

# Gala Precision Engineering Ltd.

18<sup>th</sup> ANNUAL REPORT - FY26



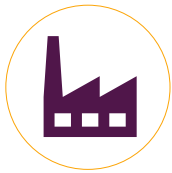
Precision Engineering  
for sustainability

# Precision Engineering for Sustainability

At **Gala Precision Engineering Ltd.**, sustainability is integrated into the way we design, manufacture and deliver precision components.

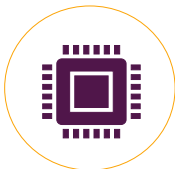
Our product portfolio includes **high-tensile fasteners, bolts, nuts, studs, disc springs, wedge-lock washers**, serving critical applications across **renewable energy, railways, off-highway equipment, electrical equipment, industrial machinery and emerging energy sectors** like **hydrogen value chain and EVs**.

Our **Chennai plant has been audited and approved by more than 20 OEMs**, reflecting our capability to meet demanding quality and performance requirements. The facility also supports our move toward **value-added fastening solutions** such as smart fasteners.



## Responsible Manufacturing

Our **Wada and Chennai** facilities are built on disciplined manufacturing, process control and continuous improvement. Through CNC-based machining, material optimization, lean manufacturing and internal quality systems, we focus on reducing waste, rework and inefficiencies.



## Technology-Driven Efficiency

Gala is strengthening its digital and operational backbone through **SAP HANA implementation, AI tools, production analytics and smart quality systems**. These initiatives support better process visibility, data-based decisions, improved productivity and stronger quality control.



## Aligned with Global Expectations

We are taking steps toward **ESG reporting, emissions monitoring and global climate compliance frameworks**, including **CBAM**. Our focus on process efficiency supports our role as a future-ready partner for global customers.



## Precision with Purpose

For Gala, precision means engineering reliable, long-life and application-critical components that help industries operate safely, efficiently and responsibly.

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# CHAIRMAN'S MESSAGE

Dear Shareholders,

It is with great pride and a deep sense of responsibility that I present to you the 18th Annual Report of Gala Precision Engineering Limited for the financial year 2025-26.

The year under review has been an important period of progress for our Company. We continue to strengthen our presence in existing markets while increasing our wallet share with multinational customers and continue to add new customers Globally. We also made successful entries into emerging application areas, including the hydrogen value chain, where our products are being supplied for electrolyzer applications, along with progress in smart fasteners as part of our move toward value-added engineering solutions.

During the year, we delivered a strong financial performance, with revenue growing by 32.15% and profit after tax increasing by 32.14%. These results reflect the resilience of our multi-vertical business model, the strength of our customer relationships, our diversified presence across geographies, products and industry segments, and our continued focus on precision, quality and agility.

Our Chennai factory is operational, audited and approved by Global OEMs, adding significant capacity and strengthens our ability to serve customers in southern India as well as export-focused markets. It also supports our broader ambition of contributing to India's growth as a reliable manufacturing base for precision engineering components.

Beyond financial performance, our purpose remains anchored in engineering excellence with responsibility. We continued to invest in automation, quality assurance and digital processes to improve efficiency, consistency and scalability. We also advanced our sustainability journey through initiatives focused on ESG reporting, carbon compliance, energy conservation and community outreach in education and public health.

On behalf of the Board of Directors, I extend my sincere gratitude to our shareholders, employees, customers, channel partners, suppliers and institutional stakeholders for their continued trust and support. Your confidence strengthens our commitment to lead Gala Precision Engineering into its next phase of sustainable, responsible and inclusive growth.

**Kirit V Gala**  
**Chairman and Managing Director**



# FINANCIAL SNAPSHOT



## 1. Revenue from Operations

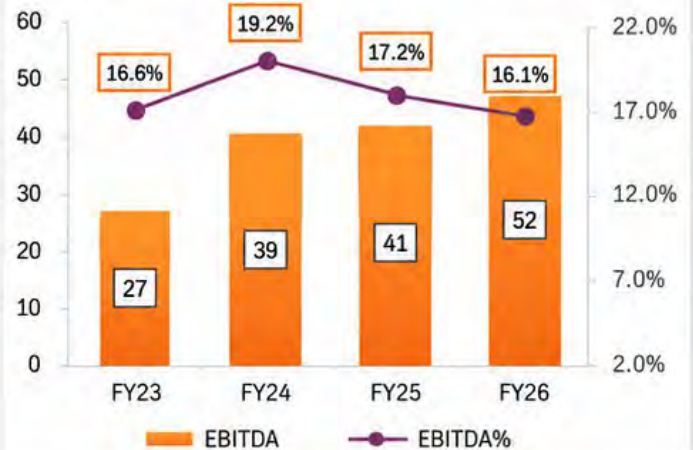
Rs Crores



## 2. EBITDA & EBITDA Margins %

Rs Crores

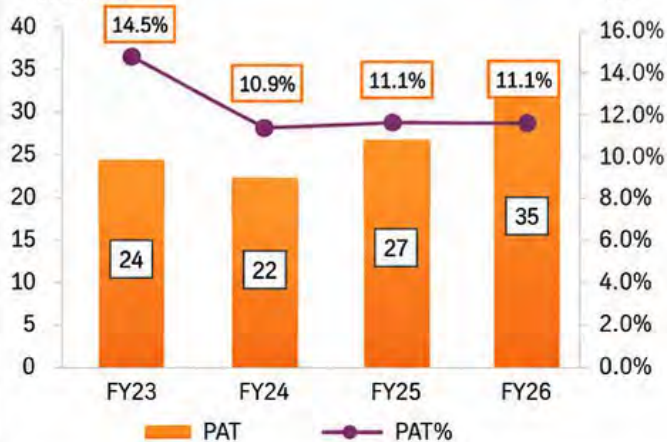
%



## 3. PAT & PAT Margins %\*

Rs Crores

%



## 4. Net Worth

Rs Crores



## 5. Debt / Equity



\* PAT & PAT Margins % excludes exceptional items

# COMPANY OVERVIEW



Leading Indian precision engineering components manufacturer focused on application-critical components for global industries.



Strong portfolio of Special Fastening Solutions, including high-tensile studs, anchor bolts, cross bolts, hex bolts, nuts, Gallock wedge-lock washers and grip lock washers.



Established spring product range covering disc springs, strip springs, coil springs and spiral springs.



Serving key sectors such as renewable energy, industrial and mobility, electrical applications.



Exports contributed **35.5% of revenue in FY26**, reflecting strong global acceptance.



State-of-the-art manufacturing facilities with in-house tool design and development capabilities.



# GLOBAL PRESENCE



# GLOBAL CLIENTELE



## RENEWABLE ENERGY

*Vestas*

GE Vernova

**SUZLON**

**ENERCON**  
ENERGY FOR THE WORLD

**SENVION**

*RegalRexnord*



## INDUSTRIAL

**ABB**

Siemens Energy

Schneider Electric

LARSEN & TOUBRO

John Deere India Pvt Ltd

**WÜRTH**

**legrand**

**LPS BOSSARD**

Proven Productivity



## MOBILITY

**SCHAEFFLER**

**Wabtec**  
CORPORATION

**HITACHI**  
**Astemo**

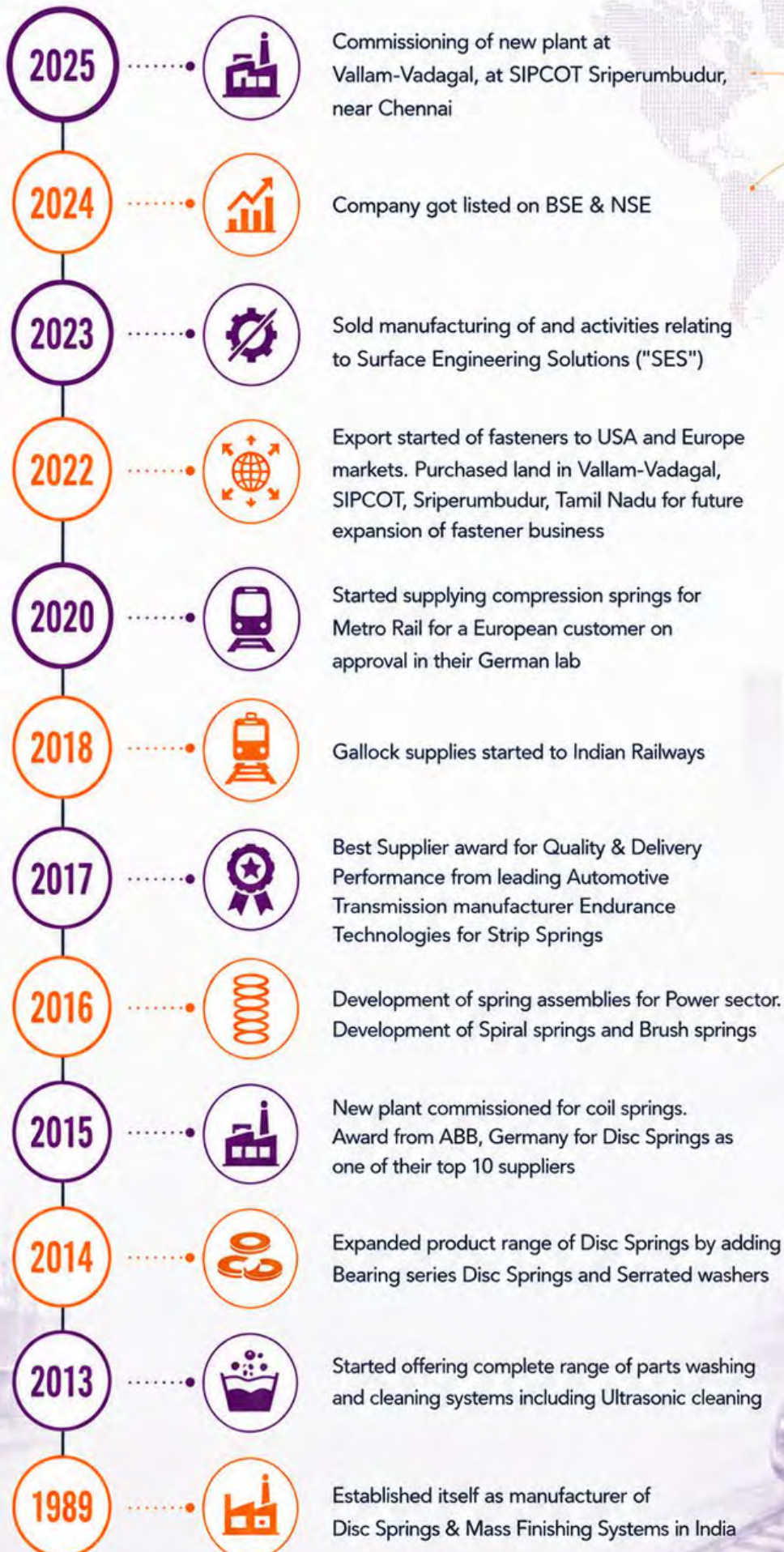


**ENDURANCE**  
Complete Solutions

**EXEDY**  
RACING CLUTCH



# GALA'S JOURNEY



# PRODUCT PORTFOLIO

## Technical springs

DISC SPRINGS –  
DIN 2093 &  
CUSTOMISED



SPRING PACKS



COIL SPRINGS



SPIRAL SPRINGS



STRIP SPRINGS



## High Tensile Fasteners

THREADED RODS



STUDS



FOUNDATION  
ANCHOR BOLTS



HEXAGONAL BOLTS



FLANGE BOLTS



ALLEN BOLTS



HRC CUP BOLTS



HEXAGONAL  
NUTS



FLANGE NUTS



GALLOCK WEDGE  
LOCK WASHERS



GRIP LOCK  
WASHERS



# OUR PRODUCTS APPLCIATIONS



## Renewable Energy – Wind

- Anchor Cage for Foundation
- Blade Connections
- Tower Connections
- Nacelle
- Yaw Motor Mounting
- Rotor Brake Mounting
- Generator
- Yaw Braking System



## Renewable Energy – Hydro

- Stator
- Generator
- Hydro Turbines



## Renewable Energy – Hydrogen Value Chain

- AEM Electrolyzer
- PEM Electrolyzer
- Alkaline Electrolyzer



## Mobility – Railways

- Track Fastening System
- Couplers
- Railway Station Structure
- Traction Motor
- Wheel Sensing Device
- Bogie



## Mobility – Automotive

- Seating System
- Brakes
- Engine
- Power Train & Transmission
- Fuel Injection

# OUR PRODUCTS APPLCIATIONS



## Industrial – Electrical Power Equipment

- Shunt Reactor
- Bus Bar
- Traction Motor
- Medium Voltage Switchgear
- Transmission Lines



## Industrial – Off-Highway Vehicles

- Hydraulic Motor
- Excavator Crusher Bucket
- Hydraulic Breaker
- Parking Brake
- Mobile Crusher
- Hydraulic Valves & Actuators
- Mining Drilling Tools
- Compactor



## Industrial – Agricultural Equipment

- Gear Box
- Transmission Axle
- Dual Clutch
- Transmission Housing
- Transmission



## Industrial – Infrastructure

- Bridges
- High Voltage Transmission Lines
- Railway Tunnels

# BUSINESS OPERATIONS

## OVERVIEW



### Wada Manufacturing Facility

Established manufacturing base for **disc springs, strip springs, coil springs, spiral springs and precision spring assemblies**. Equipped with in-house process capabilities, quality systems and tool development support. Focused on consistent quality, application-specific solutions and reliable supply to domestic and global customers.



### Chennai Manufacturing Facility

- **Manufacturing Special Fastening Solutions (SFS) plant** at Vallam-Vadagal, SIPCOT, Sriperumbudur, near Chennai. Focused on **high-tensile fasteners, studs, anchor bolts, cross bolts, hex bolts, nuts, smart fasteners**. Audited and approved by **20+ OEMs**, reflecting readiness for demanding domestic and export requirements. Strengthens Gala's manufacturing capacity, product expansion and proximity to southern India and export-focused customer base.



# Quality Assurance

**Bureau Veritas Certification**

**GALA PRECISION ENGINEERING LTD.**

GALA HOUSE, PLOT NO. 001, ADDITIONAL AMBERNATH MIDC, AMBERNATH (EAST), DIST. THANE, TQ. THANE - 421111, MAHARASHTRA, INDIA

Bureau Veritas Certification hereby certifies that the above organization has been certified to ISO 9001:2015 for the following scope:

**ISO 9001:2015**

Scope of Certification:

**MANUFACTURE OF ENGINEERED AND HARDENED PRECISION COMPONENTS INCLUDING SHAFTS, COUPLINGS, FLANGES AND MACHINED PARTS, INCLUDING PRECISION GRINDING AND VALUE ADDED SERVICES.**

Original Issue Date: 22 JUNE 2018  
 Entry Date of Previous Cycle: 21 JUNE 2014  
 Certification / Re-certification Audit Date: 17 MAY 2024  
 Certification / Re-certification Cycle Start Date: 22 JUNE 2024  
 Subject to the final audit satisfactory completion of the 2027 organization's Management System.

Certificate No: IND24832QMS Version: 1 Issue Date: 22 JUNE 2024

R. K. SHARMA  
 Certification Manager  
 Bureau Veritas Certification (India) Pvt. Ltd. - UK Branch,  
 20 Floor, 88 Park Street, London, E1 1LN, United Kingdom.

UKAS  
 008

**Bureau Veritas Certification**

**Certificate of Approval**

Awarded to

**GALA PRECISION ENGINEERING LTD.**

PLOT NO. 001, ADDITIONAL AMBERNATH MIDC, AMBERNATH (EAST), DIST. THANE, TQ. THANE - 421111, MAHARASHTRA, INDIA  
 ISO 14001:2015

Bureau Veritas Certification certifies that the above organization has been certified to ISO 14001:2015 for the following scope:

**Environmental Management System**

Requirement system/standard(s) stated below:

ISO 14001:2015

Scope of Certification:

**HARDENED PRECISION COMPONENTS, SHAFTS, COUPLINGS, FLANGES AND MACHINED PARTS.**

Original Issue Date: 22 JUNE 2018  
 Certificate No: IND24832EMS  
 Issue Date: 22 JUNE 2024

**TÜV AUSTRIA**

**CERTIFICATE**

Management System as per **ISO 45001:2018**

In accordance with TÜV AUSTRIA procedures, it is hereby certified that

**GALA PRECISION ENGINEERING LTD.**

PLOT NO. 001, ADDITIONAL AMBERNATH MIDC, AMBERNATH (EAST), DIST. THANE - 421 006, MAHARASHTRA, INDIA

applies an Occupational Health & Safety Management System in line with the above standard for the following scope:

**MANUFACTURE OF ENGINEERED AND HARDENED PRECISION COMPONENTS, SHAFTS, COUPLINGS, FLANGES AND MACHINED PARTS INCLUDING PRECISION GRINDING AND VALUE ADDED SERVICES.**

Certificate Registration No: 2010023004156 Valid until: 24 June 2027

Certification Body: TÜV AUSTRIA GMBH  
 Vienna, 25 June 2024

IAF  
 A-1320 Wien, www.tuv.at

**GOVERNMENT OF INDIA**  
 MINISTRY OF INDUSTRY  
 MINISTRY OF MSME

**MSME**  
 National Institute of Entrepreneurship & Management

**UDVM REGISTRATION CERTIFICATE**

UDVM REGISTRATION NUMBER: UDVM/MSME/23-0047997

NAME OF ENTERPRISE: GALA PRECISION ENGINEERING LIMITED

TYPE OF ENTERPRISE: MICRO SM

MAJOR ACTIVITY: MANUFACTURING

SOCIAL CATEGORY OF ENTREPRENEUR: GENERAL

NAME OF UNITS:

| S.No. | Name of Unit/UDVM                  |
|-------|------------------------------------|
| 1     | GALA PRECISION ENGINEERING LIMITED |

OFFICIAL ADDRESS OF ENTERPRISE:

| Field    | Value                  |
|----------|------------------------|
| Plot No. | 001                    |
| Area     | AMBERNATH MIDC         |
| Dist.    | THANE                  |
| State    | MAHARASHTRA            |
| Pin Code | 421111                 |
| Mobile   | 9820000000             |
| Email    | info@galaprecision.com |

DATE OF INCORPORATION / REGISTRATION OF ENTERPRISE: 24.10.2000

DATE OF COMMENCEMENT OF PRODUCTION: 24.10.2000

NATIONAL INDUSTRY CLASSIFICATION CODE(S):

| S.No. | NIC 2 Digit | NIC 4 Digit | NIC 6 Digit | Activity  |
|-------|-------------|-------------|-------------|---|
| 1     | 28          | 2829        | 28299       | Manufacture of other general purpose machinery n.e.c. |

DATE OF UDVM REGISTRATION: 04/12/2023

Disclaimer: This is a computer generated statement, no signature required.  
 Printed from <https://udvm.msmeregistration.gov.in>

For any assistance, you may contact:  
 1. District Industries Centre, THANE (MAHARASHTRA)  
 2. MSME-ODI, MSME/MSME/23-0047997

**APQP4Wind Specialist Training**

This is to certify that an employee of **GALA PRECISION ENGINEERING LTD.** has successfully completed a professional course on APQP4Wind (2nd Edition) Training as per the requirements of the wind sector standards and DNV certification scheme.

Instructor: Marco Schlichting, Certified Trainer

**DNV**

**APQP4Wind**

## IN-HOUSE TESTING & INSPECTION FACILITIES

Advanced Equipment, Accurate Results. Assured Quality.

- |    |  |                                    |    |  |   |
|----|--|------------------------------------|----|--|---|
| 01 |  | Junker Test Machine                | 06 |  | Digital Micro Vickers Hardness Tester               |
| 02 |  | Coefficient of Friction Machine    | 07 |  | Glueing Automation System                           |
| 03 |  | Digital Profile Projector With DRO | 08 |  | Load Testing Machine                                |
| 04 |  | Metallurgical Microscope           | 09 |  | Micro Hardness Tester                               |
| 05 |  | Digital Vickers Hardness Tester    | 10 |  | Digital Motorized Rockwell Hardness Testing Machine |

# KEY HIGHLIGHTS

Chennai Plant Audited & Approved  
by 20+ Global OEMs



# Participation in Various Exhibitions Globally



# Human Resource Engagement

## *Celebrations*

Diwali | Dusshera | Holi | Gudi Padwa | Christmas



# CSR HIGHLIGHTS

Gala Precision Engineering continues to support community-focused initiatives in education and public health. During the year, the Company contributed to an Ashram school through a book donation activity, supporting learning resources for students.

The Company also conducted a health check-up and awareness programme for around 100 women from the local village community. This initiative focused on basic health screening, awareness and preventive care, reflecting Gala's commitment to meaningful community engagement and social responsibility.



# BOARD OF DIRECTORS



## KIRIT GALA

Chairman & MD

- BE (Mech), MMS (Marketing) (Mumbai University)
- Speaks on topics: next generation of professional entrepreneurs, change management in VUCA world and strategy dharma



## BALKISHAN JALAN

Whole time Director  
(Executive)

- Chartered Accountant-ICAI, B.Com (Mumbai University)
- More than 25 years of industry experience
- Awarded as Best Executive Director in Financial Excellence at the Marketing Boardroom Conclave 2025



## SATISH KOTWANI

Whole time Director  
(Marketing)

- Diploma in mechanical engineering from Board of Technical Examinations, Maharashtra (1991)
- Diploma in marketing management from the Bombay Institute of Management Studies (1996)



## RAJENDRA GOGRI

Non-Executive Director

- Chairman & MD of listed company Aarti Industries Limited
- B Tech (Chemical) – Institute of Chemical Technology
- Recipient of UDCT Alumnus Award (1995)



## SNEHAL SHAH

Independent Director

- PGDM (IIM-Bangalore), BE (Electrical)
- Over 20 years of expertise in Private Equity Investing.



## NEHA GADA

Independent Director

- Chartered Accountant- ICAI, Bcom (Mumbai University), Limited Insolvency Examination from IIBI
- Awarded 1st place as a CA Women Independent Director by IICAI (2022)
- Serves as an Independent Director in 4 listed companies



## VARSHA GALVANKAR

Independent Director

- B.Com (Mumbai University)
- Director at Galia Bhanasli Consultancy Private Limited
- More than 31 years of professional experience



## SUDHIR GOSAR

Independent Director

- B.Tech (IIT-Bombay)
- More than 33 years of professional experience

# Corporate Information



## BOARD OF DIRECTORS

- Mr. Kirit V Gala – Chairman & Managing Director
- Mr. Balkishan Jalan – Whole Time Director
- Mr. Satish Kotwani – Whole Time Director
- Mr. Rajendra Gogri – Director
- Mr. Snehal Shah – Independent Director
- Ms. Neha Gada – Independent Woman Director
- Mrs. Varsha Galvankar – Independent Woman Director
- Mr. Sudhir Gosar – Independent Director



## SECRETARIAL AUDITORS

### D.M. Zaveri & Co.

1806, 18th Floor | 21 Business Elites |  
MG Road | Near Kala Hanuman Temple |  
Kandivali West | Mumbai 400067



## BANKERS

- HDFC Bank Ltd
- YES Bank Ltd



## CHIEF FINANCIAL OFFICER

- Mr S Giridhar



## COMPANY SECRETARY & COMPLIANCE OFFICER

- Mrs. Pooja Ladha



## REGISTRAR & SHARE TRANSFER AGENT

### MUFG Intime India Private Limited

C-101, 1st Floor, 247 Park,  
L.B.S. Marg, Vikhroli (West),  
Mumbai 400 083, Maharashtra



## STATUTORY AUDITORS

### SCA & Associates

Chartered Accountants  
B-104, Kanakia Zillion,  
BKC Annexe  
LBS/CST Road Junction  
Near Kurla Bus Depot, Kurla West  
Mumbai – 400070



## REGISTERED OFFICE

A-801, 8th Floor, Thane One DIL Complex,  
Ghodbunder Road, Majiwada, Thane (West),  
Maharashtra, India, 400610



## COST AUDITORS

### Shekar Joshi & Co.

Cost Accountants  
Office B-203 Varad Laxmi CHS,  
2nd Floor  
Gokhale Road No.2  
Mulund East Mumbai 400081



## PLANT LOCATION



### Wada Plant, Near Mumbai

Plot No. 295, Village Vadavali at Post Met,  
Musarne Road, Bhiwandi - Wada Highway,  
Taluka Wada, Palghar – 421312, India



### Vallam Plant, Near Chennai

Gala Precision Engineering Limited,  
Plot no-G-18/2, Vallam Vadagal,  
SIPCOT Industrial Park,  
Sriperumbudur, Kancheepuram,  
Tamil Nadu, 602105, India



## INTERNAL AUDITORS

### ASKA & Co.

Chartered Accountants  
501, Mirage Arcade, Opp. Ganesh Mandir,  
Off. Phadke Road, Dombivli (East) 421 201



## CIN & WEBSITE

- CIN: L29268MH2009PLC190522
- Website: [www.galagroup.com](http://www.galagroup.com)

## NOTICE

**NOTICE** is hereby given that the **Eighteenth (18<sup>th</sup>) Annual General Meeting (“AGM”)** of the members of Gala Precision Engineering Limited (“**the Company**”) will be held on Wednesday 1<sup>st</sup> day July 2026 at 03.30 P.M (IST) through video conferencing (“VC”) or Other Audio-Visual Means (“**OAVM**”), for which purpose the Registered office of the Company situated at A-801, 8<sup>th</sup> Floor, Thane One DIL Complex, Ghodbunder Road Majiwade, Thane (West) Thane 400610 shall be deemed venue for the AGM and the proceedings of the AGM shall be deemed to be made there at, to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2026, along with the notes forming part thereof and together with the Reports of the Board of Directors and the Auditors thereon.
2. To re-appoint Mr. Balkishan Jalan (DIN 02876873), Whole-time Director, who retires by rotation and being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS:

3. To re-appoint Ms. Neha Rajen Gada (DIN: 01642373) as an Independent Director of the Company for a second term of 3 (Three) consecutive years commencing from November 30, 2026.

To consider, and if thought fit, pass the following Resolution as a **SPECIAL RESOLUTION:**

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152, and any other applicable provisions of the Companies Act, 2013 (“**the Act**”), read with Schedule IV and the Companies (Appointment and Qualification of Directors) Rules, 2014, and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 (“**SEBI Listing Regulations**”) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and the Articles of Association, and based on the recommendation of the Nomination and Remuneration Committee (“**the NRC**”) and the Board of Directors (hereinafter referred to as the “**Board**”), approval of the members of the Company be and is hereby accorded for the re-appointment of Ms. Neha Rajen Gada (DIN: 01642373) who was appointed as an Independent Director of the Company in the Extra-Ordinary General meeting (“**EOGM**”) held on January 15, 2024, who holds office up to November 29, 2026 and has submitted a declaration confirming that she meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations, and who is eligible for re-appointment as a Non-Executive, Independent Director of the Company, not liable to retire by rotation, for the second term of 3 (Three) consecutive years commencing from November 30, 2026 up to November 29, 2029.

**RESOLVED FURTHER THAT** Ms. Neha Rajen Gada has provided her consent to act as an Independent Director of the Company for her second term, the certificate issued by the Indian Institute of Corporate Affairs, in compliance with Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 and the declaration in respect of her meeting the criteria for appointment as an Independent Director of the Company under the Companies Act, 2013, as amended from time to time.

**RESOLVED FURTHER THAT** Mr. Kirit V Gala, Managing Director and/ or Company Secretary of the Company be and are hereby severally authorised to do all such acts, things and deeds on behalf of the Company to effectively implement this resolution.”

4. To re-appoint Mr. Snehal Bhupendra Shah (DIN: 00128595) as an Independent Director of the Company for a second term of 5 (Five) consecutive years commencing from November 30, 2026.

To consider, and if thought fit, pass the following Resolution as a **SPECIAL RESOLUTION:**

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152, and any other applicable provisions of the Companies Act, 2013 (“**the Act**”), read with Schedule IV and the Companies (Appointment and Qualification of Directors) Rules, 2014, and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 (“**SEBI Listing Regulations**”) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and the Articles of

Association, and based on the recommendation of the Nomination and Remuneration Committee (“**the NRC**”) and the Board of Directors (hereinafter referred to as the “**Board**”), approval of the members of the Company be and is hereby accorded for the re-appointment of Mr. Snehal Bhupendra Shah (DIN: 00128595) who was appointed as an Independent Director of the Company in the Extra-Ordinary General meeting (“**EOGM**”) held on January 15, 2024, who holds office up to November 29, 2026 and has submitted a declaration confirming that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations, and who is eligible for re-appointment as a Non-Executive, Independent Director of the Company, not liable to retire by rotation, for the second term of 5 (Five) consecutive years commencing from November 30, 2026 up to November 29, 2031.

**RESOLVED FURTHER THAT** Mr. Snehal Bhupendra Shah has provided his consent to act as an Independent Director of the Company for his second term, the certificate issued by the Indian Institute of Corporate Affairs, in compliance with Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 and the declaration in respect of his meeting the criteria for appointment as an Independent Director of the Company under the Companies Act, 2013, as amended from time to time.

**RESOLVED FURTHER THAT** Mr. Kirit V Gala, Managing Director and/ or Company Secretary of the Company be and are hereby severally authorised to do all such acts, things and deeds on behalf of the Company to effectively implement this resolution.

5. To re-appoint Mr. Sudhir Tokarshi Gosar (DIN: 10460551) as an Independent Director of the Company for a second term of 3 (Three) consecutive years commencing from January 11, 2027.

To consider, and if thought fit, pass the following Resolution as a **SPECIAL RESOLUTION**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152, and any other applicable provisions of the Companies Act, 2013 (“**the Act**”), read with Schedule IV and the Companies (Appointment and Qualification of Directors) Rules, 2014, and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 (“**SEBI Listing Regulations**”) (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and the Articles of Association, and based on the recommendation of the Nomination and Remuneration Committee (“**the NRC**”) and the Board of Directors (hereinafter referred to as the “**Board**”), approval of the members of the Company be and is hereby accorded for the re-appointment of Mr. Sudhir Tokarshi Gosar (DIN: 10460551) who was appointed as an Independent Director of the Company in the Extra-Ordinary General meeting (“**EOGM**”) held on January 15, 2024, who holds office up to January 11, 2027 and has submitted a declaration confirming that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations, and who is eligible for re-appointment as a Non-Executive, Independent Director of the Company, not liable to retire by rotation, for the second term of 3 (Three) consecutive years commencing from January 11, 2027 up to January 10, 2030.

**RESOLVED FURTHER THAT** Mr. Sudhir Tokarshi Gosar has provided his consent to act as an Independent Director of the Company for his second term, the certificate issued by the Indian Institute of Corporate Affairs, in compliance with Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 and the declaration in respect of his meeting the criteria for appointment as an Independent Director of the Company under the Companies Act, 2013, as amended from time to time.

**RESOLVED FURTHER THAT** Mr. Kirit V Gala, Managing Director and/ or Company Secretary of the Company be and are hereby severally authorised to do all such acts, things and deeds on behalf of the Company to effectively implement this resolution.

6. To ratify the remuneration of M/s. Shekhar Joshi & Co. (Membership Number 10700) Cost Auditors of the Company for the financial year 2026-27.

To consider, and if thought fit, pass the following Resolution as an **ORDINARY RESOLUTION**:

“**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013, Companies (Cost Records and Audit) Rules 2014 and the Companies (Audit and Auditors) Rules, 2014 (including statutory modifications or re-enactment thereof, for the time being in force), the Company be and hereby ratifies the remuneration of ₹100,000/- [*One Lakh only*] per annum plus applicable taxes and reimbursement of out

of pocket expenses incurred for the purpose of Audit as approved by the Board of Directors, payable to M/s Shekhar Joshi & Co. Cost accountant, (Membership Number: 10700), the Cost Auditor appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year from April 1, 2026 to March 31, 2027,.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorised to perform all such acts, deeds, things and matters as may be necessary to give effect to this Resolution.

By order of the Board of Directors  
For **GALA PRECISION ENGINEERING LIMITED**

Sd/-

**Kirit V. Gala**

DIN: 01540274

Chairman and Managing Director

**Place:** Thane

**Date :** May 14, 2026

**Registered Office:**

A-801, 8th Floor, Thane One DIL Complex,  
Ghodbunder Road, Majiwade,  
Thane (West), Thane - 400610, India.

**Tel :** +91 022-69309224,

**Email Id :** investor.relations@galagroup.com

**Website :** [www.galagroup.com](http://www.galagroup.com)

**CIN :** L29268MH2009PLC190522

## NOTES

1. The Government of India, Ministry of Corporate Affairs has allowed conducting Annual General Meeting (“the AGM”) through Video Conferencing (VC) or Other Audio Visual Means (OAVM) and dispensed with the personal presence of the members at the meeting. Accordingly, the Ministry of Corporate Affairs issued Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 5, 2020 and Circular No. 02/2021 dated January 13, 2021 and Circular No. 21/2021 dated December 14, 2021 and 02/2022 dated May 5, 2022, 10/2022 dated December 28, 2022, 09/2023 dated September 25, 2023, 9/2024 dated September 19, 2024 and 03/2025 September 22, 2025 (“MCA Circulars”) and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and Circular No. SEBI/HO/DDHS/P/CIR/2022/0063 dated May 13, 2022, SEBI/HO/CRD/PoD-2/P/CIR/2023/4 dated January 5, 2023, Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023 and Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024 issued by the Securities Exchange Board of India (“SEBI Circular”) prescribing the procedures and manner of conducting the AGM through VC/OAVM. In terms of the said circulars, the AGM of the Members will be held through VC/OAVM. Hence, Members can attend and participate in the AGM through VC/OAVM only. The deemed venue of the AGM shall be the Registered Office of the Company. The procedure for joining the AGM through VC / OAVM is mentioned in this Notice.
2. A Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/ her behalf and the proxy need not be a Member of the Company. However, since the AGM is being held in accordance with the MCA Circulars through VC / OAVM, the facility for appointment of proxies by the Members will not be available.
3. As this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Hence, the Attendance Slip and Route Map for the venue of the Meeting are not annexed to this Notice.
4. Members attending the AGM through VC / OAVM shall be reckoned for quorum as per Section 103 of the Act.
5. All Members, including Institutional Investors, are encouraged to attend and vote at the AGM. An Institutional / Corporate Member (i.e., other than individuals / HUF, NRI, etc.) is required to send a scanned document (PDF/ JPG Format) of the certified true copy of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through e-voting. The said Resolution/ Authorization shall be sent to the Scrutinizer by email through its registered email address to [dmz@dmzaveri.com](mailto:dmz@dmzaveri.com) with a copy marked to [investor.relations@galagroup.com](mailto:investor.relations@galagroup.com) or uploaded by clicking on “Upload Board Resolution / Authority Letter” displayed under “e-Voting” tab in their login.
6. In line with MCA Circulars and SEBI circulars, the Annual Report including the Notice calling the AGM FY 2025-26 is being sent through the electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories. The cut-off date for receiving Annual Report including the Notice through e-mail is 5<sup>th</sup> day June 2026. A Member can request for a copy of the Annual Report by sending an e-mail to the Company at [investor.relations@galagroup.com](mailto:investor.relations@galagroup.com). Members may note that the Annual Report including the Notice will also be available on the website of the Company at [www.galagroup.com/investor-relations/](http://www.galagroup.com/investor-relations/). The same can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and on the website of MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited) (agency for providing the Remote e-Voting facility) i.e. <https://instavote.linkintime.co.in/>
7. Any person, who acquires shares of the Company and becomes Member of the Company after sending of the Notice and holding shares as on cut-off date i.e. 24<sup>th</sup> day June 2026 (“cut-off date”), may obtain login ID and password by writing to Registrar & Share Transfer Agent of the Company (“RTA”), Link Intime India Private Limited at email [mt.helpdesk@linkintime.co.in](mailto:mt.helpdesk@linkintime.co.in)
8. For the purpose of receiving the Annual Report including the Notice of the AGM through electronic mode in case the e-mail address is not registered with the respective Depository Participants / Company / RTA, the Company shall be providing a letter providing the web-link highlighting the exact path, where complete details of the annual report would be available to the members and further the members may register their e-mail addresses by sending an e-mail to the Company at [investor.relations@galagroup.com](mailto:investor.relations@galagroup.com) with the following details mentioned in e-mail: DP ID & Client ID, name of the shareholder and PAN.

**DOCUMENTS RELATING TO NOTICE AND AGM:**

9. Explanatory Statement setting out material facts concerning the business in respect of Item Nos. 3 to 6 mentioned in the above Notice is annexed to the Notice.
10. Brief profile of the Directors seeking appointment as per Regulation 36(3) of SEBI Listing Regulations and Secretarial Standard - 2 issued by the Institute of Company Secretaries of India and duly notified by the Central Government is annexed to the Notice.

Members seeking to inspect the Registers required to be maintained under the Act and all documents referred to in the Notice and Explanatory Statement can send an email to [investor.relations@galagroup.com](mailto:investor.relations@galagroup.com).

**SHARES RELATED INFORMATION:**

11. As per Section 72 of the Act, Members are entitled to make nomination in respect of shares held by them. Members who have not yet registered their nomination are requested to register the same by duly submitting Form No. SH-13. Members holding shares in electronic form may submit the same to their respective DPs.
12. As on the date of this Notice all the shares of the Company are held in dematerialised form except 1 share.
13. SEBI has mandated the submission of copy of Permanent Account Number (PAN) card by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the copy of PAN card to their DPs with whom they are maintaining their demat accounts.
14. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their demat accounts dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified
15. Members are requested to intimate changes, if any pertaining to change of name / address, email address, telephone / mobile numbers, Permanent Account Number (PAN), Nomination, power of attorney, bank account details or any other information to their respective depository participant(s) (DP) in case the shares are held in electronic mode or to RTA.
16. All the investor-related communication and grievances may be addressed to the Registrar and Transfer Agent of the Company at their following address:

**MUFG Intime India Private Limited  
 (Formerly known as Link Intime India Private Limited)**

C-101, 1st Floor, 247 Park,  
 Lal Bahadur Shastri Marg,  
 Vikhroli (West), Mumbai,  
 Maharashtra, India, 400083.

SEBI Registration No: INR000004058

Contact Person: Shanti Gopalkrishnan

Website: <https://in.mpms.mufg.com/>

Telephone: +91 810 811 4949

Helpdesk Email: RNT Helpdesk - [rnt.helpdesk@in.mpms.mufg.com](mailto:rnt.helpdesk@in.mpms.mufg.com)

**INSTRUCTIONS FOR REMOTE E-VOTING AND JOINING THE AGM ARE AS FOLLOW:**

18. Pursuant to Section 108 of the Act read with the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI Listing Regulations, e-voting facility is being provided to the Members for all business to be transacted at the AGM.
19. Members shall have the option to vote electronically ("**e-voting**") either before the AGM ("**remote e-voting**") or during the AGM. Members who have cast their votes by remote e-voting prior to the AGM may participate in the AGM but shall not be entitled to cast their votes again. In compliance with the provisions of Section 108 of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014 and any amendments thereto, Secretarial Standard on General Meetings ("SS-2"), Regulation 44 of the SEBI Listing Regulations and MCA Circulars, the

facility for remote e-voting and e-voting in respect of the business to be transacted at the AGM is being provided by the Company through MUFG Intime India Private Limited. Necessary arrangements have been made by the Company with MUFG Intime India Private Limited to facilitate remote e-voting and e-voting during the AGM.

20. The Members can join the AGM in the VC / OAVM mode 15 (Fifteen) minutes before the scheduled time of the commencement of the AGM and while the AGM is in progress, by following the procedure mentioned in this Notice. The facility of participation at the AGM through VC / OAVM will be made available to at least 1000 members on first come first serve basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first serve basis. Institutional Investors who are Members of the Company, are encouraged to attend the AGM and vote.
21. The voting rights of the Members shall be in proportion to their share in paid-up equity share capital as on the Cut-Off Date. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
22. The Company has appointed Mr. Dharmesh M. Zaveri, of D. M. Zaveri & Co, Practicing Company Secretary, as the scrutinizer for conducting the e-voting process in a fair and transparent manner for the businesses to be transacted at the AGM.

**Remote e-Voting Instructions for shareholders:**

- i) The e-voting facility (remote e-voting and e-voting at the AGM) will be provided by MUFG Intime India Private Limited
- ii) The remote e-voting period commences on 27<sup>th</sup> day June 2026 (9:00 a.m. IST) and ends on 30<sup>th</sup> day June 2026 (5:00 p.m. IST). The remote e-voting module shall be disabled by MUFG Intime India Private Limited for voting thereafter. During this period, Members of the Company, holding shares as on the cut-off date, may cast their vote electronically.
- iii) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
- iv) A person who is not a Member as on the Cut-Off Date should treat this Notice of AGM for information purpose only.

In terms of SEBI circular no. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024, shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants.

Shareholders are advised to update their mobile number and email id correctly in their demat accounts to access remote e-Voting facility.

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

**Individual Shareholders holding securities in Demat mode with NSDL:**

**METHOD 1 - NSDL OTP based login**

- a. Visit URL: <https://eservices.nsd.com/SecureWeb/evoting/evotinglogin.jsp>
- b. Enter your 8 - character DP ID, 8 - digit Client Id, PAN, Verification code and generate OTP.
- c. Enter the OTP received on your registered email ID/ mobile number and click on login.
- d. Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services.
- e. Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

## METHOD 2 - If registered with NSDL IDeAS facility

### Users who have registered for NSDL IDeAS facility:

- Visit URL: <https://eservices.nsd.com> and click on “Beneficial Owner” icon under “Login”.
- Enter user id and password. Post successful authentication, click on “Access to e-voting”.
- Post successful authentication, you will be able to see e-Voting services under Value added services section. Click on “Access to e-Voting” under e-Voting services.
- Click on “MUFG INTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

OR

### User not registered for IDeAS facility:

- To register, visit URL: <https://eservices.nsd.com> and select “Register Online for IDeAS Portal” or click on <https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp> “
- Proceed with updating the required fields.
- Post registration, user will be provided with Login ID and password.
- After successful login, click on “Access to e-voting”.
- Click on “MUFG INTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

Shareholders/ Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.



## METHOD 3 - By directly visiting the e-voting website of NSDL:

- Visit URL: <https://www.evoting.nsd.com/>
- Click on the “Login” tab available under ‘Shareholder/Member’ section.
- Enter User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.
- Post successful authentication, you will be re-directed to NSDL depository website wherein you can see “Access to e-voting”.
- Click on “MUFG INTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

### Individual Shareholders holding securities in demat mode with CDSL:

#### METHOD 1 – From Easi/Easiest

##### Users who have registered/ opted for Easi/Easiest

Visit URL: <https://web.cdslindia.com/myeasitoken/Home/Login> or [www.cdslindia.com](http://www.cdslindia.com).

- Click on New System Myeasi
- Login with user id and password
- After successful login, user will be able to see e-voting menu. The menu will have links of e-voting service providers i.e., MUFG INTIME, for voting during the remote e-voting period.
- Click on “MUFG INTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

OR

**Users not registered for Easi/Easiest**

- a. To register, visit URL: <https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration> / <https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration>
- b. Proceed with updating the required fields.
- c. Post registration, user will be provided Login ID and password.
- d. After successful login, user able to see e-voting menu.
- e. Click on “MUFG INTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

**METHOD 2 - By directly visiting the e-voting website of CDSL.**

- a. Visit URL: <https://www.cdslindia.com/>
- b. Go to e-voting tab.
- c. Enter Demat Account Number (BO ID) and PAN No. and click on “Submit”.
- d. System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account
- e. After successful authentication, click on “MUFG INTIME” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

**Individual Shareholders holding securities in Demat mode with Depository Participant:**

Individual shareholders can also login using the login credentials of your Demat account through your depository participant registered with NSDL/CDSL for e-voting facility.

