26	2024-25
Movement of allowance for expected credit losses on unbilled revenue and advances to suppliers		
Opening balance at the beginning of the year	331.59	425.02
- Advances to suppliers	-	335.00
- Unbilled Revenue	331.59	90.02
Provided during the year		
- Unbilled Revenue	23.35	245.85
Amounts written off	-	-
Reversal of provisions		
- Advances to suppliers	-	(335.00)
- Unbilled Revenue	-	(4.28)
Closing balance at the end of the year	354.94	331.59
- Advances to suppliers	-	-
- Unbilled Revenue	354.94	331.59

Notes to the Consolidated Financial Statements

Note 20 : Share capital

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of shares	(₹ in lakhs)	Number of shares	(₹ in lakhs)
Authorised share capital	**85,000,000**	**850.00**	**85,000,000**	850.00
(Equity shares of ₹ 1/- each with voting rights)				
(Previous year Equity shares of ₹ 1/- each with voting rights)				
Issued, subscribed & paid up	73,529,510	735.29	73,529,510	735.29
(Equity shares of ₹ 1/- each with voting rights)				
(Previous year Equity shares of ₹ 1/- each with voting rights)				
Total	**73,529,510**	**735.29**	**73,529,510**	**735.29**

Notes:

(a) The rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital are as under:

The Company has only one class of equity shares having a par value of ₹ 1 per share (previous year ₹1 per share). Each share holder is entitled to one vote per share. The dividend proposed by the board of directors is subject to the approval of the share holders in the ensuing Annual General Meeting. In the event of the liquidation of the Company, the holders of the equity shares will be entitled to receive the remaining assets of the Company, after distribution of all the preferential amounts. The distribution will be in proportion to number of equity shares held by each of the equity share holders.

(b) There were no issue of bonus shares/buy back of shares/issue of shares for consideration other than cash during the period of five years immediately preceding the reporting date.

(c) Reconciliation of the number of shares and amount outstanding:

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of shares	(₹ in lakhs)	Number of shares	(₹ in lakhs)
Equity shares outstanding at the beginning of the year	73,529,510	735.29	73,529,510	735.29
Add: Issued during the year	-	-	-	-
Less: Shares bought back during the year	-	-	-	-
Equity shares outstanding at the end of the year	**73,529,510**	**735.29**	**73,529,510**	**735.29**

(d) Detail of Shares held by each shareholder holding more than 5% of total number of equity shares:

Class of shares/name of the shareholders:	As at March 31, 2026		As at March 31, 2025	
	Number of shares	(₹ in lakhs)	Number of shares	(₹ in lakhs)
Equity shares with voting rights				
(i) The Yamuna Syndicate Limited	33,084,798	45.00%	33,084,798	45.00%
(ii) Mr. Ranjit Puri	6,592,010	8.97%	6,592,010	8.97%
(iii) Mr. Aditya Puri	4,568,080	6.21%	4,568,080	6.21%
(iv) Nippon Life India Trustee Ltd	4,840,827	6.58%	4,385,591	5.96%

Notes to the Consolidated Financial Statements

(e) Shareholding of Promoters:

Shares held by promoters at the end of the year

Class of shares/name of the shareholders:	As at March 31, 2026		As at March 31, 2025		% change during the year
	Number of shares	(₹ in lakhs)	Number of shares	(₹ in lakhs)	
(i) The Yamuna Syndicate Limited	33,084,798	45.00%	33,084,798	45.00%	No change
(ii) Mr. Ranjit Puri	6,592,010	8.97%	6,592,010	8.97%	
(iii) Mr. Aditya Puri	4,568,080	6.21%	4,568,080	6.21%	
(iv) N. A. Cold Storages Private Limited	1,500,470	2.04%	1,500,470	2.04%	
(v) Mrs. Nina Puri	159,530	0.22%	159,530	0.22%	

Note 21 : Other equity

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Capital reserve		
Balance outstanding at the beginning of the year	14,445.71	14,445.71
Add: Additions during the year	-	-
Less: Utilised during the year	-	-
Balance outstanding at the end of the year	**14,445.71**	**14,445.71**
(b) Capital redemption reserve		
Balance outstanding at the beginning of the year	3.24	3.24
Add: Additions during the year	-	-
Less: Utilised during the year	-	-
Balance outstanding at the end of the year	**3.24**	**3.24**
(c) Securities premium		
Balance outstanding at the beginning of the year	450.22	450.22
Add: Additions during the year	-	-
Less: Utilised during the year	-	-
Balance outstanding at the end of the year	**450.22**	**450.22**
(d) General reserve		
Balance outstanding at the beginning of the year	18,816.93	18,816.93
Add: Additions during the year	-	-
Less:Transfer to retained earnings	6.75	-
Less: Utilised during the year	-	-
Balance outstanding at the end of the year	**18,810.18**	**18,816.93**

Notes to the Consolidated Financial Statements

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
(e) Retained earnings		
Balance outstanding at the beginning of the year	233,473.03	217,804.89
Add: Profit for the year	10,884.61	18,959.53
Add: Share of profit/(loss) of an associate	7.85	6.71
Add: Transfer from General reseve	6.75	-
Add: Items of other comprehensive income recognised directly in retained earnings		
-Remeasurements of Post Employment Defined Benefit Plans (net of tax)	688.99	(166.21)
(refer note 21.1)		
-Foreign currency translation reserve	(2170.74)	(190.71)
Less: Appropriations		
- Dividend for the year ended March 31, 2025 @ ₹ 5 per share of ₹ 1 each	3,676.48	2,941.18
(for the year ended March 31, 2024 @ ₹ 4 per share of ₹ 1 each)		
Balance outstanding at the end of the year	239,214.01	233,473.03
Total	**272,923.36**	**267,189.13**

Note 21.1 : Items of other comprehensive income arising from remeasurement of defined benefit obligation net of income tax, which is directly recognised in retained earning.

Note 21.2 : Nature and purpose of reserves

Capital reserve

400 equity shares of ₹ 1/- each are yet to be allotted by way of bonus shares on receipt of fractional certificates , value of which has been shown under capital reserve. Capital reserve also includes the reserve arising on acquisition of Isgec Investments Pte Ltd.

Capital redemption reserve

Capital redemption reserve of ₹ 1.58 lakhs was created against the redemption of cumulative preference shares in financial year 1991-92 and ₹ 1.66 lakhs against the buy back of equity shares in financial year 2013-14.

Securities premium

Securities premium represents the premium on issue of equity shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013.

General reserve

This represents appropriation of profit after tax by the Group.

Under the erstwhile Companies Act 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. Consequent to introduction of the Companies Act 2013, the requirement to mandatory transfer a specified percentage of the net profit to general reserve has been withdrawn.

Retained earnings

This comprise group's undistributed profit after taxes.

Notes to the Consolidated Financial Statements

Foreign currency translation reserve

Exchange differences arising on translation of the foreign operations are recognised in other comprehensive income and accumulated in a separate reserve within equity.

Note 22 : Non current financial liabilities - Borrowings (measured at amortised cost)

(₹ in lakhs)

Particulars	Non-current portion		Current maturities	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Secured				
Indian rupee term loan from banks (refer note 22.1)	4,110.63	3,424.39	2,737.59	2,684.61
Foreign currency loans from banks (refer note 22.3)	-	18,090.71	-	4,534.78
Unsecured				
Term loan from NBFC (refer note 22.2)	4,341.24	4,157.18	3,298.80	3,075.90
ECB loan from bank (refer note 22.3)	43,290.43	14,536.80	13,099.50	-
Total	**51,742.30**	**40,209.08**	**19,135.89**	**10,295.29**

Note 21.1 - Terms of contract and repayment schedule of borrowings are as follows:

(₹ in lakhs)

Balance	Loan amount outstanding	Non-current	Current maturity	Rate of interest (p.a.)	Terms of repayment	Security
As at March 31, 2026	1,267.84	-	1,267.84	"6 month MCLR+spread of 105 bps. (One of the subsidiary company has received in principal approval from Government of India for grant of interest subvention as per scheme i.e. 6% p.a or 50% of rate of interest charged by the bank for maximum loan amount of ₹9660 lakh, which ever is lower)."	The loans are repayable in equal quarterly instalments of ₹ 635 lakhs each starting from Dec-2021 to September 2026	Term loan from bank under the Central Government Scheme for Extending Financial Assistance to Sugar Mills for enhancement and augmentation of ethanol capacity is secured by way of exclusive charge over all immovable fixed properties / hypothecation of moveable fixed properties both present and future all pertaining and specific to the project and second pari passu hypothecation charge on current assets and second pari passu charge on fixed assets of that subsidiary company.
As at March 31, 2025	3,795.27	1,255.27	2,540.00			
As at March 31, 2026	5,580.38	4,110.63	1,469.75	Rate is linked to internal benchmark of the bank, which is varying from time to time. Presently varying from 6.58% to 8.02% (previous year 8.02% to 8.60%).	6 year door-to-door tenor with 2 years of moratorium from the date of first disbursement. Repayment in 16 equal quarterly instalments. Last instalment is to be paid in December, 2029.	Exclusive charges over Corporate Office being built at Plot No. 4, Sector 142, Noida
As at March 31, 2025	2,313.73	2,169.12	144.61			
Total as at March 31, 2026	**6,848.22**	**4,110.63**	**2,737.59**			
Total as at March 31, 2025	6,109.00	3,424.39	2,684.61			

Notes to the Consolidated Financial Statements

Note 22.2 Terms of contract and repayment schedule of borrowings are as follows:

(₹ in lakhs)

Balance	Loan amount outstanding	Non-current	Current maturity	Rate of interest (p.a.)	Terms of repayment	Security
As at March 31, 2026	3,298.80	-	3,298.80	9.50%	As per repayment schedule, payable in maximum 24 months. Last instalment to be paid in February 2027.	Unsecured
As at March 31, 2025	7,233.08	4,157.18	3,075.90	9.50%		

Balance	Loan amount outstanding	Non-current	Current maturity	Rate of interest (p.a.)	Terms of repayment	Security
As at March 31, 2026	**4,341.24**	**4,341.24**	**-**	**9.50%**	30 month form the date of first disbursement with prepayment closure without any penal charge.	Unsecured
As at March 31, 2025	-	-	-	9.50%		
Total as at March 31, 2026	**7,640.04**	**4,341.24**	**3,298.80**			
Total as at March 31, 2025	7,233.08	4,157.18	3,075.90			

Note 22.3 Terms of contract and repayment schedule of borrowings are as follows:

Balance	Loan amount outstanding	Non-current	Current maturity	Rate of interest (p.a.)	Terms of repayment	Security
As at March 31, 2026	56,389.93	43,290.43	13,099.50	8.70% to 9.70%	4 year tenor with 1 year of moratorium from the date of disbursement. Repayment in 12 equal quarterly instalment,starting from June 2026 onwards.	Unsecured
As at March 31, 2025	14,536.80	14,536.80	-	9.70%		
As at March 31, 2026	-	-	-	Benchmark Rate based on PDST-R2 prevailing on the relevant interest rate setting date and Spread subject to a floor rate of 5.75% p.a with re-pricing every 3 years.	Repayable in 12 years in equal and successive semi-annually installments from date of initial drawdown i.e. January, 2018. Loan amount has been repaid fully during the financial year 2025-26.	Secured by mortgage of cost of construction of plant of Cavite Biofuels Producers Inc. (Philippines), Biological assets in the sugarcane plantation of Bukid Verde Inc. (Philippines) and land of Penwood Project Land Corp (Philippines).
As at March 31, 2025	22,625.49	18,090.71	4,534.78			
Total as at March 31, 2026	**56,389.93**	**43,290.43**	**13,099.50**			
Total as at March 31, 2025	37,162.29	32,627.51	4,534.78			

Notes to the Consolidated Financial Statements

Note 23 : Non-current financial liabilities - Other financial liabilities

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Interest accrued but not due on borrowings	-	4,511.43
Security deposit under car loan scheme	140.38	164.50
Security deposit	39.59	41.59
Total	**179.97**	**4,717.52**

Note 24 : Long term provisions

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for employee benefits		
- Gratuity (refer note 36.1)	90.60	60.90
- Leave encashment	3,049.07	2,881.06
- Pension	**538.95**	**553.99**
	3,678.62	3,495.95
Provision for warranty (refer note 24.1 & 24.2)	4,986.45	2,000.04
Total	**8,665.07**	**5,495.99**

Note 24.1 : Provision for warranty

Provision is made for the estimated warranty claims and after sales services in respect of products sold based on the historical warranty claim information and any recent trends that may suggest future claims could differ from historical amounts.