- a) Login to DP website
- b) After Successful login, members shall navigate through “e-voting” tab under Stocks option.
- c) Click on e-voting option, members will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting menu.
- d) After successful authentication, click on “MUFG INTIME” or “evoting link displayed alongside Company's Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

**Login method for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in Demat mode is given below:**

**Individual Shareholders of the Company, holding shares in physical form / Non-Individual Shareholders holding securities in Demat mode as on the cut-off date for e-voting may register for e-Voting facility of MUFG Intime as under:**

**Step 1:** Registration Process for e-Voting facility of MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited) is given as under:

Visit URL: <https://instavote.linkintime.co.in>

1. Click on “**Sign Up**” under ‘**SHAREHOLDER**’ tab and register with your following details: -

| Field                         | Details   |
|-------------------------------|---|
| <b>A. User ID</b>             | Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL Demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL Demat account shall provide 16 Digit Beneficiary ID. |
| <b>B. PAN</b>                 | Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable)   |
| <b>C. DOB / DOI</b>           | Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)   |
| <b>D. Bank Account Number</b> | Enter your Bank Account Number (last four digits), as recorded with your DP/Company.  |

*\*Shareholders holding shares in **physical form** but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above*

*\*Shareholders holding shares in **NSDL form**, shall provide ‘D’ above*

- Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%\*), at least one numeral, at least one alphabet and at least one capital letter).
- Enter Image Verification (CAPTCHA) Code.
- Click “**Submit**” (Your password is now generated).

**Step 2:** Shareholders who have registered for INSTAVOTE facility:

- a) Click on ‘**Login**’ under ‘**SHAREHOLDER**’ tab.
  - A. User ID: Enter your User ID
  - B. Password: Enter your Password
  - C. Enter Image Verification (CAPTCHA) Code and
  - D. Click on ‘**Submit**’.

**Step 3:** Process to cast your vote electronically upon registration

1. After successful login, you will be able to see the notification for e-voting. Select ‘**View**’ icon.
2. E-voting page will appear.
3. Refer the Resolution description and cast your vote by selecting your desired option ‘**Favour / Against**’ (If you wish to view the entire Resolution details, click on the ‘**View Resolution**’ file link).
4. After selecting the desired option i.e. Favour / Against, click on ‘**Submit**’. A confirmation box will be displayed. If you wish to confirm your vote, click on ‘**Yes**’, else to change your vote, click on ‘**No**’ and accordingly modify your vote.

**Guidelines for Institutional shareholders (“Corporate Body/ Custodian/Mutual Fund”):**

#### **STEP 1 – Registration**

- a. Visit URL: <https://instavote.linkintime.co.in>
- b. Click on Sign up under “Corporate Body/ Custodian/Mutual Fund”
- c. Fill up your entity details and submit the form.

- d. A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to [insta.vote@linkintime.co.in](mailto:insta.vote@linkintime.co.in).
- e. Body corporate shareholders can also send a scanned copy of the board resolution authorising its representative to vote, to the scrutinizer at [dmz@dmzaveri.com](mailto:dmz@dmzaveri.com) with a copy marked to RTA at [enotices@in.mpms.mufig.com](mailto:enotices@in.mpms.mufig.com) and the Company at [investor.relations@galagroup.com](mailto:investor.relations@galagroup.com)
- f. Thereafter, Login credentials (User ID; Organisation ID; Password) will be sent to Primary contact person's email ID.
- g. While first login, entity will be directed to change the password and login process is completed.

### **STEP 2 –Investor Mapping**

Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.

- a) Click on “Investor Mapping” tab under the Menu Section
- b) Map the Investor with the following details:
  - a. ‘Investor ID’ -
    - i. *Members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678*
    - ii. *Members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.*
  - b. ‘Investor’s Name - Enter full name of the entity as updated with DP.
  - c. ‘Investor PAN’ - Enter your 10-digit PAN issued by Income Tax Department.
  - d. ‘Power of Attorney’ - Attach Board resolution or Power of Attorney. File Name for the Board resolution/Power of Attorney shall be – DP ID and Client ID. Further, Custodians and Mutual Funds shall also upload specimen signature card.
- c) Click on Submit button and investor will be mapped now.
- d) The same can be viewed under the “Report Section”.

### **STEP 3 – Voting through remote e-voting.**

The corporate shareholder can vote by two methods, once remote e-voting is activated:

#### **Method 1 - Votes Entry**

- a. Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- b. Click on ‘**Votes Entry**’ tab under the Menu section.
- c. Enter Event No. for which you want to cast vote. Event No. will be available on the home page of Instavote under “**On-going Events**”.
- d. Enter “**16-digit Demat Account No.**” for which you want to cast vote.
- e. Refer the Resolution description and cast your vote by selecting your desired option ‘**Favour / Against**’ (If you wish to view the entire Resolution details, click on the ‘**View Resolution**’ file link).
- f. After selecting the desired option i.e., Favour / Against, click on ‘**Submit**’.
- g. A confirmation box will be displayed. If you wish to confirm your vote, click on ‘**Yes**’, else to change your vote, click on ‘**No**’ and accordingly modify your vote. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

## Method 2 - Votes Upload

- Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- You will be able to see the notification for e-voting in inbox.
- Select '**View**' icon for '**Company's Name / Event number**'. E-voting page will appear.
- Download sample vote file from 'Download Sample Vote File' option.
- Cast your vote by selecting your desired option '**Favour / Against**' in excel and upload the same under '**Upload Vote File**' option.
- Click on '**Submit**'. 'Data uploaded successfully' message will be displayed. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

## Helpdesk:

### A. Helpdesk for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in DEMAT mode:

Shareholders facing any technical issue in login may contact INSTAVOTE helpdesk by sending a request at [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or contact on: - Tel: 022 – 4918 6000.

### B. Helpdesk for Individual Shareholders holding securities in DEMAT mode:

Individual Shareholders holding securities in DEMAT mode may contact the respective helpdesk for any technical issues related to login through Depository i.e., NSDL and CDSL.

| Login type   | Helpdesk details   |
|--|--|
| Individual Shareholders holding securities in demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at : 022 - 4886 7000 and 022 - 2499 7000                  |
| Individual Shareholders holding securities in demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33 |

## Forgot Password:

### A. Individual shareholders holding securities in physical form / Non-Individual Shareholders holding securities in DEMAT mode who has forgotten the password:

If an Individual shareholders holding securities in physical form has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website: <https://instavote.linkintime.co.in>

- Click on '**Login**' under '**SHAREHOLDER**' tab and further Click '**forgot password?**'
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

*In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain a minimum of 8 characters, at least one special character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter.*

- User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company
- User ID for Shareholders holding shares in NSDL demat account is 8 Character DP ID followed by 8 Digit Client ID
- User ID for Shareholders holding shares in CDSL demat account is 16 Digit Beneficiary ID.

**B. Institutional shareholders (“Corporate Body/ Custodian/Mutual Fund”) has forgotten the password:**

If a Non-Individual Shareholders holding securities in demat mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on the e-Voting website <https://instavote.linkintime.co.in>

- Click on ‘Login’ under ‘Corporate Body/ Custodian/Mutual Fund’ tab and further Click ‘forgot password?’
- Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA). Click on “SUBMIT”.

*In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain a minimum of 8 characters, at least one special character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter.*

**C. Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:**

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular “Event”.

23. Mr. Rajiv Ranjan, Assistant Vice President - e-voting, MUFGE Intime India Pvt. Ltd., Address: C 101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai - 400083, Contact no.: +91 22 49186000, email id: [enotices@in.mpms.mufg.com](mailto:enotices@in.mpms.mufg.com) , is responsible for addressing the grievances connected with facility for voting by electronic means.

**THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

**Process and manner for attending the Annual General Meeting through InstaMeet:**

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in> & Click on “Login”.

- ▶ Select the “**Company**” and ‘**Event Date**’ and register with your following details: -
- A. Demat Account No. or Folio No:** Enter your 16 digit Demat Account No. or Folio No
- Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
  - Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
  - Shareholders/ members holding shares in **physical form shall provide** Folio Number registered with the Company
- B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
- C. Mobile No.:** Enter your mobile number.
- D. Email ID:** Enter your email id, as recorded with your DP/Company.
- ▶ Click “**Go to Meeting**” (You are now registered for InstaMeet and your attendance is marked for the meeting).

**Instructions for Shareholders/ Members to Speak during the General Meeting through InstaMeet:**

1. Shareholders who would like to speak during the meeting must register their request with the company.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panelist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panelist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

**Instructions for Shareholders/ Members to Vote during the General Meeting through InstaMeet:**

Once the electronic voting is activated by the scrutinizer during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting “Cast your vote”
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on ‘Submit’.
3. After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.
4. Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘Favour/Against’.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the General Meeting will be eligible to attend/ participate in the General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

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

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or contact on: - Tel: 022-49186175.

#### **DECLARATION OF RESULTS:**

24. The scrutiniser will submit his report to the Chairman or to any other person authorised by the Chairman, after the completion of scrutiny of e-voting (votes cast through remote e-voting and votes cast during the AGM), not later than 48 hours from the conclusion of the AGM. The result declared along with the scrutiniser's report will be placed on the website of the Company [www.galagroup.com/investor-relations/](http://www.galagroup.com/investor-relations/) and on the website of MUFG Intime InstaVote at <https://instavote.linkintime.co.in/>. The result will simultaneously be communicated to the Stock Exchanges.

By order of the Board of Directors  
For **GALA PRECISION ENGINEERING LIMITED**

**Kirit V. Gala**

DIN: 01540274

Chairman and Managing Director

**Place:** Thane

**Date :** May 14, 2026

#### **Registered Office:**

A-801, 8th Floor, Thane One DIL Complex,  
Ghodbunder Road, Majiwade,  
Thane (West), Thane - 400610, India.

**Tel :** +91 022-69309224,

**Email Id :** investor.relations@galagroup.com

**Website :** [www.galagroup.com](http://www.galagroup.com)

**CIN :** L29268MH2009PLC190522

## EXPLANATORY STATEMENT

The following explanatory statement pursuant to section 102 of the Companies act, 2013 sets out all material facts relating to the business mentioned under Item Nos. 3 to 6 of the accompanying Notice of AGM.

### **ITEM NO.3:**

Ms. Neha Rajen Gada (DIN: 01642373) was appointed as an Independent Director of the Company in the Extra-Ordinary General meeting held on January 15, 2024, for a period of 3 years, effective from November 30, 2023 until November 29, 2026 (both day inclusive).

Following the performance evaluation of Ms. Neha Rajen Gada and considering the significant contributions made by her during her tenure as an Independent Director, as well as the belief that her continued association would be beneficial to the Company, the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee (NRC), recommended the re-appointment of Ms. Neha Rajen Gada as a Non-Executive Independent Director of the Company for a second term of 3 (Three) consecutive years, commencing from November 30, 2026 up to November 29, 2029, subject to the approval of the Members.

Ms. Neha Rajen Gada abstained from discussion and voting on the matter concerning her appointment during the meetings of NRC as well as the Board of Directors.

The profile and specific areas of expertise of Ms. Neha Rajen Gada are provided as an Annexure to this Notice.

Ms. Neha Rajen Gada has provided a declaration to the Board, stating that she continues to meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 ('the Act') and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'). She also affirmed that she is not restrained from acting as a Director under any order passed by the Securities and Exchange Board of India or any such authority, and is eligible to be appointed as a Director in terms of Section 164 of the Act. She has also given her consent for such re-appointment. In the opinion of the Board, Ms. Neha Rajen Gada is a person of integrity, possesses the relevant expertise/experience, and fulfills the conditions specified in the Act and the Listing Regulations for appointment as an Independent Director, and she is independent of the management. In terms of Regulation 25(8) of SEBI Listing Regulations, Ms. Neha Rajen Gada has confirmed that she is not aware of any circumstance or situation that exists or may be reasonably anticipated that could impair or impact her ability to discharge her duties. Furthermore, a declaration has been received from Ms. Neha Rajen Gada that she has not been debarred from holding the office of a Director by virtue of any order passed by SEBI or any other such authority. Ms. Neha Rajen Gada has also confirmed that she is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualifications of Directors) Rules, 2014, with respect to the registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

Considering her experience, the Board deems it desirable and in the interest of the Company to continue Ms. Neha Rajen Gada on the Board, and accordingly recommends the re-appointment of Ms. Neha Rajen Gada (DIN: 01642373) as an Independent Director for a second term of 3 (Three) consecutive years, as proposed in Resolution no. 3 for approval by the Members as a Special Resolution.

Except for Ms. Neha Rajen Gada and/or her relatives, no other Directors, Key Managerial Personnel, or their respective relatives are in any way concerned or interested, financially or otherwise, in the said resolution.

Disclosures, as required under Regulation 36 of the Listing Regulations and Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India, are annexed to this Notice.

The terms and conditions of appointment of the Independent Directors are uploaded on the website of the Company at <https://www.galagroup.com/wp-content/uploads/2024/01/NRC-Policy.pdf> which is available in public domain for viewing.

**ITEM NO.4:**

Mr. Snehal Bhupendra Shah (DIN: 00128595) was appointed as an Independent Director of the Company in the Extra-Ordinary General meeting held on January 15, 2024, for a period of 3 years, effective from November 30, 2023 until November 29, 2026 (both day inclusive).

Following the performance evaluation of Mr. Snehal Bhupendra Shah and considering the significant contributions made by him during his tenure as an Independent Director, as well as the belief that his continued association would be beneficial to the Company, the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee (NRC), recommended the re-appointment Mr. Snehal Bhupendra Shah as a Non-Executive Independent Director of the Company for a second term of 5 (Five) consecutive years, commencing from November 30, 2026 up to November 29, 2031, subject to the approval of the Members.

Mr. Snehal Bhupendra Shah abstained from discussion and voting on the matter concerning his appointment during the meetings of NRC as well as the Board of Directors.

The profile and specific areas of expertise of Mr. Snehal Bhupendra Shah are provided as an Annexure to this Notice.

Mr. Snehal Bhupendra Shah has provided a declaration to the Board, stating that he continue to meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 ('**the Act**') and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('**SEBI Listing Regulations**'). He also affirmed that he is not restrained from acting as a Director under any order passed by the Securities and Exchange Board of India or any such authority, and is eligible to be appointed as a Director in terms of Section 164 of the Act. He has also given his consent for such re-appointment. In the opinion of the Board, Mr. Snehal Bhupendra Shah is a person of integrity, possesses the relevant expertise/experience, and fulfills the conditions specified in the Act and the Listing Regulations for appointment as an Independent Director, and he is independent of the management. In terms of Regulation 25(8) of SEBI Listing Regulations, Mr. Snehal Bhupendra Shah has confirmed that he is not aware of any circumstance or situation that exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties. Furthermore, a declaration has been received from Mr. Snehal Bhupendra Shah that he has not been debarred from holding the office of a Director by virtue of any order passed by SEBI or any other such authority. Mr. Snehal Bhupendra Shah has also confirmed that he is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualifications of Directors) Rules, 2014, with respect to the registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

Considering his experience, the Board deems it desirable and in the interest of the Company to continue Mr. Snehal Bhupendra Shah on the Board, and accordingly recommends the re-appointment of Mr. Snehal Bhupendra Shah (DIN: 00128595) as an Independent Director for a second term of 5 (Five) consecutive years, as proposed in Resolution no. 4 for approval by the Members as a Special Resolution.

Except for Mr. Snehal Bhupendra Shah and/or his relatives, no other Directors, Key Managerial Personnel, or their respective relatives are in any way concerned or interested, financially or otherwise, in the said resolution.

Disclosures, as required under Regulation 36 of the Listing Regulations and Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India, are annexed to this Notice.

The terms and conditions of appointment of the Independent Directors are uploaded on the website of the Company at <https://www.galagroup.com/wp-content/uploads/2024/01/NRC-Policy.pdf> which is available in public domain for viewing.

**ITEM NO.5:**

Mr. Sudhir Tokarshi Gosar (DIN: 10460551) was appointed as an Independent Director of the Company in the Extra-Ordinary General meeting held on January 15, 2024, for a period of 3 years, effective from November 30, 2023 until November 29, 2026 (both day inclusive).

Following the performance evaluation of Mr. Sudhir Tokarshi Gosar and considering the significant contributions made by him during his tenure as an Independent Director, as well as the belief that his continued association would be beneficial

to the Company, the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee (NRC), recommended the re-appointment Mr. Sudhir Tokarshi Gosar as a Non-Executive Independent Director of the Company for a second term of 3 (Three) consecutive years, commencing from November 30, 2026 up to November 29, 2029, subject to the approval of the Members.

Mr. Sudhir Tokarshi Gosar abstained from discussion and voting on the matter concerning his appointment during the meetings of NRC as well as the Board of Directors.

The profile and specific areas of expertise of Mr. Sudhir Tokarshi Gosar are provided as an Annexure to this Notice.

Mr. Sudhir Tokarshi Gosar has provided a declaration to the Board, stating that he continues to meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 ('the Act') and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'). He also affirmed that he is not restrained from acting as a Director under any order passed by the Securities and Exchange Board of India or any such authority, and is eligible to be appointed as a Director in terms of Section 164 of the Act. He has also given his consent for such re-appointment. In the opinion of the Board, Mr. Sudhir Tokarshi Gosar is a person of integrity, possesses the relevant expertise/experience, and fulfills the conditions specified in the Act and the Listing Regulations for appointment as an Independent Director, and he is independent of the management. In terms of Regulation 25(8) of SEBI Listing Regulations, Mr. Sudhir Tokarshi Gosar has confirmed that he is not aware of any circumstance or situation that exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties. Furthermore, a declaration has been received from Mr. Sudhir Tokarshi Gosar that he has not been debarred from holding the office of a Director by virtue of any order passed by SEBI or any other such authority. Mr. Sudhir Tokarshi Gosar has also confirmed that he is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualifications of Directors) Rules, 2014, with respect to the registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

Considering his experience, the Board deems it desirable and in the interest of the Company to continue Mr. Sudhir Tokarshi Gosar on the Board, and accordingly recommends the re-appointment of Mr. Sudhir Tokarshi Gosar (DIN: 10460551) as an Independent Director for a second term of 5 (Five) consecutive years, as proposed in Resolution no. 5 for approval by the Members as a Special Resolution.

Except for Mr. Sudhir Tokarshi Gosar and/or his relatives, no other Directors, Key Managerial Personnel, or their respective relatives are in any way concerned or interested, financially or otherwise, in the said resolution.

Disclosures, as required under Regulation 36 of the Listing Regulations and Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India, are annexed to this Notice.

The terms and conditions of appointment of the Independent Directors are uploaded on the website of the Company at <https://www.galagroup.com/wp-content/uploads/2024/01/NRC-Policy.pdf> which is available in public domain for viewing.

#### **ITEM NO.6:**

Pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Cost Audit and Records) Rules, 2014 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications thereof, for the time being in force), the Company is required to audit its cost accounts relating to such products manufactured by the Company covered under the Central Excise Tariff Act, 1985, as prescribed under Section 148 of the Act and the Companies (Cost Records and Audit) Rules, 2014, conducted by a Cost Accountant. Based on the recommendation of the Audit Committee, the Board had, at its meeting held on May 14, 2026, approved the re-appointment of M/s. Shekhar Joshi & Co (Membership Number-10700) as the Cost Auditors of the Company to conduct audit of cost records maintained by the Company, pertaining to the relevant products, for FY 2026-2027 at a remuneration of ₹100,000/- [One Lakh only] plus applicable taxes, out-of-pocket and other expenses.

In accordance with the provisions of Section 148 of the Act read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, ratification for the remuneration payable to the Cost Auditors to audit the cost records of the Company for the said financial year by way of an Ordinary Resolution is being sought from the Members as set out at Item No. 6 of the accompanying Notice.

M/s. Shekhar Joshi & Co have furnished a certificate dated 13<sup>th</sup> May 2026 regarding their eligibility for appointment as Cost Auditors of the Company. They have vast experience in the field of cost audit and have conducted the audit of the cost records of the Company for previous years under the provisions of the Act.

The Board of Directors recommends passing of the Ordinary Resolution at Item No. 6 of the Notice.

*None of the Directors, Key Managerial Personnel of the Company and/or their relatives, are in anyway deemed to be concerned or interested in the Resolution.*

By order of the Board of Directors  
For **GALA PRECISION ENGINEERING LIMITED**

**Kirit V. Gala**

DIN: 01540274

Chairman and Managing Director

**Place:** Thane

**Date :** May 14, 2026

**Registered Office:**

A-801, 8th Floor, Thane One DIL Complex,  
Ghodbunder Road, Majiwade,  
Thane (West), Thane - 400610, India.

**Tel :** +91 022-69309224,

**Email Id :** investor.relations@galagroup.com

**Website :** [www.galagroup.com](http://www.galagroup.com)

**CIN :** L29268MH2009PLC190522

## ANNEXURE TO NOTICE

Particulars of **Ms. Neha Rajen Gada, Mr. Snehal Bhupendra Shah, Mr. Sudhir Tokarshi Gosar**, Directors of the Company seeking re-appointment pursuant to Regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Secretarial Standards – 2

| Name of the Director                   | Ms. Neha Rajen Gada  | Mr. Snehal Bhupendra Shah   | Mr. Sudhir Tokarshi Gosar  |
|--|--|---|--|
| Age                                    | 50 years   | 57 years  | 64 years   |
| Nationality                            | Indian   | United Kingdom  | Indian   |
| DIN                                    | 01642373   | 00128595  | 10460551   |
| Item No                                | 3  | 4   | 5  |
| Date of Birth                          | 22 March 1976  | 18 December 1969  | 1 April 1962   |
| Designation and Category of Director   | Non-Executive Independent Director, not liable to retire by rotation   | Non-Executive Independent Director, not liable to retire by rotation  | Non-Executive Independent Director, not liable to retire by rotation   |
| Date of first appointment on Board     | 30 <sup>th</sup> November 2023   | 30 <sup>th</sup> November 2023  | 11 <sup>th</sup> January 2024  |
| Brief Resume – Qualification           | <p>Ms. Neha Rajen Gada is a Chartered Accountant, holds the certificate for limited insolvency examination from Insolvency and Bankruptcy Board of India. She started her professional career in the year 1997.</p> <p>She has served at managerial position for eight years at BSE Limited in various departments including Corporate Services, Surveillance and Supervision. She was instrumental in conceptualizing and implementing various systems and modules for compliances at Stock Exchange.</p> <p>Presently, she runs a consultancy firm and specializes in matters related to SEBI Regulations &amp; NBFCs. She has vast knowledge in the fields of Securities Laws, Compliances with Stock Exchange, Corporate Restructuring, Mergers, ESOPS, SME Listing, Takeover Code, handling Exemption and Consent applications at SEBI and Advising on Resolution Plan for listed companies</p> | <p>Mr. Snehal Bhupendra Shah is an electrical engineering graduate from Sardar Patel University (1991) and a PGDM holder from IIM Bangalore (1995). He is based out of Mumbai and spent 21 years in the area of private equity investing. He started his career with ICICI Venture Funds Management Company Limited, and after spending 5 years, moved to Actis Advisers Private Limited. He spent 8 years with Actis and then moved to Fairwinds Private Equity as a Partner, from 2008 to 2015. Throughout his career spanning 21 years, he was deeply involved in the entire value chain of private equity investing - from the initial stages of deal identification to the execution of exit strategies. He left the sector in 2015 and currently pursues his passion for trekking and traveling. He is also an active investor in the public and private markets.</p> | <p>Mr. Sudhir Tokarshi Gosar, graduate from IIT Mumbai with B.Tech in Chemical Engineering, worked with Worked with Tata Burroughs / Tata Unisys / Tata Infotech for 15 years as consultant in computer consultant. Projects included various software development assignments including data communications and networking on the Burroughs mainframe and networking devices. Clients include Burroughs computer Philadelphia US, DATEV - Nuremberg W. Germany, BBL - Brussels etc. Joined In2cable, a Cable ISP of Hinduja group as CTO for a period of 7 years. Worked with Reliance Infocom / Reliance BIG TV, a DTH operation / subsidiary of RCOM as CTO. Joined Telecom Software Elitecore as President Cable &amp; ISP Business, which was taken over by Sterlite Technologies. Presently as a consultant in Networks and Security area.</p> |
| Experience                             |  |   |  |
| Expertise in Specific Functional Areas |  |   |  |

| Name of the Director   | Ms. Neha Rajen Gada  | Mr. Snehal Bhupendra Shah   | Mr. Sudhir Tokarshi Gosar  |
|--|--|---|--|
| <b>Terms and Conditions of Re-appointment</b>  | As per letter of Appointment.  | As per letter of Appointment.   | As per letter of Appointment.  |
| <b>Details of remuneration sought to be paid and last drawn remuneration</b>   | Nil – Except sitting fees.   | Nil – Except sitting fees.  | Nil – Except sitting fees.   |
| <b>Other Directorships</b>   | 1. Sejal Glass Limited<br>2. Aarti Drugs Limited<br>3. Tamboli Industries Limited (formerly known as Tamboli Capital Limited)<br>4. Motilal Oswal Home Finance Limited<br>5. SFC Environmental Technologies Limited<br>6. Play Simple Games Limited<br>7. Fore Green Real Estate Private Limited<br>8. Pinnacle Life Science Private Limited<br>9. Lumora Capital IFSC Private Limited<br>10. Jito Mumbai Midtown Chapter Foundation<br>11. Infineon Capital Advisors LLP  | None  | None   |
| <b>Listed entities from which he has resigned in the past three years</b>  | Asian Star Company Limited   | None  | None   |
| <b>Memberships of committees across companies (only Statutory Committees as required to be constituted under the Act considered)</b> | <b>Sejal Glass Limited</b> <ul style="list-style-type: none"> <li>Audit Committee</li> <li>Stakeholders Relationship Committee</li> </ul> <b>Tamboli Industries Limited (formerly Tamboli Capital Limited)</b> <ul style="list-style-type: none"> <li>Stakeholders Relationship Committee</li> <li>Risk Management Committee</li> </ul> <b>Gala Precision Engg. Ltd</b> <ul style="list-style-type: none"> <li>Audit Committee</li> <li>Stakeholder Relationship Committee</li> </ul> <b>Motilal Oswal Home Finance Limited</b> <ul style="list-style-type: none"> <li>Audit Committee</li> <li>Nomination and Remuneration Committee</li> </ul> | <b>Gala Precision Engg. Ltd</b> <ul style="list-style-type: none"> <li>Nomination and Remuneration Committee</li> </ul> | <b>Gala Precision Engg. Ltd</b> <ul style="list-style-type: none"> <li>Risk Management Committee</li> <li>Nomination and Remuneration Committee</li> </ul> |

| Name of the Director  | Ms. Neha Rajen Gada  | Mr. Snehal Bhupendra Shah   | Mr. Sudhir Tokarshi Gosar   |
|---|--|---|---|
|   | <b>Aarti Drugs Limited</b> <ul style="list-style-type: none"> <li>Audit Committee</li> </ul> <b>SFC Environment Technologies Limited</b> <ul style="list-style-type: none"> <li>Risk Management Committee</li> </ul> <b>Playsimple Games Limited</b> <ul style="list-style-type: none"> <li>Risk Management Committee</li> </ul>   |   |   |
| Chairpersonship of Committees across companies (only Statutory Committees as required to be constituted under the Act are considered) | <b>Sejal Glass Limited</b> <ul style="list-style-type: none"> <li>Nomination and Remuneration Committee</li> </ul> <b>Tamboli Industries Limited (formerly Tamboli Capital Limited)</b> <ul style="list-style-type: none"> <li>Audit Committee</li> <li>Nomination and Remuneration Committee</li> </ul> <b>Aarti Drugs Limited</b> <ul style="list-style-type: none"> <li>Nomination and Remuneration Committee</li> </ul> <b>SFC Environment Technologies Limited</b> <ul style="list-style-type: none"> <li>Audit Committee</li> </ul> <b>Pinnacle Life Science Private Limited</b> <ul style="list-style-type: none"> <li>Corporate Social Responsibility Committee</li> </ul> <b>Playsimple Games Limited</b> <ul style="list-style-type: none"> <li>Audit Committee</li> </ul> | <b>Gala Precision Engg. Ltd</b> <ul style="list-style-type: none"> <li>Audit Committee</li> </ul> |   |
| Disclosure of Relation with other Directors & Key Managerial Personnel (KMP) of the Company   | Ms. Neha Rajen Gada is not related to any of the other Directors & KMP.  | Mr. Snehal Bhupendra Shah is not related to any of the other Directors & KMP.                     | Mr. Sudhir Tokarshi Gosar is not related to any of the other Directors & KMP. |
| Shareholding in the Company held by him/her including shareholding as a beneficial owner (as on March 31, 2026)                       |  | 45000 Shares  |   |
| Number of Board Meetings attended in the Financial Year 2025-26   | 4 out of 4 meetings held   | 4 out of 4 meetings held  | 4 out of 4 meetings held  |

# MANAGEMENT DISCUSSION & ANALYSIS

## Global Economic Overview

The global economy entered FY 2025-26 with a mixed operating environment marked by moderate growth, persistent geopolitical uncertainty, changing trade patterns, and continued investment in energy transition and industrial infrastructure.

According to the **International Monetary Fund’s World Economic Outlook, April 2026**, global growth is projected to moderate to **3.1% in 2026** and **3.2% in 2027**, after a period of elevated trade barriers, policy uncertainty and renewed geopolitical risks. The IMF also noted that global headline inflation is expected to rise modestly in 2026 before resuming its decline in 2027.

## Key Data Points Used for Section 1

| Indicator                             | Data / Observation  | Source                              |
|---------------------------------------|---|-------------------------------------|
| Global growth projection              | 3.1% in 2026; 3.2% in 2027  | IMF WEO April 2026                  |
| World Bank global growth estimate     | 2.7% for 2025 and 2026  | World Bank GEP January 2026         |
| World merchandise trade volume growth | 4.6% in 2025  | WTO Global Trade Outlook March 2026 |
| Energy transition trend               | Electricity demand rising with higher renewable share                             | IEA WEO 2025                        |
| Key global risks                      | Inflation, trade policy uncertainty; geopolitical tension, fuel and freight costs | IMF / World Bank / WTO              |

The **World Bank’s Global Economic Prospects, January 2026** estimated global growth at **2.7% for 2025 and 2026**, indicating that the global economy is settling into a relatively low-growth phase. The World Bank highlighted risks from policy uncertainty, trade policy shifts, geopolitical tensions, persistent inflation and climate-related disruptions.

Global trade showed resilience during 2025. The **World Trade Organization** reported that world merchandise trade volume grew by **4.6% in 2025**, supported partly by strong demand for AI-related goods and technology-linked investment. However, the WTO also indicated that trade conditions remain exposed to risks from tariffs, transport disruptions, fuel costs and geopolitical tensions.

Energy transition continued to remain a major structural theme for global industry. The **International Energy Agency’s World Energy Outlook 2025** stated that electricity is playing a growing role in meeting energy demand across all scenarios, with rising shares of generation from renewable sources. The IEA also projected that electricity demand could rise materially by 2035, supported by cooling demand, electrification, data centres and AI-related power needs.

For manufacturing and precision engineering companies, the global environment continues to present both opportunities and challenges. While demand from traditional industrial sectors remains linked to global growth and capital expenditure cycles,

long-term opportunities are emerging from renewable energy, grid infrastructure, railways, electrification, hydrogen, data centers and supply chain diversification.

## Indian Economic Overview

India continued to remain one of the stronger large economies during FY 2025-26, supported by domestic demand, manufacturing activity, infrastructure investment, services growth and policy-led focus on industrial development. The country’s macroeconomic environment remained relatively resilient despite global uncertainties around trade, geopolitics, commodity prices and financial market volatility.

As per the **First Advance Estimates of National Income released by MoSPI**, India’s **real GDP is estimated to grow by 7.4% in FY 2025-26**, compared with **6.5% in FY 2024-25**. Nominal GDP is estimated to grow by **8.0% in FY 2025-26**. The estimate also indicates that real GVA growth is supported by strong momentum in services, with manufacturing remaining an important contributor to the economy.

## Key Data Points Used for Section 2

| Indicator                                    | Data / Observation                  | Source                    |
|--|-------------------------------------|---------------------------|
| 1. Real GDP growth, FY 2025-26               | 7.4% as per First Advance Estimates | MoSPI                     |
| 2. Nominal GDP growth, FY 2025-26            | 8.0% as per First Advance Estimates | MoSPI                     |
| 3. Revised real GDP growth, FY 2025-26       | 7.6%                                | PIB / MoSPI communication |
| 4. Revised nominal GDP growth, FY 2025-26    | 8.6%                                | PIB / MoSPI communication |
| 5. IIP growth, March 2026                    | 4.1% YoY                            | MoSPI                     |
| 6. Manufacturing growth, March 2026          | 4.3% YoY                            | MoSPI                     |
| 7. IIP growth, February 2026                 | 5.2% YoY                            | MoSPI                     |
| 8. Manufacturing growth, February 2026       | 6.0% YoY                            | MoSPI                     |
| 9. Manufacturing PMI, April 2026             | 54.7                                | HSBC / S&P Global         |
| 10. Renewable energy share in power capacity | 49.83% as of November 2025          | Economic Survey 2025-26   |
| 11. Engineering exports, FY 2024-25          | USD 116.7 billion                   | EEPC India                |
| 12. Engineering exports, April 2025          | USD 9.51 billion, up 11.28% YoY     | EEPC India                |

Subsequent official communication on revised GDP estimates stated that India's **real annual GDP growth for FY 2025-26 is estimated at 7.6%**, higher than **7.1% in FY 2024-25**, while nominal GDP at current prices is projected to grow by **8.6%** during FY 2025-26. The same release noted that manufacturing recorded double-digit growth in FY 2023-24 and FY 2025-26, reflecting its role in India's resilient economic performance.

Industrial activity also remained in expansion mode. According to MoSPI's Index of Industrial Production release, India's **IIP grew by 4.1% year-on-year in March 2026**, with manufacturing growing by **4.3%** during the month. In February 2026, IIP growth was **5.2%**, supported by **6.0% growth in manufacturing**.

High-frequency manufacturing indicators also showed continued expansion. The **HSBC India Manufacturing PMI**, compiled by S&P Global, stood at **54.7 in April 2026**, compared with **53.9 in March 2026**. A reading above 50 indicates expansion. The report noted that export orders remained a positive area, although input cost pressures had increased.

India's economic momentum was also supported by continued policy emphasis on infrastructure, capital expenditure and manufacturing competitiveness. The Economic Survey 2025-26 highlighted that the Centre's effective capital expenditure to GDP had increased from a pre-pandemic average of **2.7%** to **4.0% in FY25**, reflecting the government's sustained focus on asset creation and infrastructure-led growth.

The energy transition remained an important structural theme for India. The Economic Survey 2025-26 stated that renewable energy constituted around **49.83% of India's total power generation capacity as of November 2025**, and noted India's strong position globally in renewable energy and installed solar capacity.

India's engineering exports also remained relevant for precision component manufacturers. EEPC India reported that engineering exports reached an all-time high of **USD 116.7 billion in FY 2024-25**. For April 2025, the first month of FY 2025-26, engineering exports stood at **USD 9.51 billion**, registering **11.28% year-on-year growth** compared with April 2024.

### Industry Structure and Developments

India's precision engineering, springs and fastening solutions industry forms part of the broader engineering and capital goods ecosystem. The industry serves end-user sectors such as electrical equipment, renewable energy, railways, industrial machinery, mobility, off-highway equipment, infrastructure and exports.

The engineering and capital goods sector continues to be supported by infrastructure development, industrial expansion and rising exports. IBEF states that the electrical equipment market is expected to grow by nearly **US\$ 33 billion between 2021 and 2025**, supported by demand from power, manufacturing and infrastructure. It also states that India's construction equipment market was valued at **₹69,046 crore / US\$ 7.91 billion in 2025** and is projected to reach **₹1,02,827 crore / US\$ 11.78 billion by 2030**.

India's power and renewable energy sectors continue to provide long-term demand support for engineering components. As per Economic Survey 2025-26 highlights, India's installed power capacity rose **11.6% year-on-year to 509.74 GW as of November 2025**, while renewable energy constituted around **49.83% of total power generation capacity**. During FY 2025-26 up to **31 December 2025**, India added **38.61 GW** of renewable energy capacity.

Railways also remain an important demand area. For FY 2025-26, capital expenditure of ₹2,65,200 crore was earmarked for Indian Railways, including ₹57,693 crore for rolling stock and ₹1,16,514 crore for safety-related initiatives. Engineering exports provide another important industry driver. EEPC India reported that Indian engineering exports reached an all-time high of US\$ 116.7 billion in FY 2024-25 and stood at US\$ 9.51 billion in April 2025, registering 11.28% year-on-year growth.

### Key End-user Industry Outlook

Gala Precision Engineering Limited serves a broad set of end-user industries where precision, durability, load retention, vibration resistance and quality consistency are important. The Company's key end-user industries include renewable energy, electrical equipment, railways, mobility, off-highway equipment, hydrogen, industrial applications and exports.

#### 4.1 Renewable Energy and Energy Transition

India's renewable energy sector continued to expand during FY 2025-26, supported by policy focus, capacity addition and the country's long-term energy transition goals. As per the Ministry of New and Renewable Energy, India added **55.3 GW of non-fossil capacity during FY 2025-26**, and total installed non-fossil fuel capacity stood at **283.46 GW as on 31 March 2026**. The Ministry also stated that in July 2025, renewables met **51.5% of India's total electricity demand of 203 GW**, which was the highest-ever renewable energy share in electricity generation. India achieved its highest-ever wind capacity addition of **6.05 GW in FY 2025-26**, taking cumulative installed wind capacity beyond **56 GW**. FY26 wind additions were nearly **46% higher than FY25**, showing renewed momentum in the sector. The medium-term wind outlook indicates potential annual additions of around **7-10 GW**, supported by India's renewable targets, hybrid projects, C&I demand and localization. Reuters reported that India's wind market is expected to add **57 GW by 2032**, implying an average of around **8 GW per year**. Relevant wind OEM / equipment ecosystem includes **Suzlon, Inox Wind, Siemens Gamesa / successor Indian platform, Vestas, Envision, GE Vernova, Nordex, Senvion India, Adani Wind and Enercon / Wind World India**



Earlier, MNRE had also reported that India added **44.5 GW of renewable energy capacity in 2025 up to November 2025**, with solar installed capacity reaching **132.85 GW** and wind reaching **54 GW**.

For Gala, the renewable energy sector remains relevant because wind, solar, grid and related power infrastructure require reliable mechanical components for load-bearing, vibration-prone and safety-critical applications. The Company's disc springs, high tensile fasteners, studs, nuts, bolts and vibration-resistant fastening solutions are aligned with such application requirements.

#### 4.2 Electrical Equipment and Power Infrastructure

India's power and electrical equipment sector is supported by rising electricity demand, grid expansion, power transmission and distribution investment, renewable integration and industrial electrification. IBEF states that India is the **third-largest producer and consumer of electricity worldwide**, with installed power capacity of **505 GW as of October 2025**.

The electrical equipment industry also continues to see long-term demand from power, manufacturing and infrastructure. IBEF states that the Indian electrical equipment market is expected to see incremental growth of **₹6,44,533 crore / US\$ 76.24 billion at a 14.3% CAGR from FY24 to FY28**.



IEA's Electricity 2025 report stated that India's electricity demand grew **5.8% year-on-year in 2024**, following **8.3% growth in 2023**, and forecast India's electricity demand to grow at an average annual rate of **6.3% from 2025 to 2027**, supported by rapid economic expansion and increasing electrification.

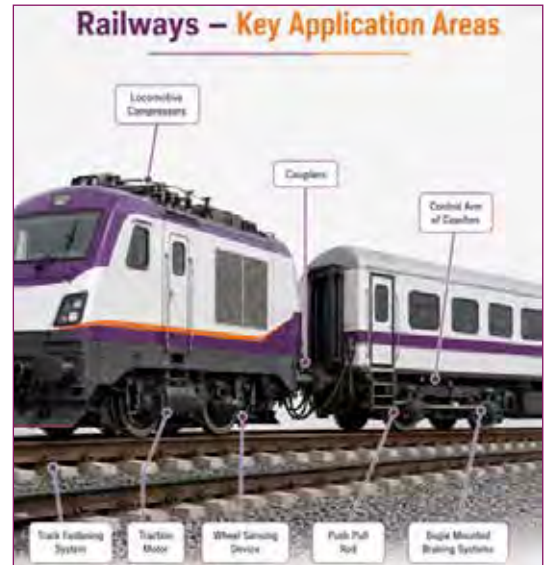
For Gala, this sector is important because transformers, switchgear, power distribution equipment, circuit breakers, rectifier systems and related electrical assemblies require precision components that can perform under thermal, mechanical and vibration stress. Gala's disc springs, fasteners, studs, nuts, bolts, washers and precision spring products are relevant to these applications.

#### 4.3 Railways and Metro Infrastructure

Railways continue to be a major infrastructure priority in India. For FY 2025-26, the Ministry of Railways stated that total capital expenditure of **₹2,65,200 crore** had been earmarked for Railways. This included **₹57,693 crore** for rolling stock and **₹1,16,514 crore** for safety-related initiatives such as track renewal, signalling upgrades, telecom improvements, bridges and railway crossings.

The Economic Survey 2025-26 highlights stated that India's rail network reached **69,439 route km as of March 2025**, with a targeted addition of **3,500 km in FY26**. It also stated that **99.1% railway electrification had been achieved by October 2025**.

For Gala, railways represent an important application area because railway systems require components that can withstand vibration, fatigue, repeated loading and safety-critical service conditions. Gala's springs, disc springs, fasteners, washers and engineered fastening components are relevant for applications such as track fastening systems, couplers, traction motors, braking systems, control arms and other mechanical assemblies.



#### 4.4 Off-highway, Construction and Mining Equipment

The off-highway and construction equipment sector is linked to infrastructure creation, mining, road development and industrial activity. IBEF states that India's construction equipment market was valued at **₹69,046 crore / US\$ 7.91 billion in 2025** and is projected to reach **₹1,02,827 crore / US\$ 11.78 billion by 2030**.

Recent industry reporting based on ICEMA data stated that India's construction equipment sales reached **1,36,995 units in FY26**, with exports rising **32% to 17,394 units**, although domestic demand was affected by slower infrastructure execution and project award delays.

For Gala, off-highway and construction equipment applications are relevant because such equipment operates in high-load, high-vibration and fatigue-prone conditions. The Company's high tensile fasteners, studs, nuts, bolts, disc springs and Gallock vibration-resistant washers are aligned with applications in excavators, loaders, mining equipment, engines, frames, hydraulic systems and heavy-duty assemblies.



#### 4.5 Mobility, Commercial Vehicles and Electric Vehicles

India's mobility sector is undergoing structural change, led by electrification, fuel-efficiency requirements, safety regulations and increased localization of components. NITI Aayog's report on electric vehicles states that EV sales in India increased from around **50,000 units in 2016 to 2.08 million units in 2024**, while India aims to reach **30% EV share in total vehicle sales by 2030**.

Government data released through PIB stated that in FY 2024-25, **11,49,334 electric two-wheelers** were sold, reflecting **21% growth** over FY 2023-24, while electric three-wheeler L5 sales reached **1,59,235 units**, reflecting **57% growth** over the previous year.

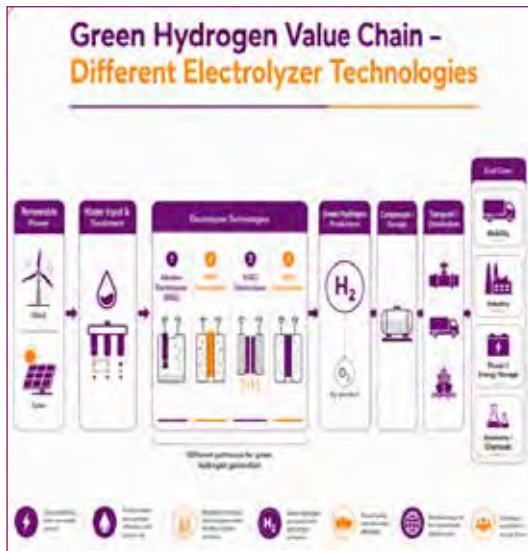
For Gala, mobility and EV applications are relevant because vehicle systems require fastening and spring solutions for vibration, fatigue, thermal cycling and load-bearing conditions. Potential application areas include battery pack assemblies, braking systems, seating systems, chassis and frame assemblies, powertrain systems, commercial vehicles and power electronics.



#### 4.6 Green Hydrogen and Electrolyzers

Green hydrogen is emerging as a long-term industrial opportunity in India's energy transition strategy. The Government of India is implementing the **National Green Hydrogen Mission** with the objective of making India a global hub for the production, usage

and export of green hydrogen and its derivatives. PIB stated that India's green hydrogen production capacity is likely to reach **5 million metric tonnes per annum by 2030**.



As of May 2025, under the mission, **19 companies had been allocated cumulative annual green hydrogen production capacity of 862,000 tonnes**, and **15 firms had been awarded 3,000 MW annual electrolyzer manufacturing capacity**.

PIB also reported that India had commissioned **8,000 tonnes per annum of green hydrogen production capacity up to February 2026**.

For Gala, this is an important emerging application area. Electrolyzer stacks and related assemblies require reliable compression, fastening and load-retention systems. The Company's disc springs, studs, nuts, bolts and high tensile fasteners are relevant for stack compression frames, end-plate assemblies and other mechanical fastening applications in electrolyzer systems.

### Opportunities and Threats

Gala Precision Engineering Limited operates in a business environment shaped by industrial growth, infrastructure development, energy transition, export opportunities and evolving customer expectations for precision-engineered components. At the same time, the Company remains exposed to macroeconomic, raw material, currency, geopolitical, competitive and operational risks.

#### Opportunities

- **Move from component supply to application-specific solutions**  
Opportunity to offer customized springs, fasteners, washers and product combinations for customer-specific applications. Opportunity to offer kitting solutions, engineered assemblies, smart bolts and other value-added fastening solutions.
- **Increase wallet share from existing customers**  
Opportunity to cross-sell disc springs, coil springs, high tensile fasteners, studs, nuts, bolts and Gallock washers to existing OEM and Tier-1 customers.
- **Scale Special Fastening Solutions through Chennai facility**  
The Chennai plant provides an opportunity to grow high tensile fasteners, studs, bolts, nuts and other special fastening products.

- **Strengthen export market presence**  
Opportunity to deepen business in Europe, USA and APAC by positioning Gala as a reliable, quality-certified Indian precision engineering supplier.
- **Capture emerging technology applications**  
Opportunity to serve growing applications in hydrogen electrolyzers, EVs, renewable energy, high-speed rail and data-centre power infrastructure.
- **Use quality, certifications and ESG as key differentiators**  
Opportunity to compete on reliability, process capability, testing, documentation, customer audit readiness, sustainability practices, responsible manufacturing, workplace safety and ESG-aligned customer expectations.
- **Strengthening structured business development**  
Opportunity to use exhibitions, CRM, digital marketing, LinkedIn outreach and sector-wise lead generation to improve customer acquisition.

## Threats and Challenges

- **Global Economic and Geopolitical Uncertainty**  
The IMF's World Economic Outlook, April 2026, stated that downside risks dominate the global outlook, including broader conflict, geopolitical fragmentation, renewed trade tensions, elevated debt and financial market vulnerability.
- **Trade Policy and Tariff Risk**  
The WTO has highlighted that global trade remains exposed to trade policy uncertainty, tariffs, conflict-related disruptions and higher fuel costs.
- **Raw Material Price Volatility**  
Gala's products depend on steel, alloy steel and other engineered materials. Any sharp movement in raw material prices can affect input costs, working capital and margins.
- **Currency Fluctuation**  
As a company serving export markets and importing certain inputs or equipment, Gala remains exposed to foreign exchange movement.
- **Competition from Domestic and International Players**  
The springs and fasteners industry includes both domestic and global competitors. Customers may compare suppliers on cost, quality, delivery, technical capability, approvals and track record.
- **Quality and Product Performance Risk**  
Gala's products are used in applications where failure can affect safety, equipment performance and customer operations.
- **Technology and Application Change**  
End-user industries such as hydrogen, EVs, railways, renewable energy and electrical equipment are evolving. Component requirements may change over the long term, over a 10–15-year horizon, due to new designs, materials, standards and customer expectations.

## Gala's Mitigation Approach

The Company seeks to manage these opportunities and threats through:

1. Diversified exposure across multiple industries.
2. Diversified products within springs and fasteners family.
3. Balanced focus on domestic and export markets.

4. Continued development of new products and applications.
5. New customers are being added across the globe.
6. Focus on quality, testing and customer approvals.
7. Strengthening of application engineering capability.
8. Capacity expansion through Wada and Chennai operations.
9. Cost control and productivity improvement.
10. Vendor development and diversification.
11. Customer relationship management and deeper engagement with OEMs.
12. Focus on value-added products and safety-critical applications.

## Business Overview

Gala Precision Engineering Limited is engaged in the design and manufacture of precision engineering components, with a product portfolio covering high tensile fasteners, disc and strip springs, coil and spiral springs, and wedge-lock washers. The Company serves customers across key sectors such as renewable energy, industrial applications and mobility to OEMs, Tier-1 suppliers and channel partners.

The Company operates in two broad business areas: Springs Technology and Special Fastening Solutions. Springs Technology includes products such as disc springs, strip springs, coil springs, spiral springs and wedge-lock washers, while Special Fastening Solutions include high tensile fasteners such as studs, anchor bolts, cross bolts, hex bolts and nuts. We are manufacturer of precision components with an extensive portfolio of 800+ SKUs and operations spanning more than 30 years.

Our products are used in applications where reliability, precision, load management, vibration resistance and consistent performance are important. Gala has 175+ customers, exports to 25+ countries, and is certified under ISO 9001:2015, ISO 14001:2015, ISO 45001:2018 and IATF 16949 quality standards.

## Product and Application Review

Gala Precision Engineering Limited operates across two principal product areas: **Springs Technology** and **Special Fastening Solutions**. The Company's disclosed product portfolio includes **Disc & Strip Springs, Coil & Spiral Springs, Gallock Wedge Lock / Grip Lock Washers, and Special Fastening Solutions such as high tensile fasteners, studs, anchor bolts, cross bolts, hex bolts and nuts**

During the year, the Company continued to strengthen its product relevance across established sectors such as electrical equipment, renewable energy, industrial machinery, mobility, railways and off-highway equipment, while also exploring newer application areas such as hydrogen electrolyzers, EV platforms, high-speed rail and advanced fastening solutions.

### Disc and Strip Springs

Disc springs remain an important product category for Gala, especially in applications where high load capacity, controlled deflection and preload retention are required in compact spaces.

Strip springs are used in precision assemblies where flexibility, repeatability and compact design are required. These products are relevant for electrical, industrial and mechanical systems.



**Business relevance:**

Disc springs support Gala's positioning in safety-critical and performance-driven applications where reliability under load, thermal variation and cyclic operating conditions is important.

Strip springs help the Company serve customers requiring compact, customized and application-specific spring solutions.

**Coil and Spiral Springs**

Coil springs are relevant in applications involving repeated load cycles, motion control, compression, return force and mechanical support.

**Business relevance:**

Coil springs strengthen Gala's product coverage in mobility, industrial machinery and mechanical systems requiring consistent spring performance.

**Special Fastening Solutions**

High tensile fasteners form a key part of the Company's Special Fastening Solutions portfolio. These products are used in applications requiring strength, durability and reliable joint performance.

**Business relevance:**

High tensile fasteners give Gala the opportunity to address larger and more application-intensive requirements across domestic and export markets.

**Financial Performance:**

The Financial performance of the Company for the year under review as compared to the previous financial year are summarized below for your consideration:



(Rs. in Crores)

| Particulars                                    | Standalone    |               | Consolidated  |               |
|--|---------------|---------------|---------------|---------------|
|  | 2025-26       | 2024-25       | 2025-26       | 2024-25       |
| Revenue from operations (Net)                  | 314.30        | 237.84        | 314.30        | 237.84        |
| Other income                                   | 5.63          | 4.37          | 5.63          | 4.37          |
| <b>Total revenue</b>                           | <b>319.93</b> | <b>242.21</b> | <b>319.93</b> | <b>242.21</b> |
| Total expenses                                 | 275.63        | 209.00        | 275.41        | 208.82        |
| <b>Profit before exceptional items and tax</b> | <b>44.30</b>  | <b>33.21</b>  | <b>44.52</b>  | <b>33.39</b>  |
| <b>Add: Exceptional items</b>                  | (0.82)        | -             | (1.13)        | (0.26)        |
| <b>Profit before tax</b>                       | <b>43.48</b>  | <b>33.21</b>  | <b>43.39</b>  | <b>33.13</b>  |
| <b>Less: Tax expenses</b>                      |               |               |               |               |
| (a) Current tax                                | 7.45          | 6.68          | 7.45          | 6.68          |

(Rs. in Crores)

| Particulars               | Standalone   |              | Consolidated |              |
|---------------------------|--------------|--------------|--------------|--------------|
|                           | 2025-26      | 2024-25      | 2025-26      | 2024-25      |
| (b) Deferred tax charge   | 0.49         | (0.37)       | 0.49         | (0.37)       |
| <b>Total tax expense</b>  | <b>7.94</b>  | <b>6.31</b>  | <b>7.94</b>  | <b>6.31</b>  |
| Non-controlling interest  | -            | -            | (0.03)       | (0.03)       |
| <b>Profit after taxes</b> | <b>35.54</b> | <b>26.90</b> | <b>35.48</b> | <b>26.85</b> |

#### Key Financial Ratios:

| Particular                      | March 31 2026 | March 31 2025 |
|---------------------------------|---------------|---------------|
| Current Ratio                   | 3.42          | 3.95          |
| Debt Equity Ratio               | 0.12          | 0.09          |
| Debt Service Coverage Ratio     | 18.10         | 2.58          |
| Return on Equity %              | 12.95%        | 14.91%        |
| Inventory Turnover Ratio        | 3.88          | 3.66          |
| Trade Receivable Turnover Ratio | 4.12          | 4.04          |
| Trade Payable Turnover Ratio    | 7.42          | 7.01          |
| Net Capital turnover ratio      | 1.82          | 1.49          |
| Net Profit %                    | 11.57%        | 11.31%        |
| Return on Capital employed %    | 15.55%        | 14.41%        |

#### Human Resources:

The Company acknowledges its employees as its most valuable asset and undertakes several initiatives to promote their overall well-being. GPEL's human resource strategy focuses on fostering a holistic work environment by investing in comprehensive training programs, facilitating professional growth and ensuring a culture of safety and inclusiveness. GPEL's ability to deliver customized engineering solutions and manage operational complexity is deeply linked to its talent pool. The Company remains focused on attracting and retaining skilled professionals across domains such as engineering, manufacturing, marketing, finance and operations. GPEL recognizes that the competitive landscape for such talent is intense and retention costs may impact profitability. The Company remains committed to maintaining a safe and compliant workplace. No industrial disputes were reported during the year, and robust safety protocols were continually enforced. GPEL's HR practices aim to balance business growth with employee development, ensuring an agile, skilled and motivated workforce to meet future challenges.

#### Cautionary Statement

Some of the statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations, strategy, business outlook and future performance may constitute "forward-looking statements" within the meaning of applicable laws and regulations.

Actual results may differ materially from those expressed or implied in such forward-looking statements due to various factors, including changes in economic conditions, market demand, raw material prices, foreign exchange rates, interest rates, government policies, regulatory developments, geopolitical conditions, supply chain disruptions, customer approval cycles, competitive environment, technology changes and other external or internal factors beyond the Company's control.

The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements on the basis of subsequent developments, information or events, except as may be required under applicable laws and regulations.

**References / Sources Used**

- IMF – World Economic Outlook, April 2026
- World Bank – Global Economic Prospects, January 2026
- WTO – Global Trade Outlook and Statistics, 2026
- IEA – World Energy Outlook 2025
- MoSPI – National Income / GDP Releases
- PIB / Economic Survey 2025-26
- S&P Global / HSBC India Manufacturing PMI
- EEPC India – Engineering Export Statistics\IBEF Industry Reports

## DIRECTORS' REPORT

Dear Shareholders' of,  
**Gala Precision Engineering Limited ("the Company")**

The Board of Directors of Gala Precision Engineering Limited (**Gala' or 'Company'**) are pleased to present the 18<sup>th</sup> (Eighteenth) Annual Report along with financial statements of the Company for the financial year ended March 31, 2026. A summary of the Company's Audited Standalone and Consolidated Financial Statements is given below.

### 1. HIGHLIGHTS OF FINANCIAL RESULTS:

The Financial performance of the Company for the year under review as compared to the previous financial year are summarized below for your consideration:

(Rs. in Crores)

| Particulars                                    | Standalone    |               | Consolidated  |               |
|--|---------------|---------------|---------------|---------------|
|  | 2025-26       | 2024-25       | 2025-26       | 2024-25       |
| Revenue from operations (Net)                  | 314.30        | 237.84        | 314.30        | 237.84        |
| Other income                                   | 5.63          | 4.37          | 5.63          | 4.37          |
| <b>Total revenue</b>                           | <b>319.93</b> | <b>242.21</b> | <b>319.93</b> | <b>242.21</b> |
| Total expenses                                 | 275.63        | 209.00        | 275.41        | 208.82        |
| <b>Profit before exceptional items and tax</b> | <b>44.30</b>  | <b>33.21</b>  | <b>44.52</b>  | <b>33.39</b>  |
| <b>Add: Exceptional items</b>                  | (0.82)        | -             | (1.13)        | (0.26)        |
| <b>Profit before tax</b>                       | <b>43.48</b>  | <b>33.21</b>  | <b>43.39</b>  | <b>33.13</b>  |
| <b>Less: Tax expenses</b>                      |               |               |               |               |
| (a) Current tax                                | 7.45          | 6.68          | 7.45          | 6.68          |
| (b) Deferred tax charge                        | 0.49          | (0.37)        | 0.49          | (0.37)        |
| <b>Total tax expense</b>                       | <b>7.94</b>   | <b>6.31</b>   | <b>7.94</b>   | <b>6.31</b>   |
| Non-controlling interest                       | -             | -             | (0.03)        | (0.03)        |
| <b>Profit after taxes</b>                      | <b>35.54</b>  | <b>26.90</b>  | <b>35.48</b>  | <b>26.85</b>  |

### 2. Company's performance and outlook:

#### **Standalone:**

The company achieved a net turnover of FY 2025-26: Rs. 314.30 Cr.; FY 2024-25 : Rs. 237.84 Cr. resulting in a growth of 32.15%. Our profit before exceptional items has grown significantly, reaching Rs. 44.30 Cr. from Rs. 33.21 Cr., representing an increase of 33.39.%.

The Company achieved Profit after tax (PAT) of Rs. 35.54 Cr in FY 2025-26, Rs.26.90 Cr. in FY 2024-25 representing an increase of 32.12%

#### **Consolidated:**

The company achieved a net turnover of FY 2025-26: Rs. 314.30 Cr.; FY 2024-25 : Rs. 237.84 Cr. resulting in a growth of 32.15%. Our profit before exceptional items has grown significantly, reaching Rs. 44.52 Cr from Rs. 33.39 Cr, representing an increase of 33.33.%.

The Company achieved Profit after tax (PAT) of Rs. 35.48 Crores in FY 2025-26, Rs.26.85 Crores in FY 2024-25 representing an increase of 32.14%

### 3. STATE OF COMPANY'S AFFAIRS:

- The Company has undertaken initiatives towards sustainable operations, including implementation of a new solar power project of 1.8 MW near Nanded, Maharashtra.

- The Company continued to strengthen its organizational capabilities through recruitment across middle and senior management levels and creation of new strategic roles.
- During the year, the Company continued evaluating opportunities for future expansion and capacity enhancement, including identification of suitable land for upcoming projects.

#### 4. **CHANGE IN NATURE OF BUSINESS:**

During the year, there has been no change in business of the Company.

#### 5. **DIVIDEND:**

In view of the Company's strategic focus on identifying, executing, and successfully implementing key business projects across its operating verticals, the Board of Directors has prioritized the conservation of funds to support these long-term initiatives. To ensure sustainable growth in assets and revenue, and to strengthen the Company's financial position for future opportunities, it is deemed prudent to retain earnings for reinvestment.

Accordingly, the Directors have not recommended any dividend for the Financial Year 2025-26. This decision is aligned with the Company's commitment to enhancing long-term shareholder value through strategic expansion and sound financial management.

The Company has in place a Dividend Distribution Policy duly adopted by the Board on November 30, 2023 in accordance with Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same is available on the Company's website at <https://www.galagroup.com/wp-content/uploads/2024/01/Dividend-Distribution-Policy.pdf>

#### 6. **AMOUNT TRANSFERRED TO RESERVES:**

The Company has not transferred any amount out of the current year profits to the General Reserve of the Company.

#### 7. **ANNUAL RETURN:**

Pursuant to section 134(3)(a) and Section 92(3) of Companies Act, 2013 read with relevant Rules framed thereunder, The Annual Return of the Company is available on the website of the Company at <https://www.galagroup.com/investor-relation-2/> under the field "Shareholder Information".

#### 8. **NUMBER OF MEETINGS OF THE BOARD:**

The Board of Directors met 4 (Four) times in the Financial Year 2025-26 i.e. on the following dates:

| Sr. | Date of the Board Meeting |
|-----|---------------------------|
| 1.  | May 27, 2025              |
| 2.  | August 05, 2025           |
| 3.  | November 11, 2025         |
| 4.  | February 05, 2026         |

During the period, your Company has complied with the Secretarial Standards 1 related to Board Meetings and Secretarial Standards 2 related to General Meetings issued by the Institute of Company Secretaries of India respectively

The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

#### 9. **DETAILS OF DIRECTORS/ KEY MANAGERIAL PERSONNEL:**

##### **DIRECTORS:**

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Mr. Balkishan Jalan (DIN 02876873), Whole-time Director of the Company, retires by rotation at the forthcoming Eighteenth Annual General Meeting and being eligible has offered himself for re-appointment.

**COMPOSITION OF BOARD OF DIRECTORS:**

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

| Sr. | Name of the Director        | DIN      | Category                               | Period of Appointment   |
|-----|-----------------------------|----------|--|---|
| 1.  | Kirit Vishanji Gala         | 01540274 | Chairman and Managing Director         | Five years commencing from November 30, 2023 to November 29, 2028                         |
| 2.  | Balkishan Shyamsunder Jalan | 02876873 | Whole-time director (Executive)        | Five years commencing from November 30, 2023 to November 29, 2028                         |
| 3.  | Satish Dayal Kotwani        | 03154231 | Whole-time director (Marketing)        | Five years commencing from November 30, 2023 to November 29, 2028                         |
| 4.  | Rajendra Vallabhaji Gogri   | 00061003 | Non-Executive Non-Independent Director | Not applicable  |
| 5.  | Snehal Bhupendra Shah       | 00128595 | Non-Executive Independent Director     | Three years commencing from November 30, 2023 to November 29, 2026                        |
| 6.  | Varsha Rajaram Galvankar    | 00124603 | Non-Executive Independent Director     | Re-appointed for second term for three years from November 30, 2025 to November 29, 2028. |
| 7.  | Neha Rajen Gada             | 01642373 | Non-Executive Independent Director     | Three years commencing from November 30, 2023 to November 29, 2026                        |
| 8.  | Sudhir Tokarshi Gosar       | 10460551 | Non-Executive Independent Director     | Three years commencing from January 11, 2024 to January 10, 2027                          |

The Company has received a Declaration in Form DIR-8 from all the Directors stating that they are not disqualified under section 164 of the Companies Act, 2013. The Company has also received Form MBP-1 from all the Directors under Section 184 of the Companies Act, 2013.

**KEY MANAGERIAL PERSONNEL (KMP):**

The key managerial personnel(s) of the Company as on March 31, 2026 is as follows:

| Sr. | Name of the KMP             | Designation                            |
|-----|-----------------------------|--|
| 1.  | Kirit Vishanji Gala         | Chairman & Managing Director           |
| 2.  | Balkishan Shyamsunder Jalan | Whole-time director Executive          |
| 3.  | Satish Dayal Kotwani        | Whole-time director- Marketing         |
| 4.  | Giridhar Srinivasan         | Chief Financial Officer                |
| 5.  | Pooja Ladha                 | Company Secretary & Compliance Officer |

**10. DECLARATION GIVEN BY INDEPENDENT DIRECTOR:**

The Company has received necessary declarations and disclosures from the Independent Directors under Section 149(7) and Section 184(1) of the Companies Act, 2013 stating that they meet the criteria of independence as laid down in Section 149(6) of the Companies Act, 2013 and under Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the Listing Regulations”) and disclosing their interest in form MBP-1.

Further, all Independent Directors of the Company have submitted declarations confirming that:

1. The disqualifications mentioned under sections 164, 167 and 169 of the Companies Act, 2013 do not apply to them.
2. They have complied with the Code for Independent Directors prescribed in Schedule IV to the Act as applicable.
3. They have registered themselves with Independent Directors' Database of The Indian Institute of Corporate Affairs ('IICA') and have cleared the online proficiency test of IICA, as applicable.

4. They are not aware of any circumstances or situations, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence; and

The Board of the Company has taken the disclosures and declarations on record after verifying the due veracity of the same. In the opinion of the Board, all the Independent Directors possess the integrity, expertise and experience including the proficiency required to be Independent Directors of the Company, fulfill the conditions of independence as specified in the Act and the SEBI Listing Regulations and are independent of the management and have also complied with the Code for Independent Directors as prescribed in Schedule IV of the Act. The Directors and the senior management personnel have affirmed compliance with the Code of Conduct for Directors and Senior Management Personnel.

#### 11. **FAMILIARISATION PROGRAMME:**

In compliance with the requirements of Regulation 25(7) of the SEBI LODR Regulations, the Company has put in place a Familiarization Program for the Independent Directors to familiarize them with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model etc.

The details of the Familiarization Program imparted to Independent Directors are available on the Company's official website at <https://www.galagroup.com/wp-content/uploads/2024/10/Familiarization-Programme-Policy.pdf>

#### 12. **SEPARATE MEETING OF INDEPENDENT DIRECTORS:**

During the year under review, 1 (One) separate meeting of Independent Directors was held on March 25, 2026. The details of the Independent Directors Meeting and the attendance of the Directors are provided in the Corporate Governance Report, which forms part of this Report.

#### 13. **DIRECTORS' RESPONSIBILITY STATEMENT:**

To the best of their knowledge and belief and information obtained by them, your Directors make the following statement in terms of Section 134 (3) (c) read with Section 134 (5) of the Companies Act, 2013 ("the Act"):

- a) In the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2026, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Director's had prepared the annual accounts on a going concern basis and,
- e) They had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### 14. **COMMITTEES OF THE BOARD**

The Company has duly constituted the following statutory committees as per the provisions of the Act & SEBI LODR Regulations:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Corporate Social Responsibility Committee
- Risk Management Committee
- Executive Committee

The details of the composition, number of Meetings, terms of reference and other information of all the aforesaid committees are included in the Corporate Governance Report which forms part of this Report.

**Audit Committee:**

The composition of the Audit Committee is as under:

| Sr. No. | Name of the Members | Designation |
|---------|---------------------|-------------|
| 1.      | Mr. Snehal Shah     | Chairperson |
| 2.      | Ms. Neha Gada       | Member      |
| 3.      | Mr. Balkishan Jalan | Member      |

During the year, there were no instances when the recommendations of the Audit Committee were not accepted by the Board of Directors of the Company.

**15. ANNUAL PERFORMANCE EVALUATION**

Pursuant to the provisions of the Act and SEBI Listing Regulations, performance evaluation was carried out as under:

**Board of Directors**

In accordance with the criteria suggested by the Nomination and Remuneration Committee, the Board of Directors evaluated the performance of the Board, having regard to various criteria such as Board composition, Board processes and Board dynamics. The Independent Directors, at their separate meeting, also evaluated the performance of the Board as a whole based on various criteria. The Board and the Independent Directors were of the unanimous view that performance of the Board of Directors as a whole was satisfactory.

**Committees of the Board of Directors**

The performance of the Audit Committee, the Corporate Social Responsibility Committee, the Nomination and Remuneration Committee, the Stakeholders' Relationship Committee was evaluated by the Board having regard to various criteria such as committee composition, committee processes and committee dynamics. The Board was of the unanimous view that all the committees were performing their functions satisfactorily and according to the mandate prescribed by the Board under the regulatory requirements including the provisions of the Act read with the Rules made thereunder and SEBI LODR Regulations.

**Independent Directors**

In accordance with the criteria suggested by the Nomination and Remuneration Committee, the performance of each Independent Director was evaluated by the entire Board of Directors (excluding the Director being evaluated) on various parameters like qualification, experience, availability and attendance, integrity, commitment, governance, independence, communication, preparedness, participation and value addition. The Board appreciated the contribution made by all the Independent Directors in guiding the management and concluded that continuance of each Independent Director on the Board will be in the interest of the Company. The Board was also of the unanimous view that each Independent Director was a reputed professional and brought his/her rich experience to the deliberations of the Board.

**Non-Independent Directors**

The performance of each of the Non-Independent Directors (including the Executive Chairman) was evaluated by the Independent Directors at their separate meeting. Further, their performance was also evaluated by the Board of Directors. Various criteria considered for the purpose of evaluation included qualification, experience, availability and attendance, integrity, commitment, governance, communication etc. The Independent Directors and the Board were of the unanimous view that all the Non-Independent Directors were providing good business and people leadership.

**16. PARTICULARS OF LOANS, GUARANTEE AND INVESTMENTS UNDER SECTION 186:**

The Particulars of Loans, Guarantees and Investments made by the Company if any as at March 31, 2026 covered under the provision of Section 186 of the Companies Act, 2013 and are given in the Notes forming part of the Financial Statements.

**17. PARTICULARS OF CONTRACT AND ARRANGEMENT UNDER SECTION 188:**

All related party transactions that were entered into during the year under report were on an arm's length basis and in the ordinary course of business.

The Disclosures as required under Indian Accounting Standard – 24 (Ind AS-24) "**Related Party Disclosures**" as notified under Rule 7 of the Companies (Accounts) Rules, 2014 have been provided in Note No. 31(f) forming part of the Standalone Financial Statements.

The Company's Policy on materiality of related party transactions and on dealing with related party transactions is available on the Company's website at <https://www.galagroup.com/wp-content/uploads/2024/01/RPT-policy.pdf>

**18. SHARES CAPITAL AND CHANGES THEREIN:**

The Authorised Share Capital of the Company is Rs. 18,00,00,000/- (Rupees Eighteen Crores Only) divided into 1,80,00,000 (One Crore Eighty Lakhs Only) Equity Shares of Rs. 10/- (Rupees Ten only) each.

**EMPLOYEE STOCK OPTION SCHEMES (ESOS):**
**ESOP 2021**

The Board of Directors of the Company at its meeting held on December 24, 2021 approved an Employee Stock Option Plan called as the 'Gala Employees Stock Option Plan 2021' ("**ESOP 2021**" / "**Plan**") and the shareholders of the Company approved the said Scheme at the Extra Ordinary General Meeting held on January 14, 2022.

Further, the approval was granted to the Board or any other committee of the Board to create, offer and grant from time to time upto 50,000 (Fifty Thousand) Employees Stock Options ("**ESOPs**") to the eligible employees of the Company.

Further, the Company has issued bonus shares in the ratio of 3:1, thereby increasing the total pool to 2,00,000 shares, out of which 1,46,200 shares are available for vesting and exercise.

Accordingly, the Nomination, Remuneration Committee ("**the NRC Committee**") vide circular resolution passed on following dates allotted equity share of your Company to option grantees upon exercise of stock options by them in terms of ESOP 2021:-

- on May 26, 2025, allotted 17,625 equity shares of Rs. 10 each fully paid up and at an exercise price of Rs. 87.50/- (Rupees Eighty-seven and Fifty Paise Only) per share.
- on September 04, 2025, allotted 34,850 equity shares of Rs. 10 each fully paid up and at an exercise price of Rs. 87.50/- (Rupees Eighty-seven and Fifty Paise Only) per share.
- on February 06, 2026, allotted 47,275 equity shares of Rs. 10 each fully paid up and at an exercise price of Rs. 87.50/- (Rupees Eighty-seven and Fifty Paise Only) per share.

**ESOP 2024**

The Board of Directors of the Company at its meeting held on 8th July, 2024 approved an Employee Stock Option Plan called as the 'Gala Precision Engineering Employees Stock Option Plan 2024' ("**ESOP 2024**" / "**Plan**") and the shareholders of the Company approved the said Scheme at the Extra Ordinary General Meeting held on August 6, 2024.

Further, the approval was granted to the Board or any other committee of the Board to create, offer and grant from time to time upto 3,00,000 (Three Lakhs) Employees Stock Options ("**ESOPs**") to the eligible employees of the Company and as approved by the members.

There has been no allotment of ESOP shares from the entire pool of 3,00,000 ESOPs, as on March 31, 2026.

A certificate from the Secretarial Auditors of the Company as required under Regulation 13 of the SEBI SBEB & SE Regulations, 2021 shall be available electronically for inspection by the Members at the ensuing Annual General Meeting.

The disclosures as required to be made under the provisions of the Act and Rules made thereunder and under Regulation 14 of the SEBI SBEB & SE Regulations, 2021 read with SEBI Circular dated June 16, 2015 under various scheme as on March 31, 2026 is annexed as Annexure A to this Report and also disclosed in the accompanying financial statements.

**BUY BACK OF SECURITIES:**

The Company has not Bought Back Shares during the year under review.

**SWEAT EQUITY:**

The Company has not issued any Sweat Equity Shares during the year under review.

**BONUS SHARES:**

The Company has not issued any Bonus Shares during the year under review.

**19. UNCLAIMED EQUITY SHARES AND DIVIDEND AND TRANSFER OF FUND TO IEPF AUTHORITY:**

During the year under review, no amount was required to be transferred to Investor Education and Protection Fund (IEPF) as the Company has not declared any dividend in the past.

**20. UTILISATION OF INITIAL PUBLIC OFFER (“IPO”) PROCEEDS:**

Your Company is utilising IPO proceeds as per the objects stated in the prospectus of the Company and pursuant to Regulation 32 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“**SEBI LODR Regulations**”) during the period under review, there was no deviation / variation in utilisation of funds raised in respect of the Initial Public Offering of the Company. The Company has appointed Crisil Ratings Limited as Monitoring Agency in terms of Regulation 41(2) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (“**SEBI ICDR Regulations**”) and as amended from time to time, to monitor the utilisation of IPO proceeds. The Company has after placing before the Audit Committee and the Board, have made all the necessary compliances relating to submission of the statement(s) and report as required under Regulation 32 of the SEBI LODR Regulations to both the Stock Exchange(s) i.e. BSE Limited and National Stock Exchange of India Limited where the equity shares of the Company are listed.

Further, the Company has obtained reports from the Monitoring Agency from time to time and uploaded the same on the website of the Company for all the applicable quarters at <https://www.galagroup.com/investor-relation/> under the “**Shareholders Information**” tab.

**21. MATERIAL CHANGES AND COMMITMENTS, IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY:**

In terms of Section 134(3)(l) of the Companies Act, 2013, there have been no material changes and commitments affecting the financial position of the Company between the end of the Financial Year of the Company to which the Financial Statements relate and to the date of Report.

**22. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:**

During the period under review, there has been no significant and material orders passed by the regulators or courts on the Company.

**23. COMPANY’S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES:**

Your Company has adopted a policy relating to appointment of Directors, payment of managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under section 178 (3) of the Companies Act, 2013 and Regulation 19 of SEBI Listing Regulations, which includes:

- Criteria for identification of persons for appointment as Directors and in senior management positions.
- Criteria for determining qualifications, positive attributes, independence of a Director
- Evaluation of performance
- Board Diversity
- Remuneration to Non-Executive Directors, Key Managerial Personnel and Senior Management and remuneration to other employees.
- Policy Review

The Policy on Appointment and Remuneration of Directors, Key Managerial Personnel and Other Employees is available on the Company's website at <https://www.galagroup.com/wp-content/uploads/2024/01/NRC-Policy.pdf>

**24. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Company is committed to provide a healthy environment to all the employees and thus does not tolerate any sexual harassment at workplace. The Company has in place a "policy against Sexual Harassment" of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees are covered under the policy. There was no complaint received from any employee during the financial year 2025-26 and hence no complaint is outstanding as on March 31, 2026 for redressed.

The disclosure under the said Act for the year ended March 31, 2026 is provided in the table below:

| Sr. | Particulars  | No of Complaints |
|-----|--|------------------|
| 1.  | Number of complaints of sexual harassment received in the year | Nil              |
| 2.  | Number of complaints disposed off during the year              | Nil              |
| 3.  | Number of cases pending for more than ninety days              | Nil              |

Also the Internal Complaints Committee as required to be constituted by the Company has been duly constituted as per policy under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Policy is uploaded on the website of the Company at <https://www.galagroup.com/wp-content/uploads/2024/01/POSH-Policy.pdf>

**25. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, are as follows:

**Conservation of energy**

**A. 1. Energy conservation measures taken:**

*Rs. In Crores*

| Particulars               | 2025-26 | 2024-25 |
|---------------------------|---------|---------|
| Power consumption         | 8.30    | 6.47    |
| Fuel & Diesel consumption | 1.25    | 0.39    |
| Generator hire charges    | 0.12    | 0.02    |

**2. Solar Energy Conservation Measures & Savings**

*Rs. In Crores*

| Plot | Solar Capacity Installed | Units Generated | Rate / unit | Total Amount | Savings # |         |
|------|--------------------------|-----------------|-------------|--------------|-----------|---------|
|      |                          |                 |             |              | 2025-26   | 2024-25 |
| 295  | 620 kwp                  | 374628          | 5.10        | 0.19         | 0.24      | 0.28    |
| 302  | 520 kwp                  | 448712          | 4.98        | 0.22         | 0.24      | 0.31    |

*#The applicable MSEDCL tariff during the year was approximately Rs.10.22 per unit. Against this, the effective Power procurement cost under the solar OPEX model for Plot No. 295 and Plot No. 302 was approximately Rs.5.10 per unit and Rs.4.98 per unit respectively, resulting in estimated savings of approximately Rs.5.12 per unit and Rs.5.24 per unit respectively on solar-generated electricity consumption during the year.*

**B. Green Initiative and Energy Cost Optimization:**

As part of the Company's sustainability and energy cost optimisation initiatives, the rooftop solar plants at Plot No. 295 and Plot No. 302 continued to operate efficiently during the year, contributing towards energy savings and reduction in carbon footprint.

Further strengthening its renewable energy roadmap, the Company has undertaken a new solar power project at Nanded Capacity of 1.8 MW under the Open Access / Captive Consumption model. The project is

currently under implementation and is expected to be commercialised by August 2026. Upon commissioning, the project is expected to further optimise energy costs, improve operational sustainability and increase the share of renewable energy consumption across the Company’s operations.

In addition to renewable energy initiatives, the Company also continued to focus on operational improvements, infrastructure enhancement and strengthening of its human resources through strategic hiring across key functions during the year.

The Company remains committed to adopting environmentally responsible practices and continues to evaluate sustainable initiatives aligned with its long-term ESG (Environmental, Social and Governance) objectives.

**Technology absorption**

**A. Future plan of action:**

- Continuous Markets & product development.
- To continue Investment in Capacity Expansion & technology upgradation.

**B. Technology absorption, adaptation and innovation:**

|    |  |   |
|----|--|---|
| 1. | Efforts in brief, made:                        | Continuous technology development & improvement in the process to enhance fatigue life of springs & performance of fasteners. |
| 2. | Benefits derived as a result of above efforts: | Springs & Fasteners with high performance. Several customer approvals received.   |
| 3. | Technology imported                            | NIL   |

**C. Foreign exchange earnings and Outgo-**

With regard to foreign exchange earnings and outgo for the year 2025-26, the position is as under :

(Rs. in Crores)

| Particulars                     | 2025-26 | 2024-25 |
|---------------------------------|---------|---------|
| Income in foreign currency      | 111.51  | 89.43   |
| Expenditure in foreign currency | 2.34    | 2.30    |
| CIF Value of Imports            | 13.98   | 18.7    |

**26. Risk Management Policy:**

Risk management includes identifying types of risks and its assessment, risk handling and monitoring and reporting. The Company has laid down a well-defined risk management mechanism covering the risk mapping and trend analysis, risk exposure, potential impact and risk mitigation process. A detailed exercise is being carried out to identify, evaluate, manage and monitor the principal risks that can impact its ability to achieve its strategic objectives. The Board periodically reviews the risks and suggests steps to be taken to control and mitigate the same through a properly defined framework.

Further, details are provided in the Management Discussion and Analysis Report annexed to this Report.

The Company has in place a Risk Management Policy duly adopted by the Board on November 30, 2023 in accordance with Regulation 17(9)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Listing Regulations and (“the Listing Regulations”) and provisions of the Companies Act, 2013 (“the Act”) the same is available on the Company’s website at <https://www.galagroup.com/wp-content/uploads/2024/01/Risk-Management-Policy-1.pdf>

**27. CORPORATE SOCIAL RESPONSIBILITY:**

The Company firmly believes that Corporate Social Responsibility (‘CSR’) is more than an obligation and more than a duty, which helps to create positive impact on many lives. The Company persistently acts as a prudent corporate citizen and maintains harmonious relationship with the communities in which it operates to give back to the society.

As a part of its Corporate Social Responsibility (CSR) initiative, the Company has undertaken CSR projects and programs. These activities are in accordance with CSR activities as defined under the Act. The Company has a

CSR Committee of Directors. Details about the Committee, CSR activities and the amount spent during the year, as required under section 135 of the Act and the related Rules and other details are given in the CSR Report as **Annexure B** forming part of this Report.

The Company has framed a CSR Policy in compliance with the provisions of the Act and the same is placed on the Company's website at <https://www.galagroup.com/wp-content/uploads/2025/07/Corporate-Social-Responsibility-Policy.pdf> The CSR Policy lays down areas of activities, thrust areas, types of projects, programs, modes of undertaking projects/ programs, resources etc.

## 28. **MANAGEMENT DISCUSSION AND ANALYSIS REPORT, AND CORPORATE GOVERNANCE REPORT**

Management Discussion and Analysis Report for the Financial Year ended March 31, 2026 as stipulated under Regulation 34(2)(e) read with Schedule V of the Listing Regulations, is included as a separate section forming part of this Annual Report.

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), Corporate Governance Report along with the Certificate received from Mr. Dharmesh Zaveri, a Company Secretary in Whole-time Practice and proprietor of M/s. D.M. Zaveri & Co, confirming compliance with corporate governance requirements as per SEBI LODR Regulations are annexed as "**Annexure C**" respectively to this Report.

## 29. **AUDITORS:**

### i. **STATUTORY AUDITOR:**

At the Sixteenth Annual General meeting held on September 30, 2024, the members of the Company approved the appointment of SCA & Associates, Chartered Accountants (Firm Registration No. 101174W), Chartered Accountants, as the Statutory Auditors of your Company to hold the office from the conclusion of the Sixteenth Annual General Meeting until the conclusion of the Twenty-First Annual General Meeting of the Company to be held in the year 2029.

There are no qualifications, reservations or adverse remarks made by SCA & Associates, in their report on Standalone and Consolidated Financial Statements and hence do not call for any further explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

The Notes on financial statements referred to in the Auditor's Report are self-explanatory and do not call for any further comments.

### ii. **SECRETARIAL AUDIT**

Pursuant to Section 204(1) of the Companies Act 2013 read with Regulation 24A of SEBI LODR Regulations, your Company had appointed Mr. Dharmesh Zaveri, a Company Secretary in Whole-time Practice and proprietor of M/s. D. M. Zaveri & Co, having Certificate of Practice No. 4363 and Membership No. 5418 as its Secretarial Auditor to conduct the secretarial audit of the Company for the Financial Year 2025-26. The Company during the audit has provided all assistance and facilities to the Secretarial Auditor for conducting their audit. The Secretarial Audit Report is annexed as **Annexure D** and forms an integral part of this report.

### iii. **COST AUDITOR:**

Pursuant to Section 148 and other applicable provision if any, of the Companies Act, 2013 along with Companies (Cost Records and Audit) Rules, 2015 and the Companies (Audit and Auditors) Rules, 2014, the Company needs to maintain Cost records for the financial year 2025-26. Hence, M/s. Shekhar Joshi & Co. (Membership Number-10700) was duly appointed to conduct audit of cost records maintained by the Company pertaining to Disc Springs parts & Assemblies, Coil & Spiral Spring & Special Fastening Solutions business for the financial year 2025-26 at a remuneration of Rs. 75,000 (Rupees Seventy Five Thousands only) per annum plus Taxes and reimbursement of out of pocket expenses.

Further the company has made and maintained proper Cost Records as specified by the Central Government under Section 148 (1) of the Companies Act, 2013 for its business activities carried out during the year under review.

As required under the Companies Act, 2013, remuneration of Cost Auditors is required to be placed before the Members in the General Meeting for their approval. Your Directors propose ratification of remuneration of M/s. Shekhar Joshi & Co. (Membership Number-10700) for the Financial Year 2026-27.

iv. **INTERNAL AUDITOR:**

M/s. ASKA & Co, (Formerly known as Ambekar Shelar Karve & Ambardekar), Chartered Accountants, have been appointed as its Internal Auditor for conducting the internal audit functions of the Company and submitted their report thereon for the financial year 2025-2026 to the Board and committee for its review.

No disqualifications, reservations, adverse remarks or disclaimers have been reported in the Auditors' Reports, requiring any explanation or comments by the Board of Directors of the Company.

30. **STATUTORY AUDITORS' REPORT:**

The Auditors' Report on the Financial Statements (Standalone and Consolidated) of the Company for the year under review, is "**with an unmodified opinion**", as given by the Statutory Auditors. Also, no frauds in terms of the provisions of Section 143(12) of the Act have been reported by the Statutory Auditors in their report for the year under review.

31. **EXPLANATIONS OR COMMENTS BY THE BOARD ON EVERY QUALIFICATION, RESERVATION OR ADVERSE REMARKS MADE, IF ANY:**

There are no qualifications, reservations, adverse remarks or disclaimers made by the Auditors in their report on the Financial Statement of the Company for the financial year ended March 31, 2026.

32. **INTERNAL FINANCIAL CONTROLS:**

The Company has in place adequate internal financial controls with reference to Financial Statements.

It has laid down certain guidelines, policies, processes and structures which are commensurate with the nature, size, complexity of operations and the business processes followed by the Company. These controls enable and ensure the systematic and efficient conduct of the Company's business, protection of assets, prevention and detection of frauds and errors and the accuracy and completeness of the accounting and financial records.

Further, the Board reviews the internal control systems at regular intervals internally, the adequacy of internal audit function and significant internal audit findings with the management and update the same to the Audit Committee for their review and for their recommendation to the Board.

33. **SUBSIDIARY, JOINT VENTURES AND ASSOCIATE COMPANIES:**

A. **SUBSIDIARY:**

As on March 31, 2026, the Company had 1 (One) subsidiary, the details of the Subsidiary is as follows:

| Sr. No. | Name of the LLP / Company |
|---------|---------------------------|
| 1.      | Gala Springs LLP          |

Further, the Company has 1 step down subsidiary as on the Financial Year end date i.e. March 31, 2026 which is **Gala Precision Components (Shanghai) Private Limited**, a foreign enterprise under Chinese Laws.

B. **ASSOCIATE AND JOINT VENTURE COMPANY:**

As on March 31, 2026, there are no Associate Companies or Joint Venture within the meaning of Section 2(6) of the Companies Act, 2013.