Note 24.2 : Movement of provision for warranty

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Carrying amount at the beginning of the Year	19,696.75	18,644.25
Additional provision made during the year	5,627.76	4,726.00
Amount used during the year	(7,001.17)	(2,680.64)
Amount reversed during the year	(1,053.68)	(957.83)
Adjustment due to discounting	(279.33)	(35.03)
Carrying amount at the end of the year	**16,990.33**	**19,696.75**
Break up of carrying amount at the end of the year		
Long term provisions	4,986.45	2,000.04
Short term provisions (refer note 30)	12,003.88	17,696.71

Notes to the Consolidated Financial Statements

Note 25 : Other non-current liabilities

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Advance from customers	18,104.87	20,049.88
Deferred government grant (refer note 25.1)	11.96	14.83
Total	**18,116.83**	**20,064.71**

Note : 25.1

The deferred government grant arose as a result of the benefit received under a scheme from Haryana Government on account of "Moist Heat Air Treatment" (MHAT) plant and other agricultural implements for cane development worth ₹ 44.50 Lakhs received free of cost, whereby such grant is treated as deferred income and is recognised over the useful life of the assets for which such grant is received.

Note 26 : Current financial liabilities - Borrowings

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Loans repayable on demand		
From banks		
Secured		
Working capital demand loan (refer note 26.1 & 26.2)	13,598.02	39,856.66
Cash credit acounts (refer note 26.1 & 26.3)	3,918.33	3,422.49
Other loans		
Secured		
Current maturities of long term debt (refer note 22)	2,737.59	7,219.39
Unsecured		
Other loans (Refer Note 26.5)	1,259.87	1,919.91
Working Capital Demand loan from NBFC (26.4)	2,152.76	11,236.38
Current maturities of long term debt from NBFC (refer note 22)	3,298.80	3,075.90
Current maturities of long term debt from Bank (refer note 22)	13,099.50	-
Total	**40,064.87**	**66,730.73**

26.1 Secured by hypothecation/pledge of inventories and by a charge on book debts and other assets of the group, in favor of working capital consortium bankers on pari passu basis.

26.2 WCDL is taken as sub limit under Cash Credit limit. Rate of interest is 7.70% p.a. (Previous year 7.30% to 9.75%p.a.) during the above periods.

26.3 Repayable on demand. Rate of interest varied from 5.57% to 9.45% p.a. during the current year (Previous year 7.30% to 10.50% p.a).

Notes to the Consolidated Financial Statements

26.4 Rate of interest 9.50% p.a (Previous year 9.50% p.a).

26.5 Represents payments to MSME creditors through Receivable Exchange of India Ltd. (RXIL) and MYND Solutions portal, payable to RXIL and MYND Solutions on due dates.

Note 27 : Current financial liabilities - Trade payable

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Total outstanding dues of Micro and Small Enterprises (refer note 27.1)	16,807.58	6,994.65
Total outstanding dues of creditors other than Micro and Small Enterprises *	103,184.41	118,433.23
Total	**119,991.99**	**125,427.88**

* includes balances with related parties (refer note 45)

Note 27.1 : Trade payables to micro and small enterprises

The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 ("the Act") has been determined to the extent such parties have been identified by the group, on the basis of information and records available with the group. Disclosure in respect of amount remaining unpaid and interest due on delayed payment has been determined only in respect of payments made after the receipt of information, with regards to filing of memorandum, from the respective suppliers. Disclosure as required under section 22 of the Act, is as under:

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
(a) the principal amount and interest due thereon remaining unpaid to any supplier as at the end of accounting year;		
- principal	16,807.58	6,994.65
- interest	14.10	6.09
(b) the amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year		
(c) the amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act,2006 not paid)	0.04	10.80
(d) the amount of interest accrued and remaining unpaid at the end of the accounting year	14.14	16.89
(e) the amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowance as a deductible expenditure under section 23 of the Act.	-	-

Notes to the Consolidated Financial Statements

Note 27.2 : Trade payables ageing

(₹ in lakhs)

Particulars	Outstanding as on March 31, 2026 for the following period from the due date of payment					
	Not due	Less than 1 year	1 year to 2 years	2 years to 3 years	More than 3 years	Total
i) MSME	15,363.15	1,428.50	4.55	2.13	9.25	16,807.58
ii) Others	65,652.83	13,318.82	992.53	616.41	1,422.19	82,002.78
iii) Disputed dues - MSME	-	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	69.66	69.66
v) Unbilled	21,111.97					21,111.97
Total	**102,127.95**	**14,747.32**	**997.08**	**618.54**	**1,501.10**	**119,991.99**

Particulars	Outstanding as on March 31, 2025 for the following period from the due date of payment					
	Not due	Less than 1 year	1 year to 2 years	2 years to 3 years	More than 3 years	Total
i) MSME	6,720.51	256.60	4.95	12.59	-	6,994.65
ii) Others	67,575.63	23,671.78	658.10	591.56	1,044.38	93,541.45
iii) Disputed dues - MSME	-	-	-	-	-	-
iv) Disputed dues - Others	-	-	-	-	17.43	17.43
v) Unbilled	24,874.35					24,874.35
Total	**99,170.49**	**23,928.38**	**663.05**	**604.15**	**1,061.81**	**125,427.88**

Note 28 : Current financial liabilities excluding provisions - Others

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Unclaimed dividends	64.20	61.44
Interest accrued but not due on borrowings	35.54	176.91
Security deposit received	1,638.26	1,547.10
Payable to employees	4,579.75	6,028.21
Foreign exchange forwards contracts payable	3,700.96	641.57
Capital creditors	527.46	574.68
Managerial /directors remuneration payable *	1,286.06	1,013.31
Expense payable	7,084.83	4,771.41
Other payables #	667.02	678.38
Total	**19,584.08**	**15,493.01**

* includes balances payable to related parties (refer note 45)

includes stale cheques and other refundable

Notes to the Consolidated Financial Statements

Note 29 : Other current liabilities

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Advance from customers	159,791.45	139,648.01
Unearned revenue	74,486.62	64,777.10
Statutory dues	4,500.39	4,707.58
Deferred Government grants (refer note 25.1)	2.88	2.97
EPCG deferred expense (refer note 39.2)	58.45	58.45
Others *	1,642.66	4,404.39
Total	**240,482.45**	**213,598.50**

* includes provision for site expenses , non trade payables and contractors fees

Note 30 : Short term provisions

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for employee benefits		
-Leave encashment	526.90	431.23
-Gratuity (refer note 36.1)	213.05	430.16
-Pension	259.00	296.12
	998.95	**1,157.51**
Provision for CSR (refer note 39.1)	26.01	111.27
Provision for warranty (refer note 24.1 & 24.2)	12,003.88	17,696.71
Total	**13,028.84**	**18,965.49**

Note 31 : Revenue from operations

(₹ in lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Sale of products	610,363.10	590,441.94
Erection, commissioning and related services	58,413.97	46,672.24
Other operating revenues (refer note 31.1)	10,148.51	5,386.56
Total	**678,925.58**	**642,500.74**

Notes to the Consolidated Financial Statements

Note 31.1 : Other operating revenues

(₹ in lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Premium on sale of sugar export quota	52.45	275.37
Export incentives	2,245.10	997.98
Packing receipts	7.39	12.02
Sale of scrap and waste	2,816.22	3,002.00
Foreign exchange fluctuations	-	464.36
Fair value gain on derivatives	3,442.24	601.92
Claim settlement on order	1,207.76	-
Miscellaneous income	377.35	32.91
Total	**10,148.51**	**5,386.56**

Note 32 : Other income

(₹ in lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
(a) Interest income :		
On bank deposits	570.37	424.35
On other deposits and investments	204.59	229.48
On financial assets measured at amortised cost	13.20	9.70
Total	**788.16**	**663.53**
(b) Dividend income on equity investments	0.27	0.14
(c) Net gain on sale of current investments	381.41	534.99
(d) Other non operating income :		
Profit / (Loss) on sale of property, plant and equipment (net)	49.17	58.79
Insurance claim receipts	128.46	229.23
Gain on investments carried at fair value through profit or loss	14.16	-
Government grant (refer note no 39.2)	1,275.64	463.73
Foreign exchange fluctuations	10,318.50	-
Sale of scrap and waste	6.86	7.16
Liabilities no longer required written back	164.84	1,878.35
Miscellaneous income	174.88	99.20
Total	**13,302.35**	**3,935.12**

Notes to the Consolidated Financial Statements

Note 33 : Cost of materials consumed

(₹ in lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Raw material and components consumed*	198,009.43	194,705.54
Stores consumed	1,476.35	6,545.58
Total	**199,485.78**	**201,251.12**

* Subsidy amounting to ₹ 1119.42 Lakhs from State Government towards cane cost has been reduced from purchases (March 31, 2025: ₹ 486.12 Lakhs) (refer note 39.2).

Note 34 : Cost of projects including boughtouts

(₹ in lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Cost of projects including boughtouts	177,022.42	182,941.35
Provision/(reversal) for foreseeable losses on construction contracts	-	506.99
Total	**177,022.42**	**183,448.34**

Note 35 : Changes in inventories of finished goods & work - in - progress

(₹ in lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Opening stock		
Finished goods	54,282.75	38,859.51
Work-in-progress	42,758.62	51,717.28
Total	**97,041.37**	**90,576.79**
Closing stock		
Finished goods	49,940.42	54,282.75
Work in progress	51,161.21	42,758.62
Total	**101,101.63**	**97,041.37**
Changes in inventory before any adjustments	**(4,060.26)**	**(6,464.58)**
Less: Adjustments (loss of finished goods due to flood)	29.23	-
Changes in inventory	**(4,089.49)**	**(6,464.58)**

Notes to the Consolidated Financial Statements

Note 36 : Employee benefits expense

(₹ in lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Salaries & wages*	60,374.64	52,111.88
Contribution to provident & other funds**	5,161.13	3,887.70
Staff welfare expenses	1,105.92	825.80
Total	**66,641.69**	**56,825.38**

* includes managerial remuneration of ₹ 1,905.6 lakhs (Previous year ₹ 1,546.76 lakhs)

** includes amount of managerial remuneration of ₹ 47.04 lakhs (Previous year ₹ 42.12 lakhs)

Note 36.1 : Additional information as per Ind AS 19, employee benefits

(a) Defined contribution plan:

The Group has recognised, in the statement of profit and loss, expenses for the following Defined Contribution Plans:

(₹ in lakhs)

Particulars	2025-26	2024-25
Employer contribution towards:		
Provident fund	292.78	317.12
Employees state insurance	2.62	3.10
Superannuation fund	27.58	29.75
Labour welfare fund	17.02	14.22
National pension scheme	424.09	193.66
Total	**764.09**	**557.85**

(b) Defined Benefits Plan :

The liability for Employee Gratuity is determined on actuarial valuation using projected unit credit method.

The obligations are as under:-

(₹ in lakhs)

Particulars		Gratuity (Funded)	
		2025-26	2024-25
i.	**Change in Present value of obligation**		
a.	Present value of obligation at the beginning of the year	9,814.37	8,861.95
b.	Interest cost	685.55	640.49
c.	Current service cost	929.41	830.73
d.	Past service cost	1,648.67	-
e.	Benefits paid	(1,013.31)	(882.41)
f.	Actuarial (gain) / loss	(922.66)	363.61
g.	Present value of obligation at the end of the year	11,142.03	9,814.37
ii.	**Change in the fair value of plan assets**		
a.	Fair value of plan assets at the beginning of the year	9,509.69	8,553.09

Notes to the Consolidated Financial Statements

Particulars		Gratuity (Funded)	
		2025-26	2024-25
b.	Actual return on plan assets	674.23	629.15
c.	Contributions	1,993.29	1,209.66
d.	Mortality, admin and FMC charges	(10.32)	(0.20)
e.	Benefits paid	(1,013.32)	(878.26)
f.	Actuarial gain / (loss) on plan assets	35.46	(3.75)
g.	Fair value of plan assets at the end of the year	11,189.03	9,509.69
iii.	**Reconciliation of fair value of assets and obligations**		
a.	Fair value of plan assets at the end of the year	11,189.03	9,509.69
b.	Present value of obligation at the end of the year	11,142.03	9,814.37
c.	Amount recognised in the Balance Sheet	46.99	(304.68)
	- Current liability	213.05	430.16
	- Non current liability	90.60	60.90
	- Current asset	350.64	186.38
iv.	**Expenses recognised in the statement of Profit & Loss**		
a.	Current service cost	929.41	830.73
b.	Interest cost	685.55	520.95
c.	Expected return on plan assets	(674.23)	(509.61)
d.	Actuarial (gain) / loss	-	-
e.	Past service cost	-	-
f.	Expenses recognised in the Profit & Loss	940.73	842.07
v.	**Recognised in other comprehensive income for the year**		
a.	Net cumulative unrecognized actuarial gain/(loss) opening	(823.65)	(456.29)
b.	Actuarial (gain)/loss for the year on present benefit obligation	922.66	(363.61)
c.	Actuarial gain/(loss) for the year on assets	35.46	(3.75)
d.	Unrecognized actuarial gain/(loss) at the end of the year	134.47	(823.65)
vi.	**Actuarial assumptions**		
a.	Discount rate (per annum)	7.70% - 7.90%	6.93% - 7.04%
b.	Rate of escalation in salary (per annum)	6.50%	6.50%

(c) Amounts for the current and previous year in respect of gratuity are as follows:

(₹ in lakhs)

Particulars	Gratuity (Funded)				
	2025-26	2024-25	2023-24	2022-23	2021-22
Defined benefit obligation	11,142.03	9,814.37	8,861.95	8,519.87	8,097.71
Plan assets	11,189.03	9,509.69	8,553.10	8,288.90	7,990.12
Surplus / (Deficit)	46.99	(304.68)	(308.85)	(230.97)	(107.59)

Notes to the Consolidated Financial Statements

(d) Maturity profile of defined benefit obligation

(₹ in lakhs)

Particulars	Gratuity (funded)	
	2025-26	2024-25
a. Within next twelve months	1,603.64	2,244.67
b. Between one to five years	3,269.26	2,496.82
c. Between five to ten years	6,269.11	5,072.88

(e) Sensitivity analysis of the defined benefit obligation

(₹ in lakhs)

Particulars	Gratuity (funded)	
	2025-26	2024-25
(a) Impact of the change in discount rate		
Present value of obligation at the end of the period	11,142.03	9,814.37
(i) Impact due to increase of 0.50%	(428.07)	(374.39)
(ii) Impact due to decrease of 0.50%	461.54	404.13
(b) Impact of the change in salary increase		
Present value of obligation at the end of the period	11,142.03	9,814.39
(i) Impact due to increase of 0.50%	465.01	404.08
(ii) Impact due to decrease of 0.50%	(434.98)	(377.74)

Sensitivities due to mortality & withdrawals are not material & hence impact of change not calculated.

Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

(f) Major category of plan asset (as percentage of total plan asset)

(₹ in lakhs)

Particulars	Gratuity (funded)	
	2025-26	2024-25
Fund managed by insurer	100%	100%

(g) Other long term employee benefits

Long term compensated absences - Leave salary

Principal assumptions for long term compensated absences

(₹ in lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
a) Discount rate	7.32%-7.90%	6.78%-7.04%
b) Future salary increase*	6.50%	6.50%
c) Retirement age (years)**	60-65	60
d) Ages (withdrawal rate %)		
Up to 30 Years	3	3
From 31 to 44 Years	2	2
Above 44 Years	1	1

* The estimates of future salary increase take into account inflation, seniority, promotion and other relevant factors.

Notes to the Consolidated Financial Statements

** In case of employees above retirement age, for the purpose of valuation it is assumed they will retire immediately and benefit is considered up to actual retirement age.

(h) Mortality rate (gratuity and leave salary)

	Age	Mortality rate	Age	Mortality rate	Age	Mortality rate
Mortality rate for specimen ages	15	0.000698	45	0.002579	75	0.038221
	20	0.000924	50	0.004436	80	0.061985
	25	0.000931	55	0.007513	85	0.100979
	30	0.000977	60	0.011162	90	0.163507
	35	0.001202	65	0.015932	95	0.259706
	40	0.001680	70	0.024058	100	0.397733

Defined benefits plan- Provident fund

The Group makes monthly contributions to provident fund managed by trust for qualifying employees. Under the scheme, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. As per Ind AS 19 on "Employee Benefits", employer established provident fund trusts are treated as defined benefit plans, since the Group is obliged to meet interest shortfall, if any, with respect to covered employees.

The Group has recognised, in the statement of profit and loss, expenses of ₹ 2403.75 lakhs for provident fund during the year ended March 31, 2026 (March 31, 2025: ₹ 2120.19 lakhs).

Defined Contribution Plan : Pension

(₹ in lakhs)

Asset/Liability	2025-26	2024-25
Present value of obligation	(653.31)	(747.72)
Fair value of plan assets	-	-
Net assets / (liability) recognized in balance sheet as provision	**(653.31)**	**(747.72)**

(₹ in lakhs)

The Break down in given below	2025-26	2024-25
Interest Guarantee Liability	(51.73)	(69.02)
(Shortfall)/Surplus in fund	(601.58)	(678.70)
Net (Shortfall)/ Surplus	**(653.31)**	**(747.72)**

Principal assumptions are as follows

Particulars	As at March 31, 2026 Rate (%)	As at March 31, 2025 Rate (%)
a) Discount rate	7.78	6.99
b) Expected interest rate on the ledger balance	7.87	7.96
c) Retirement age (years)	60	60
d) Ages (withdrawal rate %)		
Up to 30 Years	N/A	N/A
From 31 to 44 Years	N/A	N/A
Above 44 Years	N/A	N/A

Notes to the Consolidated Financial Statements

Defined benefits plan- Pension plan

One of the subsidiary of Group has an unfunded, non-contributory defined benefit retirement plan, the following table shows reconciliation from the opening balances to the closing balances for the present value of defined benefit obligation and its component:

Actuarial assumptions

Asset/Liability	2025-26	2024-25
Discount rate	6.30%	6.20%
Future salary increases	4.00%	4.00%

Sensitivity analysis of the defined benefit obligation

(₹ in lakhs)

Particulars	Gratuity (funded)	
	2025-26	2024-25
(a) Impact of the change in discount rate		
(i) Impact due to increase of 1%	(134.34)	(94.69)
(ii) Impact due to decrease of 1%	156.66	111.14
(b) Impact of the change in salary increase		
(i) Impact due to increase of 1%	156.82	111.24
(ii) Impact due to decrease of 1%	(134.04)	(94.62)

Maturity profile of defined benefit obligation

(₹ in lakhs)

Asset/Liability	2025-26	2024-25
a. Within next twelve months	-	-
b. Between one to five years	115.87	105.82
c. Between five to ten years	1,400.31	1,140.54

(₹ in lakhs)

Particulars	2025-26	2024-25
Change in Present value of obligation		
a. Present value of obligation at the beginning of the year	102.39	140.78
b. Interest cost	5.88	3.77
c. Current service cost	32.23	40.95
d. Benefits paid	-	-
e. Actuarial (gain) / loss	(0.75)	(83.22)
f. Translation difference	4.89	0.11
g. Present value of obligation at the end of the year	144.64	102.39

New labour code

The Government of India has consolidated 29 existing labour legislations into a unified framework comprising four labour codes. The Codes have been made effective from November 21, 2025. The New Labour Codes have resulted in estimated one time increase in provision for employee benefits of the Group of ₹ 1,648.67 lakhs on the basis of actuarial valuation and consistent with the guidelines provided by the Institute of Chartered Accountants of India and the same has been recognized as an exceptional item, in the current reporting period. Once Central / State Rules are

Notes to the Consolidated Financial Statements

notified by the Government on all aspects of the Codes, the Group will re-evaluate impact, if any, on the measurement of employee benefits and would provide appropriate accounting treatment.

Note 37 : Finance costs

(₹ in lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Interest	7,762.54	5,925.86
Interest on lease liability	221.51	184.03
Other borrowing costs *	526.36	411.78
Total	**8,510.41**	**6,521.67**

* includes lead bank charges, stock and bank audit fees.

Note 38 : Depreciation and amortization expense

(₹ in lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Depreciation of property, plant & equipment	26,362.63	15,970.71
Depreciation/amortisation of right-of-use assets	732.61	745.17
Amortisation of intangible assets	738.80	746.81
Total	**27,834.04**	**17,462.69**

Note 39 : Other expense

(₹ in lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Power & Fuel	5,814.65	5,310.62
Other manufacturing expenses	39,986.98	29,605.58
Rent {refer note 43 (A)}	1,162.86	989.49
Repairs & maintenance		
-Plant and machinery	3,003.17	2,496.86
-Building	1,143.17	1,253.33
-Others	1,107.68	849.82
Insurance	2,656.73	2,491.46
Rates and taxes	489.06	873.11
Commission to selling agents and others	1,341.19	1,116.78
Royalty	1,625.95	1,832.41
Bad debts written off	1.26	-
Electricity and water charges	720.96	861.30
Travelling expense	6,529.33	5,737.30
Packing, forwarding & transportation expenses	17,246.33	9,781.91
Design & technical expenses	3,062.59	3,726.96
Advertising and sales promotion	356.49	79.98
Office and miscellaneous expenses	14,639.55	14,875.38

Notes to the Consolidated Financial Statements

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Legal and professional charges	1,656.38	1,309.89
Bank charges	2,830.25	1,694.34
Provision for warranties (net of reversals)	497.43	126.40
Provision for expected credit loss	91.70	3,614.29
Net loss / (gain) on foreign currency transactions	7,089.06	1,545.98
Loss on sale of property, plant and equipment (net)	-	398.15
Loss on sales/diminution in value of inventories	343.60	314.38
Loss on current investments carried at fair value through profit or loss	-	44.61
Non executive director's remuneration / sitting fee	45.58	40.40
Fair value loss on derivatives	3,442.24	601.92
Donation	3.63	6.65
Payment to auditor		
- Statutory audit fees	67.00	54.75
- Other services (certification work)	4.67	4.54
- For reimbursement of expenses	23.68	13.12
Corporate social responsibility expenses (refer note 39.1)	863.03	674.73
Total	**117,846.20**	**92,326.44**

Note 39.1 : Corporate social responsibility

Disclosure related to corporate social responsibility:

(₹ in lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
i) Amount required to be spent by the group for the year	863.03	674.73
ii) Amount arising out of previous financial year	111.27	124.88
iii) Amount of expenditure incurred		
(a) Construction/acquisition of any asset	-	-
(b) On purposes other than (a) above	948.29	688.34
iv) Shortfall/ (excess)at the end of the year	26.01	111.27
v) Total of previous years shortfall/ (excess)	26.01	111.27

vi) Reason for shortfall - to be spent on ongoing projects

vii) Nature of CSR activities -

a) Promoting education, Healthcare & ensuring environmental sustainability - Providing solar power systems and rain water harvesting systems to schools, providing training and skill development to apprentice

b) Promoting Water and Energy conservation and rural development.

viii) Details of related party transactions :

a) Contribution during the year ending March 31, 2026 - Nil (Previous year Nil)

b) Payable as at March 31, 2026 - Nil (Previous year Nil)

ix) The group has not incurred any liability by entering into a contractual obligation and accordingly has not made any provision for any contractual obligation in this regard.

Note: 39.2 Government grants recognised in the financial statement of Holding Company and Other Subsidiary Companies

(₹ In Lakh)

SL. No.	Particulars	Treatment in Accounts	Grants recognised in profit or loss		Grants recoverable		Deferred Grants (EPCG deferred expense)	
			Year ended 31st March 2026	Year ended 31st March 2025	Year ended 31st March 2026	Year ended 31st March 2025	Year ended 31st March 2026	Year ended 31st March 2025
1	The deferred revenue arose as a result of the benefit received under a scheme from Haryana Government on account of "Moist Heat Air Treatment" (MHAT) plant and other agricultural implements for cane development worth ₹ 44.50 Lakhs received free of cost, whereby such grant is treated as deferred income and is recognised over the useful life of the assets for which such grant is received.	Shown as a other income	2.95	2.97	-	-	-	-
2	Haryana State Government subsidy on cane crushed (to the extent relates to expense recognized during earlier periods)	Shown as a other income	1,272.69	460.75	-	-	-	-
	Total of Government grant shown as other income (refer note 32)		1,275.64	463.72	-	-	-	-
1	Interest subvention @ 7% per annum on soft loans under the scheme of Extending soft loan to sugar mills to facilitate payment of cane dues of the farmers for the season 2018-19	Deducted from finance cost (refer note 37)	-	-	3.53	3.53	-	-
2	Interest subvention @ 6% per annum or 50% of rate of interest charged by banks, which ever is lower on term loans under the scheme for extending financial assistance to sugar mills for enhancement and augmentation of ethanol production	Deducted from finance cost (refer note 37)	69.40	213.20	163.71	280.05	-	-

SL. No.	Particulars	Treatment in Accounts	Grants recognised in profit or loss		Grants recoverable		Deferred Grants (EPCG deferred expense)	
			Year ended 31st March 2026	Year ended 31st March 2025	Year ended 31st March 2026	Year ended 31st March 2025	Year ended 31st March 2026	Year ended 31st March 2025
3	Haryana State Government subsidy on cane crushed (to the extent relates to expense recognized during current year)	Deducted from cane cost (refer note 33)	1,119.42	486.12	331.58	473.67	-	-
	Total of Government grant deducted from respective expenses		1,188.81	699.32	498.82	757.25	-	-
1	Export of notified goods under MEIS claims/Duty drawback/Rodtep scheme	Shown as a income from other operating revenue	2,245.11	997.98	562.38	527.14		
	Total of Government grant shown as income from other operating revenue (refer note 31.1)		2,245.11	997.98	562.38	527.14		
1	EPCG Scheme						58.45	58.45
	Total of Government grant shown as EPCG deffered Expense in other current liabilities (refer note 29)						58.45	58.45
Grand Total of Government grants recognised in the Statement of Profit & Loss & Grants Recoverable			**3,433.92**	**1,697.30**	**1,061.20**	**1,284.39**	**58.45**	**58.45**