34. **PERFORMANCE AND FINANCIAL HIGHLIGHTS OF SUBSIDIARY COMPANIES AND THEIR CONTRIBUTION TO OVERALL PERFORMANCE OF THE COMPANY:**

A Statement containing salient features of the financial statement of subsidiaries pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014 in the prescribed Form AOC-1 are enclosed as **Annexure E** to this report

**35. CODE OF CONDUCT:**

The Board of Director has approved a Code of Conduct which is applicable to the members of the Board of Directors and Senior Management Personnel. It is confirmed that all Directors and Senior Management Personnel have affirmed their adherence to the provisions of the Code of Conduct during the financial year 2025-26.

**36. POLICIES AND DISCLOSURE REQUIREMENTS:**

In terms of provisions of the Act and provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adopted the following Policies. The policies are available on Company's website at <https://www.galagroup.com/investor-relations/>

**37. PUBLIC DEPOSITS:**

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

**38. PARTICULARS OF EMPLOYEES:**

The disclosure required in terms of Section 197(12) of the Companies Act 2013 read along with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as **Annexure G** and forms part of this Report.

**39. WHISTLE BLOWER POLICY / VIGIL MECHANISM:**

Pursuant to Section 177(9) of the Act and read with Regulation 22 of the SEBI Listing Regulations, your Company has duly established Whistle Blower Policy /Vigil Mechanism Policy ("Policy") to report to the management instances of unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct. Functioning of the Policy is reviewed by the Audit Committee / Board on periodical basis. During the financial year ended March 31, 2026, the Company has not received any complaint under the Whistle Blower Policy of the Company. <https://www.galagroup.com/wp-content/uploads/2025/07/Whistle-Blowing.pdf>

**40. MAINTAINANCE OF COST RECORDS:**

Maintenance of cost records as specified by the Central Government under section 148(1) of the Companies Act, 2013, is required to be maintained by the Company and accordingly such accounts and records are made and maintained.

**41. OTHER DISCLOSURES:-**

No disclosures are required in respect of sub rule xi & xii of Rule 8(5) of The Companies (Accounts) Rules, 2014 read with Section 134(3)(q) as the same is not applicable to the Company during the Financial Year.

**42. ACKNOWLEDGEMENTS:**

The Board places on record its sincere appreciation and gratitude to the esteemed investors, various Central and State Government departments, organizations, and agencies for their continued support and cooperation extended to the Company.

The Board also extends heartfelt thanks to our valued customers, members, dealers, vendors, banks, and all other business partners for their unwavering trust and excellent support.

For and on behalf of the Board  
**Gala Precision Engineering Limited**

Sd/-  
**Kirit V. Gala**  
 Chairman & Managing Director  
 DIN: 01540274

Sd/-  
**Balkishan S. Jalan**  
 Whole-time Director  
 DIN: 02876873

Place : Thane

Date : May 14, 2026

## Annexure - A

### DETAILS OF EMPLOYEES' STOCK OPTION SCHEMES

Disclosures with respect to Employees' Stock Option Scheme/ Plan 2021 ('**ESOP - 2021**') and Employees' Stock Option Scheme/ Plan 2024 ('**ESOP - 2024**') of the Company pursuant to Regulation 14 of SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as on March 31, 2026:

**A.** Relevant disclosures in terms of the accounting standards prescribed by the Central Government in terms of Section 133 of the Companies Act, 2013 (18 of 2013) including the 'Guidance note on accounting for employee share-based payments' issued in that regard from time to time. Members may refer to the annual audited financial statements prepared as per Indian Accounting Standard for the financial year 2025-26.

**B.** Diluted Earnings Per Share ("EPS") on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with 'Indian Accounting Standard (Ind-AS) 33 Earnings Per Share' issued by Central Government or any other relevant accounting standards as issued from time to time

Diluted EPS for the Financial Year ended March 31, 2026, is Rs. **27.05** calculated in accordance with Ind-AS 33 (Earnings per Share).

**C.** Details related to ESOP - 2021 and ESOP - 2024

1. The description including general terms and conditions of each ESOPs is summarized as under:

| Sr. | Particulars  | ESOP 2021   | ESOP 2024   |
|-----|--|---|---|
| a)  | Date of shareholders' approval                       | January 14, 2022  | August 6, 2024  |
| b)  | Total number of options approved under ESOP          | 50,000 (i.e. Fifty Thousand Equity Shares of face value of Rs.10/- each)  | 3,00,000 (i.e. Three Lakhs Equity Shares of face value of Rs. 10/- each)  |
| c)  | Vesting requirement                                  | The Vesting Period shall commence from the date of Grant and shall not exceed beyond 4 (Four) years from the date of Grant. The Vesting may occur in tranches as may be decided by the Board.<br><br>Provided that the Vesting Period shall not be less than 1 (one) year from the date of the Grant. | The Vesting Period shall commence from the date of Grant and shall not exceed beyond 5 (Five) years from the date of Grant. The Vesting may occur in tranches as may be decided by the Nomination and Remuneration Committee ("NRC")<br>Provided that the Vesting Period shall not be less than 1 (one) year from the date of the Grant |
| d)  | Exercise price or pricing formula                    | As may be decided by the Nomination and Remuneration Committee  | As may be decided by the Nomination and Remuneration Committee  |
| e)  | Maximum term of option granted                       | 4 (Four) years from the date of Grant.  | 5 (Five) years from the date of Grant.  |
| f)  | Source of shares (primary, secondary or combination) | Primary   | Primary   |
| g)  | Variation in terms of options                        | None  | None  |

2. Method used to account for ESOP: Income approach (DCF Method)
3. Where the Company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed:

The Company uses DCF method under Income approach.

4. Option movement during the year:

| Sr. | Particulars   | ESOP 2021 | ESOP 2024 |
|-----|---|-----------|-----------|
| a)  | Number of options outstanding at the beginning of the period                                  | 118,400   | -         |
| b)  | Number of options granted during the year   | -         | 300,000   |
| c)  | Number of options forfeited / lapsed during the year  | -         | -         |
| d)  | Number of options vested during the year  |           | -         |
| e)  | Number of options exercised during the year   | 99,750    | -         |
| f)  | Number of shares arising as a result of exercise of options                                   |           | -         |
| g)  | Money realized by exercise of options (INR), if scheme is implemented directly by the Company | -         | -         |
| h)  | Total number of options in force  | 18,650    | -         |
| i)  | Loan repaid by the Trust during the year from exercise price received                         | N. A.     | N. A.     |
| j)  | Number of options outstanding at the end of the year  | 18,650    | 300,000   |
| k)  | Number of options exercisable at the end of the year  | 18,650    | -         |

5. Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock:

- a) Weighted average Exercise Price – Rs. 87.5
- b) Weighted average Fair Value – Rs. 87.5

6. Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to:

- a) Senior Managerial Personnel (“SMPs”) as defined under Regulation 16(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; **None**
- b) Key Managerial Personnels (“KMPs”); ESOP SCHEME 2024

| Name of KMP         | Designation                     | Number of options granted during the year | Exercise Price |
|---------------------|---------------------------------|---|----------------|
| Mr. Balkishan Jalan | Whole Time Director             | 150,000                                   | 530            |
| Mr. Satish Kotwani  | Whole Time Director (Marketing) | 150,000                                   | 530            |

- c) Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year; and; None, Except as under provided under 6(b).
- d) Identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the company at the time of grant. None, Except as under provided under 6(b).

7. A description of the method and significant assumptions used during the year to estimate the fair value of options including the following information:

Please refer to Notes to the Annual Audited Standalone Financial Statements – Note No 23

For and on behalf of the Board  
**Gala Precision Engineering Limited**

Sd/-  
**Kirit V. Gala**  
Chairman & Managing Director  
DIN: 01540274

Sd/-  
**Balkishan S. Jalan**  
Whole-time Director  
DIN: 02876873

Place : Thane

Date : May 14, 2026

## Annexure - B

**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES**

1. **Brief outline on CSR Policy of the Company:** Your Company is committed to operate and grow its business in a socially responsible way. The Company's vision is to grow its business, whilst reducing the environmental impact of its operations and increasing its positive social impact. Your Company has embraced some of the activities listed in the Schedule VII of Section 135 of the Companies Act, 2013. Pursuant to Section 135(1) of the Companies Act, 2013 read with Companies (Corporate Social Responsibility) Rule, 2014, the board of Directors have constitute a CSR Committee. The board also framed CSR Policy in compliance with the provision of Section 135 of Companies Act, 2013.

2. **Composition of CSR Committee:**

| Sr. | Name of Director             | Designation / Nature of Directorship | No of meetings of CSR Committee held during the year | No of meetings of CSR Committee attended during the year |
|-----|------------------------------|--------------------------------------|--|--|
| 1.  | Mr. Kirit Vishanji Gala      | Director<br>(Chairman-CSR Committee) | 2  | 2  |
| 2.  | Mr. Satish Dayal Kotwani     | Director<br>(Member-CSR Committee)   | 2  | 1  |
| 3.  | Ms. Varsha Rajaram Galvankar | Director<br>(Member-CSR Committee)   | 2  | 2  |

3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company – <https://www.galagroup.com/wp-content/uploads/2025/07/Corporate-Social-Responsibility-Policy.pdf>

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable – **N.A.**

Amount in Crores

|     |   |       |
|-----|---|-------|
| (a) | Average net profit of the company as per section 135(5)   | 27.13 |
| (b) | Two percent of average net profit of the company as per section 135(5)                              | 0.54  |
| (c) | Surplus arising out of the CSR projects or programmes or activities of the previous financial years |       |
| (d) | Amount required to be set off for the financial year, if any  | -     |
| (e) | Total CSR obligation for the financial year (5b+5c-5d)  | 0.54  |

6. (a) Amount spent on CSR Projects (Both Ongoing Project and other than Ongoing Project) – **Rs. 0.54 Crores**

Details of CSR amount spent against **ongoing projects** for the financial year - **NIL**

| (1)          | (2)                  | (3)  | (4)                  | (5)                      |                   | (6)   | (7)   | (8)   | (9)                                     | (10)   | (11) |                          |
|--------------|----------------------|--|----------------------|--------------------------|-------------------|---|---|---|---|--|------|--------------------------|
|              |                      |  |                      | State.                   | District.         |   |   |   |   |  | Name | CSR Registration number. |
| Sl.          | Name of the Project. | Item from the list of activities in Schedule VII to the Act. | Local area (Yes/No). | Location of the project. | Project duration. | Amount allocated for the project (Amt in Crores). | Amount spent in the current financial Year (Amt in Crores). | Amount transferred to Unspent CSR Account for the project as per Section 135(6) (Amt in Crores) | Mode of Implementation-Direct (Yes/No). | Mode of Implementation – Through Implementing Agency |      |                          |
| 1.           |                      |  |                      |                          |                   |   |   |   |   |  |      |                          |
| <b>Total</b> |                      |  |                      |                          |                   |   |   |   |   |  |      |                          |

Details of CSR amount spent against **other than ongoing projects** for the financial year: **Rs.0.54 Crores**

| (1)     | (2)   | (3)  | (4)                  | (5)                      |               | (6)  | (7)                                       | (8)   |                         |
|---------|---|--|----------------------|--------------------------|---------------|--|---|---|-------------------------|
| Sl. No. | Name of the Project.  | Item from the list of activities in Schedule VII to the Act. | Local area (Yes/No). | Location of the project. |               | Amount spent for the project (Amt in Crores) | Mode of implementation - Direct (Yes/No). | Mode of implementation - Through implementing agency. |                         |
|         |   |  |                      | State                    | District      |  |   | Name  | CSR Registration number |
| 1.      | Promoting Education   | as per schedule VII (ii)                                     | Yes                  | Gujarat                  | Dumra (Kutch) | 0.045  | No  | Shree Dumra Jain Mahajan Charitable Trust             | CSR00085542             |
| 2.      | Training to promote rural sports                                  | as per schedule VII (vii)                                    | Yes                  | Maharashtra              | Mumbai        | 0.010  | No  | Dahisar Sports Club                                   | CSR00049497             |
| 3.      | Training to promote rural sports                                  | as per schedule VII (vii)                                    | Yes                  | Maharashtra              | Mumbai        | 0.226  | No  | Shri Kutchhi Visa Oswal Seva Samaj                    | CSR00012937             |
| 4.      | Promoting Healthcare including preventive health care             | as per schedule VII (i)                                      | Yes                  | Maharashtra              | Mumbai        | 0.025  | No  | Aids Combat International                             | CSR00013381             |
| 5.      | Promotion of art and culture through theatre activities           | as per schedule VII (v)                                      | Yes                  | Maharashtra              | Mumbai        | 0.015  | No  | Shree Vileparle Kutchhi Visa Oswal Seva Samaj         | CSR00100779             |
| 6.      | Training to promote sports and development of sports facilities   | as per schedule VII (vii)                                    | Yes                  | Maharashtra              | Mumbai        | 0.110  | No  | Kutch Yuvak Sangh                                     | CSR00028450             |
| 7.      | Cancer treatment for child at Jupiter Life Line Hospitals Limited | as per schedule VII (i)                                      | Yes                  | Maharashtra              | Thane         | 0.05   | Yes                                       | N.A.  | N.A.                    |
| 8.      | Training to promote rural sports                                  | as per schedule VII (vii)                                    | Yes                  | Maharashtra              | Thane         | 0.020  | No  | Shree Dombivali Kutchi Visa Oswal Seva Samaj          | CSR00036072             |
| 9.      | Promoting education for orphan and underprivileged children       | as per schedule VII (ii)                                     | Yes                  | Tamil Nadu               | Coimbatore    | 0.028  | No  | Michael Job Orphanage                                 | CSR0027234              |

| (1)          | (2)  | (3)  | (4)                  | (5)                      |             | (6)  | (7)                                       | (8)   |                         |
|--------------|--|--|----------------------|--------------------------|-------------|--|---|---|-------------------------|
| Sl. No.      | Name of the Project.                                   | Item from the list of activities in Schedule VII to the Act. | Local area (Yes/No). | Location of the project. |             | Amount spent for the project (Amt in Crores) | Mode of implementation - Direct (Yes/No). | Mode of implementation - Through implementing agency. |                         |
|              |  |  |                      | State                    | District    |  |   | Name  | CSR Registration number |
| 10.          | Promoting health care including preventive health care | as per schedule VII (i)                                      | Yes                  | Maharashtra              | Navi Mumbai | 0.013  | No  | Yashodeep Foundation                                  | CSR00022343             |
| <b>Total</b> |  |  |                      |                          |             | <b>0.54</b>                                  |   |   |                         |

- (b) Amount spent in Administrative overheads - **NIL**
- (c) Amount spent on Impact Assessment, if applicable – **NA**.
- (d) Total amount spent for the Financial Year (6a+6b+6c) – **0.54 (INR in Crores)**
- (e) CSR amount spent or unspent for the financial year:

| Total amount spent for the Financial Year (Amt in Crores) | Amount Unspent (Amt in Crores)  |                  |   |        |                  |
|---|---|------------------|---|--------|------------------|
|   | Total Amount transferred to Unspent CSR Account as per section 135(6) |                  | Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5) |        |                  |
|   | Amount  | Date of transfer | Name of the Fund  | Amount | Date of transfer |
| 0.54  | -   | -                | -   | -      | -                |

- (f) Excess amount for set off -

| Sl. | Particular  | Amount (Amt in Crores) |
|-----|---|------------------------|
| a)  | Two percent of average net profit of the company as per section 135(5)                                      | 0.5426                 |
| b)  | Total amount spent for the Financial Year   | 0.5431                 |
| c)  | Excess amount spent for the financial year [(ii)-(i)]   |                        |
|     | For FY 2024-25  | 0.0038                 |
|     | For FY 2025-26  | 0.0005                 |
|     |   | <b>0.0043</b>          |
| d)  | Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any | NIL                    |
| e)  | Amount available for set off in succeeding financial years [(iii)-(iv)]                                     | <b>0.0043</b>          |

7. Details of Unspent Corporate Social Responsibility amount for the preceding three financial years: - **NA**
8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year). Yes  / No
9. If yes, enter the Number of capital Assets created / Acquired: **NA**
10. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5) – **NA**

For and on behalf of the Board  
**Gala Precision Engineering Limited**

Sd/-  
**Kirit V. Gala**  
Chairman & Managing Director  
DIN: 01540274

Sd/-  
**Satish Dayal Kotwani**  
Member CSR Committee  
DIN: 03154231

Place : Thane  
Date : May 14, 2026

## CORPORATE GOVERNANCE REPORT

The Report on Corporate Governance as prescribed by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, (“**the SEBI LODR Regulations/ “SEBI Listing Regulations”**”) is given below:

### 1. **GPPEL’S PHILOSOPHY ON CORPORATE GOVERNANCE**

Corporate Governance pertains to the system by which companies are directed and controlled ethically, keeping in mind the enhancement of long-term sustainable interests of stakeholders. It refers to blend of law, regulations, ethical and voluntary practices, which enable the Company to attract financial and human capital, perform efficiently and thereby perpetuate it into generating long-term economic value for its shareholders, while respecting and balancing the interests of other stakeholders and the society at large.

It aims to align interests of the Company with its shareholders and other stakeholders. The incentive for companies and those who own and manage them, to adopt global governance standards, is that these standards will help them to achieve a long-term partnership with its stakeholders and achieve its corporate objectives efficiently. The principal characteristics of corporate governance are transparency, independence, accountability, responsibility, fairness, and social responsibility.

A good governance process provides transparency of corporate policies and the decision making process and also strengthens internal systems and helps in building good relationship with all stakeholders. We at Gala believe in being transparent and commit ourselves to adherence to good corporate governance practices at all times as we believe that good governance generates goodwill among business partners, customers and investors and helps the Company to grow.

#### **Corporate Ethics**

The Company adheres to the highest standards of business ethics, compliance with statutory and legal requirements and commitment to transparency in business dealings.

#### **Code of Conduct for Board Members and Senior Management**

The Code of Conduct highlights Corporate Governance as the cornerstone for sustained management performance, serving all the stakeholders instilling a spirit of ethical and proper conduct in those dealings. The Code is, inter alia, applicable to all directors and senior management executives. The Code impresses upon directors and senior management to uphold the interest of the Company and its stakeholders and to endeavor to fulfill all the fiduciary obligations. The Code is available on the Company’s website at: <https://www.galagroup.com/wp-content/uploads/2024/01/Code-of-Conduct-for-Directors-Senior-Management-Independent-Directors.pdf>

The Company has received a declaration of compliance with the Code of Conduct from Directors and Senior Management Personnel. The declaration by the Managing Director affirming compliance of the Board of Directors and Senior Management Personnel to the Code of Conduct is appended to this Report.

### 2. **BOARD OF DIRECTORS**

#### **a) Composition of the Board, category:**

The Board of the Company (the “**Board**”) comprised of 8 (Eight) Directors as on March 31, 2026 with an optimum combination of executive and non-executive directors, of which 4 (Four) are Independent Directors, 1 (One) Director being Non-executive Non-Independent Director, 2 (Two) whole-time Directors and 1 (One) is a Managing Director. Independent Directors of the Company are renowned professionals with specialization in their respective fields, having varied skills and expertise and not related to promoters of the Company.

The Company is in compliance of the SEBI LODR Regulations and the Companies Act 2013 (the “**Act**”).

The composition of the Board and other details as on March 31, 2026 are as below. Further, there are no Changes after the end of the year till the date this report.

| Sr. No. | Name of the Director        | DIN      | Category                                 | No. of Directorship in other Companies <sup>[1]</sup> | Position in outside Committees <sup>[2]</sup> |        |
|---------|-----------------------------|----------|--|---|---|--------|
|         |                             |          |  |   | Chairperson                                   | Member |
| 1.      | Kirit Vishanji Gala         | 01540274 | Promoter, Chairman and Managing Director | 2   | 0   | 0      |
| 2.      | Balkishan Shyamsunder Jalan | 02876873 | Whole-time director                      | 0   | 0   | 0      |
| 3.      | Satish Dayal Kotwani        | 03154231 | Whole-time director                      | 0   | 0   | 0      |
| 4.      | Rajendra Vallabhaji Gogri   | 00061003 | Non-Executive Non- Independent Director  | 10  | 2   | 5      |
| 5.      | Snehal Bhupendra Shah       | 00128595 | Non-Executive Independent Director       | 0   | 0   | 0      |
| 6.      | Varsha Rajaram Galvankar    | 00124603 | Non-Executive Independent Director       | 1   | 0   | 0      |
| 7.      | Neha Rajen Gada             | 01642373 | Non-Executive Independent Director       | 10  | 1   | 9      |
| 8.      | Sudhir Tokarshi Gosar       | 10460551 | Non-Executive Independent Director       | 0   | 0   | 0      |

<sup>[1]</sup> Including private companies or companies registered under section 8 of the Companies Act 2013 or alternate directorship, if any.

<sup>[2]</sup> Represents Chairmanship / Membership of Audit Committees, Nomination and remuneration Committee, Stakeholders Relationship Committee, Risk Management Committee, Corporate Social Responsibility Committee and Finance and Investment Committee

Details of Directors who hold directorship in other listed Indian Companies as on March 31, 2026 are as under:

| Name of the Director          | Name of the other Listed Companies   | Category of Directorship   |
|-------------------------------|--------------------------------------|--|
| Mr. Rajendra Vallabhaji Gogri | 1. Aarti Industries Ltd              | Executive Director, Managing Director, Chairperson related to Promoter |
|                               | 2. Prince Pipes And Fittings Limited | Non-Executive - Independent Director                                   |
|                               | 3. Aarti Pharmed Labs Limited        | Non-Executive - Non Independent Director                               |
| Ms. Neha Rajen Gada           | 1. Tamboli Industries Limited        | Non-Executive - Independent Director                                   |
|                               | 2. Aarti Drugs Limited               | Non-Executive - Independent Director                                   |
|                               | 3. Sejal Glass Limited               | Non-Executive - Independent Director                                   |

None of the Directors on the Board are related to each other.

Further, none of the Independent Director of the Company have resigned during the year.

Details of shares held by non- executive Directors of the Company are as follows:

| Sr. No. | Name of the Director          | No. of shares held in the Company |
|---------|-------------------------------|-----------------------------------|
| 1.      | Ms. Neha Rajen Gada           | NIL                               |
| 2.      | Ms. Varsha Rajaram Galvankar  | 500                               |
| 3.      | Mr. Snehal Bhupendra Shah     | 45,000                            |
| 4.      | Mr. Sudhir Tokarshi Gosar     | NIL                               |
| 5.      | Mr. Rajendra Vallabhaji Gogri | NIL                               |

None of the non-executive Directors on the Board holds any convertible instruments of the Company

The Board is of the opinion that the independent directors of the Company fulfill the conditions specified in the Listing Regulations and are independent of the management and also all the Independent Directors of the Company have confirmed and given declarations in this respect.

**b) Board Meetings and attendance:**

The Board of Directors met 4 (Four) times in the financial year 2025-26 i.e. on the following dates and accordingly the agenda papers along with notes and other supporting were circulated in advance of the Board Meeting with sufficient information.

| Sr. No. | Date of the Board Meeting |
|---------|---------------------------|
| 1.      | May 27, 2025              |
| 2.      | August 05, 2025           |
| 3.      | November 11, 2025         |
| 4.      | February 05, 2026         |

Directors' attendance in Board Meetings held during the Financial Year and at the last Annual General Meeting are as under:

| Name of Directors               | No. of Board Meetings |          | Attendance at Last Annual General Meeting |
|---------------------------------|-----------------------|----------|---|
|                                 | Held                  | Attended |   |
| Mr. Kirit Vishanji Gala         | 4                     | 4        | Yes                                       |
| Mr. Balkishan Shyamsunder Jalan | 4                     | 4        | Yes                                       |
| Mr. Satish Dayal Kotwani        | 4                     | 4        | Yes                                       |
| Mr. Rajendra Vallabhaji Gogri   | 4                     | 4        | Yes                                       |
| Mr. Snehal Bhupendra Shah       | 4                     | 4        | Yes                                       |
| Ms. Varsha Rajaram Galvankar    | 4                     | 4        | Yes                                       |
| Ms. Neha Rajen Gada             | 4                     | 4        | Yes                                       |
| Mr. Sudhir Tokarshi Gosar       | 4                     | 4        | Yes                                       |

**c) Familiarization Programme:**

In compliance with the requirements of Regulation 25(7) of the SEBI LODR Regulations, the Company has put in place a Familiarisation Programme for the Independent Directors to familiarise them with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model etc.

The details of the Familiarisation Programme imparted to Independent Directors are available on the Company's official website at <https://www.galagroup.com/wp-content/uploads/2024/10/Familiarization-Programme-Policy.pdf>

**d) Matrix of expertise/ skill and competence of Directors:**

The Company believes that a diverse skill set is required for effective contribution to the Board and its Committees and for arriving at balanced decisions. The below list summarizes the key skills, expertise and

competencies that the Board thinks necessary for the proper functioning in the context of the Company's business and industry as against the Directors possessing the same:

| Name of the Directors           | Finance | Sales and marketing | Science and technology | Domain Industry | General Management | Legal, including laws related to corporate governance |
|---------------------------------|---------|---------------------|------------------------|-----------------|--------------------|---|
| Mr. Kirit Vishanji Gala         | ✓       | ✓                   | ✓                      | ✓               | ✓                  | ☐   |
| Mr. Balkishan Shyamsunder Jalan | ✓       | ✓                   | ✓                      | ✓               | ✓                  | ✓   |
| Mr. Satish Dayal Kotwani        | ✓       | ✓                   | ✓                      | ✓               | ✓                  | ☐   |
| Mr. Rajendra Vallabhaji Gogri   | ✓       | ✓                   | ✓                      | ✓               | ✓                  | ✓   |
| Mr. Snehal Bhupendra Shah       | ✓       | ✓                   | ✓                      | ✓               | ✓                  | ✓   |
| Ms. Varsha Rajaram Galvankar    | ☐       | ✓                   | ☐                      | ✓               | ✓                  | ✓   |
| Ms. Neha Rajen Gada             | ✓       | ✓                   | ☐                      | ☐               | ✓                  | ✓   |
| Mr Sudhir Gosar                 | ☐       | ✓                   | ✓                      | ✓               | ✓                  | ☐   |

### 3. AUDIT COMMITTEE

As required under Section 177 of the Act and Regulation 18 read with Part C(A) of Schedule II of SEBI LODR Regulations, the Company has an Audit Committee comprising of 3 (Three) Directors, wherein Two-thirds of the members of the Audit Committee are the Independent Directors of the Company.

Further, the Audit Committee met Four times during the Financial year 2025-26 i.e. on May 27, 2025, August 05, 2025, November 11, 2025 and February 05, 2026 respectively.

The Composition of the Audit Committee and the attendance is as under:

| Name of Member                  | Designation in the Committee | No. of Meetings |          |
|---------------------------------|------------------------------|-----------------|----------|
|                                 |                              | Held            | Attended |
| Mr. Snehal Bhupendra Shah       | Chairperson                  | 4               | 4        |
| Ms. Neha Rajen Gada             | Member                       | 4               | 4        |
| Mr. Balkishan Shyamsunder Jalan | Member                       | 4               | 4        |

The Company Secretary of the Company, Ms. Pooja Ladha, acts as the Secretary to the Audit Committee.

Audit Committee meetings are generally attended by Mr. Giridhar Srinivasan, Chief Financial Officer, of the Company, Mr. Saket Chitale, representatives from the firm of Internal Auditors, representatives from the firm of Statutory Auditor, and other executives as and when required. The Committee also invites senior executives, where it considers appropriate, to attend meetings of the Audit Committee.

The terms of reference of the Audit Committee are as mentioned in the Act and the SEBI LODR Regulations which include:

- 1) Overseeing the Company's financial reporting process, examination of the financial statement and the auditors' report thereon and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- 2) Recommendation to the Board for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company including the internal auditor, cost auditor and statutory auditor of the Company, and fixation of the audit fee;
- 3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

- 4) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - a) 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;
  - b) changes, if any, in accounting policies and practices and reasons for the same;
  - c) major accounting entries involving estimates based on the exercise of judgment by management;
  - d) significant adjustments made in the financial statements arising out of audit findings;
  - e) compliance with listing and other legal requirements relating to financial statements;
  - f) disclosure of any related party transactions; and
  - g) modified opinion(s) in the draft audit report;
- 5) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- 6) 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;
- 7) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- 8) Formulating a policy on related party transactions, which shall include materiality of related party transactions;
- 9) Approval or any subsequent modification of transactions of the Company with related parties; All related party transactions shall be approved by only Independent Directors who are the members of the committee and the other members of the committee shall reuse themselves on the discussions related to related party transactions;
 

**Explanation:** The term "**Related Party Transactions**" shall have the same meaning as provided in Clause 2(ZC) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.
- 10) Review, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given;
- 11) Scrutiny of inter-corporate loans and investments;
- 12) Valuation of undertakings or assets of the Company, wherever it is necessary; Appointment of Registered Valuer under Section 247 of the Companies Act, 2013.
- 13) Evaluation of internal financial controls and risk management systems;
- 14) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- 15) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- 16) Discussion with internal auditors of any significant findings and follow up thereon;
- 17) 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;

- 18) 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;
- 19) 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;
- 20) To review the functioning of the whistle blower mechanism;
- 21) Approval of appointment of chief financial officer (i.e., the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- 22) Carrying out any other function as is mentioned in the terms of reference of the audit committee; and
- 23) Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- 24) To formulate, review and make recommendations to the Board to amend the Terms of Reference of Audit Committee from time to time;
- 25) Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
- 26) The Audit Committee shall review compliance with the provisions of the SEBI PIT Regulations, at least once in a financial year and shall verify that the systems for internal control under the said regulations are adequate and are operating effectively;
- 27) To consider the rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc. of the Company and provide comments to the Company's shareholders; and
- 28) Carrying out any other functions as provided under the provisions of the Companies Act, the SEBI Listing Regulations and other applicable laws, and carrying out any other functions as may be required / mandated and/or delegated by the Board as per the provisions of the Companies Act, 2013, SEBI Listing Regulations, uniform listing agreements and/or any other applicable laws or by any regulatory authority and performing such other functions as may be necessary or appropriate for the performance of its duties.

#### 4. NOMINATION AND REMUNERATION COMMITTEE

As required under Section 178(1) of the Act and Regulation 19 read with Part D (A) of Schedule II of SEBI LODR Regulations, the Company has a Nomination and Remuneration Committee ("NRC") comprising of all the 3 (Three) Independent Directors of the Company.

The Company Secretary of the Company, Ms. Pooja Ladha, acts as the Secretary to the Nomination and Remuneration Committee.

Further, the NRC met once during the Financial Year 2025-26 i.e. on May 05, 2025.

The Composition of the NRC and the attendance is as under:

| Name of Member                | Designation in the Committee | No. of Meetings |          |
|-------------------------------|------------------------------|-----------------|----------|
|                               |                              | Held            | Attended |
| Mrs. Varsha Rajaram Galvankar | Chairperson                  | 1               | 1        |
| Mr. Snehal Bhupendra Shah     | Member                       | 1               | 1        |
| Mr. Sudhir Gosar              | Member                       | 1               | 1        |

Mr. Kirit V Gala, Chairman and Managing Director of the Company, being the permanent invitee of NRC generally attends all the meetings and he is also generally accompanied by Mr. Balkishan Jalan, Executive (Whole-time) Director of the Company to provide their valuable inputs and insights to the Committee in reference to Committees' roles and responsibilities.

The Committee is, inter alia, authorized for identifying persons who are qualified to become Directors and who may be appointed in Senior Management, formulating criteria for evaluating Directors performance, formulating criteria for determining qualifications, positive attributes and independence of a Director and recommending policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees, granting of stock options to the eligible employees of the Company, evaluating the balance of skills, knowledge and experience on the Board for the appointment of Independent Directors and recommending remuneration payable to senior management.

#### PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS:

Each Independent Director's performance was evaluated as required by Schedule IV of the Act having regard to the following criteria of evaluation viz. (i) qualification, (ii) experience, (iii) availability and attendance, (iv) integrity, (v) commitment, (vi) governance, (vii) independence, (viii) communication, (ix) preparedness, (x) participation and (xi) value addition

#### REMUNERATION OF DIRECTORS

Details of remuneration paid to the Executive Directors and Non-Executive Directors of the Company during the Financial Year ended March 31, 2026 is as follows:

(Rupees in Crores)

| Sr. No. | Name of Directors               | Salary and Perquisites | Sitting Fees |
|---------|---------------------------------|------------------------|--------------|
| 1.      | Mr. Kirit Vishanji Gala         | 1.18                   | -            |
| 2.      | Mr. Balkishan Shyamsunder Jalan | 1.14                   | -            |
| 3.      | Mr. Satish Dayal Kotwani        | 0.9                    | -            |
| 4.      | Mr. Snehal Bhupendra Shah       | -                      | 0.02         |
| 5.      | Ms. Varsha Rajaram Galvankar    | -                      | 0.02         |
| 6.      | Ms. Neha Rajen Gada             | -                      | 0.02         |
| 7.      | Mr. Sudhir Tokarshi Gosar       | -                      | 0.02         |

The remuneration to Executive Directors includes Provident Fund, Superannuation Fund, perquisites, allowances etc. are in accordance with the Company's Policy on Appointment and Remuneration of Directors, Key Managerial Personnel and other Employees.

Performance linked incentives/bonus/variable pay is based on criteria including achievement of performance standards as per the remuneration policy or practice of the Company.

In addition to the payment of above remuneration, Mr. Balkishan Shyamsunder Jalan and Mr. Satish Dayal Kotwani, Whole-time Directors of the Company are also provided/ granted with stock options under the Gala Precision Engineering Limited Employee Stock Option Scheme 2024 ("ESOP 2024").

Apart from the above remuneration, there were no pecuniary relationships or transactions of non-executive Directors vis-à-vis with the Company during the year under review, except for payment of sitting fees as mentioned above.

In accordance with the provisions of Section 178(3) of the Act, policy on Appointment and Remuneration of Directors, Key Managerial Personnel and other Employees as recommended by the Nomination and Remuneration Committee and approved by the Board, which includes performance criteria for payment of remuneration, is available on the website of the Company at <https://www.galagroup.com/wp-content/uploads/2024/01/NRC-Policy.pdf>

#### 5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

As per Section 178(5) of the Act and Regulation 20 read with Part D (B) of Schedule II of the SEBI LODR Regulations, the Company has a Stakeholders' Relationship Committee ("SRC") comprising of 3 (Three) Directors:

Further, the SRC met once during the Financial Year 2025-26 i.e. on February 20, 2026 with the attendance by all members of the Committee.

The Chairperson of the SRC is Mr. Rajendra Vallabhaji Gogri (Non-Executive) Director of the Company.

The Composition of the above Committee is as under:

| Sr. No. | Name of Member                  | Designation in the Committee |
|---------|---------------------------------|------------------------------|
| 1.      | Mr. Rajendra Vallabhaji Gogri   | Chairperson                  |
| 2.      | Mr. Balkishan Shyamsunder Jalan | Member                       |
| 3.      | Ms. Neha Rajen Gada             | Member                       |

Ms. Pooja Ladha, Company Secretary has been appointed as Compliance Officer pursuant to the SEBI LODR Regulations and the designated e-mail for investor services, grievances and any correspondence relating to the Company is [investor.relations@galagroup.com](mailto:investor.relations@galagroup.com)

Details of investor complaints received and resolved during the financial year 2025-26 are as under:

| Particulars as to investor complaints                            | Count |
|--|-------|
| No. of complaints pending as on April 01, 2025                   | NIL   |
| No. of complaints received from April 01, 2025 to March 31, 2026 | NIL   |
| No. of complaints resolved                                       | NIL   |
| No. of complaints remaining unresolved as on March 31, 2026      | NIL   |

## 6. SENIOR MANAGEMENT

According to the provisions of Regulation 16 (1) (d) of SEBI LODR Regulation 2015, as on March 31, 2026, the Senior Management Team of the Company is as follows:

| Sr. No. | Name of the individual forming the part of the team | Designation                               |
|---------|---|---|
| 1.      | Smeet Kirit Gala                                    | Vice President – Marketing & Sales        |
| 2.      | Giridhar Srinivasan                                 | Chief Financial Officer                   |
| 3.      | Rajendra Deshpande                                  | Chief Operating Officer                   |
| 4.      | Avadhut Panshikar                                   | Chief Operating Officer                   |
| 5.      | Prasad Gore   | Vice President – Information Technology   |
| 6.      | Tukaram Behere                                      | Vice President – Human Resource & Admin   |
| 7.      | Agadh Chukewar                                      | Vice President – Purchase & VD            |
| 8.      | Gopal Bhat  | Vice President – NPD                      |
| 9.      | Rajesh Charjan                                      | Vice President – Marketing & Sales        |
| 10.     | Mahesh Patil  | Vice President – Operation                |
| 11.     | Sunil kumar Pathak                                  | Vice President – Operation                |
| 12.     | Krishna Bhardwaj                                    | Vice President – Marketing & Sales        |
| 13.     | Nataraja B. K                                       | Vice President – Quality Assurance        |
| 14.     | Nambi Nka   | Vice President – Operation Chennai Plant  |
| 15.     | Ritesh Haryan                                       | Senior Vice President – Marketing & Sales |

Further, the Company has revised the SMP coverage in line with the regulatory definition covering management one level below the CEO/MD/WTD. Accordingly, VP level personnel have been included and AVP level personnel excluded

## 7. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

As required under Section 135(1) of the Act, the Company has a Corporate Social Responsibility (“CSR”) Committee comprising of 3 (Three) Directors:

Further, the CSR Committee met Twice during the Financial Year 2025-26 i.e. on July 04, 2025, and March 17, 2026, respectively.

The Composition of the CSR and the attendance is as under:

| Name of Member               | Designation in the Committee | No. of Meetings |          |
|------------------------------|------------------------------|-----------------|----------|
|                              |                              | Held            | Attended |
| Mr. Kirit Vishanji Gala      | Chairperson                  | 2               | 2        |
| Ms. Varsha Rajaram Galvankar | Member                       | 2               | 2        |
| Mr. Satish Dayal Kotwani     | Member                       | 2               | 1        |

The Committee is inter alia; authorized to formulate and recommend to the Board a CSR Policy, the amount of expenditure to be incurred on the permissible activities, monitoring the CSR Policy from time to time and formulating and recommending to the Board, an annual action plan in pursuance of the CSR policy.

## 8. RISK MANAGEMENT COMMITTEE

Risk Management Committee ("RMC") has been constituted pursuant to the provisions of Regulation 21 read with Part D of Schedule II of the Listing Regulations for identification of internal and external risks specifically in particular including financial, operational, sectoral, sustainability, information, cyber security risks.

urther, the RMC met Twice during the Financial Year 2025-26 i.e. on September 25, 2025, and March 17, 2026 respectively.

The Composition of the RMC and the attendance is as under:

| Name of Member                  | Designation in the Committee | No. of Meetings |          |
|---------------------------------|------------------------------|-----------------|----------|
|                                 |                              | Held            | Attended |
| Mr. Kirit Vishanji Gala         | Chairperson                  | 2               | 2        |
| Mr. Balkishan Shyamsunder Jalan | Member                       | 2               | 2        |
| Sudhir Tokarshi Gosar           | Member                       | 2               | 2        |

The terms of reference of the Risk Management Committee are as mentioned in the Act and the SEBI LODR Regulations which include:

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

## 9. EXECUTIVE COMMITTEE

The Company in order to streamline operations and ensure greater efficiency in managing day-to-day business activities and for the benefit of the Company established an Executive Committee comprising of the following executives:

| Sr. No. | Name of Member                  | Designation in the Committee |
|---------|---------------------------------|------------------------------|
| 1.      | Mr. Kirit Vishanji Gala         | Chairperson                  |
| 2.      | Mr. Balkishan Shyamsunder Jalan | Member                       |
| 3.      | Mr. Satish Dayal Kotwani        | Member                       |

The terms of reference of the Executive Committee includes the following:

- To open and operate Bank Accounts in the name of the Company;
- To authorize changes in signatories for the Company's bank accounts;
- To give instructions regarding the Company's banking transactions;
- To give necessary instructions for the closure of Bank Accounts as and when required.
- To operate Monitoring Accounts;
- To issue, revalidate, and cancel Powers of Attorney as deemed necessary;
- To authorize persons to act on behalf of the Company in relation to legal proceedings, before any government authorities/agencies, or in dealings with external parties;
- To accept the terms and conditions for availing the said financial assistance from Banks / Financial Institutions;
- To authorize the execution of relevant documents and affix the Common Seal of the Company, wherever required;
- To request Banks or Financial Institutions for disbursement of funds;
- To create security on the assets of the Company for availing the above-mentioned facilities;
- To do all acts, deeds, and things as may be required or considered necessary or incidental in connection with the above powers and
- Any other matters may be delegated by the Board from time to time.

## 10. GENERAL BODY MEETINGS

Details of the last three Annual General Meetings (AGM) are given here below:

| Year    | AGM              | Date               | Time           | Venue/ Location   | Special resolutions passed                     |
|---------|------------------|--------------------|----------------|---|--|
| 2022-23 | 15 <sup>th</sup> | September 5, 2023  | 11:00 AM (IST) | A-801, 8th Floor, Thane One DIL Complex, Ghodbunder Road, Thane, Maharashtra, 400610 India                              | Adoption of New set of Articles of Association |
| 2023-24 | 16 <sup>th</sup> | September 30, 2024 | 4:30 PM (IST)  | Via Video Conferencing/ Other Audio Visual Means (The deemed venue of the AGM was the Registered Office of the Company) | No special resolution passed in the AGM        |

| Year    | AGM              | Date          | Time           | Venue/ Location   | Special resolutions passed   |
|---------|------------------|---------------|----------------|---|--|
| 2024-25 | 17 <sup>th</sup> | July 15, 2025 | 03:30 PM (IST) | Via Video Conferencing/ Other Audio Visual Means (The deemed venue of the AGM was the Registered Office of the Company) | 1. Re-appointment of Ms. Varsha Rajaram Galvankar (DIN: 00124603) as an Independent Director of the Company for a second term of 3 (Three) consecutive years commencing from November 30, 2025.<br>2. To Fix remuneration of Mr. Kirit Vishanji Gala (DIN 01540274), Chairman and Managing Director of the Company.<br>3. To Fix remuneration of Mr. Balkishan Shyamsunder Jalan (DIN: 02876873), Whole-time Director of the Company.<br>4. To Fix remuneration of Mr. Satish Dayal Kotwani (DIN: 03154231), Whole-time Director of the Company. |

**Resolutions passed through postal ballot:** No Special resolution was passed through postal ballot during the Financial Year ended March 31, 2026. Further, there is no immediate proposal for passing any special resolution through postal ballot.

## 11. MEANS OF COMMUNICATION

**Website:** The Company's website <https://www.galagroup.com/> contains a separate dedicated "Investor Relation" section wherein shareholders information is available. Financial information, Annual reports, Policies, Industry Report, and Project Report are also available on the website of the Company.

Further, the quarterly, half-yearly and yearly results are submitted to BSE Limited and National Stock Exchange of India Limited as per Regulation 33 of SEBI LODR Regulations.

- Quarterly Results:** The Quarterly, half-yearly, and yearly financial results of the Company are intimated to the Stock Exchanges immediately after they are approved by the Board.
- Newspapers wherein results normally published:** Financial Express and Mumbai Navshakti.
- The financial results for all the relevant quarters are also posted on the Company's website at <https://www.galagroup.com/investor-relation/> under "Financial Information" tab.
- News Releases:** The Company has not made any official news releases during the FY 2025-26.
- Presentations made to institutional investors or to the analysts:** The presentations which are made are available on the Company's website at <https://www.galagroup.com/investor-relation/> under "Financial Information" tab.

The presentations on performance of the Company are placed on the Company's website and submitted to Stock Exchanges for the benefit of the institutional investors, analysts and other shareholders after the financial results are communicated to the Stock Exchanges. The Company also conducts calls/meetings with investors after declaration of quarterly financial results to brief them on the performance of the Company and audio recording and transcript of such calls/meetings are uploaded on the Company's website and Stock Exchanges.