Notes to the Consolidated Financial Statements

Note 40 : Tax expense (Ind AS 12)

Income tax expense

(₹ in lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
(i) Current Tax		
Current tax on profit for the year	15,070.52	12,912.01
Tax of earlier years	21.65	1.60
Total Current Tax Expense	**15,092.17**	**12,913.61**
(ii) Deferred Tax		
Decrease/(Increase) in Deferred Tax Assets	(71.33)	(1,237.45)
(Decrease)/Increase in Deferred Tax Liabilities	365.50	512.80
Total Deferred Tax Expenses	**294.18**	**(724.65)**
Total Income Tax Expense	**15,386.35**	**12,188.96**

The major components of income tax expense and the reconciliation of expense based on the domestic effective tax rate of 25.168% and the reported tax expense in Statement of Profit and Loss are as follows:

(₹ in lakhs)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Accounting profit before income tax	30,790.02	32,628.13
Statutory income tax rate of 25.168% (March 31, 2024: 25.168%)	6,122.28	8,304.15
Additional deduction allowed in Income Tax Act for certain expenditure	-	-
Expenditure for which deduction is not allowed under Income Tax Act	769.49	141.66
Tax on other comprehensive income	(241.14)	92.79
Differential tax rate on fair value of investments	-	11.23
Differential tax rate on sale of investments	(3.32)	(2.44)
Tax on exempt income	(545.88)	(686.06)
Change in tax rate for future period considered for deferred tax	-	-
Other deductions	9,284.92	4,327.63
Total	**15,386.35**	**12,188.96**

Note 41 : Earnings per share (IND AS 33)

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Nominal value of equity share (In ₹)	1.00	1.00
Number of weighted equity shares outstanding during the year for the purpose of calculation of earning per share	73,529,510	73,529,510
Net Profit / (loss) for the year attributable to owners of the parent (₹ in lakhs)	10,892.46	18,966.24
Basic earning per share (In ₹)	14.81	25.79
Diluted earning per share (In ₹)	14.81	25.79

Notes to the Consolidated Financial Statements

Note 42 : Contingent liabilities and capital commitments (IND AS 37)

(₹ in lakhs)

Particulars		Year ended March 31, 2026	Year ended March 31, 2025
I	**Contingent Liabilities not provided for:**		
a)	Claims against the Group not acknowledged as debts		
	- Indirect tax matters	8,092.50	5,810.42
	- Direct tax matters	636.53	656.20
	- Others	5,296.33	5,352.63
	(Duty paid under protest for appeal)	(1,231.36)	(923.41)
b)	Bonds executed in favour of President of India against Export Promotion Capital Goods license and Advance Authorisations and others	71,978.71	55,457.21
c)	Bonds/Bank Guarantees executed in favour of Commissioner of Customs against Project Import at Concessional Rate/ Project Authority Certificate	4,811.66	4,119.08
II	**Commitments**		
a)	**Capital commitments**		
	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	8,951.45	6,954.80
b)	**Other commitments**		
	The Group has other commitments, for purchase/ sales orders which are issued after considering requirements as per operating cycle for purchase/ sale of goods, employee benefits including union agreements in normal course of business. The Group does not have any other long term commitments or material non-cancellable contractual commitments, which may have a material impact on the financial statements.		

Note 43 : Leases (IND AS 116)

A. Group as a lessee

The group has taken various residential /commercial premises and plant and machinery under short term leases. In accordance with Indian Accounting Standard (Ind AS-116) on 'Leases' the lease rent charged to statement of Profit & Loss for the year are:

(₹ in lakhs)

Particulars		Year ended March 31, 2026	Year ended March 31, 2025
a)	Residential premises	790.48	910.27
b)	Commercial premises	328.47	68.48
c)	Plant and machinery	43.91	10.74
	Total	**1,162.86**	**989.49**

Notes to the Consolidated Financial Statements

The balance sheet shows the following amounts relating to leases:

(₹ in lakhs)

	As at March 31, 2026	As at March 31, 2025
Right-of-use assets		
Building	2,221.86	1,888.34
Land	2,008.71	2,177.19
Total	**4,230.57**	**4,065.53**

The break-up of current and non-current lease liabilities:

	As at March 31, 2026	As at March 31, 2025
Lease Liabilities		
Current	1,514.70	746.02
Non-current	1,769.48	2,070.21
Total	**3,284.18**	**2,816.23**

The following is the movement in lease liabilities:

(₹ in lakhs)

	Year ended March 31, 2026	Year ended March 31, 2025
Balance at the beginning of the year	**2,816.23**	**2,714.56**
Additions	1,220.77	751.09
Finance cost accrued during the period	221.52	215.82
Remeasurement of Lease	-	(129.45)
Deletions	(181.80)	(29.00)
Payment for leases	845.32	712.90
Translation Difference	52.78	6.11
Balance at the end of the year	**3,284.18**	**2,816.23**

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

(₹ in lakhs)

Particulars		As at March 31, 2026	As at March 31, 2025
(i)	Less than one year	1,093.09	843.21
(ii)	One to five years	1,713.86	1,348.49
(iii)	More than five years	805.94	847.55
	Total	**3,612.89**	**3,039.25**

The Group 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.

Notes to the Consolidated Financial Statements

B. Group as a Lessor

The Group has given on lease factory, land and plant and machinery under operating lease. In accordance with Indian Accounting Standard (Ind AS-116) on 'Leases' disclosure of a maturity analysis of lease receivables, showing the undiscounted lease payments to be received after the reporting date:

(₹ in lakhs)

Particulars		As at March 31, 2026	As at March 31, 2025
a)	Not later than one year	72.56	103.90
b)	Later than one year and not later than five years	59.31	74.43
c)	Later than five years	89.52	105.96
Total		**221.39**	**284.29**

Note 44 : Segment Information (IND AS 108)

Operating Segment

The Board of Directors of the Company has identified the Managing Director as the Chief Operating Decision Maker (CODM) of the Group. The Chief Operating Decision Maker of the Group is monitoring the performance of the Group in the following Segments:-

a) Manufacturing of machinery and equipment

b) Industrial projects

c) Sugar

d) Ethanol

e) Ethanol plant at Philippines

Composition of the Segments consists of:

Manufacturing of machinery & equipment segment comprising manufacture of Process Plant Equipment, Presses, Castings, Boiler Tubes & Panels and Containers.

Industrial projects segment consists of Projects and Turnkey Solutions for Sugar Plants, Distilleries, Power Plants, Boilers, Air Pollution Control Equipment, Buildings and Factories.

Sugar consists of manufacture and sale of sugar and its by-products at Saraswati Sugar Mills Ltd.

Ethanol consists of manufacture and sale of ethanol and its by-products at Saraswati Sugar Mills Ltd.

Ethanol plant at Philippines consists of business of Cavite Biofuels Producers Inc. which has a ethanol plant at Philippines.

The Segments reported are as per Ind AS 108 "Operating Segments". The identification of Operating Segments is consistent with performance assessment by the management of the holding company.

Notes to the Consolidated Financial Statements

In respect of these Segments for the Group, sales and margins do not accrue uniformly during the year.

1 Segment Revenue

(₹ in lakhs)

Particulars	Year ended March 31, 2026			Year ended March 31, 2025		
	External	Inter Segment	Total	External	Inter Segment	Total
Manufacturing of machinery & equipment	231,862.42	44,597.99	276,460.41	223,719.45	26,314.65	250,034.10
Industrial Projects	369,321.37	885.22	370,206.59	346,005.50	2,735.70	348,741.20
Sugar	57,925.79	10,852.74	68,778.53	51,803.16	15,901.07	67,704.23
Ethanol	19,576.48	-	19,576.48	20,699.68	-	20,699.68
Ethanol plant at Philippines	199.47	-	199.47	272.95	-	272.95
Unallocated	40.05	-	40.05		-	-
Elimination	-	(56,335.95)	(56,335.95)	-	(44,951.42)	(44,951.42)
Total Segment Revenue from operations	**678,925.58**	**-**	**678,925.58**	**642,500.74**	**-**	**642,500.74**

2 Segment Result (Profit/(Loss) before interest and tax)

(₹ in lakhs)

	Year ended March 31, 2026	Year ended March 31, 2025
Manufacturing of machinery & equipment	38,238.14	29,220.56
Industrial Projects	17,506.25	16,060.72
Sugar	4,202.62	5,853.45
Ethanol	(193.59)	1,908.24
Ethanol plant at Philippines	(29,488.91)	(12,572.49)
Unallocated	9,798.84	(2,060.18)
Operating Profit Before Interest and Tax	**40,063.35**	**38,410.30**
Less: Interest Expense	(7,984.05)	(6,109.89)
Inter Segment Interest	(7,201.98)	(1,989.63)
Less: Statutory impact of new Labour Codes	(1,648.67)	-
Add: Interest Income	7,561.37	2,317.35
Profit Before Tax	**30,790.02**	**32,628.13**

3 Segment Assets and Liabilities

(₹ in lakhs)

Particulars	Segment Assets		Segment Liabilities	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Manufacturing of machinery & equipment	280,991.68	258,828.15	163,014.11	164,462.05
Industrial Projects	332,383.65	319,747.10	284,392.78	267,140.94
Sugar	44,109.54	61,151.07	14,901.54	31,830.66

Notes to the Consolidated Financial Statements

Particulars	Segment Assets		Segment Liabilities	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Ethanol	**20,067.89**	**27,701.15**	**3,747.91**	**11,901.39**
Ethanol plant at Philippines	91,687.54	99,070.14	10,791.64	32,128.66
Unallocated	61,107.04	42,432.47	64,731.99	22,537.14
Total	**830,347.34**	**808,930.08**	**541,579.97**	**530,000.84**
Less: Inter Segment assets/liabilities	22,633.38	10,736.99	22,633.38	10,736.99
Total Segment Asset/Liability	**807,713.96**	**798,193.09**	**518,946.59**	**519,263.85**

4 Other information

(₹ in lakhs)

Particulars	Capital Expenditure		Depreciation and Amortisation	
	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2026	Year ended March 31, 2025
Manufacturing of machinery & equipment	12,134.31	8,681.98	6,659.27	6,154.10
Industrial Projects	1,174.55	1,004.59	1,261.20	1,231.67
Sugar	304.15	2,802.70	928.33	927.48
Ethanol	26.81	12.95	1,009.99	1,033.54
Ethanol plant at Philippines	6.26	7,995.88	16,972.89	7,198.73
Unallocated	3,161.98	3,525.85	271.58	172.00
Total	**16,808.06**	**24,023.95**	**27,103.26**	**16,717.53**

5 Geographical Information

a) The amount of group's revenue is broken on the basis of location of customer.