Material developments related to the Company that are potentially price-sensitive in nature or that could impact continuity of publicly available information regarding the Company are disclosed to stock exchanges as per the Company's Policy for Determination of Materiality of events or Information which is available at <https://www.galagroup.com/wp-content/uploads/2024/10/Materiality-Policy.pdf>

The Company has a designated email id i.e. [investor.relations@galagroup.com](mailto:investor.relations@galagroup.com) or investor servicing, and the same is prominently displayed on the Company's website.

## 12. GENERAL SHAREHOLDERS' INFORMATION

|          |   |  |
|----------|---|--|
| <b>A</b> | <b>18<sup>th</sup> Annual General Meeting</b> |  |
|          | Date and Time                                 | 1 <sup>st</sup> July 2026 and 03:30 P.M  |
|          | Venue   | Through Video Conferencing / Other Audio-Visual Means (The deemed venue of the AGM shall be the Registered Office of the Company.)   |
| <b>B</b> | Financial Year                                | April 01, 2025 to March 31, 2026   |
| <b>C</b> | Listed on Stock Exchanges                     | <b>BSE Limited (BSE)</b><br>Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400001.<br><br><b>National Stock Exchange of India Limited (NSE)</b><br>Exchange Plaza, C-1, Block G, Bandra-Kurla Complex, Bandra (E), Mumbai – 400051. |
| <b>D</b> | Listing Fees                                  | The Listing Fees for the Financial Year 2025-26 have been paid to both the Stock Exchanges.  |

### OTHER INFORMATION:

1. There is no proposal from the Board of Director of the Company in respect to declaration of dividend.
2. There was no suspension in the trading of the securities, hence there is nothing to disclose in the Directors' Report of the Company.
3. Registrar and Share Transfer Agent:

MUFG Intime India Private Limited (Formerly known as Link Intime India Private Limited) is the Registrar and Share Transfer Agent ('RTA') of the Company. The address for correspondence is as under:

**MUFG Intime India Private Limited  
(Formerly known as Link Intime India Private Limited)**

C-101, 1st Floor, 247 Park,  
 Lal Bahadur Shastri Marg,  
 Vikhroli (West), Mumbai,  
 Maharashtra, India, 400083.  
 SEBI Registration No: INR000004058  
 Contact Person: Shanti Gopalkrishnan  
 Website: <https://in.mpms.mufg.com/>  
 Telephone: +91 810 811 4949  
 Helpdesk Email: RNT Helpdesk – [rnt.helpdesk@in.mpms.mufg.com](mailto:rnt.helpdesk@in.mpms.mufg.com)  
 E-mail: [galaprecision.ipo@linkintime.co.in](mailto:galaprecision.ipo@linkintime.co.in)

4. Share Transfer System:

In terms of Regulation 40(1) of the SEBI Listing Regulations as amended, Securities can be transferred only in dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company.

Pursuant to SEBI Circular dated January 25, 2022, securities of the Company shall be issued in dematerialized form only while processing service requests in relation to issue of duplicate securities certificate, renewal / exchange of securities certificate, endorsement, sub-division / splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition.

All the share related activities including redressal of shareholders'/investors' grievances are being handled by the Company's RTA.

**5. Distribution of Shareholding as on March 31, 2026:**

| <u>Slab/ No. of equity shares</u> | <u>No. of shareholders</u> | <u>% of shareholders</u> | <u>No. of shares held</u> | <u>% of total share capital</u> |
|-----------------------------------|----------------------------|--------------------------|---------------------------|---------------------------------|
| 1-500                             | 21337                      | 97.14                    | 1082076                   | 8.46                            |
| 501-1000                          | 315                        | 1.43                     | 226448                    | 1.77                            |
| 1001-5000                         | 205                        | 0.93                     | 417196                    | 3.26                            |
| 5001-10000                        | 40                         | 0.18                     | 295781                    | 2.31                            |
| 10001 and above                   | 69                         | 0.31                     | 10776049                  | 84.20                           |
| <b>Total</b>                      | <b>21966</b>               | <b>100</b>               | <b>12797550</b>           | <b>100</b>                      |

**6. Dematerialization of equity shares and liquidity:**

The Company's Equity Shares are regularly traded on BSE Limited and National Stock Exchange of India Limited. As on March 31, 2026, 21,695 shareholders were holding 1,27,97,549 Equity Shares in Demat form which constitutes 99.99% of the total number of issued shares of the Company.

The Shareholder who is holding physical shares is requested to complete their KYC as per SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023 if not completed till date.

**7. Commodity price risk or foreign exchange risk and hedging activities:**

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated November 15, 2018 is not required.

**8. Outstanding GDR / ADR / Warrants / any convertible instruments:** Not applicable except for convertible instruments in the form of ESOPs for which the information is available under the Disclosures on Employee Stock Option Plan forming the part of this annual report.

**9. Plant Locations:**

We currently operate out of three manufacturing facilities. Two of these facilities, located in Wada, Palghar, Maharashtra, are fully operational and are equipped with capabilities to design, develop, and manufacture our product portfolio. We have also set up a third manufacturing facility at Vallam-Vadagal, SIPCOT, Sriperumbudur, Tamil Nadu, which enhance our capacity for high tensile fasteners and hex bolts.

Set forth is brief description of our manufacturing facilities:

| <b>Manufacturing units</b>                                | <b>Address</b>  |
|---|---|
| DSS facility at Wada, Palghar, Maharashtra                | Plot No. 302, Part 1 and 2, Musarne Village, Musarne Road, Post MET, Wada, Palghar, Maharashtra |
| CSS and SFS facility at Wada, Palghar, Maharashtra        | Plot No. 295, Village Vadavli, Musarne Road, Post MET, Wada, Palghar, Maharashtra               |
| High Tensile Fasteners & Hex Bolts at Tamil Nadu, Chennai | Plot no-G-18/2, Vallam Vadagal, SIPCOT Industrial Park Sriprumbudur, Kancheepuram, Tamil Nadu   |

**10. Address for correspondence**

Gala Precision Engineering Limited  
 A-801, 8<sup>th</sup> Floor, Thane One DIL Complex,  
 Ghodbunder Road, Majiwade,  
 Thane (west), Thane – 400610.  
 Maharashtra, India.  
 Telephone: +91 22-6930 9224  
 Website: <https://www.galagroup.com/>  
 E-mail: [investor.relations@galagroup.com](mailto:investor.relations@galagroup.com)

**Corporate and Investors contact:** Ms. Pooja Ladha, Company Secretary and Compliance Officer, at the registered office of the Company.

#### 11. List of Credit rating obtained during the financial year:

During the financial year, the Company has been affirmed / assigned with the credit rating from below listed credit rating agencies:

| Name of Credit Rating Agency | Instrument                       | Rating               |
|------------------------------|----------------------------------|----------------------|
| Crisil Rating Limited        | Long Term ( Bank loan Facility)  | Crisil BBB+/Positive |
| Crisil Rating Limited        | Short Term ( Bank loan Facility) | Crisil A2            |

#### 13. OTHER DISCLOSURES

- i. None of the transactions with any of the related parties were in conflict with the interest of the Company. The details of the related party transactions are set out in the notes to financial statements forming part of this Annual Report. Policy on dealing with related party transactions is posted on the website of the Company and can be accessed by following the link: <https://www.galagroup.com/wp-content/uploads/2024/01/RPT-policy.pdf>
- ii. The Company has complied with all applicable provisions of the Listing Regulations and other SEBI Regulations wherever applicable. No penalties have been imposed or stricture issued by SEBI, Stock Exchanges or any statutory authorities on matters relating to capital markets during the last three years except the below:
 

During the Financial Year 2024-25, the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) ("Stock Exchanges"), rejected the waiver application filed under Regulation 19 of SEBI LODR Regulations and imposed fine/ penalty for non-compliance in respect to the Composition of the Nomination & Remuneration Committee for the quarter ended September 2024 and December 2024.

The Company upon receipt of the communication from the Stock Exchanges paid the fine/ penalty upfront and intimated the same to both the stock exchange(s) respectively.
- iii. In accordance with the requirements of the Act and SEBI Listing Regulations, the Company has a Whistle Blower Policy approved by the Board of Directors and the preface of the Policy are:
  - a. The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior.
  - b. The Company is committed to developing a culture where it is safe for all employees to raise concerns about any poor or unacceptable practice and any event of misconduct.
  - c. "Whistle Blowing Policy" is for employees to report to the management instances of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy.
  - d. The purpose of this policy is to provide a framework to promote responsible and secure whistle blowing. It protects employees wishing to raise a concern about serious irregularities within the Company.
  - e. The policy neither releases employees from their duty of confidentiality in the course of their work, nor is it a route for taking up a grievance about a personal situation.
  - f. Whistle Blower Policy is available on the Company's website at <https://www.galagroup.com/wp-content/uploads/2025/07/Whistle-Blower-Policy.pdf>.
  - g. The Company confirms that no personnel have been denied access to the Audit Committee pursuant to the whistle blower mechanism.
- iv. The Company has complied with all the mandatory requirements of SEBI LODR Regulations, in respect of corporate governance. The following non-mandatory requirements as specified in Part E of Schedule II of SEBI LODR Regulations have been adopted by the Company:

1. The Internal Auditors report directly to the Audit Committee
2. The financial statements does not contain any qualification or modified opinion of the Auditor of the Company.
- v. The Company's policy for determining 'Material' Subsidiaries' and policy on dealing with Related Party Transactions are available on the Company's website at: <https://www.galagroup.com/wp-content/uploads/2024/02/Policy-for-determining-materiality-subsiary-1-4.pdf>, and furthermore <https://www.galagroup.com/wp-content/uploads/2025/07/Related-Party-Transaction-Policy.pdf> respectively.
- vi. The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2018/000000141 dated November 15, 2018 is not required.
- vii. There were no instances of raising of funds through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of the SEBI Listing Regulations.
- viii. The Company has obtained a certificate from Mr. Dharmesh M. Zaveri, Proprietor of D. M. Zaveri & Co, Practicing Company Secretary, certifying 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 Company by SEBI, Ministry of Corporate Affairs or any such statutory authority.
- ix. In terms of the SEBI LODR Regulations, the Board of Directors confirm that during the year under review, it has accepted all recommendations received from its mandatory committees.
- x. During Financial Year 2025-2026, the total fees paid by the Company and its subsidiaries, on a consolidated basis, to M/s. SCA and Associates, Chartered Accountants, and all entities in the network firm/network entity of M/s. SCA and Associates Chartered Accountants was ₹ 0.115 Crores per annum.
- xi. The Company is committed to provide a healthy environment to all the employees and thus does not tolerate any sexual harassment at workplace. The Company has in place a "policy against Sexual Harassment" of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. All employees are covered under the policy. There was no complaint received from any employee during the Financial Year 2025-26 and hence no complaint is outstanding as on March 31, 2026 for redressing. The Company has the Internal Complaints Committee as required to be constituted by the Company has been duly constituted as per policy under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- xii. Disclosures with respect to Demat suspense account/ unclaimed suspense account:  
The Company has no unclaimed suspense account under Regulation 39 and Schedule VI of SEBI LODR Regulations and hence, there is nothing to disclose in this regard.
- xiii. Disclosure of certain types of agreements binding listed entities:  
There is nothing to disclose with respect to agreements under clause 5A of part A of para A of Schedule III of SEBI LODR Regulations.
- xiv. During the year review, there is nothing to disclose with respect to loans and advances in the nature of loans to firms/companies in which Directors are interested.
- xv. Details of subsidiary and step down subsidiary of the Company are given below:

| Name of the Subsidiary and Step down subsidiary | Date of incorporation | Place of incorporation | Name of Statutory Auditor                   | Date of Appointment of Statutory Auditor |
|---|-----------------------|------------------------|---|--|
| Gala Springs LLP (Subsidiary)                   | August 5, 2016        | India                  | CGCA & Associates LLP, Chartered Accountant | Not Applicable                           |
| Gala Precision Components Shanghai Limited      | April 24, 2006        | China                  | Not Applicable                              | Not Applicable                           |

- xvi. The Company has complied with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and Para C , D and E of Schedule V of the SEBI LODR Regulations, during the year under review. The Compliance Certificate from Mr. Dharmesh M. Zaveri, Proprietor of D. M. Zaveri & Co, Practicing Company Secretary certifying compliance with the conditions of Corporate Governance is annexed to this Report.

#### 14. CODE OF CONDUCT FOR BOARD MEMBERS AND SENIOR MANAGEMENT

The Board of Directors has laid down the Code of Conduct for all the Board Members and members of the senior management. The Code is available on the Company's website at the link: <https://www.galagroup.com/wp-content/uploads/2024/01/Code-of-Conduct-for-Directors-Senior-Management-Independent-Directors.pdf>. Further, a certificate from the Managing Director in this regard is annexed separately to this Report.

#### 15. MANAGING DIRECTOR AND CFO CERTIFICATION

The Managing Director and Chief Financial Officer of the Company have submitted annual certification on financial reporting and internal controls and certification on Financial Results to the Board in terms of SEBI LODR Regulations. The said certificate is annexed and forms part of the Annual Report.

By order of the Board of Directors  
For **Gala Precision Engineering Limited**

**Kirit Vishanji Gala**  
Chairman and Managing Director  
DIN: 01540274

Date : May 14, 2026  
Place : Thane

## ANNEXURE TO CORPORATE GOVERNANCE REPORT

### DECLARATION REGARDING COMPLIANCE WITH THE CODE OF CONDUCT

In terms of the requirement of Part D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, this is to confirm that all members of the Board and the senior management personnel have affirmed compliance with Code of Conduct for the financial year ended March 31, 2026

For **Gala Precision Engineering Limited**

**Kirit Vishanji Gala**  
Chairman and Managing Director  
DIN: 01540274

Date : May 14, 2026  
Place: Thane

## MD & CFO CERTIFICATE

**Under Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To,  
The Board of Directors,  
**Gala Precision Engineering Limited**  
A-801, 8<sup>th</sup> Floor, Thane One DIL Complex,  
Ghodbunder Road Majiwade,  
Thane (West) - 400610.

Dear Sirs,

Pursuant to the requirement of Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is hereby certified that:

- A. We have reviewed financial statements and the cash flow statement of Gala Precision Engineering Limited for the financial year ended March 31, 2026 and that to the best of their knowledge and belief:
- (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company for the financial year ended March 31, 2026 which are fraudulent, illegal and violate the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the audit committee that:
- (i) There have been no significant changes in internal controls over financial reporting during the year ;
  - (ii) There have been no significant changes in accounting policies during the year; and
  - (iii) We have not noticed any instance of significant fraud involving management or employees having a significant role in the Company's internal control system over financial reporting.

**For Gala Precision Engineering Limited**

Sd/-  
**Kirit Vishanji Gala**  
Chairman and Managing Director

**For Gala Precision Engineering Limited**

Sd/-  
**S Giridhar**  
Chief Financial Officer

## CERTIFICATE ON CORPORATE GOVERNANCE

To,  
The Members of  
**Gala Precision Engineering Limited**

I have examined the compliance of conditions of Corporate Governance by **Gala Precision Engineering Limited** ('the Company'), for the Financial Year ended on March 31, 2026, as stipulated in Regulations 17 to 27, clauses (b) to (i) and (t) of Regulation 46(2) and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

### **Management's Responsibility**

The Management is responsible for ensuring that the Company complies with the conditions of Corporate Governance. This responsibility also includes the design, implementation and maintenance of internal controls and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing regulations.

### **Auditor's Responsibility**

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

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

### **Opinion**

In my opinion and to the best of my information and according to our examination of the relevant records and the explanations given to me and the representations made by the Management, I 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 regulation 46(2) and para C, D and E of the Schedule V of the Listing Regulations during the year ended March 31, 2026.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

### **Restriction on Use**

This certificate is addressed and provided to the members of the Company solely for the purpose of enabling the Company to comply with the requirement of the Listing Regulations and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this Certificate for any events or circumstances occurring after the date of this Certificate.

**For D. M. Zaveri & Co.**  
Company Secretaries

**Dharmesh Zaveri**  
(Proprietor)  
FCS. No.: 5418  
CP No.: 4363

Place : Mumbai  
Date : 14 May 2026

ICSI UDIN: **F005418H000340038**  
Peer Review Certificate No.: **7748/2026**

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
 The Members  
**Gala Precision Engineering Limited**  
 A-801, 8<sup>th</sup> Floor, Thane One DIL Complex,  
 Ghodbunder Road Majiwade,  
 Thane (West) - 400610.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Gala Precision Engineering Limited having CIN L29268MH2009PLC190522 and having registered office at A-801, 8<sup>th</sup> Floor, Thane One DIL Complex, Ghodbunder Road Majiwade, Thane (West) – 400610. (hereinafter referred to as ‘the Company’), produced before me 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 my opinion and to the best of my 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 me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2026 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs.

| Sr. No. | Name of Directors               | DIN      | Date of appointment in the Company |
|---------|---------------------------------|----------|------------------------------------|
| 1.      | Mr. Kirit Vishanji Gala         | 01540274 | 01/06/2009                         |
| 2.      | Mr. Balkishan Shyamsunder Jalan | 02876873 | 01/11/2009                         |
| 3.      | Mr. Satish Dayal Kotwani        | 03154231 | 01/06/2010                         |
| 4.      | Mr. Rajendra Vallabhaji Gogri   | 00061003 | 28/08/2018                         |
| 5.      | Ms. Neha Rajen Gada             | 01642373 | 30/11/2023                         |
| 6.      | Mrs. Varsha Rajaram Galvankar   | 00124603 | 30/11/2023                         |
| 7.      | Mr. Snehal Bhupendra Shah       | 00128595 | 30/11/2023                         |
| 8.      | Mr. Sudhir Tokarshi Gosar       | 10460551 | 11/01/2024                         |

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For D. M. Zaveri & Co.**  
 Company Secretaries

**Dharmesh Zaveri**  
 (Proprietor)  
 FCS. No.: 5418  
 CP No.: 4363

Place : Mumbai  
 Date : 14 May 2026

ICSI UDIN : **F005418H000339961**  
 Peer Review Certificate No.: **7748/2026**

# SECRETARIAL AUDIT REPORT

## Form No. MR-3

For the Financial year ended 31<sup>st</sup> March 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]

To,  
The Members,  
**Gala Precision Engineering Limited**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Gala Precision Engineering Limited** (hereinafter called '**the Company**'). Secretarial audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

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

I have examined the books, papers, minutes' books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March 2026 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and the 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;
- (v) The following Regulations and Guidelines 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;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not relevant/ applicable during the year)
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not relevant/ applicable during the year)
  - (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; (Not relevant/ applicable during the year)

- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (vi) The Other applicable laws: As informed by the management, there are no other laws applicable specifically to the Company.

I have also examined compliance with the applicable clauses to the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and approved by the Government of India, as applicable under the Companies Act 2013;
- (ii) The Listing Agreements entered into by the Company with the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) in accordance with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.

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

**I further report that**, the Board of Directors of the Company is duly constituted with proper balance of Executive, Non – Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors that took place during the period under review.

Adequate notice is given to all the directors to schedule the Board Meeting, the agenda and detailed notes on agenda were sent at least seven days in advance or in compliance with the Act, 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.

All decisions at Board Meetings and Committee Meetings carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

**I 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.

**I further report that** during the period under review; pursuant to Gala Precision Engineering Limited Employee Stock Option Scheme 2021 (“GALA ESOP 2021”), 99,750 Equity shares of face value of ₹10 each for cash at exercise price of ₹87.50 per share of the Company were allotted to the grantees who has exercised their vested options.

**For D. M. Zaveri & Co**  
Company Secretaries

**Dharmesh Zaveri**  
(Proprietor)  
FCS No.: 5418  
CP No.: 4363

Place : Mumbai  
Date :14 May 2026

ICSI UDIN: **F005418H000339895**  
Peer Review Certificate No.: **7748/2026**

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

## Annexure

To,  
The Members of  
**Gala Precision Engineering Limited**

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

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

**For D. M. Zaveri & Co**  
Company Secretaries

**Dharmesh Zaveri**  
(Proprietor)  
FCS. No.: 5418  
CP No.: 4363

Place : Mumbai  
Date : 14 May 2026

### Form AOC-I

(Pursuant to forst proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

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

| Part "A": Subsidiaries |                        |                  |          |          |        |       |          |         |           |                     |                        |            |                        |          |                       |          |                   |                   |     |
|------------------------|------------------------|------------------|----------|----------|--------|-------|----------|---------|-----------|---------------------|------------------------|------------|------------------------|----------|-----------------------|----------|-------------------|-------------------|-----|
| Sr. No.                | Name of the subsidiary | Reporting period | Currency | Exchange |        | Share | Reserves | Total   |           | Investment Turnover | Profit Before Taxation |            | Provision for Taxation |          | Profit after Taxation |          | Proposed Dividend | % of Shareholding |     |
|                        |                        |                  |          | Rate     | 1.0000 |       |          | Capital | 26,10,000 |                     | & Surplus              | -82,47,017 | Assets                 | 3,25,092 | Liabilities           | 3,25,092 |                   |                   | -   |
| 1                      | Gala Springs LLP       | 31-Mar-26        | INR      |          |        |       |          |         |           |                     |                        |            |                        |          |                       |          |                   |                   | 92% |

- Names of Subsidiaries which are yet to commence operations - **NIL**
- Names of Subsidiaries which have been liquidated or sold during the year - **NIL**
- Gala Precision Components (Shanghai) Private Limited is the stepdown Subsidiary of the Company.

#### Part "B": Associated and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

#### Not Applicable

- Names of associates and joint ventures which are yet to commence operations - **NIL**
- Names of associates and joint ventures which have been liquidated or sold during the year - **NIL**

For and on behalf of the Board  
**Gala Precision Engineering Limited**

Sd/-

**Kirit V. Gala**

Chairman & Managing Director  
 DIN: 01540274

Sd/-

**Mr. Balkishan Jalan**

Whole-time Director  
 DIN : 02876873

Place : Thane

Date : May 14, 2026

## Annexure F

### DETAILS OF THE REMUNERATION OF DIRECTORS, KMP AND EMPLOYEES AND COMPARATIVES

[Pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

1. Top 10 employees in terms of remuneration drawn during the Financial Year 2025-26:

| Sr. No. | Name               | Designation- Nature of Duties          | Designation                     | Qualification and Experience | Age | Date of Joining | Remuneration Received (₹) in Crores | Particulars of last employment held- Organization & Designation |
|---------|--------------------|--|---------------------------------|------------------------------|-----|-----------------|-------------------------------------|---|
| 1       | Kirit Gala         | Business strategies & Marketing        | Chairman & Managing Director    | BE Mech + MBA, 42 Years      | 63  | 01-06-1989      | 1.18                                | NA  |
| 2       | Balkishan S. Jalan | Operation, Finance, overall Management | Whole Time Director- Executive  | CA, 33 years                 | 55  | 07-09-1998      | 1.14                                | Numero Uno Finance Ltd-Vice President                           |
| 3       | Satish Kotwani     | Marketing & Sales                      | Whole Time Director - Marketing | DME, 35 Years                | 52  | 10-06-1993      | 0.90                                | Audel (I) Pvt Ltd-Supervisor- Production                        |
| 4       | Nambi NKA          | Operation                              | Vice President                  | BE Mech, 31 Years            | 54  | 16-12-2024      | 0.39                                | Sterling Tools Ltd, Plant Head. Sr. GM - Operations             |
| 5       | Avadhut Panshikar  | Operation                              | Chief Operating Officer         | BE Mech, 34 years            | 50  | 05-06-2014      | 0.38                                | Bharat Bijlee Ltd - Deputy General Manager - Operations         |
| 6       | S Giridhar         | Finance                                | Chief Financial Officer         | CA, 32 years                 | 60  | 01-04-2022      | 0.35                                | Independent Consultant  |
| 7       | Smeet Gala         | Marketing & Sales                      | Vice President                  | BE Production, 10 years      | 32  | 19-04-2021      | 0.35                                | WorkAmp Spaces Pvt Ltd - CEO                                    |
| 8       | Mahesh Patil       | Operation                              | Vice President                  | BE Mech, 25 years            | 51  | 23-08-2005      | 0.31                                | Mahindra Ugine Steel Company Ltd.                               |
| 9       | Agadh Chukewar     | Purchase & Vendor Development          | Vice President                  | PGDM-SCM + B Mech, 26 years  | 47  | 08-05-2010      | 0.31                                | Stromag India Pvt Ltd - Assistant Manager - Sourcing            |
| 10      | Rajesh Charjan     | Marketing & Sales                      | Vice President                  | MBA - Marketing, 22 years    | 47  | 07-05-2007      | 0.30                                | Jost's Engineering Co. Ltd.- Executive - Business Development   |

2. Particulars of the employees in receipt of remuneration not less than ₹1.02 crores per annum. during the Financial Year 2025-26: **2**

3. Employees employed for part of year and in receipt of remuneration of not less than ₹8.50 lakhs per month: **Nil**

4. Employees employed throughout the Financial Year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company. **Nil**

5. Affirmation that employees mentioned above is related to any Director of the Company and if yes, name of the such Director or manager: Smeet Gala is the son of Kirit V. Gala.

For and on behalf of the Board  
**Gala Precision Engineering Limited**

Sd/-  
**Kirit V. Gala**  
Chairman & Managing Director  
DIN: 01540274

Sd/-  
**Balkishan S. Jalan**  
Whole-time Director  
DIN: 02876873

Place : Thane  
Date : May 14, 2026

# INDEPENDENT AUDITOR'S REPORT

## TO THE MEMBERS OF GALA PRECISION ENGINEERING LIMITED

### Report on the Audit Standalone Financial Statements

#### Opinion

We have audited the Separate financial statements (also known as Standalone Financial Statements) of **GALA PRECISION ENGINEERING LIMITED (Formerly known as GALA PRECISION ENGINEERING PRIVATE LIMITED)** ("the Company"), which comprise the Balance Sheet as at 31st March 2026, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year ended on that date, and a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at 31st March 2026, and its profit(financial performance including Other Comprehensive Income), the Changes in Equity and its Cash Flows for the year ended on that date.

#### Basis for Opinion

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

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current year. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

| Sr. No. | Key Audit Matter   | Our Response  |
|---------|--|---|
| 1       | <p><b>Property, Plant &amp; Equipment (Including Capex)</b></p> <ul style="list-style-type: none"> <li>Tracking and monitoring capex requires more attention to ensure reasonable accurateness and completeness of financial reporting in respect of Property, plant and equipment.</li> <li>Further, technical complexities require management to assess and make estimates/judgements about capitalization, estimated useful life, impairment etc. which has material impact on Balance sheet and operating results.</li> </ul> <p>Refer note 1 to Standalone Financial Statements</p> | <p><b>Principal Audit Procedures</b></p> <p>Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows;</p> <ol style="list-style-type: none"> <li>We assessed company's process regarding maintenance of records and accounting of transactions pertaining to property, plant and equipment including capital work in progress with reference to Indian Accounting Standard 16.</li> <li>We have carried out substantive audit procedures at financial and assertion level to verify the capitalization of assets as Property, Plant &amp; Equipment</li> <li>We have reviewed management judgement pertaining to estimation of useful life and depreciation of the Property, Plant and equipment in accordance with Schedule II of the Companies Act, 2013.</li> <li>We have relied on physical verification conducted by management and management representations.</li> </ol> |

### Information Other than the Standalone Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis and Report on Corporate Governance but does not include the Standalone Financial Statements and our auditor's report thereon. Our opinion on the Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Management's Responsibility for the Standalone 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 Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, Changes in Equity and Cash Flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Financial Statements, 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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- a) Identify and assess the risks of material misstatement of the Standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b) 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 Companies Act, 2013, 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.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- d) 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 Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- e) Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- f) Obtain sufficient appropriate audit evidence regarding the Standalone Financial Statements of the Company to express an opinion on the Standalone 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 Financial Statements of the current year 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**

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

As required by Section 143 (3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31st March, 2026 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements;

- g) As required by section 197(16) of the Act, based on our audit, we report that the Company has paid and provided for remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements – Refer Note 31(j) to the Standalone Financial Statements.
- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- d. (a) As represented to us by the management and to the best of its knowledge and belief, no funds have been advanced or lend or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (Intermediaries"), with the understanding whether recorded in writing or otherwise that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and- Refer Note 31(m)(vi) to the Standalone Financial Statements
- (b) As represented to us by the management and to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; - Refer Note 31(m)(vi) to the Standalone Financial Statements and
- (c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- e. The Company has not declared any dividend during the year.
- f. Based on our examination which included test checks, the company has used an accounting software (SAP) for maintaining its books of account which has a inbuilt 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, the audit trail feature has not been tampered with and has been preserved by the company as per the statutory requirements.

**For SCA AND ASSOCIATES**

Chartered Accountants  
(Firm Regn. No. 101174W)

**(Vasant M Gala)**

Partner  
Mem. No.: 037626  
Mumbai, 14th May 2026  
UDIN : 26037626FPFIGY3533

## “ANNEXURE A” TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF GALA PRECISION ENGINEERING LIMITED

- i) a) A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and Right-of-Use assets;
- B) The company has maintained proper records showing full particulars of Intangible Assets and intangibles under development;
- b) The Assets have been physically verified by the management in accordance with a phased programme of verification, which in our opinion is reasonable, considering the size and the nature of its business. The frequency of verification is reasonable and no material discrepancies have been noticed on such physical verification. All discrepancies have been properly dealt with in the books of accounts;
- c) Based on our examination of the registered sale deed / transfer deed / conveyance deed / property tax paid documents (which evidences title) provided to us, we report that, the title in respect of self – constructed buildings and title deeds of all other immovable properties, (other than immovable properties where the Company is the lessee and where the lease agreements are duly executed in favour of the Company) disclosed in the Standalone Financial Statements included in property, plant and equipment are held in the name of the Company as at the balance sheet date.
- d) The Company has not revalued any of its property, Plant and Equipment ( including Right-of-Use assets ) and intangible assets during the year.
- e) No proceedings have been initiated during the year or are pending against the Company as at 31<sup>st</sup> March 2026 for holding any benami property under the Benami Transaction (Prohibition) Act, 1988, as amended and rules made thereunder
- ii) a) The inventory, except for goods in transit and stocks held with third parties, has been physically verified by the management during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate having regard to the size of the Company and the nature of its operation. For stocks held with third parties at the year end, written confirmations have been obtained and in respect of goods in transit, the goods have been received subsequent to the year-end or confirmation have been obtained. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such physical verification of inventory when compared with books of account.
- b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs.5 crores, in aggregate, at any point of time during the year, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the returns or statements comprising stock statements, book debt statements, filed by the Company with such banks are in agreement with the unaudited books of account of the Company for the quarter ended 30 June 2025, 30 September 2025 and 31 December 2025 and audited books of account of the Company for the quarter ended 31 March 2026 except for the following;

| Particulars   | Jun-25        | Sep-25        | Dec-25        | Mar-26        |
|---|---------------|---------------|---------------|---------------|
| <b>Current assets** as per statement filed with Bank</b>                            | 144.71        | 155.78        | 173.86        | 166.60        |
| <b>Add: Reconciliation of Items not considered in the statement filed with bank</b> |               |               |               |               |
| Related party debtors & scrap debtors   | -             | -             | -             | 0.07          |
| Advance from Debtors  | (0.47)        | (0.72)        | (1.08)        | (0.49)        |
| Inventory in transit  | (2.93)        | (3.06)        | (3.08)        | 1.16          |
| Valuation difference  | 4.01          | 6.04          | 7.20          | 3.62          |
| <b>Balance as per financial statements</b>  | <b>145.33</b> | <b>158.04</b> | <b>176.90</b> | <b>170.96</b> |

\*\* Current Assets Includes Inventory and Trade Receivables

- iii) The Company has made investments in a subsidiary Company. The Company has not provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year.

- (a) The Company has not provided any loans or advances in the nature of loans or stood guarantee or provided security to any other entity during the year and hence reporting under clauses (iii)(a),(c),(d),(e) and (f) of the order are not applicable.
- (b) In our opinion, the investment made in Subsidiary is ,prima facie, not prejudicial to the company's interest.
- iv) The Company has not granted any loan nor given any guarantee or security, during the year, covered by the provisions of Sections 185 of the Act. The Company has complied with the provision of Section 186 of the Act in respect of investment made in a subsidiary company (Refer Note 3 to the Standalone Financial Statements).
- v) The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 as amended. Accordingly, the provisions of clause 3(v) of Para 3 of the Order are not applicable to the Company.
- vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148 (1) of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- vii) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1st July, 2017, these statutory dues has been subsumed into GST.
- a) The Company is regular in depositing undisputed statutory dues, including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, duty of customs, cess and any other statutory dues with appropriate authorities, where applicable. There are no undisputed amounts payable in respect of such statutory dues which have remained outstanding as at 31st March, 2026 for a period of more than six months from the date they became payable.
- b) According to the records of the Company, the statutory dues referred to in sub-clause (a) above which have not been deposited as on 31st March 2026 on account of any dispute, are as follows:

*Amount In Crores)*

| Statute and nature of dues  | Financial year to which the matter pertains | Forum where dispute is pending | Amount | Amount Paid under Dispute |
|-----------------------------|---|--------------------------------|--------|---------------------------|
| <b>Income Tax Act, 1961</b> | 2011-12                                     | CIT -Appeals                   | 0.40   | -                         |
|                             | 2014-15                                     | CIT -Appeals                   | 0.53   | -                         |
|                             | 2015-16                                     | CIT -Appeals                   | 0.07   | 0.01                      |
|                             | 2016-17                                     | CIT -Appeals                   | 0.15   | 0.03                      |
|                             | 2017-18                                     | CIT -Appeals                   | 0.69   | 0.14                      |
|                             | 2018-19                                     | CIT -Appeals                   | 1.43   | 0.29                      |
|                             | 2020-21                                     | CIT – Appeals                  | 0.02   | 0.00                      |
|                             | 2021-22                                     | CIT – Appeals                  | 0.01   | 0.01                      |

- viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- ix) a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- 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 wilful defaulter by any bank or financial institution or government or any government authority
- c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.
- d) On an overall examination of the Standalone Financial Statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

- e) On an overall examination of the Standalone Financial Statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.
- f) The Company has not raised loans during the year on the pledge of securities held in its subsidiary.
- x) a) In our opinion, moneys raised by way of initial public offer during the previous year, have been, prima facie, applied by the Company for the purposes for which they were raised, other than temporary deployment pending application of proceeds. The Company has not raised monies by way of initial public offer through debt instruments. However, some portion of the amount raised which remain unutilised during the year, have been lying in monitoring account as on March 31, 2026. Also Refer Note 31(k) of the standalone financial statement.
- b) The Company has not made any preferential allotment or private placement of share or fully convertible debentures (fully, partially or optionally convertible) during the year and accordingly provisions of clause (x) (b) of Para 3 of the Order are not applicable to the Company.
- xi) a) On the basis of our examination and according to the information and explanations given to us, no fraud by the Company or any material fraud on the Company has been noticed or reported during the year, nor have we been informed of any such case by the management.
- b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year.
- c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable
- xiii) On the basis of our examination and according to the information and explanations given to us, we report that all the transaction with the related parties is in compliance with Section 177 and 188 of the Act, and the details have been disclosed in the Standalone Financial Statements in Note 31(f) as required by the applicable Indian Accounting standards.
- xiv) a) In our opinion the Company has an internal audit system commensurate with the size and the nature of its business
- b) We have considered the internal audit reports issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv) According to the information and explanations given to us, in our opinion during the year the Company has not entered into any non -cash transactions with directors or persons connected with the directors and hence provisions of Sec 192 of the Companies Act, 2013 are not applicable to the company.
- xvi) a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, provisions of clause (xvi)(a) of Para 3 of the Order are not applicable to the Company.
- b) During the year, the Company has not conducted any Non-Banking Financial or Housing Finance activities and accordingly, provisions of clause (xvi)(b) of Para 3 of the Order are not applicable to the Company.
- c) The Company is not a Core Investment Company (CIC) as defined in the Regulations made by the Reserve Bank of India and accordingly the provisions of clause (xvi)(c) of Para 3 of the Order is not applicable to the Company.
- d) The group does not have any CIC as a part of the group and accordingly reporting under clause (xvi)(d) of Para 3 of the Order is not applicable to the Company.
- xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii) There has been no resignation of the statutory auditors of the Company during the year.

- xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Standalone Financial Statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.
- xxi) Reporting under clause (xxi) of the Order is not applicable, as the same is required to be reported only in case of consolidated Ind AS financial statements.

**For SCA AND ASSOCIATES**

Chartered Accountants  
(Firm Regn. No. 101174W)

**(Vasant M Gala)**

Partner  
Mem. No.: 037626  
Mumbai, 14th May 2026  
UDIN : 26037626FPPFIGY3533

## Annexure - B

**TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF GALA PRECISION ENGINEERING LIMITED****Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")****Opinion**

We have audited the internal financial controls with reference to Standalone Financial Statements of **GALA PRECISION ENGINEERING LIMITED** ("the Company") as of March 31, 2026 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

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

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls with reference to Standalone Financial Statements based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Act.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over financial reporting (the "Guidance Note") issued by Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls with reference to Standalone Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Standalone Financial Statements 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 with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements includes obtaining an understanding of internal financial controls with reference to Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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 with reference to Standalone Financial Statements

**Meaning of Internal Financial Controls with reference to Financial Statements**

A Company's internal financial control with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to Standalone Financial Statements 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 Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the standalone financial statements.