(₹ in lakhs)

	Year ended March 31, 2026	Year ended March 31, 2025
Revenue from external customers		
- Within India	519,411.09	553,914.70
- Outside India		
Vietnam	23,497.24	786.97
Kenya	16,640.04	944.72
Indonesia	15,672.69	6,210.09
USA	13,929.02	16,695.90
Australia	203.00	6,595.69
UAE	496.70	5,841.67
Other countries	89,075.80	51,511.00
Total	**678,925.58**	**642,500.74**

Notes to the Consolidated Financial Statements

b) Assets are allocated based on the operation and physical location of the assets

(₹ in lakhs)

	Year ended March 31, 2026	Year ended March 31, 2025
Non-current assets		
- Within India	105,876.31	98,632.56
- Outside India	87,980.33	100,251.52
Total	**193,856.64**	**198,884.08**

c) Number of customers individually accounted for more than 10% of the revenue in the year ended March 31, 2026 - Nil

(Previous year ended March 31, 2025 - Nil)

Note 45 : Related party transactions

In accordance with the Accounting Standard on "Related Party Disclosures" (Ind AS-24), the disclosures in respect of Related Parties and transactions with them, as identified and certified by the Management, are as follows:

I List of Related Party

Description of relationship	Name	Country of Incorporation
Holding company	**None**	
Entities over which key management personnel can exercise significant influence	Yamuna Syndicate Limited	India
	Kamla Puri Charitable Trust	India
	N. A. Cold Storages Private Limited	India
	Kamla Puri Charitable Foundation	India
	Blue Water Enterprises	India
Associate Company	Penwood Project Land Corporation	Philippines
Key management personnel		**Designation**
	Mr. Ranjit Puri	Chairman and non executive director
	Mr. Aditya Puri	Managing Director
	Mr. Kishore Chatnani	Joint Managing Director and Chief Financial Officer #
	Mr. Sanjay Gulati	Joint Managing Director and Head - Manufacturing Units #
	Mr. Sidharth Prasad	Non Executive Independent Director*
	Mr. Vishal Kirti Keshav Marwaha	Non Executive Independent Director**
	Mr. Arvind Sagar	Non Executive Independent Director
	Mrs. Rashi Sikka	Non Executive Independent Director
	Mr. Vivek Dhir	Non Executive Independent Director^
	Mr. Rajiv Roy Chaudhury	Non Executive Independent Director^
	Mr. Sudershan Kumar Khorana	Non Executive Non - Independent Director of wholly owned subsidiary

Notes to the Consolidated Financial Statements

Description of relationship	Name	Country of Incorporation
	Ms. Reva Khanna	Non Executive Non - Independent Director of wholly owned subsidiary
	Mr. Bakshi Ram	Additional Director of wholly owned subsidiary ##
	Mr. Kalyan Ghosh	Compliance Officer @
	Mr. Sachin Saluja	Company Secretary
	# appointed as Joint Managing Director on October 01, 2025	
	* retired on October 31, 2025	
	** retired on September 16, 2025	
	^ appointed as Non Executive Independent Director on July 08, 2025	
	@ appointed as Compliance Officer on July 08, 2025	
	## appointed as Additional Director on August 06, 2025	

Relative of Key Management Personnel	Mrs. Nina Puri	Spouse of Mr. Ranjit Puri and mother of Mr. Aditya Puri
	Mrs. Tanu Priya Puri	Spouse of Mr. Aditya Puri and daughter-in-law of Mr. Ranjit Puri
	Mrs. Tanvi Puri	Daughter of Mr. Aditya Puri and grand daughter of Mr. Ranjit Puri
	Mr. Mitchell Peter Young	Son-in-law of Mr. Aditya Puri
	Ms. Nayna Puri	Daughter of Mr. Aditya Puri and grand daughter of Mr. Ranjit Puri

Trust for post employment benefit

S.no	Name of the entity in the group	Principal place of operation /Country of incorporation	Principal Activities
1	Saraswati Sugar Syndicate Limited Employee Provident Fund Trust	India	Employee provident fund trust
2	Isgec Employees Group Gratuity cum Life Assurance Scheme	India	Employee gratuity trust
3	Uttar Pradesh Steels Employees Group Gratuity cum Life Assurance Scheme	India	Employee gratuity trust
4	The Saraswati Syndicate Employees Group Gratuity cum Life Assurance Scheme	India	Employee gratuity trust
5	The Saraswati Industrial Syndicate Limited Employees Group Gratuity Scheme	India	Employee gratuity trust
6	Saraswati Industrial Syndicate Limited Superannuation Scheme	India	Employee superannuation trust

Notes to the Consolidated Financial Statements

S.no	Name of the entity in the group	Principal place of operation /Country of incorporation	Principal Activities
7	Isgec John Thompson staff Provident Fund	India	Employee provident fund
8	Saraswati Sugar Mill Employees Group Gratuity cum Life Insurance Scheme Trust	India	Employee gratuity trust
9	Isgec Hitachi Zosen Ltd. Group Gratuity cum Life Insurance Scheme Trust	India	Employee gratuity trust

II Related Party Transactions

Particulars		Year ended March 31, 2026	Year ended March 31, 2025
a)	**Purchase of goods**		
	— **Entities over which key management personnel**		
	can exercise significant influence		
	Yamuna Syndicate Limited	304.86	280.27
	— **Key management personnel**		
	Mr. Aditya Puri (Managing Director)	3.55	5.52
	Mr. Ranjit Puri (Chairman)	3.11	4.78
	Total	**311.52**	**290.57**
b)	**Sale of goods**		
	— **Entities over which key management personnel**		
	can exercise significant influence		
	Yamuna Syndicate Limited	0.34	0.26
	Total	**0.34**	**0.26**
c)	**Purchase of fixed Assets**		
	— **Entities over which key management personnel**		
	can exercise significant influence		
	Yamuna Syndicate Limited	-	0.05
	Total	**-**	**0.05**
d)	**Rendering of services**		
	— **Entities over which key management personnel**		
	can exercise significant influence		
	Yamuna Syndicate Limited	2.72	2.66
	Total	**2.72**	**2.66**
	Total	**-**	**-**

Notes to the Consolidated Financial Statements

Particulars		Year ended March 31, 2026	Year ended March 31, 2025
e)	**Rent received**		
	– Entities over which key management personnel		
	can exercise significant influence		
	Yamuna Syndicate Limited	3.00	3.00
	– Key management personnel		
	Mr. Aditya Puri	30.00	30.00
	Total	**33.00**	**33.00**
f)	**Rent Paid**		
	– Entities over which key management personnel		
	can exercise significant influence		
	Blue Water Enterprises	84.69	76.99
	– Relatives of Key management personnel		
	Mrs. Nina Puri	42.26	34.13
	Total	**126.95**	**111.12**
g)	**Dividend Paid**		
	– Entities over which key management personnel can exercise significant influence		
	Yamuna Syndicate Ltd.	1,654.24	1,323.39
	N. A. Cold Storages Private Limited	75.02	60.02
	– Key Management Personnel		
	Mr. Ranjit Puri	329.60	263.68
	Mr. Aditya Puri	228.40	182.72
	Mr. Kishore Chatnani	0.03	0.02
	– Relative of Key Management Personnel		
	Mrs. Nina Puri	7.97	6.37
	Total	**2,295.26**	**1,836.20**
h)	**Key management personnel compensation ^**		
	Mr. Aditya Puri	1,417.00	1,156.00
	Mr. Kishore Chatnani	255.08	211.23
	Mr. Sanjay Gulati	289.15	244.92
	Mr. Kalyan Ghosh	88.31	-
	Mr. Sachin Saluja	50.33	40.54
	Total	**2,099.87**	**1,652.69**
^ The post employment benefits exclude provision for gratuity and leave encashment which can not be separately identified from the composite amount as per the acturial valuation report.			
i)	**Key management personnel remuneration / sitting fees**		

Notes to the Consolidated Financial Statements

Particulars		Year ended March 31, 2026	Year ended March 31, 2025
	Mr. Ranjit Puri	8.60	8.60
	Mr. Sudershan Kumar Khorana	0.80	0.80
	Ms. Reva Khanna	0.80	0.60
	Mr. Sidharth Prasad	4.96	7.20
	Mr. Vishal Kirti Keshav Marwaha	4.66	7.20
	Mrs. Rashi Sikka	7.00	7.70
	Mr. Arvind Sagar	8.50	8.30
	Mr. Vivek Dhir	5.03	-
	Mr. Rajiv Roy Chaudhury	5.03	-
	Mr. Bakshi Ram	0.20	-
–	**Relatives of Key Management Personnel**		
	Mrs. Tanvi Puri	13.27	-
	Ms. Nayna Puri	26.24	20.88
	Total	**85.09**	**61.28**
j)	**Contribution to trust for post employment benefit**		
(a)	The Saraswati Sugar Syndicate Limited Employee Provident Fund Trust	1,873.71	1,636.38
(b)	Isgec Employees Group Gratuity cum Life Assurance Scheme	1,914.39	1,101.16
(c)	Uttar Pradesh Steels Employees Group Gratuity cum Life Assurance Scheme	26.63	27.78
(d)	Saraswati Sugar Mill Employees Group Gratuity cum Life Insurance Scheme Trust	26.34	44.33
(e)	Isgec Hitachi Zosen Ltd. Group Gratuity cum Life Insurance Scheme Trust	82.34	63.69
(f)	Saraswati Industrial Syndicate Limited Superannuation Scheme	29.08	31.25

S.no	Nature of Transaction/Relationship	As at March 31, 2026	As at March 31, 2025
k)	**Trade payable as at year end**		
	– Entities over which key management personnel		
	can exercise significant influence		
	Yamuna Syndicate Limited	42.81	17.20
l)	**Payable to MD/Director/KMP**		
	– **Key management personnel**		

Notes to the Consolidated Financial Statements

Particulars		Year ended March 31, 2026	Year ended March 31, 2025
	Mr. Aditya Puri (Managing Director)	1,275.40	1,016.88
	Mr. Ranjit Puri (Chairman)	2.50	2.56
	Mr. Arvind Sagar	2.25	2.25
	Mr. Sidharth Prasad	1.32	2.25
	Mr. Sanjay Gulati (Joint Managing Director)	8.51	13.12
	Mr. Vishal Kirti Keshav Marwaha	1.04	2.25
	Mrs. Rashi Sikha	2.25	2.25
	Mr. Vivek Dhir	1.65	-
	Mr. Rajiv Roy Chaudhury	1.65	-
	Mr. Kishore Chatnani (Joint Managing Director)	11.41	3.01
	Mr. Sachin Saluja (Company Secretary)	2.50	2.13
	Mr. Kalyan Ghosh (Compliance Officer)	5.14	4.17
	– **Relatives of Key Management Personnel**		
	Mrs. Tanvi Puri	2.38	-
	Ms. Nayna Puri	-	2.05
	Total	**1,360.83**	**1,070.13**
m)	**Other recoverables (including security deposit)**		
	– **Entities over which key management personnel**		
	can exercise significant influence		
	Blue Water Enterprises	19.25	19.25
	Total	19.25	19.25
(n)	**Terms and Conditions**		
	The transactions with the related parties are made on term equivalent to those that prevail in arm's length transactions. The assessment is under taken each financial year through examining the financial position of the related party and in the market in which the related party operates. Outstanding balances are unsecured and the settlement will occur in cash.		

Notes to the Consolidated Financial Statements

Note 46 : Capital management

(a) The Group monitors capital using gearing ratio, which is net debt divided by total capital plus debt.

(₹ in lakhs)

	As at March 31, 2026	As at March 31, 2025
Debt	91,807.17	106,939.81
Less: Cash & cash equivalents	32,422.42	9,312.22
Less: investments in liquid mutual funds	3,879.28	7,461.96
Net debt	55,505.47	90,165.63
Total equity	273,658.65	267,924.42
Total equity and net debt	329,164.12	358,090.05
Net debt to equity plus debt ratio (Gearing Ratio)	**16.86%**	**25.18%**

Notes-

(i) Debt is defined as long-term and short-term borrowings including current maturities (excluding derivatives) as described in notes 22 and 26.

(ii) Total equity (as shown in balance sheet) includes issued capital and all other equity reserves.

(b) Loan Covenants

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to call loans and borrowings or charge some penal interest. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year and the previous years.

No changes were made in the objectives, policies or processes for managing capital during the current year and previous year.

(c) Dividends in the books of Isgec Heavy Engineering Limited

(₹ in lakhs)

Particulars	Recognized in the year ended	
	Year ended March 31, 2026	Year ended March 31, 2025
(i) Dividends Recognized		
Dividend for the year ended March 31, 2025 ₹ 5/- per equity share of ₹ 1/- each	3,676.48	2,941.18
(for the year ended March 31, 2024 ₹ 4/ per equity share of ₹ 1/- each)		
Interim dividend during the year ended March 31, 2026 ₹ NIL/- per equity share of ₹ 1/- each	-	-
(during the year ended March 31, 2025 ₹ NIL/- per equity share of ₹ 1/- each)		
(ii) Dividend proposed but not recognised in the books of accounts*		
The Board of Directors have recommended the payment of a final dividend of ₹ 6/- per equity share of ₹ 1/- each	4,411.77	3,676.48
(March 31, 2025 ₹ 5/- per equity share of ₹ 1/- each)		

* The proposed dividend is subject to approval of shareholders in the ensuing general meeting.

Notes to the Consolidated Financial Statements

Note 47 : Fair Value Measurement (IND AS 113)

Financial instruments by category

Particulars	As at March 31, 2026			As at March 31, 2025		
	Amortised Cost	FVTPL *	FVTOCI #	Amortised Cost	FVTPL *	FVTOCI #
Financial Asset						
Investments						
-Investments in mutual funds	-	3,879.28	-	-	7,461.96	-
-Other investments	-	2,736.07	-	-	2,749.61	-
Trade receivables-current	275,129.63	-	-	283,322.86	-	-
Loans	1,158.43	-	-	1,501.67	-	-
Cash and cash equivalents	32,422.42	-	-	9,312.22	-	-
Bank balances	7,293.64	-	-	5,468.61	-	-
Foreign currency forward contracts	-	3,700.96	-	-	641.57	-
Other financial assets	3,292.03	-	-	4,378.41	-	-
Total Financial Assets	**319,296.15**	**10,316.31**	**-**	**303,983.77**	**10,853.14**	**-**
Financial Liabilities						
Borrowings	91,807.17	-	-	106,939.81	-	-
Trade payables	119,991.99	-	-	125,427.88	-	-
Foreign currency forward contracts	-	3,700.96	-	-	641.57	-
Lease liability	3,284.18			2,816.23		
Other Financial Liabilities	16,063.09	-	-	19,568.96	-	-
Total Financial Liabilities	231,146.43	3,700.96	-	254,752.88	641.57	-

*FVTPL - Fair value through profit or loss

FVTOCI - Fair value through other comprehensive income

(i) Fair value hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in financial statements. To provide an indication about the reliability of inputs used in determining fair values, the group has classified its financial instruments into three levels prescribed under the accounting standards.