#### **Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements**

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

#### **For SCA AND ASSOCIATES**

Chartered Accountants  
(Firm Regn. No. 101174W)

#### **(Vasant M Gala)**

Partner  
Mem. No.: 037626  
Mumbai, 14th May 2026  
UDIN : 26037626FPPFIGY3533

## STANDALONE BALANCE SHEET AS AT 31 MARCH 2026

(Rupees in Crores)

| Particulars   | Note  | As at<br>31 March 2026 | As at<br>31 March 2025 |
|---|-------|------------------------|------------------------|
| <b>ASSETS</b>   |       |                        |                        |
| <b>Non-current assets</b>                                       |       |                        |                        |
| Property, plant and equipment                                   | 2 (a) | 84.43                  | 60.67                  |
| Right of use assets   | 2 (b) | 4.43                   | 4.07                   |
| Capital work-in-progress  | 2 (c) | 7.29                   | 6.64                   |
| Other intangible assets   | 2 (d) | 15.29                  | 18.95                  |
| Intangible assets under development                             | 2 (e) | 11.47                  | 3.92                   |
| Financial assets;   |       |                        |                        |
| - Investments   | 3     | -                      | -                      |
| - Other financial assets  | 4     | 1.56                   | 5.66                   |
| Non-current tax assets (net)                                    |       | 1.60                   | 1.34                   |
| Other non-current assets  | 5     | 4.43                   | 4.31                   |
| <b>Current Assets</b>   |       |                        |                        |
| Inventories   | 6     | 89.43                  | 72.39                  |
| Financial Assets;   |       |                        |                        |
| - Trade receivables   | 7     | 81.53                  | 70.87                  |
| - Cash and cash equivalents                                     | 8     | 11.44                  | 1.44                   |
| - Bank balances other than cash and cash equivalents            | 9     | 38.98                  | 57.91                  |
| - Loans   | 10    | 0.38                   | 0.30                   |
| - Others financial assets                                       | 4     | 3.15                   | 2.57                   |
| Other current assets  | 5     | 19.64                  | 8.82                   |
| <b>Total assets</b>   |       | <b>375.05</b>          | <b>319.86</b>          |
| <b>EQUITY AND LIABILITIES</b>                                   |       |                        |                        |
| <b>Equity</b>   |       |                        |                        |
| Equity share capital  | 11    | 12.80                  | 12.70                  |
| Other equity  | 12    | 279.75                 | 243.73                 |
| <b>Total equity</b>   |       | <b>292.55</b>          | <b>256.43</b>          |
| <b>LIABILITIES</b>  |       |                        |                        |
| <b>Non-current liabilities</b>                                  |       |                        |                        |
| Financial liabilities   |       |                        |                        |
| - Borrowings  | 13    | 1.62                   | 1.07                   |
| - Lease liabilities   |       | 0.83                   | 0.74                   |
| Provisions  | 14    | 7.68                   | 6.90                   |
| Deferred tax liabilities (Net)                                  | 15    | 0.87                   | 0.48                   |
| <b>Current Liabilities</b>                                      |       |                        |                        |
| Financial liabilities   |       |                        |                        |
| - Borrowings  | 13    | 34.94                  | 22.05                  |
| - Lease liabilities   |       | 0.75                   | 0.41                   |
| - Trade payables  |       |                        |                        |
| (a) total outstanding dues of micro & small enterprises         | 16    | 0.95                   | 0.78                   |
| (b) total outstanding dues other than micro & small enterprises | 16    | 19.04                  | 17.55                  |

## STANDALONE BALANCE SHEET AS AT 31 MARCH 2026

*(Rupees in Crores)*

| Particulars                         | Note | As at<br>31 March 2026 | As at<br>31 March 2025 |
|-------------------------------------|------|------------------------|------------------------|
| - Other Financial liabilities       | 17   | 8.08                   | 6.98                   |
| Other current liabilities           | 18   | 6.60                   | 5.78                   |
| Provisions                          | 14   | 1.14                   | 0.69                   |
| <b>Total liabilities</b>            |      | <b>82.50</b>           | <b>63.43</b>           |
| <b>Total Equity and liabilities</b> |      | <b>375.05</b>          | <b>319.86</b>          |

**Material accounting policies**

1

Accompanying notes are an integral part of these financial statements

This is the Balance Sheet referred to in our report of even date

**For SCA AND ASSOCIATES**

 Chartered Accountants  
 Firm Reg.No 101174W

**Vasant M Gala**
**Partner**

 Membership No. 037626  
 Mumbai, 14th May, 2026

**For and on behalf of the Board of Directors**
**Kirit V. Gala**

 Chairman and Managing Director  
 DIN : 01540274

**S. Giridhar**

Chief Financial Officer

Mumbai, 14th May, 2026

**Balkishan S. Jalan**

 Whole Time Director  
 DIN : 02876873

**Pooja Ladha**

Company Secretary

Mumbai, 14th May, 2026

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2026

(Rupees in Crores)

| Particulars   | Note      | Year Ended 31<br>March 2026 | Year Ended 31<br>March 2025 |
|---|-----------|-----------------------------|-----------------------------|
| <b>I Income</b>   |           |                             |                             |
| Revenue from operations   | 19        | 314.30                      | 237.84                      |
| Other income  | 20        | 5.63                        | 4.37                        |
| <b>Total income</b>   |           | <b>319.93</b>               | <b>242.21</b>               |
| <b>II Expenses</b>  |           |                             |                             |
| Cost of materials consumed  | 21        | 138.05                      | 104.71                      |
| Changes in inventories of Finished goods, Stock-in-trade and Work-in-progress | 22        | (10.94)                     | (5.81)                      |
| Employee benefits expense   | 23        | 35.20                       | 28.88                       |
| Finance costs   | 24        | 2.84                        | 3.80                        |
| Depreciation and amortisation expense   | 25        | 10.18                       | 7.97                        |
| Other expenses  | 26        | 100.30                      | 69.45                       |
| <b>Total expenses</b>   |           | <b>275.63</b>               | <b>209.00</b>               |
| <b>III Profit before exceptional items and tax</b>                            |           | <b>44.30</b>                | <b>33.21</b>                |
| <b>IV Add: Exceptional items</b>  | 27        | <b>(0.82)</b>               | <b>-</b>                    |
| <b>V Profit before tax and after exceptional items</b>                        |           | <b>43.48</b>                | <b>33.21</b>                |
| <b>VI Tax expense</b>   |           |                             |                             |
| - Current tax   |           | 7.45                        | 6.20                        |
| - Deferred tax  |           | 0.49                        | (0.37)                      |
| - Tax adjustments of earlier years  |           | -                           | 0.48                        |
| <b>Total tax expense</b>  |           | <b>7.94</b>                 | <b>6.31</b>                 |
| <b>VII Profit for the year</b>  |           | <b>35.54</b>                | <b>26.90</b>                |
| <b>VIII Other comprehensive income</b>  |           |                             |                             |
| Items that will not be reclassified to profit or loss                         |           |                             |                             |
| Remeasurements of Defined benefit plans                                       |           | (0.39)                      | (0.32)                      |
| Income tax relating to items that will not be reclassified to profit or loss  |           | 0.10                        | 0.08                        |
| <b>Total other comprehensive income for the year, net of tax</b>              |           | <b>(0.29)</b>               | <b>(0.24)</b>               |
| <b>IX Total comprehensive income for the year</b>                             |           | <b>35.25</b>                | <b>26.66</b>                |
| <b>X Earnings per equity share</b>  | 31 (a)(i) |                             |                             |
| Basic (in Rs.)  |           | 27.90                       | 23.28                       |
| Diluted (in Rs.)  |           | <b>27.10</b>                | <b>22.61</b>                |

### Material accounting policies

1

Accompanying notes are an integral part of these financial statements

This is the Statement of Profit and Loss referred to in our report of even date

### For SCA AND ASSOCIATES

Chartered Accountants

Firm Reg.No 101174W

**Vasant M Gala**

**Partner**

Membership No. 037626

Mumbai, 14th May, 2026

### For and on behalf of the Board of Directors

**Kirit V. Gala**

Chairman and Managing Director

DIN : 01540274

**S. Giridhar**

Chief Financial Officer

Mumbai, 14th May, 2026

**Balkishan S. Jalan**

Whole Time Director

DIN : 02876873

**Pooja Ladha**

Company Secretary

Mumbai, 14th May, 2026

## STANDALONE STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31 MARCH 2026

(Rupees in Crores)

| Particulars  | Year ended<br>31 March 2026 |                | Year ended<br>31 March 2025 |                |
|--|-----------------------------|----------------|-----------------------------|----------------|
| <b>A. Cash flow from operating activities :</b>                        |                             |                |                             |                |
| <b>Net profit before tax</b>   |                             | <b>43.48</b>   |                             | <b>33.21</b>   |
| <b>Adjustment for :</b>  |                             |                |                             |                |
| Depreciation   | 10.18                       |                | 7.97                        |                |
| Unrealised exchange (gain) / loss                                      | (1.28)                      |                | (1.37)                      |                |
| Share in loss of LLP   | 0.28                        |                | 0.24                        |                |
| Finance Cost (including fair value change in financial instruments)    | 2.84                        |                | 3.80                        |                |
| Interest income  | (3.36)                      |                | (2.53)                      |                |
| Bad debts  | 0.12                        |                | 0.21                        |                |
| Provision for doubtful debts   | (0.19)                      |                | 0.15                        |                |
| Loss / (Gain) on sale / disposal of fixed assets                       | (0.04)                      |                | (0.00)                      |                |
| Fair value changes in financial assets                                 | (0.02)                      | <b>8.53</b>    | (0.02)                      | <b>8.45</b>    |
| <b>Operating profit/(loss) before working capital changes</b>          |                             | <b>52.01</b>   |                             | <b>41.66</b>   |
| Trade receivables  | (9.23)                      |                | (22.89)                     |                |
| Other financial assets   | (1.26)                      |                | (0.08)                      |                |
| Other non-current assets   | 0.24                        |                | (0.16)                      |                |
| Other current assets   | (10.82)                     |                | (5.08)                      |                |
| Inventories  | (17.04)                     |                | (14.74)                     |                |
| Trade payable  | 1.54                        |                | 4.65                        |                |
| Provisions   | 0.85                        |                | 1.51                        |                |
| Other current financial liabilities                                    | 0.81                        |                | 2.92                        |                |
| Other liabilities  | 0.82                        | (34.09)        | 2.31                        | (31.56)        |
| <b>Cash enerated from operations</b>                                   |                             | <b>17.92</b>   |                             | <b>10.10</b>   |
| Direct taxes paid  |                             | (7.72)         |                             | (7.30)         |
| <b>Net cash from operating activities</b>                              |                             | <b>10.20</b>   |                             | <b>2.80</b>    |
| <b>B. Cash flow from investing activities</b>                          |                             |                |                             |                |
| Purchase of Property, Plant & Equipment                                | (29.77)                     |                | (27.29)                     |                |
| Capital work in progress and capital advance                           | (8.55)                      |                | (6.58)                      |                |
| Proceeds from sale of fixed assets                                     | 0.08                        |                | 0.04                        |                |
| Loans (financial assets) given   | (0.08)                      |                | (0.18)                      |                |
| Deposits / Balances with banks   | 23.43                       |                | (59.69)                     |                |
| Interest income  | 3.66                        |                | 1.78                        |                |
| <b>Net cash used in investing activities</b>                           |                             | <b>(11.23)</b> |                             | <b>(91.92)</b> |
| <b>C. Cash flow from financing activities</b>                          |                             |                |                             |                |
| Proceeds from issue of shares  | 0.87                        |                | <b>135.58</b>               |                |
| (Repayments) / proceeds from working capital facilities (Net)          | 12.80                       |                | (18.69)                     |                |
| (Repayments) / proceeds of Vehicle loans                               | 0.68                        |                | (13.15)                     |                |
| Payment of lease liabilities   | (0.58)                      |                | (0.48)                      |                |
| Initial public offer expenses  | -                           |                | (10.19)                     |                |
| Interest paid  | (2.74)                      |                | (3.74)                      |                |
| <b>Net cash from financing activities</b>                              |                             | <b>11.03</b>   |                             | <b>89.33</b>   |
| <b>Net increase/(decrease) in cash and cash equivalents</b>            |                             | <b>10.00</b>   |                             | <b>0.21</b>    |
| <b>Cash and cash equivalents as at beginning of the financial year</b> |                             | <b>1.44</b>    |                             | <b>1.23</b>    |

## STANDALONE STATEMENT OF CASHFLOW FOR THE YEAR ENDED 31 MARCH 2026

(Rupees in Crores)

| Particulars   | Year ended<br>31 March 2026 |              | Year ended<br>31 March 2025 |                |
|---|-----------------------------|--------------|-----------------------------|----------------|
| - Cash and cash equivalents   |                             | 1.44         |                             | 1.23           |
| <b>Cash and cash equivalents as at end of the financial year</b>              |                             | <b>11.44</b> |                             | <b>1.44</b>    |
| - Cash and cash equivalents   |                             | 11.44        |                             | 1.44           |
| Note to Cash flow statement:  |                             |              |                             |                |
| 1. The above Cash flow statement has been prepared under the Indirect method. |                             |              |                             |                |
| 2. Reconciliation of Financing Liabilities                                    |                             |              |                             |                |
| <b>Opening balance</b>  |                             |              |                             |                |
| - Long Term Borrowings  |                             | 1.07         |                             | 9.21           |
| - Current borrowings  |                             | 21.75        |                             | 40.43          |
| - Current maturities of long term debt  |                             | 0.27         |                             | 5.29           |
| - Interest accrued on debt  |                             | 0.03         |                             | 0.09           |
| - Lease Liabilities   |                             | 1.15         |                             | 1.49           |
| <b>Total - A</b>  |                             | <b>24.27</b> |                             | <b>56.51</b>   |
| <b>a) Cash flow movements</b>   |                             |              |                             |                |
| - Proceeds from borrowings  |                             | 13.48        |                             | -              |
| - Repayment of borrowings   |                             | -            |                             | (31.84)        |
| - Increase in ROU Asset   |                             | 0.90         |                             | -              |
| - Payment of Lease Liabilities  |                             | (0.58)       |                             | (0.48)         |
| - Change in Accrued Interest  |                             | 0.07         |                             | 0.08           |
| <b>Total - B</b>  |                             | <b>13.87</b> |                             | <b>(32.24)</b> |
| <b>Closing Balance (A+B)</b>  |                             | <b>38.14</b> |                             | <b>24.27</b>   |
| <b>Closing Balance Break Up</b>   |                             |              |                             |                |
| - Long Term Borrowings  |                             | 1.62         |                             | 1.07           |
| - Current borrowings  |                             | 34.53        |                             | 21.75          |
| - Current maturities of long term debt  |                             | 0.40         |                             | 0.27           |
| - Interest accrued on debt  |                             | 0.01         |                             | 0.03           |
| - Lease liabilities   |                             | 1.58         |                             | 1.15           |

This is the Cash Flow statement referred to in our report of even date

### For SCA AND ASSOCIATES

Chartered Accountants  
Firm Reg.No 101174W

**Vasant M Gala**

Partner

Membership No. 037626

Mumbai, 14th May, 2026

### For and on behalf of the Board of Directors

**Kirit V. Gala**

Chairman and Managing Director  
DIN : 01540274

**S. Giridhar**

Chief Financial Officer

Mumbai, 14th May, 2026

**Balkishan S. Jalan**

Whole Time Director  
DIN : 02876873

**Pooja Ladha**

Company Secretary

Mumbai, 14th May, 2026

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2026

(Rupees in Crores)

| Equity share capital                               | As at<br>31 March 2026 | As at<br>31 March 2025 |
|--|------------------------|------------------------|
| Authorised share capital                           | 18.00                  | 18.00                  |
| Issued share capital                               | 12.80                  | 12.70                  |
| Subscribed share capital                           | 12.80                  | 12.70                  |
| Fully paid-up share capital                        | 12.80                  | 12.70                  |
| <b>Balance at the beginning of the year</b>        | 12.70                  | 10.11                  |
| Changes in equity share capital during the year    |                        |                        |
| Shares issued through Initial public offer ('IPO') | -                      | 2.56                   |
| Shares issued through ESOP 2021                    | 0.10                   | 0.03                   |
| Bonus shares issued during the year                | -                      | -                      |
| <b>Balance at the end of the reporting year</b>    | <b>12.80</b>           | <b>12.70</b>           |

| Other equity  | Reserves and Surplus |                            |                   |   | Total         |
|---|----------------------|----------------------------|-------------------|---|---------------|
|   | Securities Premium   | Capital Redemption Reserve | Retained Earnings | Remeasurements of Defined Benefit Plans |               |
| <b>Balance as at 01st April 2024</b>                          | <b>27.64</b>         | -                          | <b>66.48</b>      | <b>0.15</b>                             | <b>94.27</b>  |
| Profit for the year Ended 31st March 2025                     | -                    | -                          | 26.90             | -                                       | 26.90         |
| Other comprehensive income for the year Ended 31st March 2025 | -                    | -                          | -                 | (0.24)                                  | (0.24)        |
| Add: Premium arising on issue of equity shares through IPO    | 132.78               | -                          | -                 | -                                       | 132.78        |
| Add: Premium arising on issue of equity shares through ESOP   | 0.21                 | -                          | -                 | -                                       | 0.21          |
| Less: Share issue expenses on IPO                             | -                    | -                          | (10.19)           | -                                       | (10.19)       |
| <b>Total comprehensive income for the year</b>                | <b>132.99</b>        | -                          | <b>16.71</b>      | <b>(0.24)</b>                           | <b>149.46</b> |
| <b>Balance as at 31st March 2025</b>                          | <b>160.63</b>        | -                          | <b>83.19</b>      | <b>(0.09)</b>                           | <b>243.73</b> |
| Profit for the year Ended 31st March 2026                     | -                    | -                          | 35.54             | -                                       | 35.54         |
| Other comprehensive income for the year Ended 31st March 2026 | -                    | -                          | -                 | (0.29)                                  | (0.29)        |
| <b>Total comprehensive income for the year</b>                | -                    | -                          | <b>35.54</b>      | <b>(0.29)</b>                           | <b>35.25</b>  |
|   | <b>160.63</b>        | -                          | <b>118.73</b>     | <b>(0.38)</b>                           | <b>278.98</b> |
| Add: Premium arising on issue of equity shares through ESOP   | 0.77                 | -                          | -                 | -                                       | 0.77          |
| <b>Balance as at 31st March 2026</b>                          | <b>161.40</b>        | -                          | <b>118.73</b>     | <b>(0.38)</b>                           | <b>279.75</b> |

Accompanying Notes are an integral part of these Financial Statements

This is the Statement of Changes in equity referred to in our report of even date

**For SCA AND ASSOCIATES**

 Chartered Accountants  
 Firm Reg.No 101174W

**Vasant M Gala**  
**Partner**

 Membership No. 037626  
 Mumbai, 14th May, 2026

**For and on behalf of the Board of Directors**
**Kirit V. Gala**  
 Chairman and Managing Director  
 DIN : 01540274

**S. Giridhar**  
 Chief Financial Officer

Mumbai, 14th May, 2026

**Balkishan S. Jalan**  
 Whole Time Director  
 DIN : 02876873

**Pooja Ladha**  
 Company Secretary

Mumbai, 14th May, 2026

## NOTES TO THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

**Note 1 : Material accounting policies****A) General Information**

Gala Precision Engineering Limited (the 'Company')(formerly known as Gala Precision Engineering Private Limited) is a public limited Company and domiciled in India and is incorporated under the provisions of the Companies Act with its registered office located at A-801, 8th Floor, Thane One DIL Complex, Ghodbunder Road Majiwade, Thane. The Company is engaged in the manufacturing and selling of Springs, Parts, Fasteners and Assemblies with its manufacturing facilities located at Plot No. 295, Village Vadavali at Post Met, Musarne Road, Bhiwandi - Wada Highway, Taluka Wada, Palghar, Maharashtra and Plot no-G-18/2, Vallam Vadagal, SIPCOT Industrial Park Sriprumbudur, Kancheepuram, Tamil Nadu, 602105, India

The Company has been converted from Private Limited Company to a Public Limited Company pursuant to resolution of shareholders passed at the Extra Ordinary General Meeting dated October 03,2023. A fresh certificate of incorporation with the name "GALA PRECISION ENGINEERING LIMITED" was issued by the Registrar of Companies (ROC) on October 25, 2023. The Company's equity shares were listed on the National Stock Exchange ('NSE") and on the BSE Limited ("BSE") on September 9, 2024

**B) Basis of preparation and presentation of financial statements****Statement of Compliance**

These Separate Financial Statements (also known as Standalone Financial Statements) have been prepared in accordance with IND AS as prescribed under Section 133 of the Companies Act, 2013 read with Relevant Rules of the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto.

The Financial Statements have been prepared on historical cost basis considering the applicable provisions of Companies Act 2013, except for the following material item that has been measured at fair value as required by relevant Ind AS. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

- a) Certain financial assets/liabilities measured at fair value and
- b) Any other item as specifically stated in the accounting policy.

The Financial Statement are presented in INR and all values are rounded off to Rupees Crores unless otherwise stated.

The Company reclassifies comparative amounts, unless impracticable and whenever the Company changes the presentation or classification of items in its Financial Statements materially. No such material reclassification has been made during the year.

The Financial Statements of the Company for the year ended 31st March, 2026 were authorised for issue in accordance with a resolution of the directors on 14th May, 2026

**Major Sources of Estimation Uncertainty**

In the application of accounting policy which are described in note (C) below, the management is required to make judgment, estimates and assumptions about the carrying amount of assets and liabilities, income and expenses, contingent liabilities and the accompanying disclosures that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant and are prudent and reasonable. Actual results may differ from those estimates. The estimates and underlying assumptions are reviewed on ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future period.

The few critical estimations and judgments made in applying accounting policies are:

**Property, plant & equipment:**

Useful life of Property, Plant and Equipment and Intangible Assets are as specified in Schedule II to the Companies Act, 2013 and on certain assets based on technical advice which considered the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support. The Company reviews the useful life of Property, Plant and Equipment at the end of each reporting period. This reassessment may result in change in depreciation charge in future periods.

**Impairment of Non-financial assets:**

For calculating the recoverable amount of non-financial assets, the Company is required to estimate the value-in-use of the asset or the Cash Generating Unit and the fair value less costs to disposal. For calculating value in use the Company is required to estimate the cash flows to be generated from using the asset. The fair value of an asset is estimated using a valuation technique where observable prices are not available. Further, the discount rate used in value in use calculations includes an estimate of risk assessment specific to the asset.

**Impairment of financial assets:**

The Company impairs financial assets other than those measured at fair value through profit or loss or designated at fair value through other comprehensive income on expected credit losses. The estimation of expected credit loss includes the estimation of probability of default (PD), loss given default (LGD) and the exposure at default (EAD). Estimation of probability of default apart from involving trend analysis of past delinquency rates includes an estimation on forward-looking information relating to not only the counterparty but also relating to the industry and the economy as a whole. The probability of default is estimated for the entire life of the contract by estimating the cash flows that are likely to be received in default scenario. The lifetime PD is reduced to 12 months PD based on an assessment of past history of default cases in 12 months. Further, the loss given default is calculated based on an estimate of the value of the security recoverable as on the reporting date. The exposure at default is the amount outstanding at the balance sheet date

**Defined Benefit Plans:**

The cost of the defined benefit plan and the present value of such obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

**Income Taxes**

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

In assessing the realizability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

**Leases**

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to

the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Company concludes that no changes are required to lease period relating to the existing lease contracts.

**Allowance for credit losses on receivables:**

The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries the Company deals with and the countries where it operates. In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of default in future.

**C) Summary of Material accounting policies:**

**Property, plant and equipment**

The Company has elected to continue with the carrying value of Property, plant and equipment ('PPE') recognised as of the transition date, measured as per the Previous GAAP and use that carrying value as its deemed cost.

Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment losses except for freehold land which is not amortised. Any gain or loss arising on derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in profit or loss with other income or other expense line item on net basis, respectively

The depreciable amount of an asset is determined after deducting its residual value. Depreciation on the property, plant and equipment, is provided over the useful life of assets based on management estimates which is in line with the useful life indicated in Schedule II to the Companies Act, 2013. Depreciation on all assets is provided on straight line basis. Given below are the estimated useful lives for each class of property, plant and equipment:

| <b>Particulars</b>           | <b>Useful Life</b> |
|------------------------------|--------------------|
| <b>Buildings</b>             |                    |
| Factory Building             | 30 Years           |
| Plant and equipment          | 15 Years           |
| Furniture and fixtures       | 10 Years           |
| Vehicles                     | 8 Years            |
| Office equipment             | 5 Years            |
| Computers                    | 3 Years            |
| Spares, tools and equipments | 5 Years            |
| Electrical installation      | 10 Years           |
| <b>Other Assets</b>          |                    |
| Dies & Moulds                | 5 Years            |
| Borewell                     | 10 Years           |
| Development cost             | 10 Years           |
| Lean Improvement             | 7 Years            |
| Computer Software            | 6 Years            |
| Leasehold Land               | 99 Years           |
| Leasehold Building           | 5 Years            |

### **Intangible assets**

The Company has elected to continue with the carrying value of Intangible assets recognised as of the transition date, measured as per the Previous GAAP and use that carrying value as its deemed cost.

Intangible assets acquired separately are measured on initial recognition at cost. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Development cost represents expenditure incurred in relation to development of disc springs, Coil spring & Fastening solutions and related process and is amortised over a period of 10 years, being management's estimate of the period over which economic benefit is expected to be derived therefrom.

Lean Improvement represents expenditure incurred in relation to improvisation of business processes and is amortised over a period of 7 years, being management's estimate of the period over which economic benefit is expected to be derived therefrom.

Software (not being an integral part of the related hardware) acquired for internal use are treated as intangible assets.

Any gain or loss arising on derecognition of an intangible asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in profit or loss with other income or other expense line item on net basis, respectively.

### **Inventories**

Inventories consisting of stores and spares, raw materials, Work in progress, Stock in Trade and finished goods are measured at lower of cost and net realisable value. However, materials held for use in production of inventories are not written down below cost, if the finished products are expected to be sold at or above cost.

The cost is computed on FIFO basis except for Inventory of Raw Material and stores and spares which are on daily moving Weighted Average Cost basis

Inventory obsolescence is based on assessment of the future uses. Obsolete and slow-moving items are subjected to continuous technical monitoring.

### **Lease**

#### **Where the Company is a lessee-**

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Lease term includes extension or termination options when it is reasonably certain that they will be exercised

The right-of-use assets are initially recognized at cost and subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment of whether it will exercise an extension or a termination option

### **Government grants**

The grant relating to export benefits is presented under other income on a systematic basis in the profit or loss over the periods necessary to match them with the related costs, which they are intended to compensate

### Provisions, contingent liabilities and contingent assets

Provisions are recognized when there is a present legal or constructive obligation as a result of a past event and it is probable (i.e. more likely than not) 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.

Provision for separate sales related obligations is made for probable future claims on sales effected and are estimated based on previous claim experience on a scientific basis. This provision is revised annually.

Contingent liabilities are disclosed on the basis of judgment of management / independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

### Revenue recognition and other income

The Company derives revenues primarily from sale of goods comprising springs, parts, fasteners, and assemblies. Revenue from contract with customers is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of prompt payment discounts and schemes offered by the company as part of the contract with the customers. The Company recognises changes in the estimated amounts of obligations for discounts in the period in which the change occurs. Revenue also excludes taxes collected from customers.

Revenue in excess of invoicing is classified as contract assets while invoicing in excess of revenues are classified as contract liabilities.

Use of significant judgements in Revenue Recognition :

- Judgement is required to determine the transaction price for the contract. The transaction price could be either a fixed amount of consideration or variable consideration with elements such as prompt payment discounts. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.
- The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer.

### Employee Benefits

#### Short-term Employees Benefits

All employee benefits payable wholly within twelve months of rendering services are classified as short term employee benefits. Benefits such as salaries, wages, performance incentives etc., are recognized during the period in which the employee renders related services and are measured at undiscounted amount expected to be paid when the liabilities are settled.

#### Post-employment benefits

The Company provides the following post-employment benefits:

- i) Defined benefit plans such as gratuity and
- ii) Defined Contribution plans such as provident fund

**Defined benefits plans**

The cost of providing benefits on account of gratuity are determined using the projected unit credit method on the basis of actuarial valuation made at the end of each balance sheet date

Re-measurements comprising of actuarial gains and losses arising from experience adjustments and change in actuarial assumptions, the effect of change in assets ceiling (if applicable) and the return on plan asset (excluding net interest) are recognised in other comprehensive income (OCI) except those included in cost of assets as permitted in the period in which they occur. Re-measurements are not reclassified to the Statement of Profit and Loss in subsequent periods.

**Defined contribution plans**

Payments to defined contribution retirement benefit plans, viz., Provident Fund for eligible employees are recognized as an expense when employees have rendered the service entitling them to the contribution.

**Income taxes**

Income tax expense represents the sum of tax currently payable and deferred tax. Tax is recognised in the profit or loss section of the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

**Current tax**

Current tax is the expected tax payable/ receivable on the taxable income/ loss for the year using applicable tax rates for the relevant period, and any adjustment to taxes in respect of previous years. Interest expenses and penalties, if any, related to income tax are included in finance cost and other expenses respectively. Interest Income, if any, related to Income tax is included in Other Income

**Deferred Tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, unabsorbed losses and unabsorbed depreciation to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, unabsorbed losses and unabsorbed depreciation can be utilised.

**Financial Instruments****a) Financial assets****Investments in subsidiaries**

Investments in subsidiaries are carried at cost

**Financial assets other than investment in subsidiaries**

Financial assets of the Company comprise trade receivable, cash and cash equivalents, Bank balances, advances to employees, security deposit, claims recoverable etc.

**Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However, Trade receivables that do not contain a significant financing component are measured at Transaction Price. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

**Subsequent measurement**

For purposes of subsequent measurement financial assets are classified in three categories:

- Financial assets measured at amortized cost
- Financial assets at fair value through OCI
- Financial assets at fair value through profit or loss

**Financial assets measured at amortized cost**

Security Deposits, Rent deposits and Export benefits receivable are measured at amortised cost. Financial assets are measured at amortized cost if the financial asset is held within a business model whose objective is to hold financial assets 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. These financial assets are amortized using the effective interest rate (EIR) method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of profit and loss.

**Financial assets at fair value through profit or loss ('FVTPL')**

Any financial asset that does not meet the criteria for classification as at amortized cost or as financial assets at fair value through other comprehensive income, is classified as financial assets at fair value through profit or loss

**Derecognition**

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

**Impairment of financial assets**

The Company assesses impairment based on expected credit loss ('ECL') model on the following:

- Financial assets that are measured at amortised cost; and

ECL is measured through a loss allowance on a following basis:-

- The 12 month expected credit losses (expected credit losses that result from those default events on the financial instruments that are possible within 12 months after the reporting date)
- Full life time expected credit losses (expected credit losses that result from all possible default events over the life of financial instruments)

The Company follows 'simplified approach' for recognition of impairment on trade receivables or contract assets resulting from normal business transactions. The application of simplified approach does not require the Company to track changes in credit risk. However, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, from the date of initial recognition.

For recognition of impairment loss on other financial assets, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has increased significantly, lifetime ECL is provided. For assessing increase in credit risk and impairment loss, the Company assesses the credit risk characteristics on instrument-by-instrument basis.

Impairment loss allowance (or reversal) recognised during the period is recognised as expense/income in profit and loss.

**b) Financial Liabilities**

The Company's financial liabilities includes borrowings, trade payable, lease liabilities, accrued expenses and other payables.

**Initial recognition and measurement**

All financial liabilities at initial recognition are classified as financial liabilities at amortized cost or financial liabilities at fair value through profit or loss, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

**Financial Liabilities classified as Amortised Cost:**

All Financial Liabilities other than derivatives are measured at amortised cost. Interest expense that is not capitalised as part of costs of assets is included as Finance costs in Profit or Loss.

**Derecognition**

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

**Derivatives**

Derivative instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument and is recognised in Other Comprehensive Income (OCI).

**Borrowing costs**

Borrowing cost includes interest, commitment charges, brokerage, underwriting costs, discounts / premiums, financing charges, exchange difference to the extent they are regarded as interest costs and all ancillary / incidental costs incurred in connection with the arrangement of borrowing.

Borrowing costs which are directly attributable to acquisition / construction of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized as a part of cost pertaining to those assets. All other borrowing costs are recognised as expense in the period in which they are incurred.

The Company identifies the borrowings into specific borrowings and general borrowings. Specific borrowings are borrowings that are specifically taken for the purpose of obtaining an asset. Borrowing cost incurred on specific borrowings are capitalised to the cost of the qualifying asset. For general borrowings, the Company determines the amount of borrowing costs eligible for capitalisation by applying a capitalisation rate to the expenditures on the qualifying asset based on the weighted average of the borrowing costs applicable to general borrowings. The capitalisation on borrowing costs commences when the company incurs expenditure for the asset, incurs borrowing cost and undertakes activities that are necessary to prepare the asset for its intended use or sale. The capitalisation of borrowing costs is suspended during extended periods in which active development of a qualifying asset is suspended. The capitalisation of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

**Share based Payments****Equity-settled transactions**

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share

### Segment reporting

Operating segments are reported in a manner consistent with the internal reporting done to the chief operating decision maker. The Company operates in a single operating segment

## D) Recent pronouncements

The Ministry of corporate Affairs ("MCA") notified amendments on 7 May 2025 and 13 August 2025 under the Companies (Indian Accounting Standards) Amendment Rules, 2025 and the Companies (Indian Accounting Standards) Second Amendment Rules, 2025, respectively, which is effective from annual reporting periods beginning on or after 1 April 2025.

### (a) Amendment to Ind AS 7 and Ind AS 107 - Supplier Finance Arrangement:

The amendments to Ind AS 7 'Statement of Cash Flows' and Ind AS 107 'Financial Instruments: Disclosures' clarify the characteristics of supplier finance arrangements and require additional disclosures for such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The Company does not have any supplier finance arrangements during the financial year.

### (b) Amendment to Ind AS 1 - Classification of liabilities as current or non-current and non-current liabilities with covenants:

The amendment specifies the requirements for classifying liabilities as current or non-current in the balance sheet, and clarifies the following:

- a) An entity's right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period. The classification of a liability as current or non-current is unaffected by the likelihood that the entity will exercise its right to defer settlement.
- b) If an entity's right to defer settlement of a liability is subject to covenants, such covenants affect whether that right exists at the end of the reporting period only if the entity is required to comply with the covenant on or before the end of the reporting period.
- c) In case of a liability that can be settled, at the option of the counterparty, by the transfer of the entity's own equity instruments, such settlement terms do not affect the classification of the liability as current or non-current only if the option is classified as an equity instrument.

These amendments have no effect on the measurement of any items in the financial statements of the Company. The Company do not make retrospective adjustments as a result of adopting the amendments to Ind AS 1.

### c) Amendment to Ind AS 12 – Pillar-Two Tax Reforms

The Company is not within the scope of the OECD Pillar Two Model Rules,

### d) Amendment to Ind AS 21-Lack of exchangeability

The Amendments introduces requirement to assess when a currency is exchangeable into another currency and when it is not. The amendment requires an entity to estimate the spot exchange rate when it concludes that a currency is not exchangeable into another currency. These amendments had no effect on the financial statements of the Company.

The below amendments are notified but not yet effective

**Amendment to Ind AS 1 'Presentation of Financial Statements'- Classification of Liabilities as current or non-current and non-current liabilities with covenants:**

The amendment includes specific provisions that will take effect for reporting periods beginning on or after 1 April 2026, retrospectively, as outlined below:

- a) Breach of material covenant for long-term loan arrangement on or before end of reporting period with effect that liability becomes payable on demand as on reporting date, then it shall be classified as current liability, if lender agreed after reporting period and before approval of financial statements to not demand payment as a consequence of breach.
- b) Classify as non-current liability, if lender agreed by end of reporting period to provide grace period ending at least 12 months after reporting period within which entity can rectify the breach provided lender does not demand immediate repayment.
- c) Disclose information about the timing of settlement to understand the impact of the liability on the financial statements.

The Company does not expect this amendment to have an impact on its operations or financial statements.

## Note 2 (a) Property, plant &amp; equipment

(Rupees in Crores)

| Particulars   | Freehold Land | Buildings | Plant and equipment | Furniture and fixtures | Vehicles | Office equipment | Computers | Spares, tools and equipments | Electrical installation | Other assets | Total  |
|---|---------------|-----------|---------------------|------------------------|----------|------------------|-----------|------------------------------|-------------------------|--------------|--------|
| <b>Gross Block</b>  |               |           |                     |                        |          |                  |           |                              |                         |              |        |
| At cost as at 01 April 2024                                     | 0.87          | 9.66      | 34.82               | 3.07                   | 1.68     | 0.66             | 0.80      | 0.42                         | 1.23                    | 4.07         | 57.28  |
| Additions   | -             | 8.08      | 9.27                | 0.69                   | 0.52     | 0.22             | 0.53      | 0.42                         | 2.36                    | 1.82         | 23.91  |
| Disposals / adjustments   | -             | -         | -                   | -                      | (0.02)   | -                | (0.01)    | -                            | -                       | -            | (0.03) |
| At cost as at 31 March 2025                                     | 0.87          | 17.74     | 44.09               | 3.76                   | 2.18     | 0.88             | 1.32      | 0.84                         | 3.59                    | 5.89         | 81.16  |
| Additions   | -             | 2.70      | 21.63               | 0.81                   | 1.26     | 0.50             | 0.56      | 0.23                         | 0.69                    | 2.22         | 30.60  |
| Transfer (In/out)   | -             | -         | 1.06                | -                      | -        | -                | 0.07      | -                            | -                       | (1.06)       | 0.07   |
| Disposals / adjustments   | -             | -         | (0.03)              | -                      | -        | -                | -         | -                            | -                       | -            | (0.03) |
| At cost as at 31 March 2026                                     | 0.87          | 20.44     | 66.75               | 4.57                   | 3.44     | 1.38             | 1.95      | 1.07                         | 4.28                    | 7.05         | 111.80 |
| <b>Depreciation Block</b>                                       |               |           |                     |                        |          |                  |           |                              |                         |              |        |
| Accumulated depreciation / amortisation as at 01 April 2024     | -             | 1.31      | 8.38                | 1.52                   | 0.48     | 0.37             | 0.50      | 0.23                         | 0.53                    | 2.68         | 16.00  |
| Depreciation / Amortisation for the year                        | -             | 0.34      | 2.57                | 0.40                   | 0.23     | 0.09             | 0.20      | 0.07                         | 0.16                    | 0.43         | 4.49   |
| Disposals / adjustments   | -             | -         | -                   | -                      | -        | -                | -         | -                            | -                       | -            | -      |
| Accumulated depreciation / Amortisation as at the 31 March 2025 | -             | 1.65      | 10.95               | 1.92                   | 0.71     | 0.46             | 0.70      | 0.30                         | 0.69                    | 3.11         | 20.49  |
| Depreciation / Amortisation for the year                        | -             | 0.63      | 3.60                | 0.45                   | 0.30     | 0.15             | 0.34      | 0.17                         | 0.40                    | 0.78         | 6.82   |
| Transfer (In/out)   | -             | -         | 0.11                | -                      | -        | -                | 0.06      | -                            | -                       | (0.11)       | 0.06   |
| Disposals / adjustments   | -             | -         | -                   | -                      | -        | -                | 0.00      | -                            | -                       | -            | -      |
| Accumulated depreciation / Amortisation as at the 31 March 2026 | -             | 2.28      | 14.66               | 2.37                   | 1.01     | 0.61             | 1.10      | 0.47                         | 1.09                    | 3.78         | 27.37  |
| <b>Net Block</b>  |               |           |                     |                        |          |                  |           |                              |                         |              |        |
| As at 31 March 2025   | 0.87          | 16.09     | 33.14               | 1.84                   | 1.47     | 0.42             | 0.62      | 0.54                         | 2.90                    | 2.78         | 60.67  |
| As at 31 March 2026   | 0.87          | 18.16     | 52.09               | 2.20                   | 2.43     | 0.77             | 0.85      | 0.60                         | 3.19                    | 3.27         | 84.43  |

- The title deeds of immovable properties are held in the name of the Company.
- Other Assets includes Dies, Moulds and Borewell
- During the year, the Company has capitalised borrowing cost Rs. Nil Crore (P.Y. Rs. 0.19 Crore) to the cost of capital work in progress

**Note 2 (b) : Right of use asset**
*(Rupees in Crores)*

| Particulars   | Land        | Building    | Total       |
|---|-------------|-------------|-------------|
| <b>Gross Block</b>                                    |             |             |             |
| <b>Carrying value as at 01 April 2024</b>             | <b>2.90</b> | <b>2.21</b> | <b>5.11</b> |
| Additions   | -           | -           | -           |
| Disposals / adjustments                               | -           | -           | -           |
| <b>Carrying value as at 31st March 2025</b>           | <b>2.90</b> | <b>2.21</b> | <b>5.11</b> |
| Additions   | -           | 0.90        | 0.90        |
| Disposals / adjustments                               | -           | -           | -           |
| <b>Carrying value as at 31st March 2026</b>           | <b>2.90</b> | <b>3.11</b> | <b>6.01</b> |
| <b>Depreciation Block</b>                             |             |             |             |
| <b>Accumulated depreciation as at 01 April 2024</b>   | <b>0.06</b> | <b>0.54</b> | <b>0.60</b> |
| Depreciation for the year                             | 0.02        | 0.42        | 0.44        |
| Disposals   | -           | -           | -           |
| <b>Accumulated depreciation as at 31st March 2025</b> | <b>0.08</b> | <b>0.96</b> | <b>1.04</b> |
| Depreciation for the year                             | 0.03        | 0.51        | 0.54        |
| Disposals   | -           | -           | -           |
| <b>Accumulated depreciation as at 31st March 2026</b> | <b>0.11</b> | <b>1.47</b> | <b>1.58</b> |
| <b>Net Block</b>                                      |             |             |             |
| <b>As at 31st March 2025</b>                          | <b>2.82</b> | <b>1.25</b> | <b>4.07</b> |
| <b>As at 31st March 2026</b>                          | <b>2.79</b> | <b>1.64</b> | <b>4.43</b> |

**Note 2 (c). Capital Work-in-Progress**

| Particulars                          | Buildings   | Plant and equipment | Total       |
|--------------------------------------|-------------|---------------------|-------------|
| <b>At cost as at 01 April 2024</b>   | <b>2.75</b> | <b>0.48</b>         | <b>3.23</b> |
| Additions                            | 2.43        | 3.18                | 5.61        |
| Capitalised during the year          | (2.03)      | (0.17)              | (2.20)      |
| <b>At cost as at 31 March 2025</b>   | <b>3.15</b> | <b>3.49</b>         | <b>6.64</b> |
| Additions                            | 5.36        | 12.00               | 17.36       |
| Capitalised during the year          | (6.64)      | (10.07)             | (16.71)     |
| <b>At cost as at 31st March 2026</b> | <b>1.87</b> | <b>5.42</b>         | <b>7.29</b> |

**CWIP aging schedule**
*(Rupees in Crores)*

| CWIP                      | Amount in CWIP for a period of |                    |             |             |                   | As at 31 March 2026 |
|---------------------------|--------------------------------|--------------------|-------------|-------------|-------------------|---------------------|
|                           | Less than 6 months             | 6 months - 1 years | 1 - 2 Years | 2 - 3 Years | More than 3 years |                     |
| <b>Tangible assets:</b>   |                                |                    |             |             |                   |                     |
| Projects in progress      | 5.42                           | 1.01               | 0.49        | 0.32        | 0.05              | 7.29                |
| <b>Intangible assets:</b> |                                |                    |             |             |                   |                     |
| Projects in progress      | 7.55                           | 3.92               | -           | -           | -                 | 11.47               |
| <b>Total</b>              | <b>12.97</b>                   | <b>4.93</b>        | <b>0.49</b> | <b>0.32</b> | <b>0.05</b>       | <b>18.76</b>        |

**CWIP aging schedule**
*(Rupees in Crores)*

| CWIP                      | Amount in CWIP for a period of |                    |             |             |                   | As at 31 March 2025 |
|---------------------------|--------------------------------|--------------------|-------------|-------------|-------------------|---------------------|
|                           | Less than 6 months             | 6 months - 1 years | 1-2 Years   | 2 - 3 Years | More than 3 years |                     |
| <b>Tangible assets:</b>   |                                |                    |             |             |                   |                     |
| Projects in progress      | 5.29                           | 0.54               | 0.49        | 0.27        | 0.05              | 6.64                |
| <b>Intangible assets:</b> |                                |                    |             |             |                   |                     |
| Projects in progress      | 3.92                           | -                  | -           | -           | -                 | 3.92                |
| <b>Total</b>              | <b>9.21</b>                    | <b>0.54</b>        | <b>0.49</b> | <b>0.27</b> | <b>0.05</b>       | <b>10.56</b>        |

- i. During the year, the Company has capitalised the following expenses of revenue nature to Development Cost

| Particulars                       | 31-Mar-26 | 31-Mar-25   |
|-----------------------------------|-----------|-------------|
| Raw material                      | -         | 0.03        |
| Personnel costs                   | -         | 2.17        |
| Process costs                     | -         | 0.40        |
| Testing costs                     | -         | 0.05        |
| Job-work cost                     | -         | 0.37        |
| Technical fees and other expenses | -         | 0.33        |
| <b>Total</b>                      | -         | <b>3.33</b> |

- ii. The Company does not have any capital work in progress, whose completion is overdue or has exceeded its cost compared to its original plan

#### Note 2 (d) Intangibles Assets

(Rupees in Crores)

| Particulars  | Development cost | Lean improvement | Computer software | Total        |
|--|------------------|------------------|-------------------|--------------|
| <b>Gross Block</b>   |                  |                  |                   |              |
| <b>At cost as at 01 April 2024</b>                                     | <b>24.87</b>     | <b>1.34</b>      | <b>0.53</b>       | <b>26.74</b> |
| Additions  | 3.33             | -                | 0.12              | 3.45         |
| Disposals /adjustments   | -                | -                | -                 | -            |
| <b>At cost as at 31 March 2025</b>                                     | <b>28.20</b>     | <b>1.34</b>      | <b>0.65</b>       | <b>30.19</b> |
| <b>Additions</b>   | <b>0.07</b>      | <b>-</b>         | <b>0.05</b>       | <b>0.12</b>  |
| Transfer (In/out)  | -                | -                | (0.07)            | (0.07)       |
| Disposals /adjustments   | -                | -                | -                 | -            |
| <b>At cost as at 31 March 2026</b>                                     | <b>28.27</b>     | <b>1.34</b>      | <b>0.63</b>       | <b>30.24</b> |
| <b>Depreciation Block</b>  |                  |                  |                   |              |
| <b>Accumulated depreciation / amortisation as at 01 April 2024</b>     | <b>7.10</b>      | <b>0.78</b>      | <b>0.26</b>       | <b>8.14</b>  |
| <b>Depreciation / Amortisation for the year</b>                        | <b>2.84</b>      | <b>0.19</b>      | <b>0.07</b>       | <b>3.10</b>  |
| Disposals /adjustments   | -                | -                | -                 | -            |
| Accumulated depreciation / Amortisation as at the 31 March 2025        | 9.94             | 0.97             | 0.33              | 11.24        |
| <b>Depreciation / Amortisation for the year</b>                        | <b>3.50</b>      | <b>0.19</b>      | <b>0.08</b>       | <b>3.77</b>  |
| Transfer (In/out)  | -                | -                | (0.06)            | (0.06)       |
| Disposals /adjustments   | -                | -                | -                 | -            |
| <b>Accumulated depreciation / Amortisation as at the 31 March 2026</b> | <b>13.44</b>     | <b>1.16</b>      | <b>0.35</b>       | <b>14.95</b> |
| <b>Net Block</b>   |                  |                  |                   |              |
| <b>As at 31 March 2025</b>   | <b>18.26</b>     | <b>0.37</b>      | <b>0.32</b>       | <b>18.95</b> |
| <b>As at 31 March 2026</b>   | <b>14.83</b>     | <b>0.18</b>      | <b>0.28</b>       | <b>15.29</b> |

#### Note 2 (e) Capital Work-in-Progress

| Particulars                          | Intangible Assets |
|--------------------------------------|-------------------|
| <b>At cost as at 01 April 2024</b>   | <b>3.33</b>       |
| Additions                            | 3.92              |
| Capitalised during the year          | (3.33)            |
| <b>At cost as at 31 March 2025</b>   | <b>3.92</b>       |
| Additions                            | 7.55              |
| Capitalised during the year          | -                 |
| <b>At cost as at 31st March 2026</b> | <b>11.47</b>      |

**Note 3**
**Investments**
*(Rupees in Crores)*

| Particulars  |            | As at         | As at         |
|--|------------|---------------|---------------|
|  |            | 31 March 2026 | 31 March 2025 |
| <b>Unquoted - Investment in subsidiaries (At cost)</b> |            |               |               |
| Gala Springs LLP *                                     | Subsidiary | -             | -             |
| <b>Total</b>   |            | -             | -             |
| <b>Aggregate value of unquoted investment</b>          |            | -             | -             |

\*Value of unquoted investment in subsidiary are fully eroded due to loss in Limited Liability Partnership

**(a) Details of investments in limited liability partnership**

| Name of the Limited Liability Partnership and their partners | Share of profit        |                        | Total capital          |                        |
|--|------------------------|------------------------|------------------------|------------------------|
|  | As at<br>31 March 2026 | As at<br>31 March 2025 | As at<br>31 March 2026 | As at<br>31 March 2025 |
| <u>Gala Springs LLP</u>                                      |                        |                        |                        |                        |
| Gala Precision Engineering Limited                           | 92%                    | 92%                    | <b>0.24</b>            | <b>0.24</b>            |
| Smeet Kirit Gala   | 8%                     | 8%                     | <b>0.02</b>            | <b>0.02</b>            |
| <b>Total</b>   | <b>100%</b>            | <b>100%</b>            | <b>0.26</b>            | <b>0.26</b>            |

**Note 4**
**Other financial assets**
*(Rupees in Crores)*

| Particulars                                     | Non-current            |                        | Current                |                        |
|---|------------------------|------------------------|------------------------|------------------------|
|   | As at<br>31 March 2026 | As at<br>31 March 2025 | As at<br>31 March 2026 | As at<br>31 March 2025 |
| <b>At amortised cost</b>                        |                        |                        |                        |                        |
| Bank deposits with more than 12 months maturity | -                      | 4.50                   | -                      | -                      |
| Others;   |                        |                        |                        |                        |
| Security deposits                               | 1.28                   | 0.84                   | 0.05                   | 0.21                   |
| Deposits - Rent                                 | 0.28                   | 0.32                   | 0.02                   | 0.02                   |
| Interest accrued on loans and deposits          | -                      | -                      | 0.53                   | 0.83                   |
| Export benefits receivable                      | -                      | -                      | 1.85                   | 1.22                   |
| Others  | -                      | -                      | 0.70                   | 0.29                   |
| <b>Total</b>                                    | <b>1.56</b>            | <b>5.66</b>            | <b>3.15</b>            | <b>2.57</b>            |

**Note 5**
**Other assets**
*(Rupees in Crores)*

| Particulars                                  | Non-current            |                        | Current                |                        |
|--|------------------------|------------------------|------------------------|------------------------|
|  | As at<br>31 March 2026 | As at<br>31 March 2025 | As at<br>31 March 2026 | As at<br>31 March 2025 |
| Capital advances                             | 4.40                   | 4.05                   | -                      | -                      |
| Advances other than capital advances;        |                        |                        |                        |                        |
| Considered good                              | -                      | -                      | 4.26                   | 1.36                   |
| Considered doubtful                          | -                      | -                      | 0.02                   | 0.02                   |
| <b>Less: Provision for doubtful advances</b> | -                      | -                      | (0.02)                 | (0.02)                 |
| <b>Sub Total</b>                             | <b>4.40</b>            | <b>4.05</b>            | <b>4.26</b>            | <b>1.36</b>            |

**Other assets***(Rupees in Crores)*

| Particulars                        | Non-current            |                        | Current                |                        |
|------------------------------------|------------------------|------------------------|------------------------|------------------------|
|                                    | As at<br>31 March 2026 | As at<br>31 March 2025 | As at<br>31 March 2026 | As at<br>31 March 2025 |
| Balance with statutory authorities | -                      | -                      | 14.42                  | 6.76                   |
| Prepaid expenses                   | 0.03                   | 0.26                   | 0.96                   | 0.70                   |
| <b>Sub total</b>                   | <b>0.03</b>            | <b>0.26</b>            | <b>15.38</b>           | <b>7.46</b>            |
| <b>Total</b>                       | <b>4.43</b>            | <b>4.31</b>            | <b>19.64</b>           | <b>8.82</b>            |

**Note 6****Inventories***(Rupees in Crores)*

| Particulars  | As at<br>31 March 2026 | As at<br>31 March 2025 |
|--|------------------------|------------------------|
| (Valued at lower of cost and net realisable value) |                        |                        |
| Raw materials                                      | 31.73                  | 27.55                  |
| Work-in-progress                                   | 31.73                  | 21.97                  |
| Finished goods                                     | 18.76                  | 17.58                  |
| Stores and spares                                  | 7.21                   | 5.29                   |
| <b>Total</b>                                       | <b>89.43</b>           | <b>72.39</b>           |

**Note 7****Trade Receivables***(Rupees in Crores)*

| Particulars                                     | As at<br>31 March 2026 | As at<br>31 March 2025 |
|---|------------------------|------------------------|
| Trade receivables                               |                        |                        |
| Unsecured, considered good                      | 81.53                  | 70.87                  |
| Trade receivables - credit impaired             | 0.17                   | 0.36                   |
| <b>Less: Provision for expected credit loss</b> | <b>(0.17)</b>          | <b>(0.36)</b>          |
| <b>Total</b>                                    | <b>81.53</b>           | <b>70.87</b>           |

Note: The Company has used a practical expedient for computing expected credit loss allowance for trade receivables, taking into account historical credit loss experience and accordingly, provisions are made for expected credit loss for amounts due from customers where necessary.