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following table provides the fair value measurement hierarchy of Group's asset and liabilities, grouped into Level 1 to Level 3 as described below:

Level 1: Quoted prices (unadjusted) in the active markets for identical assets or liabilities

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

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

Notes to the Consolidated Financial Statements

Particulars	Fair Value Measurement using			
	Carrying ValueMarch 31, 2026	Quoted price in Active Market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
(A) Financial assets and liabilities at fair value through profit or loss				
Financial Assets				
Investments				
-Investments in mutual funds	3,879.28	3,879.28	-	-
-Other investments	2,736.07	-	2,736.07	-
Foreign currency forward contracts	3,700.96	-	3,700.96	-
Total	**10,316.31**	**3,879.28**	**6,437.03**	**-**
Financial Liabilities				
Foreign currency forward contracts	3,700.96	-	3,700.96	-
Total	**3,700.96**	**-**	**3,700.96**	**-**
(B)Financial Assets and Liabilities measured at amortised cost for which fair values are disclosed at March 31, 2026				
Financial Assets				
Loan to employees	1,100.62	-	-	1,100.62
Security deposit	1,625.96	-	-	1,625.96
Total	**2,726.58**	**-**	**-**	**2,726.58**
Financial Liabilities				
Borrowings	91,807.17	-	-	91,807.17
Lease liability	3,284.18	-	-	3,284.18
Other financial liabilities	16,063.09	-	-	16,063.09
Total	**111,154.44**	**-**	**-**	**111,154.44**

Particulars	Fair Value Measurement using			
	Carrying ValueMarch 31, 2025	Quoted price in Active Market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
(A) Financial assets and liabilities at fair value through profit or loss				
Financial Assets				
Investments				
-Investments in mutual funds	7,461.96	7,461.96	-	-
-Other investments	2,749.61	-	2,749.61	-

Notes to the Consolidated Financial Statements

Particulars	Fair Value Measurement using			
	Carrying ValueMarch 31, 2025	Quoted price in Active Market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Foreign currency forward contracts	641.57	-	641.57	-
Total	**10,853.14**	**7,461.96**	**3,391.18**	**-**
Financial Liabilities				
Forward contracts	641.57	-	641.57	-
Total	**641.57**	**-**	**641.57**	**-**
(B)Financial Assets and Liabilities measured at amortised cost for which fair values are disclosed at March 31, 2025				
Financial Assets				
Loan to employees	1,482.36	-	-	1,482.36
Security deposit	2,277.78	-	-	2,277.78
Total	**3,760.14**	**-**	**-**	**3,760.14**
Financial Liabilities				
Borrowings	106,939.81	-	-	106,939.81
Lease liability	2,816.23			2,816.23
Other financial liabilities	19,568.96	-	-	19,568.96
Total	**129,325.00**	**-**	**-**	**129,325.00**

(ii) Valuation techniques used to determine fair value

The Group maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount 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.

Specific valuation technique used to value financial instrument includes:

> the use of quoted market prices or dealer quotes for similar financial instruments.

> the fair value of financial assets and liabilities at amortised cost is determined using discounted cash flow analysis

The following method and assumptions are used to estimate fair values:

The carrying amounts of trade receivables, trade payables, capital creditors, cash and cash equivalents, short term deposits etc. are considered to be their fair value , due to their short term nature

Long-term fixed-rate and variable-rate receivables / borrowings are evaluated by the Group based on parameters such as interest rates, specific country risk factors, credit risk and other risk characteristics. For borrowings fair value is determined by using the effective interest rate method. Risk of non-performance for the group is considered to be insignificant in valuation.

Notes to the Consolidated Financial Statements

Financial assets and liabilities measured at fair value and the carrying amount is the fair value.

Note 48 : FINANCIAL RISK MANAGEMENT

The Group's principal financial liabilities, other than derivatives, comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to manage finances for the Group's operations. The Group's principal financial assets include investments in marketable securities and unlisted companies, loans , trade and other receivables and cash and short-term deposits that arise directly from its operations.

The Companies in the Group activities are exposed to Market risk, Credit risk and Liquidity risk.

I. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits, investments, and derivative financial instruments.

The sensitivity analysis in the following sections relate to the position as at March 31, 2026 and March 31, 2025.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the Group's position with regard to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of the fixed rate and floating rate financial instruments in its total portfolio .

(i) The exposure of group borrowings to interest rate changes at the end of reporting period are as follows:

(₹ in lakhs)

	As at March 31, 2026	As at March 31, 2025
Variable rate borrowings	12,026.42	73,933.55
Fixed rate borrowings	79,780.75	33,006.26
Total	**91,807.17**	**106,939.81**

Interest on discounting of bills by suppliers, current year ₹ 1,259.87 Lacs (Previous year ₹ 1,919.91 Lacs) is not chargeable to the Group.

(ii) As at the end of reporting period, the Group had the following variable rate borrowings outstanding:

Particulars	As at March 31, 2026			As at March 31, 2025		
	Weighted average interest rate (%)	Balance	% of total borrowings	Weighted average interest rate (%)	Balance	% of total borrowings
Variable rate borrowings	8.10%	12,026.42	13.10%	8.57%	73,933.55	69.14%
Net exposure to cash flow interest rate risk		**12,026.42**			**73,933.55**	

Notes to the Consolidated Financial Statements

(iii) Sensitivity

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

	Increase/ Decrease in Basis Points		Impact on Profit before Tax	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
INR	+50	+50	(60.13)	(369.67)
	- 50	- 50	60.13	369.67

(b) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group operates internationally and the Group has obtained foreign currency loans and has foreign currency trade payables and receivables and is therefore, exposed to foreign exchange risk.

The Group hedges its exposure to fluctuations by using foreign currency forwards contracts on the basis of risk perception of the management.

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

Foreign currency exposure as at March 31, 2026	USD	Euro	JPY	Others	Total
Trade receivables	46,002.45	6,414.14	-	3,754.26	56,170.85
External commercial borrowing	63,539.45	-	-	-	63,539.45
Bank balances in current accounts and term deposits accounts	21.55	-	-	3,043.03	3,064.58
Trade payables	2,226.12	684.76	22.83	4,226.79	7,160.50
Hedged portion	103,042.65	6,749.69	17.54	244.72	110,054.60
Net exposure to foreign currency risk (unhedged)	8,746.92	349.21	5.29	10,779.36	19,880.78

Foreign currency exposure as at March 31, 2025	USD	Euro	JPY	Others	Total
Trade receivables	28,077.32	1,689.94	-	1,564.66	31,331.92
External commercial borrowing	14,841.00	-	-	-	14,841.00
Bank balances in current accounts and term deposits accounts	122.53	-	-	702.30	824.83
Trade payables	3,209.40	940.06	-	1,252.74	5,402.20
Hedged portion	34,647.67	2,424.00	-	123.60	37,195.27
Net exposure to foreign currency risk (unhedged)	11,602.58	206.00	-	3,391.80	15,200.38

Notes to the Consolidated Financial Statements

Foreign currency sensitivity

1% increase or decrease in foreign exchange rates will have the following impact on profit before tax and other comprehensive income:

Particulars	As at March 31, 2026		As at March 31, 2025	
	1% increase	1% decrease	1% increase	1% decrease
USD	87.47	-87.47	116.03	-116.03
Euro	3.49	-3.49	2.06	-2.06
JPY	0.05	-0.05	-	-
Others	107.79	-107.79	33.92	-33.92

The assumed movement in exchange rate sensitivity analysis is based on the currently observable market environment.

(c) Price Risk

The Group's exposure to price risk arises from the investment held by the Group . To manage its price risk arising from investments in marketable securities, the Group diversifies its portfolio and is done in accordance with the Group policy. The Group's major investments are actively traded in markets and are held for short period of time. Therefore no sensitivity is provided for the same.

ii. Credit risk

Credit risk arises from the possibility that the counterparty will default on its contractual obligations resulting in financial loss to the Group. To manage this, the Group periodically assesses the financial reliability of customers, taking into account the financial conditions, current economic trends, and analysis of historical bad debts and ageing of accounts receivable.

The Group considers the probability of default upon initial recognition of assets and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is significant increase in credit risk, it considers reasonable and supportive forward looking information such as:

(i) Actual or expected significant adverse changes in business.

(ii) Actual or expected significant changes in the operating results of the counterparty.

(iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligation

(iv) Significant increase in credit risk and other financial instruments of the same counterparty

(v) Significant changes in the value of collateral supporting the obligation or in the quality of third party guarantees or credit enhancements

The group's major exposure is from trade receivables, which are unsecured and contractually due from external customers. Credit risk on cash and cash equivalents is limited as we generally invest in deposits with banks and financial institutions with high credit ratings assigned by international and domestic credit rating agencies. Investments primarily include investment in liquid mutual fund units, quoted securities and certificates of deposit which are funds deposited at a bank for a specified time period. Other loans are mainly provided to employees which have very minimal risk because of the nature of such loans.

Expected credit loss for trade receivable on simplified approach :

The ageing analysis of the trade receivables (gross of provision) has been considered from the date the invoice falls due:

Notes to the Consolidated Financial Statements

(₹ in lakhs)

Ageing	Not Due	Less than 6 months	6-12 months	More than 12 months	Total
As at March 31, 2024					
Gross Carrying Amount	155,235.05	121,323.65	12,300.43	13,805.09	302,664.22
Expected Credit Loss	24.21	254.82	603.04	2,012.83	2,894.90
Carrying Amount (net of impairment)	155,210.84	121,068.83	11,697.39	11,792.26	299,769.32
As at March 31, 2025					
Gross Carrying Amount	198,705.69	69,738.84	6,826.82	14,654.13	289,925.48
Expected Credit Loss	3,665.39	229.75	225.28	2,482.20	6,602.62
Carrying Amount (net of impairment)	195,040.30	69,509.09	6,601.54	12,171.93	283,322.86
As at March 31, 2026					
Gross Carrying Amount	163,812.18	62,390.04	36,007.77	19,626.44	281,836.43
Expected Credit Loss	4,927.00	264.04	136.85	1,378.91	6,706.80
Carrying Amount (net of impairment)	158,885.18	62,126.00	35,870.92	18,247.53	275,129.63

The Group uses a provision matrix to determine impairment loss on portfolio of its financial and non-financial assets. The provision matrix is based on its historically observed default data over the expected life of the financial and non-financial assets and is adjusted for forward- looking estimates. At every reporting date, the historical observed default rates are updated and changes in forward-looking estimates are analysed by an independent registered valuer and are provided for.

The following table summarises the change in the loss allowances measured using expected credit loss model (ECL):

(₹ in lakhs)

Particulars	ECL for Trade Receivables	ECL for advance to suppliers*	ECL for unbilled revenue*	Total
As at March 31, 2024	**2,894.89**	**335.00**	**90.02**	**3,319.91**
Provided during the year	3,707.73	-	241.57	3,949.30
Amounts written off	-	-	-	-
Reversal of provisions	-	(335.00)	-	(335.00)
As at March 31, 2025	**6,602.62**	**-**	**331.59**	**6,934.21**
Provided during the year	68.35	-	23.35	91.70
Provided during the year for credit impaired	35.83	-	-	35.83
Amounts written off	-	-	-	-
Reversal of provisions			-	-
As at March 31, 2026	**6,706.80**	**-**	**354.94**	**7,061.74**

*refer note 19

III. Liquidity Risk

Liquidity risk is defined as the risk that Group will not be able to settle or meet its obligation on time or at a reasonable price. The Group's objective is to at all times maintain optimum levels of liquidity to meet its cash and collateral

Notes to the Consolidated Financial Statements

requirements. The Group's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risk are overseen by senior management. Management of the holding company monitors the Group's net liquidity position through rolling, forecast on the basis of expected cash flows.

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments:

(₹ in lakhs)

As at March 31, 2026	Carrying Amount	On Demand	Less than 12 months	More than 12 months	Total
Borrowings	**91,807.17**	**17,516.35**	**22,548.52**	**51,742.30**	**91,807.17**
Trade payables	119,991.99	-	119,991.99	-	119,991.99
Lease liability	3,284.18	-	1,514.70	1,769.48	3,284.18
Other Financial Liabilities	19,764.05	-	19,584.08	179.97	19,764.05
Total	**234,847.39**	**17,516.35**	**163,639.29**	**53,691.75**	**234,847.39**

As at March 31, 2025	Carrying Amount	On Demand	Less than 12 months	More than 12 months	Total
Borrowings	**106,939.81**	**43,279.15**	**23,451.58**	**40,209.08**	**106,939.81**
Trade payables	125,427.88	-	125,427.88	-	125,427.88
Lease liability	2,816.23	-	746.02	2,070.21	2,816.23
Other Financial Liabilities	20,210.53	-	15,493.01	4,717.52	20,210.53
Total	**255,394.45**	**43,279.15**	**165,118.49**	**46,996.81**	**255,394.45**

Financing arrangements

The Group had access to the following undrawn borrowing facilities at the end of reporting period:

(₹ in lakhs)

	As at March 31, 2026	As at March 31, 2025
Bank overdraft and other facilities	131,472.46	94,500.89

Notes to the Consolidated Financial Statements

Note 49 : Additional information pursuant to General Instructions for the preparation of Consolidated Financial statements as per Schedule III of the Companies Act, 2013

A. For the year ended March 31, 2026

(₹ in lakhs)

Name of the Entity	Net assets (Total assets minus Total liabilities)		Share in profit or loss		Share in Other comprehensive income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated Other comprehensive income	Amount	As % of consolidated Total Comprehensive Income	Amount
1	2	3	4	5	6	7	8	9
Parent								
Isgec Heavy Engineering Limited	99.89%	273,363.78	318.34%	34,675.23	-45.80%	678.58	375.68%	35,353.81
Subsidiaries								
Indian								
Isgec Covema Limited	0.08%	232.27	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Isgec Exports Limited	0.03%	68.60	0.06%	6.70	0.00%	-	0.07%	6.70
Isgec Engineering & Projects Limited	0.16%	431.14	0.05%	5.80	0.00%	-	0.06%	5.80
Saraswati Sugar Mills Limited	15.59%	42,665.88	17.08%	1,860.19	1.37%	(20.27)	19.55%	1,839.92
Freelook Software Private Limited	0.35%	955.23	0.43%	46.33	0.00%	-	0.49%	46.33
Isgec Hitachi Zosen Limited	9.52%	26,065.73	70.27%	7,654.01	-3.25%	48.23	81.85%	7,702.24
Isgec SFW Boilers Private Limited	0.39%	1,066.76	3.23%	351.68	-0.33%	4.95	3.79%	356.63
Isgec Redecam Enviro Solutions Private Limited	0.26%	720.40	2.02%	219.72	0.00%	-	2.33%	219.72
Isgec Titan Metal Fabricators Private Limited	1.09%	2,981.20	9.01%	981.15	-0.37%	5.48	10.48%	986.63
Foreign								
Eagle Press & Equipment Co. Limited	-0.96%	(2,634.98)	3.59%	391.47	23.82%	(352.97)	0.41%	38.50
Isgec Investment PTE Limited	-1.16%	(3,176.04)	-22.24%	(2,422.78)	122.68%	(1,817.75)	-45.06%	(4,240.53)
Bioeq Energy Holdings One	25.28%	69,180.67	-0.09%	(10.21)	0.00%	-	-0.11%	(10.21)
Bioeq Energy Pte Ltd.	24.71%	67,631.69	0.26%	28.64	0.00%	-	0.30%	28.64
Bioeq Energy B.V.	24.64%	67,435.28	-0.24%	(26.30)	0.00%	-	-0.28%	(26.30)
Bioeq Energy Holding Corp.	11.93%	32,657.08	-8.02%	(873.69)	-0.07%	1.08	-9.27%	(872.61)
Cavite Biofuels Producers Inc.	-12.80%	(35,019.66)	-304.49%	(33,166.86)	0.02%	(0.25)	-352.44%	(33,167.10)
Bukid Verde Inc.	-3.93%	(10,747.43)	-5.44%	(592.33)	0.01%	(0.09)	-6.30%	(592.42)
Non controlling interest in all subsidiaries	-5.52%	(15,108.72)	-41.42%	(4,511.21)	1.94%	(28.75)	-48.24%	(4,539.96)
Associate								
Foreign								
Penwood Project Land Corporation (PPLC)	0.74%	2,019.28	0.07%	7.85	0.00%	-	0.08%	7.85
Consolidation adjustments	-90.31%	(247,129.51)	57.54%	6,267.08	0.00%	-	66.60%	6,267.08
Total	**100%**	**273,658.65**	**100%**	**10,892.46**	**100%**	**(1,481.76)**	**100%**	**9,410.70**

Note - "Isgec Eswatini (Proprietary) Limited" subsidiary incorporated on December 09, 2025. Shares of this subsidairy are not subscribed and operations have not being started till the end of the financial year.

Notes to the Consolidated Financial Statements

B. For the year ended March 31, 2025

(₹ in lakhs)

Name of the Entity	Net assets (Total assets minus Total liabilities)		Share in profit or loss		Share in Other comprehensive income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated Other comprehensive income	Amount	As % of consolidated Total Comprehensive Income	Amount
1	2	3	4	5	6	7	8	9
Parent								
Isgec Heavy Engineering Limited	90.21%	241,686.45	154.88%	29,374.43	58.06%	(207.21)	156.73%	29,167.22
Subsidiaries								
Indian								
Isgec Covema Limited	0.16%	432.29	0.00%	0.22	0.00%	-	0.00%	0.22
Isgec Exports Limited	0.06%	154.39	0.04%	7.42	0.00%	-	0.04%	7.42
Isgec Engineering & Projects Limited	0.16%	425.33	0.03%	5.85	0.00%	-	0.03%	5.85
Saraswati Sugar Mills Limited	15.77%	42,245.94	24.47%	4,641.79	4.12%	(14.70)	24.86%	4,627.09
Freelook Software Private Limited	0.34%	908.90	0.23%	44.12	0.00%	-	0.24%	44.12
Isgec Hitachi Zosen Limited	7.10%	19,033.49	14.08%	2,671.02	12.08%	(43.10)	14.12%	2,627.92
Isgec SFW Boilers Private Limited	0.31%	830.13	0.94%	177.55	2.99%	(10.67)	0.90%	166.88
Isgec Redecam Enviro Solutions Private Limited	0.22%	600.69	2.04%	386.04	0.00%	-	2.07%	386.04
Isgec Titan Metal Fabricators Private Limited	0.74%	1,994.57	-1.21%	(228.63)	0.06%	(0.20)	-1.23%	(228.83)
Foreign								
Eagle Press & Equipment Co. Limited	-1.00%	(2,673.48)	3.00%	569.93	-27.92%	99.65	3.60%	669.58
Isgec Investment PTE Limited	-0.19%	(502.33)	-1.35%	(256.76)	81.35%	(290.36)	-2.94%	(547.12)
Bioeq Energy Holdings One	23.00%	61,632.95	-0.03%	(6.40)	0.00%	-	-0.03%	(6.40)
Bioeq Energy Pte Ltd.	3.31%	8,864.49	47.00%	8,914.60	0.00%	-	47.90%	8,914.60
Bioeq Energy B.V.	22.43%	60,093.58	-0.10%	(19.18)	0.00%	-	-0.10%	(19.18)
Bioeq Energy Holding Corp.	12.01%	32,182.44	-52.04%	(9,870.14)	-24.84%	88.65	-52.56%	(9,781.49)
Cavite Biofuels Producers Inc.	-0.44%	(1,169.57)	-78.20%	(14,831.98)	1.67%	(5.95)	-79.73%	(14,837.93)
Bukid Verde Inc.	-3.61%	(9,680.42)	-3.94%	(746.75)	-0.15%	0.53	-4.01%	(746.22)
Non controlling interest in all subsidiaries	-4.11%	(11,004.86)	-7.77%	(1,472.93)	-7.41%	26.44	-7.77%	(1,446.49)
Associate								
Foreign								
Penwood Project Land Corporation (PPLC)	0.71%	1,907.96	0.04%	6.71	0.00%	-	0.04%	6.71
Consolidation adjustments	-67.20%	(180,038.52)	-2.11%	(400.66)	0.00%	-	-2.15%	(400.66)
Total	**100%**	**267,924.42**	**100%**	**18,966.24**	**100%**	**(356.92)**	**100%**	**18,609.33**

Notes to the Consolidated Financial Statements

Note 50 : Disclosure under Ind AS 115 " Revenue from contracts with customers "

a. Disaggregated revenue information

(₹ in lakhs)

	Year ended March 31, 2026	Year ended March 31, 2025
Type of services or goods		
Revenue from Manufacturing of Machinery & Equipment	231,862.42	223,719.45
Revenue from Industrial Projects	369,321.37	346,005.50
Revenue from Sugar	57,925.79	51,803.16
Revenue from Ethanol	19,576.48	20,699.68
Revenue from Ethanol Plant at Philippines	199.47	272.95
Others	40.05	-
Total revenue from sale of services or goods	**678,925.58**	**642,500.74**
Revenue from contracts with customers		
Revenue from customers based in India	519,411.09	553,914.70
Revenue from customers based outside India	159,514.49	88,586.04
Total revenue from contracts with customers	**678,925.58**	**642,500.74**
Timing of revenue recognition		
Goods and services transferred over time	413,752.34	400,940.37
Goods and services transferred at a point in time	265,173.24	241,560.37
	678,925.58	**642,500.74**

b. Trade receivables and Contract Customers

(₹ in lakhs)

	As at March 31, 2026	As at March 31, 2025
Trade receivables	281,836.43	289,925.48
Contract Assets	67,916.68	90,322.66
Contract Liabilities	252,382.94	224,474.99

Trade receivables are non-interest bearing and are generally on terms of 0 - 60 days. ₹ 6,706.80 lakhs (Previous Year ₹ 6,602.62 lakhs)was recognised as provision for expected credit losses on trade receivables.

Trade receivables and unbilled revenue are presented net of impairment in the Balance sheet.

The Group classifies the right to consideration in exchange for deliverables as either a receivable or as contract asset.

A receivables is right to consideration that is unconditional upon passage of time.

Revenue for ongoing services at the reporting date yet to be invoiced is recorded as unbilled revenue (contact asset).

Advance from customers and unearned revenue are termed as contract liabilities.

Notes to the Consolidated Financial Statements

c. Set out below is the amount of revenue recognised from:

(₹ in lakhs)

	Year ended March 31, 2026	Year ended March 31, 2025
Amounts included in contract liabilities at the beginning of the year	224,474.99	240,348.12
Amount increased against contract liability during the year	358,728.83	291,503.25
Performance obligations satisfied during the year	330,820.88	307,376.38
Amounts included in contract liabilities at the end of the year	252,382.94	224,474.99

d. Performance obligation and remaining performance obligation:

(₹ in lakhs)

	Year ended March 31, 2026	Year ended March 31, 2025
Disclosure of the entity's remaining performance obligations:		
(a) the aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as of the end of the reporting period; and	585,798.94	655,191.33
(b) When the entity expects to recognise as revenue		
Within one year	82.00%	67.57%
Within two years	17.00%	26.89%
Within five years	1.00%	5.97%
Thereafter	0.00%	0.00%

Note 51 : Interest in other entities

A Summarised financial information of subsidiaries having material non-controlling interests is as follows:-

(₹ in lakhs)

Particulars	Isgec Hitachi Zosen Limited		Isgec Titan Metal Fabricators Limited		Isgec Redecam Enviro Solutions Private Limited		Isgec SFW Boilers Private Limited	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Country of Incorporation		India		India		India		India
Assets								
Non-Current Assets	12,557.96	13,885.80	1,482.87	1,729.07	-	-	433.88	210.68
Current Assets	75,654.54	89,667.86	10,146.41	6,369.35	4,951.87	4,930.18	1,133.27	945.35
Total	**88,212.50**	**103,553.66**	**11,629.28**	**8,098.42**	**4,951.87**	**4,930.18**	**1,567.15**	**1,156.03**
Liabilities								
Non-Current Liabilities	12,354.31	13,828.86	589.49	822.24	46.36	18.17	260.93	141.79
Current Liabilities	49,792.45	70,691.30	8,058.59	5,281.61	4,185.11	4,311.33	239.46	184.11
Total	**62,146.76**	**84,520.16**	**8,648.08**	**6,103.85**	**4,231.47**	**4,329.50**	**500.39**	**325.90**
Equity	**26,065.74**	**19,033.50**	**2,981.20**	**1,994.57**	**720.40**	**600.68**	**1,066.76**	**830.13**
Percentage of ownership held by non-controlling interest	49.00%	49.00%	49.00%	49.00%	49.00%	49.00%	49.00%	49.00%
Accumulated non controlling interest	12,772.21	9,326.42	1,460.79	977.34	353.00	294.33	522.71	406.76
Dividend paid to non controlling interest	328.30	186.20	-	-	49.00	-	58.80	98.00
Revenue	67,174.07	61,491.04	10,237.75	3,583.09	2,811.70	5,731.12	1,832.69	1,231.31
Net Profit/ (loss)	7,654.01	2,671.03	981.15	(228.63)	219.72	386.04	351.68	177.55
Other Comprehensive Income	48.23	(43.09)	5.48	(0.20)	-	-	4.95	(10.67)
Total Comprehensive Income	7,702.24	2,627.94	986.63	(228.83)	219.72	386.04	356.63	166.88
Profit/(loss) allocated to Non controlling Interests	3,774.10	1,287.69	483.45	(112.13)	107.66	189.16	174.75	81.77
Net cash inflow/(outflow) from operating activities	25,031.27	(20,585.22)	(206.33)	(3,927.06)	392.33	1,367.64	306.26	122.03
Net cash inflow/(outflow) from investing activities	(746.28)	(476.85)	(83.16)	(168.87)	(1,024.20)	(959.98)	3.25	58.20
Net cash inflow/(outflow) from financing activities	(17,922.03)	16,011.25	324.33	3,707.77	(100.89)	(1.25)	(195.71)	(250.18)
Net cash inflow/(outflow)	6,362.96	(5,050.82)	34.84	(388.16)	(732.76)	406.41	113.80	(69.95)