**Trade receivables ageing schedule***(Rupees in Crores)*

| Particulars                                    | Ageing  |                       |                      |           |           |                      | As at<br>31 March<br>2026 |
|--|---------|-----------------------|----------------------|-----------|-----------|----------------------|---------------------------|
|  | Not due | Less than<br>6 months | 6 months - 1<br>year | 1-2 Years | 2-3 Years | More than<br>3 Years |                           |
| Undisputed Trade receivables - considered good | 61.79   | 18.51                 | 0.77                 | 0.17      | 0.16      | 0.13                 | <b>81.53</b>              |
| Disputed Trade receivables - credit impaired   | -       | -                     | -                    | -         | -         | 0.17                 | <b>0.17</b>               |

**Trade receivables ageing schedule***(Rupees in Crores)*

| Particulars                                    | Ageing  |                       |                     |           |           |                      | As at<br>31 March<br>2025 |
|--|---------|-----------------------|---------------------|-----------|-----------|----------------------|---------------------------|
|  | Not due | Less than<br>6 months | 6 months-<br>1 year | 1-2 Years | 2-3 Years | More than<br>3 Years |                           |
| Undisputed Trade receivables - considered good | 46.15   | 23.91                 | 0.23                | 0.50      | 0.08      | 0.00                 | <b>70.87</b>              |
| Disputed Trade receivables - credit impaired   | -       | -                     | 0.04                | 0.10      | 0.07      | 0.15                 | <b>0.36</b>               |

**Note 8**
**Cash and cash equivalents**
*(Rupees in Crores)*

| Particulars   | As at         | As at         |
|---|---------------|---------------|
|   | 31 March 2026 | 31 March 2025 |
| Balances with Banks (of the nature of cash and cash equivalents)* | 11.36         | 1.39          |
| Cash on hand  | 0.08          | 0.05          |
| <b>Total</b>  | <b>11.44</b>  | <b>1.44</b>   |

\* includes an amount of Rs. 1.12 Crore (March 31, 2025 Rs. 0.96 Crore) held with HDFC bank (public offer account) as the IPO public issue account

**Note 9**
**Bank balances other than Cash and cash equivalents**
*(Rupees in Crores)*

| Particulars   | As at         | As at         |
|---|---------------|---------------|
|   | 31 March 2026 | 31 March 2025 |
| Margin money deposits*  | 2.83          | 2.83          |
| Deposits with original maturity of more than 3 months but less than 12 months | 35.98         | 55.00         |
| Current account held at a foreign branch                                      | 0.17          | 0.08          |
| <b>Total</b>  | <b>38.98</b>  | <b>57.91</b>  |

\* Margin money deposits with banks are lien marked.

**Note 10**
**Loans (Unsecured, considered good)**
*(Rupees in Crores)*

| Particulars                     | As at         | As at         |
|---------------------------------|---------------|---------------|
|                                 | 31 March 2026 | 31 March 2025 |
| Loans and Advances to employees | 0.38          | 0.30          |
| <b>Total</b>                    | <b>0.38</b>   | <b>0.30</b>   |

**Note 11: Equity Share Capital**
*(Rupees in Crores)*

| Particulars  | As at              |              | As at              |              |
|--|--------------------|--------------|--------------------|--------------|
|  | 31 March 2026      |              | 31 March 2025      |              |
|  | Number             | Amount       | Number             | Amount       |
| Authorised share capital                           | 1,80,00,000        | 18.00        | 1,80,00,000        | 18.00        |
| Issued share capital                               | 1,27,97,550        | 12.80        | 1,26,97,800        | 12.70        |
| Subscribed share capital                           | 1,27,97,550        | 12.80        | 1,26,97,800        | 12.70        |
| Fully paid-up share capital                        | 1,27,97,550        | 12.80        | 1,26,97,800        | 12.70        |
| <b>Balance at the beginning of the year</b>        | 1,26,97,800        | 12.70        | 1,01,11,584        | 10.11        |
| Changes in equity share capital during the year:   |                    |              |                    |              |
| Shares issued through Initial Public Offer ('IPO') | -                  | -            | 25,58,416          | 2.56         |
| Shares issued through ESOP 2021                    | 99,750             | 0.10         | 27,800             | 0.03         |
| <b>Issued and subscribed share capital</b>         | <b>1,27,97,550</b> | <b>12.80</b> | <b>1,26,97,800</b> | <b>12.70</b> |

**Rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital**

The company has equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**Note 11: Equity Share Capital**

| Shares in the Company held by each shareholder holding more than five percent shares | As at 31 March 2026 |       | As at 31 March 2025 |       |
|--|---------------------|-------|---------------------|-------|
|  | No.                 | %     | No.                 | %     |
| - Kirit Vishanji Gala  | 27,94,618           | 21.84 | 27,91,518           | 21.98 |
| - Rumie Kirit Gala   | 12,49,488           | 9.76  | 12,49,488           | 9.84  |
| - Taramati V Gala  | 12,05,200           | 9.42  | 11,97,200           | 9.43  |
| - Pooja Unichem LLP  | 6,60,000            | 5.16  | 6,60,000            | 5.20  |

| Particulars of promoter & promoter group holding            | As at 31 March 2026 |                                |                          | As at 31 March 2025 |                                |                          |
|---|---------------------|--------------------------------|--------------------------|---------------------|--------------------------------|--------------------------|
|   | Number              | % of total shares in the class | % Change during the year | Number              | % of total shares in the class | % Change during the year |
| <b>Equity shares of Rs. 10 each, fully paid-up held by-</b> |                     |                                |                          |                     |                                |                          |
| - Kirit Vishanji Gala                                       | 27,94,618           | 21.84                          | 0.11%                    | 27,91,518           | 21.98                          | 0.00%                    |
| - Rumie Kirit Gala  | 12,49,488           | 9.76                           | 0.00%                    | 12,49,488           | 9.84                           | -4.17%                   |
| - Taramati V Gala   | 12,05,200           | 9.42                           | 0.67%                    | 11,97,200           | 9.43                           | 14.94%                   |
| - Kirit Vishanji Gala(HUF)                                  | 1,34,400            | 1.05                           | 0.00%                    | 1,34,400            | 1.06                           | -37.08%                  |
| - Nayna Gala  | 2,04,400            | 1.60                           | 0.00%                    | 2,04,400            | 1.61                           | -19.65%                  |
| - Alpa Kiran Chheda   | 2,54,400            | 1.99                           | 0.00%                    | 2,54,400            | 2.00                           | 0.00%                    |
| - Vaibhavi Gala   | 2,54,400            | 1.99                           | 0.00%                    | 2,54,400            | 2.00                           | 27.20%                   |
| - Rajiv and Anupa Ashar Family Trust                        | 1,07,200            | 0.84                           | 0.00%                    | 1,07,200            | 0.84                           | 0.00%                    |
| - Saloni Kirit Gala   | 1,43,544            | 1.12                           | 0.00%                    | 1,43,544            | 1.13                           | 61.02%                   |
| - Smeet Kirit Gala  | 5,89,144            | 4.60                           | 0.00%                    | 5,89,144            | 4.64                           | 0.00%                    |
| - Madhu Ashar   | 86,000              | 0.67                           | 2.38%                    | 84,000              | 0.66                           | 0.00%                    |
| - Manisha Ashar   | 14,800              | 0.12                           | 0.00%                    | 14,800              | 0.12                           | 0.00%                    |

**Note 12: Other equity****a. Other equity***(Rupees in Crores)*

| Particulars                             | As at 31 March 2026 | As at 31 March 2025 |
|---|---------------------|---------------------|
| Securities premium                      | 161.40              | 160.63              |
| Retained earnings                       | 118.73              | 83.19               |
| Remeasurements of defined benefit plans | (0.38)              | (0.09)              |
| <b>Total</b>                            | <b>279.75</b>       | <b>243.73</b>       |

**b. Movements in other equity**
*(Rupees in Crores)*

| Particulars  | Reserves and Surplus |                            |                   |   | Total         |
|--|----------------------|----------------------------|-------------------|---|---------------|
|  | Securities premium   | Capital redemption reserve | Retained earnings | Remeasurements of Defined Benefit Plans |               |
| <b>Balance as at 01 April 2024</b>                           | <b>27.64</b>         | -                          | <b>66.48</b>      | <b>0.15</b>                             | <b>94.27</b>  |
| Profit for the year ending 31 March 2025                     | -                    | -                          | 26.90             | -                                       | 26.90         |
| Other comprehensive income for the year ending 31 March 2025 | -                    | -                          | -                 | (0.24)                                  | (0.24)        |
| Initial public offer expenses                                | -                    | -                          | (10.19)           | -                                       | (10.19)       |
| <b>Total comprehensive income for the year</b>               | -                    | -                          | <b>16.71</b>      | <b>(0.24)</b>                           | <b>16.47</b>  |
|  | <b>27.64</b>         | -                          | <b>83.19</b>      | <b>(0.09)</b>                           | <b>110.74</b> |
| Transfer to General reserve                                  |                      |                            |                   |   |               |
| Add: Premium arising on issue of equity shares through IPO   | 132.78               | -                          | -                 | -                                       | 132.78        |
| Add: Premium arising on issue of equity shares through ESOP  | 0.21                 | -                          | -                 | -                                       | 0.21          |
| <b>Balance as at 31 March 2025</b>                           | <b>160.63</b>        | -                          | <b>83.19</b>      | <b>(0.09)</b>                           | <b>243.73</b> |
| Profit for the year ending 31 March 2026                     | -                    | -                          | 35.54             | -                                       | 35.54         |
| Other comprehensive income for the year ending 31 March 2026 | -                    | -                          | -                 | (0.29)                                  | (0.29)        |
| <b>Total comprehensive income for the year</b>               | -                    | -                          | <b>35.54</b>      | <b>(0.29)</b>                           | <b>35.25</b>  |
|  | <b>160.63</b>        | -                          | <b>118.73</b>     | <b>(0.38)</b>                           | <b>278.98</b> |
| Transfer to General reserve                                  |                      |                            |                   |   |               |
| Add: Premium arising on issue of equity shares through ESOP  | 0.77                 | -                          | -                 | -                                       | 0.77          |
| <b>Balance as at 31 March 2026</b>                           | <b>161.40</b>        | -                          | <b>118.73</b>     | <b>(0.38)</b>                           | <b>279.75</b> |

| Nature and purpose of each component of equity | Nature and Purpose  |
|--|---|
| i. Securities premium                          | Amounts received in excess of par value on issue of shares is classified as securities premium  |
| ii. Capital redemption reserve                 | Capital Redemption Reserve represents statutory reserve created upon buyback of Preference shares in the earlier years.   |
| iii. Retained earnings                         | Retained earnings are the profits that the Company has earned till date, less any dividends or other distributions paid to shareholders   |
| iv. Remeasurements of defined benefit plans    | Gains / Losses arising on Remeasurements of defined benefit plans are recognised in the Other Comprehensive Income as per IND AS-19 and shall not be reclassified to the Statement of Profit or Loss in the subsequent years. |

**Note 13****Borrowings***(Rupees in Crores)*

| Particulars                           | As at<br>31 March 2026 | As at<br>31 March 2025 |
|---------------------------------------|------------------------|------------------------|
| <b>Non-current</b>                    |                        |                        |
| <b>Secured</b>                        |                        |                        |
| Vehicle Loans;                        |                        |                        |
| - from Banks                          | 1.62                   | 1.07                   |
| <b>Sub total</b>                      | <b>1.62</b>            | <b>1.07</b>            |
| <b>Current</b>                        |                        |                        |
| <b>Secured</b>                        |                        |                        |
| Current maturities of long-term debt  | 0.40                   | 0.27                   |
| Interest accrued and due on term loan | 0.01                   | 0.03                   |
| Loans repayable on demand             |                        |                        |
| - from banks                          | 34.53                  | 21.75                  |
| <b>Sub total</b>                      | <b>34.94</b>           | <b>22.05</b>           |
| <b>Total</b>                          | <b>36.56</b>           | <b>23.12</b>           |

| A. | Nature of Borrowings   | Interest Rate and terms of repayments   |
|----|--|---|
|    | <b>Vehicle finance loan (secured)</b><br>The loans are secured against hypothecation of related vehicles taken under the loans.  | The loan carries rate of interest of 7.40% to 9.30% per annum (Previous year 7.40% to 9.30%) . The loans are repayable in equated monthly installments, from the month subsequent to disbursement of the loan.  |
|    | <b>Cash credit and overdraft facilities from HDFC Bank Ltd. and Yes Bank Ltd.</b> are secured by pari passu charge by way of hypothecation of inventories of raw materials and finished goods and book debts, both present and future. | Cash credit and overdraft facilities from HDFC Bank Ltd. carries rate of interest of 4.01% to 9.07% per annum [previous year: 4.40% to 10.50% ] and Yes Bank Ltd. carries rate of interest of 4.05% to 9.25% per annum [previous year: 4.50% to 9.50% per annum], computed on a monthly basis on the actual amount utilised, and are repayable on demand. |

- B. (i) The Quarterly returns/statements of current assets filed by the Company for the year ended 31st March, 2026 with the Yes Bank/HDFC Bank are in agreement with the books of accounts except for the following;

*(Rupees in Crores)*

| Particulars   | Jun-25        | Sep-25        | Dec-25        | Mar-26        |
|---|---------------|---------------|---------------|---------------|
| <b>Current assets as per statement filed with Bank</b>                              | 144.71        | 155.78        | 173.86        | 166.60        |
| <b>Add: Reconciliation of Items not considered in the statement filed with bank</b> |               |               |               |               |
| Related party debtors & scrap debtors   | -             | -             | -             | 0.07          |
| Advance from debtors  | (0.47)        | (0.72)        | (1.08)        | (0.49)        |
| Inventory in transit  | (2.93)        | (3.06)        | (3.08)        | 1.16          |
| Valuation difference  | 4.01          | 6.04          | 7.20          | 3.62          |
| <b>Balance as per financial statements</b>  | <b>145.33</b> | <b>158.04</b> | <b>176.90</b> | <b>170.96</b> |

**Note 14**
**Provisions**
*(Rupees in Crores)*

| Particulars   | Non Current            |                        | Current                |                        |
|---|------------------------|------------------------|------------------------|------------------------|
|   | As at<br>31 March 2026 | As at<br>31 March 2025 | As at<br>31 March 2026 | As at<br>31 March 2025 |
| Provision for employee benefits (Refer Note 31 (g)) |                        |                        |                        |                        |
| Gratuity  | 5.67                   | 5.13                   | 0.90                   | 0.50                   |
| Leave encashment                                    | 2.01                   | 1.77                   | 0.24                   | 0.19                   |
| <b>Total</b>  | <b>7.68</b>            | <b>6.90</b>            | <b>1.14</b>            | <b>0.69</b>            |

**Note 15**
**Deferred tax liabilities - (Net)**
*(Rupees in Crores)*

| Particulars   | As at<br>31 March 2026 | As at<br>31 March 2025 |
|---|------------------------|------------------------|
| <b>Deferred tax liabilities;</b>  |                        |                        |
| - Arising on account of difference in carrying amount and tax base of PPE and Intangibles | 6.30                   | 6.38                   |
| <b>Deferred tax asset:</b>  |                        |                        |
| - Right-of-use and lease liability  | 0.05                   | 0.05                   |
| - Security deposit  | -                      | 0.00                   |
| - Accrued expenses allowable on actual payments   | 3.29                   | 3.76                   |
| - Brought forward long term capital loss  | 2.09                   | 2.09                   |
| <b>Total</b>  | <b>0.87</b>            | <b>0.48</b>            |

*(Rupees in Crores)*

| Particulars   | As at 31 March 2026 |  |                      |                    |
|---|---------------------|--|----------------------|--------------------|
|   | Opening<br>Balance  | Recognised in<br>Statement of<br>Profit and Loss | Recognised<br>in OCI | Closing<br>Balance |
| <b>Tax effect of items constituting deferred tax liabilities</b>                          |                     |  |                      |                    |
| - Arising on account of difference in carrying amount and tax base of PPE and Intangibles | 6.38                | (0.08)   | -                    | 6.30               |
| <b>Gross deferred tax liabilities (a)</b>   | <b>6.38</b>         | <b>(0.08)</b>                                    | <b>-</b>             | <b>6.30</b>        |
| <b>Tax effect of items constituting deferred tax assets</b>                               |                     |  |                      |                    |
| - Right-of-use and lease liability  | 0.05                | (0.00)   | -                    | 0.05               |
| - Accrued Expenses allowable on actual payments   | 3.76                | (0.57)   | 0.10                 | 3.29               |
| - Brought forward long term capital loss  | 2.09                | 0.00   | -                    | 2.09               |
| <b>Gross deferred tax assets (b)</b>  | <b>5.90</b>         | <b>(0.57)</b>                                    | <b>0.10</b>          | <b>5.43</b>        |
| <b>Net deferred tax liability (a - b)</b>   | <b>0.48</b>         | <b>0.49</b>                                      | <b>(0.10)</b>        | <b>0.87</b>        |

(Rupees in Crores)

| Particulars   | As at 31 March 2025 |  |                   |                 |
|---|---------------------|--|-------------------|-----------------|
|   | Opening Balance     | Recognised in Statement of Profit and Loss | Recognised in OCI | Closing Balance |
| <b>Tax effect of items constituting deferred tax liabilities</b>                          |                     |  |                   |                 |
| - Arising on account of difference in carrying amount and tax base of PPE and Intangibles | 5.77                | 0.61                                       | -                 | 6.38            |
| <b>Gross deferred tax liabilities (a)</b>   | <b>5.77</b>         | <b>0.61</b>                                | <b>-</b>          | <b>6.38</b>     |
| <b>Tax effect of items constituting deferred tax assets</b>                               |                     |  |                   |                 |
| - Right-of-use and lease liability  | 0.04                | 0.01                                       | -                 | 0.05            |
| - Accrued expenses allowable on actual payments   | 1.79                | 1.89                                       | 0.08              | 3.76            |
| - Brought forward long term capital loss  | 3.01                | (0.92)                                     | -                 | 2.09            |
| <b>Gross deferred tax assets (b)</b>  | <b>4.84</b>         | <b>0.98</b>                                | <b>0.08</b>       | <b>5.90</b>     |
| <b>Material accounting policies</b>   | <b>0.93</b>         | <b>(0.37)</b>                              | <b>(0.08)</b>     | <b>0.48</b>     |

**Note 16****Trade Payables**

(Rupees in Crores)

| Particulars   | As at 31 March 2026 | As at 31 March 2025 |
|---|---------------------|---------------------|
| Outstanding due of Micro and Small Enterprises (Refer Note 31(b))   | 0.95                | 0.78                |
| Outstanding due of Creditors other than Micro and Small Enterprises | 19.04               | 17.55               |
| <b>Total</b>  | <b>19.99</b>        | <b>18.33</b>        |
| Of the above;   |                     |                     |
| - Acceptances   | 8.08                | 2.00                |

**Trade Payables aging schedule**

(Rupees in Crores)

| Particulars  | Outstanding for their periods from due date of payment |                  |                  | As at 31 March 2026 |
|--------------|--|------------------|------------------|---------------------|
|              | Not due  | Less than 1 year | More than 1 year |                     |
| (i) MSME     | 0.74   | 0.21             | -                | 0.95                |
| (ii) Others  | 11.23  | 6.89             | 0.92             | 19.04               |
| <b>Total</b> | <b>11.97</b>   | <b>7.10</b>      | <b>0.92</b>      | <b>19.99</b>        |

**Trade Payables aging schedule**

(Rupees in Crores)

| Particulars  | Outstanding for their periods from due date of payment |                  |                  | As at 31 March 2025 |
|--------------|--|------------------|------------------|---------------------|
|              | Not due  | Less than 1 year | More than 1 year |                     |
| (i) MSME     | 0.30   | 0.48             | -                | 0.78                |
| (ii) Others  | 8.33   | 8.51             | 0.71             | 17.55               |
| <b>Total</b> | <b>8.63</b>  | <b>8.99</b>      | <b>0.71</b>      | <b>18.33</b>        |

**Note 17**
**Other financial liabilities**
*(Rupees in Crores)*

| Particulars                        | As at<br>31 March 2026 | As at<br>31 March 2025 |
|------------------------------------|------------------------|------------------------|
| <b>Carried at amortised cost :</b> |                        |                        |
| Capital creditors                  | 0.61                   | 2.78                   |
| Liability for employee benefits    | 4.78                   | 3.56                   |
| Others                             | 0.52                   | 0.23                   |
| <b>Carried at FVTPL :</b>          |                        |                        |
| Forward exchange contracts         | 2.17                   | 0.41                   |
| <b>Total</b>                       | <b>8.08</b>            | <b>6.98</b>            |

**Note 18**
**Other liabilities**
*(Rupees in Crores)*

| Particulars              | As at<br>31 March 2026 | As at<br>31 March 2025 |
|--------------------------|------------------------|------------------------|
| Contract liabilities     | 0.49                   | 0.33                   |
| Others;                  |                        |                        |
| Statutory dues           | 0.99                   | 1.65                   |
| Liabilities for expenses | 5.12                   | 3.80                   |
| <b>Total</b>             | <b>6.60</b>            | <b>5.78</b>            |

Movement of contract liabilities is as under ;

*(Rupees in Crores)*

| Particulars   | As at<br>31 March 2026 | As at<br>31 March 2025 |
|---|------------------------|------------------------|
| As at beginning of the year                         | 0.33                   | 0.29                   |
| Recognised as revenue from contracts with customers | 0.23                   | 0.12                   |
| Advance from customers received during the year     | (0.07)                 | (0.08)                 |
| <b>Balance at the close of the year</b>             | <b>0.49</b>            | <b>0.33</b>            |

**Note 19**
**Revenue from operations**
*(Rupees in Crores)*

| Particulars               | Year ended<br>31 March 2026 | Year ended<br>31 March 2025 |
|---------------------------|-----------------------------|-----------------------------|
| Sale of products          | 303.87                      | 229.20                      |
| Sale of services          | 0.01                        | 0.08                        |
| Other operating revenues: |                             |                             |
| Export incentives         | 2.51                        | 2.16                        |
| Scrap sales               | 7.91                        | 6.40                        |
| <b>Total</b>              | <b>314.30</b>               | <b>237.84</b>               |

The management determines that the segment information reported is sufficient to meet the disclosure objective with respect to disaggregation of revenue under Ind AS 115 Revenue from contract with Customers. Hence, no separate disclosures of disaggregated revenues are reported.

Reconciliation of revenue recognised with the contracted price is as follows:

*(Rupees in Crores)*

| Particulars  | Year ended<br>31 March 2026 | Year ended<br>31 March 2025 |
|--|-----------------------------|-----------------------------|
| Gross sales (Contracted price)                                       | 304.38                      | 229.64                      |
| Reductions towards variable consideration (Discount, other expenses) | (0.51)                      | (0.44)                      |
| <b>Revenue recognised</b>  | <b>303.87</b>               | <b>229.20</b>               |

**Note 20****Other income***(Rupees in Crores)*

| Particulars                            | Year ended<br>31 March 2026 | Year ended<br>31 March 2025 |
|--|-----------------------------|-----------------------------|
| Interest on margin money/others        | 3.36                        | 2.53                        |
| Discount on forward contracts          | 2.11                        | 0.98                        |
| Profit on sale of PPE (net)            | 0.04                        | 0.00                        |
| Gain on Foreign exchange translations  | -                           | 0.37                        |
| Insurance claim received               | 0.01                        | 0.01                        |
| Miscellaneous Income                   | 0.09                        | 0.46                        |
| Unwinding of discounted rental deposit | 0.02                        | 0.02                        |
| <b>Total</b>                           | <b>5.63</b>                 | <b>4.37</b>                 |

**Note 21****Cost of materials consumed***(Rupees in Crores)*

| Particulars                    | Year ended<br>31 March 2026 | Year ended<br>31 March 2025 |
|--------------------------------|-----------------------------|-----------------------------|
| Opening stock of raw materials | 27.55                       | 20.12                       |
| Purchases during the year      | 142.23                      | 112.14                      |
| Closing stock of raw materials | 31.73                       | 27.55                       |
| <b>Total</b>                   | <b>138.05</b>               | <b>104.71</b>               |

**Note 22****Changes in Inventories of finished goods and work-in-progress***(Rupees in Crores)*

| Particulars                 | Year ended<br>31 March 2026 | Year ended<br>31 March 2025 |
|-----------------------------|-----------------------------|-----------------------------|
| Closing stock:              |                             |                             |
| Finished goods              | 18.76                       | 17.58                       |
| Work-in-progress            | 31.73                       | 21.97                       |
|                             | <b>50.49</b>                | <b>39.55</b>                |
| <b>Less: Opening stock:</b> |                             |                             |
| Finished goods              | 17.58                       | 18.95                       |
| Work-in-progress            | 21.97                       | 14.79                       |
|                             | <b>39.55</b>                | <b>33.74</b>                |
| <b>Total</b>                | <b>(10.94)</b>              | <b>(5.81)</b>               |

**Note 23****Employee benefits expense***(Rupees in Crores)*

| Material accounting policies                        | Year ended<br>31 March 2026 | Year ended<br>31 March 2025 |
|---|-----------------------------|-----------------------------|
| Salaries and Wages                                  | 31.76                       | 24.91                       |
| Contribution to provident, gratuity and other funds | 1.36                        | 1.89                        |
| Staff welfare expenses                              | 2.08                        | 2.08                        |
| <b>Total</b>  | <b>35.20</b>                | <b>28.88</b>                |

The Shareholders of the Company had approved on 14th January, 2022 an Employee Stock Option Scheme ("Gala ESOP 2021"), formulated by the Company, under which the Company issued upto 50,000 options to its permanent employees, including Wholtime Directors of the Company. The Gala ESOP 2021 is administered by the Board of Directors of the Company.

As per the scheme, the number of shares that will vest is conditional upon length of service, grades, salary cost of the employee to the Company, performance appraisals and / or any other factors as determined by Committee. The vesting period shall be 5 years from the grant date i.e. 14th January 2022. The options granted under this scheme is exercisable by employees till five years from date of its vesting. The Company has granted options at an exercise price of Rs. 350. At grant date, the estimated fair value of stock options granted under Gala ESOP 2021 is Rs. 350. The fair valuation of stock options have been done by an independent valuer using Income Approach Method. The details of stock options granted and key assumptions taken into account for fair valuation are as under:

| Particulars                              | Year ended<br>31 March 2026 | Year ended<br>31 March 2025 |
|--|-----------------------------|-----------------------------|
| 1) Grant Date                            | 14th January, 2022          | 14th January, 2022          |
| 2) Risk-free interest rate               | 6.70%                       | 6.70%                       |
| 3) Expected Life                         | 5 Years                     | 5 Years                     |
| 4) Expected Volatility                   | 0.001%                      | 0.001%                      |
| 5) Expected Dividend Yield               | Nil                         | Nil                         |
| 6) Fair market value of underlying share | Rs. 87.50/-                 | Rs. 87.50/-                 |
| 7) Exercise Price                        | Rs. 87.50/-                 | Rs. 87.50/-                 |

(Rupees in Crores)

| Particulars                                      | Year ended<br>31 March 2026 | Year ended<br>31 March 2025 |
|--|-----------------------------|-----------------------------|
| Options outstanding at the beginning of the year | 1,18,400                    | 1,46,200                    |
| Granted during the year                          | -                           | -                           |
| Forfeited/Expired/Lapsed during the year         | -                           | -                           |
| Exercised during the year                        | (99,750)                    | (27,800)                    |
| Outstanding at the end of the year               | 18,650                      | 1,18,400                    |

The Shareholders of the Company had approved on 06th August, 2024 an Employee Stock Option Scheme ("Gala ESOP 2024"), formulated by the Company, under which the Company issued upto 300,000 options to its Wholtime Directors of the Company. The Gala ESOP 2024 is administered by the Board of Directors / Nomination and remuneration committee of the Company

As per the scheme, the number of shares that will vest is conditional upon length of service, grades, salary cost of the employee to the Company, performance appraisals and / or any other factors as determined by Committee. The vesting period shall be 6 years from the grant date i.e. 06th August 2024. The options granted under this scheme is exercisable by employees till five years from date of its vesting. The Company has granted options at an exercise price of Rs. 530. At grant date, the estimated fair value of stock options granted under Gala ESOP 2024 is Rs. 530. The fair valuation of stock options have been done by an independent valuer using Income Approach Method. The details of stock options granted and key assumptions taken into account for fair valuation are as under:

(Rupees in Crores)

| Particulars                              | Year ended<br>31 March 2026 | Year ended<br>31 March 2025 |
|--|-----------------------------|-----------------------------|
| 1) Grant Date                            | 06th August, 2024           | 06th August, 2024           |
| 2) Risk-free interest rate               | 7.20%                       | 7.20%                       |
| 3) Expected life                         | 6 Years                     | 6 Years                     |
| 4) Expected volatility                   | 0.00%                       | 0.00%                       |
| 5) Expected dividend yield               | Nil                         | Nil                         |
| 6) Fair market value of underlying share | Rs. 530/-                   | Rs. 530/-                   |
| 7) Exercise Price                        | Rs. 530/-                   | Rs. 530/-                   |

(Rupees in Crores)

| Particulars                                      | Year ended<br>31 March 2026 | Year ended<br>31 March 2025 |
|--|-----------------------------|-----------------------------|
| Options outstanding at the beginning of the year | 3,00,000                    | NA                          |
| Granted during the year                          | -                           | 3,00,000                    |
| Forfeited/Expired/Lapsed during the year         | -                           | -                           |
| Exercised during the year                        | -                           | -                           |
| Outstanding at the end of the year               | 3,00,000                    | 3,00,000                    |

**Note 24****Finance costs**

(Rupees in Crores)

| Particulars   | Year ended<br>31 March 2026 | Year ended<br>31 March 2025 |
|---|-----------------------------|-----------------------------|
| Interest on Loans and deposits                          | 0.13                        | 0.56                        |
| Interest on Working capital facilities                  | 2.22                        | 2.70                        |
| Interest on unsecured loans                             | -                           | 0.29                        |
| Finance charges   | 0.37                        | 0.12                        |
| Unwinding of discount relating to Long term liabilities | 0.12                        | 0.13                        |
| <b>Total</b>  | <b>2.84</b>                 | <b>3.80</b>                 |

**Note 25****Depreciation and amortisation expense**

(Rupees in Crores)

| Particulars                                   | Year ended<br>31 March 2026 | Year ended<br>31 March 2025 |
|---|-----------------------------|-----------------------------|
| Depreciation on Property, plant and equipment | 6.88                        | 4.49                        |
| Amortisation on intangible assets             | 3.71                        | 3.10                        |
| Amortisation of right-of-use asset            | 0.54                        | 0.44                        |
| Less: Transferred to Capital work in progress | (0.95)                      | (0.06)                      |
| <b>Total</b>                                  | <b>10.18</b>                | <b>7.97</b>                 |

**Note 26****Other Expenses**

(Rupees in Crores)

| Particulars                           | Year ended<br>31 March 2026 | Year ended<br>31 March 2025 |
|---------------------------------------|-----------------------------|-----------------------------|
| Consumption of stores and spare parts | 12.12                       | 9.16                        |
| Packing material consumed             | 5.53                        | 3.42                        |
| Power and Fuel                        | 9.67                        | 6.89                        |
| Labour charges                        | 42.86                       | 29.08                       |
| Testing expenses                      | 1.30                        | 0.84                        |
| Rent                                  | 0.32                        | 0.23                        |
| Rates and Taxes                       | 0.36                        | 0.43                        |
| Insurance                             | 1.47                        | 1.15                        |
| Travelling expenses                   | 2.35                        | 1.63                        |
| Legal and professional fees           | 2.26                        | 2.12                        |
| Sitting Fees                          | 0.08                        | 0.16                        |
| Commission                            | 0.38                        | 0.35                        |
| Business promotion                    | 1.74                        | 2.08                        |

(Rupees in Crores)

| Particulars                                | Year ended<br>31 March 2026 | Year ended<br>31 March 2025 |
|--|-----------------------------|-----------------------------|
| Bank charges                               | 0.25                        | 0.35                        |
| Telephone and other communication expenses | 0.14                        | 0.10                        |
| Printing and stationery                    | 0.17                        | 0.16                        |
| Provision for expected credit loss         | (0.19)                      | 0.15                        |
| Bad debts written-off                      | 0.12                        | 0.21                        |
| Conveyance and vehicle expenses            | 2.67                        | 2.07                        |
| <b>Repairs and Renewals:</b>               |                             | -                           |
| - Building                                 | 0.38                        | 0.25                        |
| - Plant and machinery                      | 0.69                        | 0.41                        |
| - Others                                   | 1.12                        | 1.02                        |
| <b>Auditors' remuneration:</b>             |                             |                             |
| As auditors:                               |                             |                             |
| Audit fee                                  | 0.11                        | 0.07                        |
| Other services                             | -                           | 0.02                        |
|  | <b>0.11</b>                 | <b>0.09</b>                 |
| Cost Auditors Remuneration:                |                             |                             |
| Audit fee                                  | 0.01                        | 0.01                        |
| Recruitment                                | 0.18                        | 0.12                        |
| Freight outward                            | 8.39                        | 4.78                        |
| Computer expenses                          | 0.61                        | 0.51                        |
| Security expenses                          | 0.73                        | 0.50                        |
| Interest on statutory dues                 | 0.11                        | 0.15                        |
| Donation                                   | 0.01                        | 0.01                        |
| CSR Activity Expenses                      | 0.54                        | 0.42                        |
| Net loss on foreign currency transactions  | 3.23                        | -                           |
| Share in loss of LLP                       | 0.28                        | 0.24                        |
| Miscellaneous expenses                     | 0.31                        | 0.36                        |
| <b>Total</b>                               | <b>100.30</b>               | <b>69.45</b>                |

**Note 27**
**Exceptional Items**

(Rupees in Crores)

| Particulars                                       | Year ended<br>31 March 2026 | Year ended<br>31 March 2025 |
|---|-----------------------------|-----------------------------|
| Past Service Cost Gratuity as per new Labour Code | (0.82)                      | -                           |
| <b>Total</b>                                      | <b>(0.82)</b>               | <b>-</b>                    |

**Note 28**
**A. Capital Management**

For the purpose of Company's capital management, capital includes Issued Equity capital, Securities premium, and all other equity reserves attributable to the Equity Holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder's value.

The Company manages its capital structure and makes adjustments in the light of changes in economic conditions and requirements of the financial covenants and to continue as a going concern. The Company monitors using a gearing ratio which is net debts divided by total capital plus net debt. The company includes within net debt, interest bearing loans and borrowings, less cash and short term deposit.

(Rupees in Crores)

| Particulars                           | As at<br>31 March 2026 | As at<br>31 March 2025 |
|---------------------------------------|------------------------|------------------------|
| Interest bearing loans and borrowings | 36.56                  | 23.12                  |
| Less: Cash and short term deposits    | (11.44)                | (1.44)                 |
| <b>Net debt</b>                       | <b>25.12</b>           | <b>21.68</b>           |
| Equity                                | 12.80                  | 12.70                  |
| Other equity                          | 279.75                 | 243.73                 |
| <b>Total capital</b>                  | <b>292.55</b>          | <b>256.43</b>          |
| <b>Capital and Net debt</b>           | <b>317.67</b>          | <b>278.11</b>          |
| <b>Gearing Ratio %</b>                | <b>7.91%</b>           | <b>7.79%</b>           |

## B. Financial Risk Management

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the operations of the Company. The principal financial assets include trade and other receivables and cash and short term deposits.

The Company has assessed market risk, credit risk and liquidity risk to its financial liabilities.

### i) Market Risk

Market Risk is the risk of loss of future earnings, fair values or cash flows that may result from a change in the price of a financial instrument, as a result of interest rates, foreign exchange rates and other price risks. Financial instruments affected by market risks, primarily include loans And borrowings and foreign currency receivables and payables

#### Interest Rate Risks

The Company borrows funds in Indian Rupees to meet both the long term and short term funding requirements. Interest rate is fixed for the tenor of the Long term loans availed by the Company. Interest on Short term borrowings is subject to floating interest rate and are repriced regularly. The sensitivity analysis detailed below have been determined based on the exposure to variable interest rates on the average outstanding amounts due to bankers over a year

#### Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management is as follows:

(Rupees in Crores)

| Particulars                  | As at<br>31 March 2026 | As at<br>31 March 2025 |
|------------------------------|------------------------|------------------------|
| <b>Financial liabilities</b> |                        |                        |
| Fixed rate instruments       | 2.03                   | 1.37                   |
| Variable rate instruments    | 34.53                  | 21.75                  |
|                              | <b>36.56</b>           | <b>23.12</b>           |

#### Fair value sensitivity analysis for fixed rate instruments

The Company measures its fixed rate financial liabilities at amortized cost and does not designate these liabilities at fair value through profit or loss (FVTPL). Consequently, any changes in market interest rates at the reporting date would not directly affect the Company's profit or loss, as the interest expense is based on the fixed effective interest rate.

#### Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rate would have resulted in variation in the interest expense for the Company by

0.35      0.22

### Foreign currency risks

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. The Company enters into forward exchange contracts to hedge its foreign currency exposures. Foreign currency risks from financial instruments at the end of the reporting period expressed in INR:

#### Unhedged short term exposures :

| Particulars          | Currency | As at 31 March 2026                   |                    | As at 31 March 2025                   |                    |
|----------------------|----------|---------------------------------------|--------------------|---------------------------------------|--------------------|
|                      |          | Amount in Foreign Currency - In Crore | Amount- In ₹ Crore | Amount in Foreign Currency - In Crore | Amount- In ₹ Crore |
| Financial Assets     | USD      | 0.10                                  | 9.47               | 0.06                                  | 4.95               |
|                      | EURO     | 0.17                                  | 18.32              | 0.23                                  | 21.36              |
|                      | GBP      | 0.00                                  | 0.23               | 0.00                                  | 0.18               |
| Financial Liabilites | USD      | 0.02                                  | 1.45               | 0.02                                  | 1.38               |
|                      | EURO     | 0.00                                  | 0.32               | 0.01                                  | 0.69               |
|                      | SEK      | 0.00                                  | 0.04               | -                                     | -                  |
| Net exposure         | USD      | 0.08                                  | 8.02               | 0.04                                  | 3.57               |
|                      | EURO     | 0.17                                  | 18.00              | 0.22                                  | 20.67              |
|                      | GBP      | 0.00                                  | 0.23               | 0.00                                  | 0.18               |
|                      | SEK      | (0.00)                                | (0.04)             | -                                     | -                  |

The company is mainly exposed to changes in US Dollar and EURO.

The Sensitivity analysis is prepared on the net unhedged exposure of the company at the reporting date.

The sensitivity to 1% increase or decrease in US Dollar and EURO against INR with all other variables held constant will be as follows;

(Rupees in Crores)

| Particulars          | Currency | As at 31 March 2026 |          | As at 31 March 2025 |          |
|----------------------|----------|---------------------|----------|---------------------|----------|
|                      |          | Increase            | Decrease | Increase            | Decrease |
| Sensitivity (+/- 1%) | USD      | 0.08                | (0.08)   | 0.04                | (0.04)   |
|                      | EURO     | 0.18                | (0.18)   | 0.21                | (0.21)   |

The Company enters into foreign exchange forward contracts with the intention to minimise the foreign exchange risk of outstanding foreign receivables, these contracts are not designated in hedge relationships and are measured at fair value through profit or loss.

| Particulars | As at 31 March 2026                   |                    | As at 31 March 2025                   |                    |
|-------------|---------------------------------------|--------------------|---------------------------------------|--------------------|
|             | Amount in Foreign Currency - In Crore | Amount- In ₹ Crore | Amount in Foreign Currency - In Crore | Amount- In ₹ Crore |
| USD         | 0.13                                  | 12.63              | 0.10                                  | 8.69               |
| EURO        | 0.45                                  | 48.41              | 0.48                                  | 44.08              |

### Price Risks

More than One-third of the Company's revenues are generated from exports and the raw materials are procured through import and local purchases where local purchases track import parity price. The Company is affected by the price stability of certain commodities. Due to the significantly increased volatility of certain commodities, the Company enters into contract with the customers that has provision to pass on the change in the raw material prices and also the volatility in the exchange rate. The Company has a risk management framework aimed at prudently managing the risk arising from the volatility in commodity prices and freight costs. The Company hedges 65-70% of its export collections through plain vanilla forward covers.