Notes to the Consolidated Financial Statements

B Summarised financial information of associate is as follows:-

(₹ in lakhs)

Particulars	Penwood Project Land Corp.	
	As at March 31, 2026	As at March 31, 2025
Country of Incorporation	**Philippines**	
Summarised balance sheet		
Assets		
Non-Current Assets	1,788.87	1,706.50
Current Assets	707.80	616.13
Total	**2,496.67**	**2,322.64**
Liabilities		
Non-Current Liabilities	35.30	30.69
Current Liabilities	442.09	383.99
Total	**477.39**	**414.68**
Net assets	2,019.28	1,907.96
Group share	40.00%	40.00%
Reconciliation of carrying amounts		
Opening net assets	1,069.52	1,056.95
Acquisition during the year	-	-
Profit for the year	7.85	6.71
Exchange gain/(loss)	51.35	5.86
Carrying amount	**1,128.72**	**1,069.52**

Note 52 :Other Statutory Information

(i) The Group does not have any transactions with companies struck off.

(ii) The Group neither have any Benami property nor any proceeding has been initiated or pending against the Group for holding any Benami property.

(iii) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

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

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

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

(v) The 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:

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

Notes to the Consolidated Financial Statements

b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(vi) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(vii) The Group has no investment property and accordingly its fair valuation is not required at year end.

(viii) No revaluation of Property, Plant & Equipment (Including ROU) & Intangible assets has been carried out during the year.

(ix) The Group has not granted loans or advances in the nature of loans to promoters, directors, KMPs and the related parties, either severally or jointly with any other person, that are :

a. repayable on demand; or

b. without specifying any terms or period of repayment.

(x) The Group has not defaulted on loan from any bank or financial Institution or other lender.

(xi) Compliance with approved Scheme(s) on the basis of security of current assets - Not Applicable

(xii) The Group has borrowings from banks, secured by hypothecation of inventories and by a charge on book debts and other assets of the Group, and quarterly returns or statements of current assets filed by the Group with banks are in agreement with the books of accounts without any material discrepancies.

(xiii) The Group is not declared wilful defaulter by any bank or financial institution or other lender.

(xiv) The Group has complied with number of layers prescribed under clause (87) of Section 2 of the Act read with Companies (restriction on number of layers) Rules, 2017.

(xv) The Group has used the borrowings from bank for specific purpose for which it was taken at the balance sheet date.

Note 52.1 : Capital Work in Progress (CWIP) ageing schedule

(₹ in lakhs)

Particulars	Amount in capital work in progress for a period of (as at March 31, 2026)				
	Less than 1 year	1 year to 2 years	2 years to 3 years	More than 3 years	Total
i) Projects in progress	8,637.36	1,441.76	3,647.94	-	13,727.06
ii) Projects temporarily suspended	-	-	-	-	-
Total					**13,727.06**

Particulars	Amount in capital work in progress for a period of (as at March 31, 2025)				
	Less than 1 year	1 year to 2 years	2 years to 3 years	More than 3 years	Total
i) Projects in progress	4,246.59	1,706.53	639.45	-	6,592.57
ii) Projects temporarily suspended	-	-	-	-	-
Total					**6,592.57**

Capital work-in-progress as on March 31, 2026 includes interest on Term Loan capitalised (ROI 7.19%) - ₹ 265.49 Lakhs (as at March 31, 2025 - ₹ 157.53 Lakhs).

No project in capital work-in-progress as on March 31,2025 and March 31,2026 has become overdue nor its cost has exceeded compared to its original plan.

Notes to the Consolidated Financial Statements

Note 52.2 : Intangible assets under development aging schedule

(₹ in lakhs)

Particulars	Amount in Intangible assets under development for a period of (as at March 31, 2026)				
	Less than 1 year	1 year to 2 years	2 years to 3 years	More than 3 years	Total
i) Projects in progress	22.51	40.16	3.80	-	66.47
ii) Projects temporarily suspended	-	-	-	-	-
Total					**66.47**

Particulars	Amount in Intangible assets under development for a period of (as at March 31, 2025)				
	Less than 1 year	1 year to 2 years	2 years to 3 years	More than 3 years	Total
i) Projects in progress	40.16	3.80	-	-	43.96
ii) Projects temporarily suspended	-	-	-	-	-
Total					**43.96**

No project in Intangible assets under development aging schedule as on March 31, 2025 and March 31, 2026 has become overdue nor its cost has exceeded compared to its original plan.

Note 53 A : Note on discontinued operations:

1. Isgec Investments Pte. Limited, Singapore (IIPL), a wholly owned subsidiary of the Company, had entered into a Sale and Purchase Agreement (SPA) with a Buyer in the month of December 2024 to sell its entire shareholding in its wholly owned subsidiary "Bioeq Energy Holdings One, Cayman Islands". As the buyer failed to make requisite payment, the above SPA expired on September 15, 2025. At present, in view of prevailing international geopolitiical scenario, IIPL dos not forsee an active buyer for the above transaction in immediate future.Accordingly in compliance with Ind AS 105:-

   (a). The operations of Bioeq Energy Holdings One have been reclassified from discontinued operations to continuing operations.

   (b). The depreciation and amortisation expenses not charged in prior periods, has been charged now in respective periods.

   (c). The assets and liabilities previously classified as Held For Sale have been reclassified to respective line items

   (d). The Impact of the above reclassification on the consolidated financial statements of the Group is set out below:

(₹ in lakhs)

S. No.	Particulars	Year ended 31.03.2025 (Restated)	31.03.2025 (Previously reported)
1.	Revenue from operations	642,501	642,228
2.	Depreciation and amortisation expenses	17,463	10,203
3.	Profit before tax from continuing operations	32,628	47,741
4.	Profit after tax from continuing operations	20,439	35,570
5.	Profit before tax from discontinuing operations (refer note 53 A.2	-	(9,160)

Notes to the Consolidated Financial Statements

S. No.	Particulars	Year ended 31.03.2025 (Restated)	31.03.2025 (Previously reported)
6.	Profit after tax from discontinuing operations (refer note 53 A.2)	-	(9,178)
7.	Assets classified as held for sale (refer note 53 A.1)	-	105,005
8.	Liabilities directly associated with assets classified as held for sale (refer note 53 A.1)	-	32,178

Note 53 A.1: Details Assets and Liabilities Held for Sale

Particulars	As at March 31, 2025
Assets	
Non current assets	
Property, plant and equipment	99,714
Right-of-use assets	289
Other Intangible Assets	19
Biological assets other than bearer plants	2
Investments	1,672
Other Non Current asset	1,363
	103,060
Current assets	
Inventories	1,421
Trade receivables	59
Cash & Bank Balances	76
Other Bank Balances	55
Other Current assets	334
	1,945
Total Assets	**105,005**
Liabilities	
Non current liabilities	
Borrowings	18,091
Other Financial Liability	4,511
Lease Liability	928
Provisions	102
Deferred tax liability	81
	23,713
Current liabilities	
Current Borrowings	4,535
Trade Payables	492
Lease Liability	152
Other Current Liabilities	3,285
	8,465
Total Liability	**32,178**

Notes to the Consolidated Financial Statements

Note 53 A.2: Statement of Profit and Loss of Discontinued operations

Particulars	Year ended March 31, 2025
Revenue from operations	273
Other Income	1
Total income	**274**
Expenses	
Cost of materials consumed	156
Employee benefits expense	1,270
Finance costs	2,592
Depreciation and amortization expense	1,306
Other expenses	4,116
Total expenses	9,440
Profit/(loss) before share of associate and tax from a discontinued operation	(9,167)
Share of profit / (loss) of an associate	7
Profit / (loss) before tax from discontinued operations	(9,160)
Tax Expense	18
Profit/(loss) for the year from a discontinued operation	**(9,178)**
Other comprehensive income	
A)Items that will not be reclassified to profit or loss	
Remeasurements of post employment benefits plans	83
B) Items that will be reclassified to profit or loss	
Exchange difference on translation of foreign operation	(288)
Total other comprehensive income from discontinued operations	**(205)**
Total comprehensive income from discontinued operations	(9,383)
Earnings per equity share from discontinued operations (nominal value of ₹ 1/- each) for profit attributable to owners of the parent	
Basic (in ₹)	-12.48
Diluted (in ₹)	-12.48

Note 53 B :

(i) The Note disclosed in the financial Statements of Isgec Investment PTE. LTD, subsidiary of the Parent Company, referred in the Auditor's Report of subsidiary under 'Material uncertainties relating to going concern' paragraph are being reproduced hereunder:

Isgec Investment Pte. Ltd. (IIPL) subsidiary of the Parent Company ,incurred a loss after tax of S$3,531,212 (INR equivalent: INR 2,596.32 lakhs) and {(2025: S$406,717 (INR equivalent: INR 259.12 lakhs)} during the financial year ended March 31, 2026 and as of that date, IIPL's current liabilities exceeded its current assets by S$1,478,317 (INR equivalent: INR 1086.93 lakhs) and the total liabilities exceeded its total assets by S$4,319,672 (INR equivalent: INR 3,176.04 lakhs) and (2025: S$788,460 (INR equivalent: 502.33 lakhs)}.

Notes to the Consolidated Financial Statements

The above loss is mainly due to the adverse exchange variations on amounts due to IIPL by its group companies. The financial statements have been prepared on a going concern basis on the assumption that financial support from parent company will continue to be available.

(ii) The Note disclosed in the consolidated financial Statements of Bioeq Energy Holdings Corp. a step down subsidiary of the Parent Company, referred in the Auditor's Report of subsidiary under 'Emphasis of matter' paragraph are being reproduced hereunder.

In the consolidated financial statements of Bioeq Energy Holdings Corp (BEHC) a step down subsidiary of the Parent Company, capital deficiency of P2,835,892,794 (INR equivalent: INR 44,277.56 lakhs) and P579,989,145 (INR equivalent: INR 8641.84 lakhs)is reported as on March 31, 2026 and March 31, 2025 respectively. This may cast doubt on group's ability to continue as going concern.

This is due to continuous charge of depreciation in its operating subsidiary Cavite Biofuels Producers Inc. (CBPI), which suspended operations in June 2024. However, CBPI resumed operations in December, 2025 and also commenced commercial sales from March 2026. The management expects this development to improve financial performance of BEHC group and will also reduce its capital deficiency situation in future. Moreover, the parent company has undertaken to extend all financial support to the BEHC.

Note 54 : Revenue expenditure on Research & Development

Particulars	Year ended March 31, 2026	Year ended March 31, 2025
Salaries & wages	348.04	286.86
Contribution to Provident & other Funds	15.84	11.22
Others	95.57	24.16
Total	**459.45**	**322.24**

Note 55 : Contribution to political parties during the year 2025-26 is ₹ Nil (previous year: ₹ Nil).

Note 56 : Previous year figures have been regrouped/reclassified wherever necessary to make them comparable as per requirements of amended Schedule III.

As per our report of even date.
for S C V & Co. LLP
Chartered Accountants
Firm Regn. No.000235N / N500089

Sanjay Vasudeva
Partner
M.No.090989

Place:- Noida
Dated : May 27, 2026

Bhupinder Kumar Malik
Chief Accounts & Taxation Officer

For & on behalf of the Board of Directors

Sachin Saluja
Company Secretary
M.No. A24269

Rashi Sikka
Director
DIN: 00320145

Kishore Chatnani
Joint Managing Director and
Chief Financial Officer
DIN: 07805465

Rajiv Roy Chaudhury
Director
DIN: 03545734

Aditya Puri
Managing Director
DIN: 00052534

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