## ii) Credit Risk

Credit Risk is the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Company. It arises from credit exposure to customers and Balances with Banks.

The Company holds cash and cash equivalents with banks which are having highest safety rankings and hence has a low credit risk.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company has taken insurance cover for overseas debtors through ECGC but has not taken any insurance cover for local debtors. The company uses Expected Credit Loss (ECL) Model to assess the impairment loss or gain. The outstanding trade receivables due for a period exceeding 180 days as at the year ended 31 March 2026 is as follows

| Particulars   | As at<br>31 March 2026 | As at<br>31 March 2025 |
|---|------------------------|------------------------|
| The outstanding trade receivables due for a period exceeding 180 days as % of Total Trade receivables | 1.50%                  | 1.14%                  |

## iii) Liquidity Risk

The Company manages liquidity risk by maintaining adequate surplus, banking facilities and reserve borrowings facilities by continuously monitoring forecasts and actual cash flows.

The Company has obtained fund and non-fund based working capital lines from various banks. The Company monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility

All payments are made along due dates and requests for early payments are entertained after due approval and availing early payment discounts.

The Company has a system of forecasting rolling one month cash inflow and outflow and all liquidity requirements are planned.

### Exposure to liquidity risk:

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments

(Rupees in Crores)

| Particulars                        | As at 31 March 2026 |           |           |                      | As at 31 March 2025 |           |           |                      |
|------------------------------------|---------------------|-----------|-----------|----------------------|---------------------|-----------|-----------|----------------------|
|                                    | Less than<br>1 year | 1-3 years | 3-5 years | More than<br>5 years | Less than<br>1 year | 1-3 years | 3-5 years | More than<br>5 years |
| <b>Borrowings</b>                  | 34.94               | 1.14      | 0.35      | 0.13                 | 22.05               | 0.59      | 0.45      | 0.03                 |
| <b>Trade Payable</b>               | 19.99               | -         | -         | -                    | 18.33               | -         | -         | -                    |
| <b>Other Financial Liabilities</b> | 8.08                | -         | -         | -                    | 6.98                | -         | -         | -                    |

## Note 29

### Fair values and hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are

- recognised and measured at fair value and
- measured at amortised cost and for which fair values are disclosed in the standalone financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed in the Indian Accounting Standard.

(Rupees in Crores)

| Particulars  | As at                 | As at         |
|--|-----------------------|---------------|
|  | 31 March 2026         | 31 March 2025 |
|  | <b>Carrying Value</b> |               |
| <b>Financial assets and liabilities measured at amortised cost</b> |                       |               |
| <b>Financial assets</b>  |                       |               |
| Loans  | 0.38                  | 0.30          |
| Bank term deposits   | 38.81                 | 62.33         |
| Other assets - Security & other deposits                           | 1.64                  | 1.40          |
| <b>Total financial assets</b>                                      | <b>40.83</b>          | <b>64.03</b>  |
| <b>Financial Liabilities</b>                                       |                       |               |
| Borrowings - Non current   | 1.62                  | 1.07          |
| <b>Total financial liabilities</b>                                 | <b>1.62</b>           | <b>1.07</b>   |

| <b>Financial assets and liabilities measured at FVTPL</b> |      |      |
|---|------|------|
| <b>Financial liabilities</b>                              |      |      |
| Foreign exchange forward contracts                        | 2.17 | 0.41 |

The management assessed that fair value of trade receivables, cash and cash equivalents, recoverable from customers, other short-term financial assets, short-term borrowings, trade payables and other short-term financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments

\*The following methods and assumptions were used to estimate the fair values:

- Term deposits- The fair value of term deposits is equal to carrying value since they are carrying market interest rates as per the banks.
- Foreign exchange forward contracts- Foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing
- Non-current borrowings - The fair value of non-current borrowings is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. The carrying value and fair value of the borrowings has been considered the same since the existing interest rate approximates its fair value.
- Others- For other financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values

### Note 30

#### Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate

(Rupees in Crores)

| Particulars   | Year ended    | Year ended    |
|---|---------------|---------------|
|   | 31 March 2026 | 31 March 2025 |
| <b>Accounting Profit before Income Tax</b>          | <b>43.48</b>  | <b>33.21</b>  |
| At India's statutory income tax rate of             | <b>25.17%</b> | <b>25.17%</b> |
| Income Tax as per statutory income tax rate         | 10.94         | 8.36          |
| Effect of deductions available under Income Tax Act | (3.49)        | (4.38)        |
| Effect of brought forward business loss             | (0.00)        | 0.92          |
| Effect of non-deductible expenses                   | 0.49          | 0.93          |
| <b>Total</b>  | <b>7.94</b>   | <b>5.83</b>   |

**Note 31****Additional / Explanatory Information****a) Earnings per share***(Rupees in Crores)*

| Particulars  |            | For the year ended 31-March-2026 | For the year ended 31-March-2025 |
|--|------------|----------------------------------|----------------------------------|
| i Profit after taxation  | Rs. Crores | 35.54                            | 26.90                            |
| Weighted Average Number of equity shares (Face Value Rs. 10/-) | Nos.       | 1,27,39,718                      | 1,15,57,188                      |
| Earnings per share   | Rs.        | 27.90                            | 23.28                            |
| Diluted Number of shares outstanding                           |            | 1,31,16,200                      | 1,18,97,328                      |
| Diluted earnings per share                                     |            | 27.10                            | 22.61                            |

**Weighted average number of Shares***(Rupees in Crores)*

| Particulars   |      | For the year ended 31 March 2026 | For the year ended 31 March 2025 |
|---|------|----------------------------------|----------------------------------|
| Number of shares considered as basic weighted average shares outstanding                | Nos. | 1,26,97,800                      | 1,01,11,584                      |
| Add: Weighted number of equity shares issued during the year                            |      | 41,918                           | 14,45,604                        |
| Number of shares considered as weighted average shares and potential shares outstanding | Nos. | 1,27,39,718                      | 1,15,57,188                      |

**Diluted number of shares***(Rupees in Crores)*

| Particulars   |      | For the year ended 31 March 2026 | For the year ended 31 March 2025 |
|---|------|----------------------------------|----------------------------------|
| Number of shares considered as basic weighted average shares outstanding                | Nos. | 1,27,39,718                      | 1,15,57,188                      |
| Add: Weighted average number of potential equity shares from ESOP (Refer Note 23)       | Nos. | 76,482                           | 1,44,524                         |
| Add: Weighted average number of potential equity shares from ESOP (Refer Note 23)       |      | 3,00,000                         | 1,95,616                         |
| Number of shares considered as weighted average shares and potential shares outstanding | Nos. | 1,31,16,200                      | 1,18,97,328                      |

**b) Disclosures under The Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED'):**

The details of liabilities to Micro and Small Enterprises, to the extent information available with the Company are given under and have been relied upon by the auditors:

*(Rupees in Crores)*

| Particulars  | As at 31 March 2026 | As at 31 March 2025 |
|--|---------------------|---------------------|
| Principal amounts remaining unpaid to suppliers as at the end of the accounting year | 0.95                | 0.78                |

Note: Other information/ disclosures relating to payments made beyond appointed date, interest accrued and paid and cumulative interest are not applicable, being NIL.

**c) As required by section 135 of Companies Act, 2013 and Rules therein, a Corporate social responsibility committee has been formed by the Company. The Company has spent the following amount during the year towards corporate social responsibility (CSR) for activities listed under schedule VII of the Companies Act, 2013.**

(Rupees in Crores)

| Particulars   | As at<br>31 March 2026 | As at<br>31 March 2025 |
|---|------------------------|------------------------|
| Gross amount required to be spent by the Company  | 0.54                   | 0.41                   |
| Amount spent by the Company during the period/ year on purpose other than construction/ acquisition of assets | 0.54                   | 0.42                   |
| Shortfall/(Excess) at the end of the year   | 0.00                   | (0.01)                 |
| Total of previous year short fall   | NA                     | NA                     |
| Reason for shortfall  | NA                     | NA                     |
| Nature of CSR Activities  | Education & Sports     | Education & Sports     |

**d) Ratio**

| Particulars                         | Numerator  | Denominator                                    | As at<br>31 March<br>2026 | As at<br>31 March<br>2025 | Variance<br>(in %) | Explanation for change<br>of 25% or more  |
|-------------------------------------|--|--|---------------------------|---------------------------|--------------------|---|
| a) Current ratio                    | Current assets   | Current liabilities                            | 3.42                      | 3.95                      | -13.44%            |   |
| b) Debt equity ratio                | Total Debt   | Shareholders' equity                           | 0.12                      | 0.09                      | 38.63%             | Repayments of borrowings during the last year resulted to reduction in borrowings. also, no new term loan is availed during the year  |
| c) Debt service coverage ratio      | Earnings available for debt service                        | Debt service = Interest + Principal repayments | 18.10                     | 2.58                      | 601.18%            | Repayments of borrowings during the last year leads to reduction in borrowings. also, no new loan is availed during the year resulted into higher earnings available for Debt services. |
| d) Return on equity %               | Net profits after taxes                                    | Average Shareholder's equity                   | 12.95%                    | 14.91%                    | -13.17%            |   |
| e) Inventory turnover ratio         | Sales  | Average inventory                              | 3.88                      | 3.66                      | 6.20%              |   |
| f) Trade receivables turnover ratio | Revenue from operations                                    | Average trade receivables                      | 4.12                      | 4.04                      | 2.18%              |   |
| g) Trade payables turnover ratio    | Purchases  | Average trade payables                         | 7.42                      | 7.01                      | 5.88%              |   |
| h) Net capital turnover ratio       | Revenue from operations                                    | Working capital                                | 1.82                      | 1.49                      | 22.24%             |   |
| i) Net profit %                     | Net profit after taxes                                     | Revenue from operations                        | 11.57%                    | 11.31%                    | 2.27%              |   |
| j) Return on capital employed %     | Earnings after exceptional items before interest and taxes | Capital employed                               | 15.55%                    | 14.39%                    | 8.01%              |   |

| Particulars                         | Numerator  | Denominator  | As at 31 March 2025 | As at 31 March 2024 | Variance (in %) | Explanation for change of 25% or more  |
|-------------------------------------|--|--|---------------------|---------------------|-----------------|--|
| a) Current ratio                    | Current assets   | Current liabilities  | 3.95                | 1.69                | 134.02%         | Increase in current assets for the year.   |
| b) Debt equity ratio                | Total Debt   | shareholders' equity   | 0.09                | 0.53                | -82.90%         | Repayments of borrowings during the year leads to reduction in borrowings                  |
| c) Debt service coverage ratio      | Earnings available for debt service                        | Debt service = Interest + Principal repayments of Long Term Borrowings | 2.58                | 2.93                | -11.93%         |  |
| d) Return on equity %               | Net profits after taxes                                    | shareholder's equity   | 14.91%              | 23.03%              | -35.24%         | Increase in shareholder's equity for the year  |
| e) Inventory Turnover Ratio         | Sales  | Average inventory  | 3.66                | 3.71                | -1.40%          |  |
| f) Trade receivables turnover ratio | Revenue from operations                                    | Average trade receivables  | 4.04                | 4.78                | -15.53%         |  |
| g) Trade payables turnover ratio    | Purchases  | Average trade payables   | 7.01                | 8.03                | -12.66%         |  |
| h) Net capital turnover ratio       | Revenue from operations                                    | Working capital  | 1.49                | 4.29                | -65.39%         | Increase in Revenue from operations and working capital during the year                    |
| i) Net profit %                     | Net Profit After Taxes                                     | Revenue from operations  | 11.31%              | 12.76%              | -11.38%         |  |
| j) Return on capital employed %     | Earnings after exceptional items before interest and taxes | Capital employed   | 14.39%              | 25.25%              | -42.99%         | Increase in capital employed during the year, due to investments in Chennai plant and FD's |

e) **Disclosures under Ind AS 108 - "Operating Segment" - (Refer Note below)**

(i) **Entity wide disclosure required by Ind AS 108 are as detailed below:**

|  | 31-Mar-26 | 31-Mar-25 |
|--|-----------|-----------|
| Springs, Parts, Fasteners and Assemblies | 314.30    | 237.83    |

(ii) **Geographic information**

The geographic information analyses the Company's revenues and non-current assets by the Company's country of domicile and other countries. In presenting geographic information, segment revenue has been based on the selling location in relation to sales to customers and segment assets are based on geographical location of assets.

(Rupees in Crores)

| Revenue from External Customers: | 31-Mar-26     | 31-Mar-25     |
|----------------------------------|---------------|---------------|
| - within India                   | 202.79        | 148.38        |
| - outside India                  | 111.51        | 89.45         |
| <b>Total revenue</b>             | <b>314.30</b> | <b>237.83</b> |

Assets by market: The following table shows the distribution of the company's assets by geographical market.

(Rupees in Crores)

| <b>Non-current assets (other than financial instruments)</b>       | <b>31-Mar-26</b> | <b>31-Mar-25</b> |
|--|------------------|------------------|
| - within India   | 130.50           | 105.55           |
| - outside India  | -                | -                |
| <b>Total Non-current assets (other than financial instruments)</b> | <b>130.50</b>    | <b>105.56</b>    |

**Information about major customers:**

| <b>The following is the transactions by the Company with customers individually contributing more than 10 or more of the Company's revenue from operations</b> | <b>31-Mar-26</b> | <b>31-Mar-25</b> |
|--|------------------|------------------|
| Revenue from operations of 1 customer of the Company represented approximately % of the revenue from operation   | 15.97%           | 23.60%           |

Note:-

The Company is engaged interalia in the manufacture of Springs, Parts, Fasteners and Assemblies. These in the context of Ind AS 108 "Operating Segment" is considered to constitute one single primary segment.

**f) Related party disclosures (As per Ind AS 24 - Related Party Disclosures):**

- Subsidiaries Gala Springs LLP
- Step down subsidiary Gala Precision Components (Shanghai) Private Limited, China
- Key Managerial Personnel 
 Mr. Kirit Gala - Chairman and Managing Director  
 Mr. Balkishan Jalan, Whole Time Director (Executive)  
 Mr. Satish Kotwani, Whole Time Director - Marketing  
 Mr. S. Giridhar - Chief Financial Officer  
 Ms. Pooja Ladha - Company Secretary
- Entity in which Directors having substantial interest 
 Vishanji H. Gala - HUF  
 Kirit V. Gala - HUF  
 Gala Springs LLP  
 Balkishan Jalan - HUF  
 Workamp Spaces Pvt. Ltd.  
 Slate Workspaces Pvt Ltd
- Relatives of Key Managerial personnel 
 Mrs. Taramati V Gala - Mother of Mr. Kirit V Gala  
 Mrs. Rumie K Gala - Wife of Mr. Kirit V Gala  
 Mrs. Alpa Chheda - Sister of Mr. Kirit V Gala  
 Mrs. Nayna Gala - Sister of Mr. Kirit V Gala  
 Mr. Smeet Kirit Gala - Son of Mr Kirit V Gala

| <b>Particulars</b>          | <b>Subsidiary</b> |                  | <b>Entity in which Directors having substantial interest</b> |                  | <b>Key Managerial Personnel</b> |                  |
|-----------------------------|-------------------|------------------|--|------------------|---------------------------------|------------------|
|                             | <b>31-Mar-26</b>  | <b>31-Mar-25</b> | <b>31-Mar-26</b>   | <b>31-Mar-25</b> | <b>31-Mar-26</b>                | <b>31-Mar-25</b> |
| Revenue from Operations     | -                 | -                | -  | -                | -                               | -                |
| Purchase of Materials       | -                 | -                | -  | -                | -                               | -                |
| Share of Loss in Subsidiary | 0.28              | 0.24             | -  | -                | -                               | -                |
| Interest Expense :          | -                 | -                | -  | 0.23             | -                               | 0.07             |

| Particulars                            | Subsidiary |           | Entity in which Directors having substantial interest |           | Key Managerial Personnel |           |
|--|------------|-----------|---|-----------|--------------------------|-----------|
|  | 31-Mar-26  | 31-Mar-25 | 31-Mar-26   | 31-Mar-25 | 31-Mar-26                | 31-Mar-25 |
| Remuneration:*                         |            |           |   |           |                          |           |
| Directors                              | -          | -         | -   | -         | 3.22                     | 3.11      |
| CFO                                    | -          | -         | -   | -         | 0.35                     | 0.33      |
| Company Secretary                      | -          | -         | -   | -         | 0.10                     | 0.09      |
| Smeet Gala - VP - Business Development | -          | -         | 0.35  | 0.28      | -                        | -         |
| Loan repaid:                           | -          | -         | -   | 10.82     | -                        | 3.93      |
| Loan received:                         | -          | -         | -   | 10.82     | -                        | 3.93      |
| Other receivables                      | 0.60       | 0.29      | -   | -         | -                        | -         |
| Other payables (Remuneration)          |            |           |   |           |                          |           |
| Directors                              | -          | -         | -   | -         | 0.27                     | 0.26      |
| CFO                                    | -          | -         | -   | -         | 0.03                     | 0.03      |
| Company Secretary                      | -          | -         | -   | -         | 0.01                     | 0.01      |
| Smeet Gala - VP - Business Development | -          | -         | 0.03  | 0.02      | -                        | -         |

\* Remuneration does not include provisions made for Gratuity of INR 0.38 crores as it is determined on an actuarial basis for the Company as a whole.

d) Terms and conditions of transactions with related parties;

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March, 2026, and 31 March 2025, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

g) Disclosures as per IND AS - 19 - Employee Benefits

During the year, the company has recognised the following amounts in the Statement of Profit and Loss:

(Rupees in Crores)

| Particulars  | Year Ended 31 March 2026 | Year Ended 31 March 2025 |
|--|--------------------------|--------------------------|
| i) Employer's contribution to Provident Fund and Family Pension Fund*<br>*Included in "Contribution to Provident and other Funds" (Note 23). | 1.12                     | 0.98                     |
| iii) Defined benefit obligation:   |                          |                          |
| a) Leave Encashment - Unfunded   | 0.68                     | 0.74                     |
| b) The valuation results for the defined benefit gratuity plan as at 31st March are produced in the tables below:                            |                          |                          |

**i) Changes in the present value of obligation**
*(Rupees in Crores)*

| Particulars   | Year Ended<br>31 March 2026 | Year Ended<br>31 March 2025 |
|---|-----------------------------|-----------------------------|
| <b>Present value of obligation as at the beginning</b>        | <b>6.24</b>                 | <b>5.19</b>                 |
| Current service cost  | 0.39                        | 0.45                        |
| Interest expense or cost                                      | (0.22)                      | 0.35                        |
| Past Service Cost- (non vested benefits)                      | 0.11                        | -                           |
| Past Service Cost -(vested benefits)                          | 0.71                        | -                           |
| Re-measurement (or Actuarial) (gain) / loss arising from:     |                             |                             |
| - Due to demographic assumption                               | (0.05)                      | (0.05)                      |
| - change in financial assumptions                             | (0.20)                      | 0.21                        |
| - experience variance (i.e. Actual experience vs assumptions) | 0.62                        | 0.15                        |
| Benefits paid   | (0.11)                      | (0.07)                      |
| <b>Present value of obligation as at the end</b>              | <b>7.48</b>                 | <b>6.24</b>                 |

**ii) Changes in the fair value of plan assets**
*(Rupees in Crores)*

| Particulars  | Year Ended<br>31 March 2026 | Year Ended<br>31 March 2025 |
|--|-----------------------------|-----------------------------|
| <b>Fair Value of Plan Assets as at the beginning</b> | <b>0.61</b>                 | <b>0.89</b>                 |
| Investment Income                                    | 0.05                        | 0.03                        |
| Adjustment to opening fair value of plan asset       | -                           | (0.56)                      |
| Return on plan assets excluding interest income      | (0.01)                      | (0.01)                      |
| Employer's contribution                              | 0.38                        | 0.33                        |
| Benefits paid  | (0.11)                      | (0.07)                      |
| <b>Fair Value of Plan Assets as at the end</b>       | <b>0.92</b>                 | <b>0.61</b>                 |

**iii) Expenses recognised in the Income statement**
*(Rupees in Crores)*

| Particulars   | Year Ended<br>31 March 2026 | Year Ended<br>31 March 2025 |
|---|-----------------------------|-----------------------------|
| Current service cost  | 0.34                        | 0.45                        |
| Net interest cost / (Income) on the Net defined benefit asset | (0.22)                      | 0.32                        |
| <b>Expenses Recognised in the Income statement</b>            | <b>0.12</b>                 | <b>0.77</b>                 |

**iv) Other comprehensive income**
*(Rupees in Crores)*

| Particulars   | Year Ended<br>31 March 2026 | Year Ended<br>31 March 2025 |
|---|-----------------------------|-----------------------------|
| Actuarial (gains) / losses  |                             |                             |
| - Due to demographic assumption   | (0.05)                      | (0.05)                      |
| - change in financial assumptions   | (0.20)                      | 0.21                        |
| - experience variance (i.e. Actual experience vs assumptions)                       | 0.62                        | 0.15                        |
| Return on Plan Assets excluding interest income                                     | 0.01                        | 0.01                        |
| <b>Components of defined benefit costs recognised in other comprehensive income</b> | <b>0.38</b>                 | <b>0.32</b>                 |

**v) Major categories of plan assets (as percentage of Total plan assets)**
*(Rupees in Crores)*

| Particulars              | As at     |           |
|--------------------------|-----------|-----------|
|                          | 31-Mar-26 | 31-Mar-25 |
| Funds managed by Insurer | 100%      | 100%      |

- In the absence of detailed information regarding Plan assets which is funded with Insurance Company, the composition of each major category of Plan assets, the percentage or amount for each category to the fair value of Plan assets has not been disclosed.

**vi) Actuarial Assumptions**
**a. Financial Assumptions**

The principal financial assumptions used in the valuation are shown in the table below: (Rupees in Crores)

| Particulars                    | As at     |           |
|--------------------------------|-----------|-----------|
|                                | 31-Mar-26 | 31-Mar-25 |
| Discount rate (per annum)      | 6.91%     | 6.49%     |
| Salary growth rate (per annum) | 8.00%     | 8.00%     |

**b. Demographic Assumptions**

| Particulars   | As at              |                    |
|---|--------------------|--------------------|
|   | 31-Mar-26          | 31-Mar-25          |
| Mortality Rate during employment (% of IALM 12-14)            | IALM (2012-14) Ult | IALM (2012-14) Ult |
| Withdrawal rates, based on age: (per annum)<br>Up to 40 years | 9.00%              | 7.54%              |

**vii) Amount, Timing and Uncertainty of Future Cash Flows**
**a. Sensitivity analysis**

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

| Particulars                       | As at<br>31 March 2026 | As at<br>31 March 2025 |
|-----------------------------------|------------------------|------------------------|
| Defined benefit obligation (Base) | 7.48                   | 6.23                   |

| Particulars   | 31-Mar-26     |               | 31-Mar-25     |               |
|---|---------------|---------------|---------------|---------------|
|   | Decrease      | Increase      | Decrease      | Increase      |
| Discount rate (- / + 1%)<br>(% change compared to base due to sensitivity)      | 7.96<br>6.35% | 7.05<br>5.87% | 6.70<br>7.56% | 5.82<br>6.70% |
| Salary growth rate (- / + 1%)<br>(% change compared to base due to sensitivity) | 7.11<br>5.00% | 7.87<br>5.11% | 5.85<br>6.20% | 6.65<br>6.67% |

Please note that the sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

**b. Asset / Liability matching strategies**

The scheme is managed on funded basis.

**c. Effect of Plan on Entity's Future Cash Flows**
**- Funding arrangements and Funding Policy**

The scheme is managed on funded basis.

| - Expected Contribution during the next annual reporting period                | Year Ended<br>31 March 2026 | Year Ended<br>31 March 2025 |
|--|-----------------------------|-----------------------------|
| The Company's best estimate of Contribution during the next year<br>(In Crore) | 0.60                        | 0.45                        |
| - Maturity profile of defined benefit obligation                               |                             |                             |
| Weighted average duration (based on discounted cash flows)                     | 5.95 years                  | 6.85 Years                  |

| - Expected cash flows over the next (valued on undiscounted basis): | Year Ended<br>31 March 2026 | Year Ended<br>31 March 2025 |
|---|-----------------------------|-----------------------------|
| 1 year  | 0.90                        | 0.50                        |
| 2 to 5 years  | 2.92                        | 2.21                        |
| 6 to 10 years   | 3.88                        | 3.21                        |

**h) Lease Accounting (Disclosure as per Ind AS 116 : Lease)**
**(i) The movement in Lease liabilities during the year**
*(Rupees in Crores)*

| Particulars                            | As at<br>31 March 2026 | As at<br>31 March 2025 |
|--|------------------------|------------------------|
| <b>Opening Balance</b>                 | 1.14                   | 1.48                   |
| Additions during the year              | 0.90                   | -                      |
| Finance costs incurred during the year | 0.12                   | 0.13                   |
| Payments of lease liabilities          | (0.58)                 | (0.47)                 |
| <b>Closing Balance</b>                 | <b>1.58</b>            | <b>1.14</b>            |

**(ii) The carrying value of the Rights-of-use and depreciation charged during the Year**

For details pertaining to the carrying value of right of use of lease assets and depreciation charged thereon during the year, kindly refer note -2(b).

**(iii) Amount recognised in Statement of profit & loss account during the year**
*(Rupees in Crores)*

| Particulars  | As at<br>31 March 2026 | As at<br>31 March 2025 |
|--|------------------------|------------------------|
| Expenses related to Short term lease & Low asset value lease | 0.32                   | 0.23                   |
| <b>Total Expenses</b>  | <b>0.32</b>            | <b>0.23</b>            |

**(iv) Maturity analysis of lease liabilities**
*(Rupees in Crores)*

| Particulars   | As at<br>31 March 2026 | As at<br>31 March 2025 |
|---|------------------------|------------------------|
| <b>Maturity analysis of contractual undiscounted cash flows</b> |                        |                        |
| Less than one year  | 0.75                   | 0.41                   |
| One to five years   | 0.83                   | 0.74                   |
| <b>Total undiscounted Lease Liability</b>                       | <b>1.58</b>            | <b>1.15</b>            |
| <b>Balances of Lease Liabilities</b>                            |                        |                        |
| Non Current Lease Liability                                     | 0.83                   | 0.74                   |
| Current Lease Liability   | 0.75                   | 0.41                   |
| <b>Total Lease Liability</b>                                    | <b>1.58</b>            | <b>1.15</b>            |

*(Rupees in Crores)*

| Particulars   | As at<br>31 March 2026 | As at<br>31 March 2025 |
|---|------------------------|------------------------|
| <b>i) Capital Commitment</b>  |                        |                        |
| (i) Estimated amount of contracts remaining to be executed on Capital Account, net of advances and not provided for | 12.90                  | 7.68                   |
| <b>j) Contingent Liabilities not provided for:</b>  |                        |                        |
| (a) Disputed income tax demands   | 3.30                   | 3.30                   |
| (b) Patent Act*   | 2.00                   | 2.00                   |
| (c) Bank guarantees   | 0.99                   | 0.86                   |
| (d) Letters of credit   | 5.49                   | 2.47                   |

\*A patent infringement suit was filed by Nord-Lock AB & Nord-Lock (India) Pvt. Ltd. against Erstwhile Gala Precision Engineering Pvt. Ltd. & Gala Fasteners Pvt. Ltd. Infringement of patents related to Wedge-Lock technology washers and involves the manufacture, sale, and advertisement of 'Gallock Washers' by Gala Precision Engineering. The Plaintiffs' have reserved their rights to enhance their claim amount at a later stage taking into account the Defendants' total sales revenue for all the infringing products sold during the entire period of infringement, which will be assessed after the trial takes place. As the matter is currently under litigation, it is not possible to estimate the financial outcome at this stage. Consequently, no provision has been made in the financial statements in relation to this lawsuit.

#### k) Notes on IPO Proceeds

The equity shares of the Company had been listed on National Stock Exchange ("NSE") and on BSE Limited ("BSE") on September 09, 2024 by completing Initial Public Offer ("the IPO") of 31,74,416 equity shares of face value of Rs. 10 each at an issue price of Rs. 529 per equity share (including share premium of Rs. 519 per equity share) consisting of a fresh issue of 25,58,416 equity shares and an offer for sale of 6,16,000 equity shares.

The Company has incurred Rs. 17.50 crore as IPO related expenses and allocated such expenses between the Company (Rs. 14.10 crore has been adjusted of the securities premium account) and selling shareholders (Rs. 3.40 crore) in proportion to the equity shares allotted to the public as fresh issue by the Company and under the offer for sale by selling shareholders respectively. The Company has an amount of Rs. 121.24 crore (net of IPO expenses of Rs. 14.11 crore) from proceeds out of fresh issue of equity shares. The utilisation of the net IPO proceeds is summarised below.

Details of utilisation of net proceeds amounting to Rs. 121.24 crore received in Monitoring Account:

(Rupees in Crores)

| Sr. No. | Objects of the issue as per prospectus  | Amount Proposed in Offer Document | Actual Net Proceeds | Amount utilised till 31 March 2026 | Amount unutilised as on 31 March 2026* |
|---------|---|-----------------------------------|---------------------|------------------------------------|--|
| 1       | Setting up a new facility at Vallam-Vadagal, SIPCOT, Sriperumbudur, Tamil Nadu for manufacturing high tensile fasteners and hex bolts | 37.00                             | 37.00               | 28.43                              | 8.57                                   |
| 2       | Funding capital expenditure requirements towards purchase of equipment, plant and machinery at Wada, Palghar, Maharashtra             | 11.07                             | 11.07               | 9.34                               | 1.73                                   |
| 3       | Repayment/ prepayment, in full or part, of certain borrowings availed by our Company  | 45.43                             | 45.43               | 45.43                              | -                                      |
| 4       | General corporate purposes  | 27.91                             | 27.74               | 0.92                               | 26.82                                  |
|         | <b>Total</b>  | <b>121.41</b>                     | <b>121.24</b>       | <b>84.12</b>                       | <b>37.12</b>                           |

\* Net IPO proceeds which were un-utilised as at March 31, 2026 amounting to Rs. 35.98 crores has been temporarily invested in fixed deposits

#### l) Disclosure required by section 186(4) of the Companies Act, 2013 :

1. Details of Investments made are given in Note 3
2. Amount of Loans and advances in the nature of loans outstanding from /to subsidiaries Rs Nil (Previous year Rs Nil)
3. Loans to employees have been considered to be outside the purview of disclosure requirements.
4. Investment by Loanee in the shares of the Parent company- Nil ( Previous year Nil)

**m) Additional regulatory information required by Schedule III**

- i No proceedings have been initiated or pending against the Company under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- ii The Company is not declared wilful defaulter by any bank or financial Institution or government or any government authority
- iii The Company has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- iv The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of layers) Rules 2017.
- v The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- vi The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:
  - (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.
- vii 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
- viii There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- ix The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- x The Company has not revalued its Property, Plant and Equipment (including Right-of-Use Assets) or intangible assets or both during the current or previous year.
- xi The title deeds of all the immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
- xii There are no charges or satisfaction which are yet to be registered with ROC beyond the statutory period.

**For SCA AND ASSOCIATES**

Chartered Accountants  
 Firm Reg.No 101174W

**Vasant M Gala**

**Partner**

Membership No. 037626

Mumbai, 14th May, 2026

**For and on behalf of the Board of Directors**

**Kirit V. Gala**

Chairman and Managing Director

DIN : 01540274

**S. Giridhar**

Chief Financial Officer

Mumbai, 14th May, 2026

**Balkishan S. Jalan**

Whole Time Director

DIN : 02876873

**Pooja Ladha**

Company Secretary

Mumbai, 14th May, 2026

# INDEPENDENT AUDITOR'S REPORT

## TO THE MEMBERS OF GALA PRECISION ENGINEERING LIMITED

### Report on the Audit of Consolidated Financial Statements

#### Opinion

We have audited the accompanying Consolidated Financial Statements of **GALA PRECISION ENGINEERING LIMITED** hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2026, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flows Statement for the year ended on that date and notes to financial statements, a summary of material accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the Consolidated state of affairs (financial position) of the Group as at 31st March, 2026, and its Consolidated profit(financial performance including Other Comprehensive Income), the Consolidated Changes in Equity and its Consolidated Cash Flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current year. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

| Sr. No. | Key Audit Matter  | Our Response  |
|---------|---|---|
| 1       | <p><b>Property, Plant &amp; Equipment (Including Capex)</b></p> <p>Tracking and monitoring capex requires more attention to ensure reasonable accurateness and completeness of financial reporting in respect of Property, plant and equipment.</p> <p>Further, technical complexities require management to assess and make estimates/judgements about capitalization, estimated useful life, impairment etc. which has material impact on Balance sheet and operating results.</p> <p>Refer note 1 to Consolidated Financial Statements</p> | <p><b>Principal Audit Procedures</b></p> <p>Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows;</p> <p>i. We assessed Group's process regarding maintenance of records and accounting of transactions pertaining to property, plant and equipment including capital work in progress with reference to Indian Accounting Standard 16.</p> <p>ii. We have carried out substantive audit procedures at financial and assertion level to verify the capitalization of assets as Property, Plant &amp; Equipment.</p> |

| Sr. No. | Key Audit Matter | Our Response   |
|---------|------------------|--|
|         |                  | iii. We have reviewed management judgement pertaining to estimation of useful life and depreciation of the Property, Plant and equipment in accordance with Schedule II of the Companies Act, 2013.<br><br>iv. We have relied on physical verification conducted by management and management representations. |

### Information Other than the Consolidated Financial Statements and Auditor's Report thereon

The Holding Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Holding Company's Board's Report including Annexures to Board's Report, Management Discussion and Analysis and Report on Corporate Governance, but does not include the Consolidated Financial Statements and our auditor's report thereon.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Management's Responsibility and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in term of the requirements of the Act that give a true and fair view of the Consolidated financial position, Consolidated financial performance including other comprehensive income, Consolidated Changes in Equity and Consolidated Cash Flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

### Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

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

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls 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 and its subsidiary companies which are companies incorporated in India, 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 in the Consolidated Financial Statements made by the 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 Group'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 Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
- Obtain sufficient appropriate audit evidence regarding the financial statements of the entities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Consolidated Financial Results of which we are the independent auditors. We remain solely responsible for our audit opinion. The Consolidated Financial Statements in respect of an entity have been certified by the Management of the Holding Company. We remain solely responsible for our audit opinion. Our responsibility in this regard are further described in the section titled "Other Matter" in this audit report.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current year 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 financial statements of a two subsidiaries, whose financial statements represent total assets as at March 31, 2026 of Rs. 0.03 crores (before consolidation), total revenue of Rs. Nil crores (before consolidation) and net Cash outflow of Rs. 0.09 crores (before consolidation) for the year ended on that date. These financial statements are unaudited and have been furnished to us by the management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group. According to the information and explanations given to us the Management is in the process of winding up of one foreign subsidiary.

Our opinion on the Consolidated Financial Statements and is not modified in respect of the above matter.

**Report on Other Legal and Regulatory Requirements**

As required by Section 143 (3) of the Act, we report to the extent applicable that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the Consolidated Financial Statements.
- b) In our opinion, proper books of account, as required by the law relating to preparation of the aforesaid Consolidated Financial Statements, have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements.
- d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2026 taken on record by the Board of Directors and written representation obtained by the management of its subsidiary incorporated in India, none of the directors of the Holding Company are disqualified as on 31st March, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to Financial Statements of the Holding Company and its subsidiary incorporated in India and the operating effectiveness of such controls, refer to our separate Report in “**Annexure A**”.
- g) As required by section 197(16) of the Act, based on our audit, we report that the Holding Company has paid and provided for remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Section 197(16) of the Act is not applicable to the Subsidiary Company incorporated in India.
- h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;
  - a. The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer Note 31(i) to the Consolidated Financial Statements;
  - b. The Group did not have any long-term contracts, including derivative contracts for which there were any material foreseeable losses.
  - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company.
  - d. (a) As represented to us by the management of the Holding Company and to the best of its knowledge and belief, no funds have been advanced or lend or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company to or in any other persons or

- entities, including foreign entities (Intermediaries”), with the understanding whether recorded in writing or otherwise that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (b) As represented to us by the management of the Holding Company and to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Holding Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Holding Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- e. The Holding Company has not declared any dividend during the year.
- f. Based on our examination which included test checks, the holding company have used an accounting software for maintaining its books of account which has a inbuilt 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, the audit trail feature has not been tampered with and has been preserved by the company as per the statutory requirements
- g. According to the information and explanations given to us, and based on the CARO report issued by and the information provided by the auditors of the company included in the Consolidated Financial Statements of the Company we report that CARO is applicable only to the holding company and to no other company included in the Consolidated Financial Statements. We have not reported any qualifications or adverse remarks in the CARO report of the holding company.

**For SCA AND ASSOCIATES**

Chartered Accountants  
(Firm Regn. No. 101174W)

**(Vasant M Gala)**

Partner  
Mem. No.: 037626  
Mumbai, 14<sup>th</sup> May, 2026  
UDIN : 26037626XSOAIQ6431

## ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF GALA PRECISION ENGINEERING LIMITED

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

#### Opinion

1. In conjunction with our audit of the Consolidated Financial Statements of the Company as of and for the year ended 31 March 2026, we have audited the internal financial controls with reference to Financial Statements of GALA PRECISION ENGINEERING LIMITED ("the Holding Company"). In our opinion, the Holding Company have, in all material respects, an adequate internal financial controls with reference to Consolidated Financial Statements and internal financial controls were operating effectively as at 31 March 2026, based on the internal financial control with reference to Consolidated Financial Statement criteria 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 (ICAI).

#### Management's Responsibility for Internal Financial Controls

2. The Holding Company's management is responsible for establishing and maintaining internal financial controls with reference to Consolidated Financial Statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditors' Responsibility

3. Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to the Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to Consolidated Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Consolidated Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Consolidated Financial Statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on Holding Company

#### Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial control with reference to Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Consolidated Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of

management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements**

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

#### **Other Matters**

8. Our aforesaid report under Section 143(3) (i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to financial statements of the Holding Company as the reporting under Section 143(3)(i) is not applicable to the two subsidiary companies.

#### **For SCA AND ASSOCIATES**

Chartered Accountants  
(Firm Regn. No. 101174W)

#### **(Vasant M Gala)**

Partner  
Mem. No.: **037626**  
Mumbai, 14<sup>th</sup> May, 2026  
UDIN : 26037626XSOAIQ6431

## CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2026

*(Rupees in Crores)*

| Particulars   | Note  | As at<br>31 March 2026 | As at<br>31 March 2025 |
|---|-------|------------------------|------------------------|
| <b>ASSETS</b>   |       |                        |                        |
| <b>Non-current assets</b>                                       |       |                        |                        |
| Property, plant and equipment                                   | 2 (a) | 84.43                  | 60.66                  |
| Right of use assets   | 2 (b) | 4.43                   | 4.08                   |
| Capital work-in-progress  | 2 (c) | 7.29                   | 6.64                   |
| Other intangible assets   | 3 (a) | 15.29                  | 18.95                  |
| Intangible assets under development                             | 3 (b) | 11.47                  | 3.92                   |
| Financial assets;   |       |                        |                        |
| - Other financial assets  | 4     | 1.56                   | 5.66                   |
| Non-current tax assets (net)                                    |       | 1.62                   | 1.35                   |
| Other non-current assets  | 5     | 4.43                   | 4.31                   |
| <b>Current assets</b>   |       |                        |                        |
| Inventories   | 6     | 89.43                  | 72.39                  |
| Financial assets;   |       |                        |                        |
| - Trade receivables   | 7     | 81.53                  | 70.87                  |
| - Cash and cash equivalents                                     | 8     | 11.45                  | 1.53                   |
| - Bank balances other than cash and cash equivalents            | 9     | 38.98                  | 57.91                  |
| - Loans   | 10    | 0.38                   | 0.30                   |
| - Others financial assets                                       | 4     | 2.54                   | 2.28                   |
| Other current assets  | 5     | 19.64                  | 8.82                   |
| <b>Total assets</b>   |       | <b>374.47</b>          | <b>319.67</b>          |
| <b>Equity and Liabilities</b>                                   |       |                        |                        |
| <b>Equity</b>   |       |                        |                        |
| Equity share capital  | 11    | 12.80                  | 12.70                  |
| Other equity  | 12    | 280.09                 | 243.93                 |
| Non-controlling interest  | 12    | (0.40)                 | (0.37)                 |
| <b>Total Equity</b>   |       | <b>292.49</b>          | <b>256.26</b>          |
| <b>LIABILITIES</b>  |       |                        |                        |
| <b>Non-current liabilities</b>                                  |       |                        |                        |
| Financial liabilities   |       |                        |                        |
| - Borrowings  | 13    | 1.62                   | 1.07                   |
| - Lease liabilities   |       | 0.83                   | 0.74                   |
| Provisions  | 14    | 7.68                   | 6.90                   |
| Deferred tax liabilities (Net)                                  | 15    | 0.87                   | 0.48                   |
| <b>Current liabilities</b>                                      |       |                        |                        |
| Financial liabilities   |       |                        |                        |
| - Borrowings  | 13    | 34.94                  | 22.05                  |
| - Lease liabilities   |       | 0.75                   | 0.41                   |
| - Trade payables  |       |                        |                        |
| (a) total outstanding dues of micro & small enterprises         | 16    | 0.95                   | 0.78                   |
| (b) total outstanding dues other than micro & small enterprises | 16    | 19.04                  | 17.53                  |

## CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2026

(Rupees in Crores)

| Particulars                         | Note | As at<br>31 March 2026 | As at<br>31 March 2025 |
|-------------------------------------|------|------------------------|------------------------|
| - Other financial liabilities       | 17   | 7.56                   | 6.98                   |
| Other current liabilities           | 18   | 6.60                   | 5.78                   |
| Provisions                          | 14   | 1.14                   | 0.69                   |
| <b>Total liabilities</b>            |      | <b>81.98</b>           | <b>63.41</b>           |
| <b>Total equity and liabilities</b> |      | <b>374.47</b>          | <b>319.67</b>          |

**Material Accounting Policies**

1

Accompanying Notes are an integral part of these Financial Statements

This is the Consolidated Balance Sheet referred to in our report of even date

**For SCA AND ASSOCIATES**

Chartered Accountants  
Firm Reg.No 101174W

**Vasant M Gala****Partner**

Membership No. 037626  
Mumbai, 14<sup>th</sup> May, 2026

**For and on behalf of the Board of Directors****Kirit V. Gala**

Chairman and Managing Director  
DIN : 01540274

**S. Giridhar**

Chief Financial Officer

Mumbai, 14<sup>th</sup> May, 2026

**Balkishan S. Jalan**

Whole Time Director  
DIN : 02876873

**Pooja Ladha**

Company Secretary

Mumbai, 14<sup>th</sup> May, 2026

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2026**

(Rupees in Crores)

| Particulars  | Note | Year Ended 31<br>March 2026 | Year Ended 31<br>March 2025 |
|--|------|-----------------------------|-----------------------------|
| <b>I INCOME</b>  |      |                             |                             |
| Revenue from operations  | 19   | 314.30                      | 237.84                      |
| Other income   | 20   | 5.63                        | 4.37                        |
| <b>Total income</b>  |      | <b>319.93</b>               | <b>242.21</b>               |
| <b>II Expenses</b>   |      |                             |                             |
| Cost of materials consumed   | 21   | 138.05                      | 104.71                      |
| Changes in inventories of Finished Goods, Stock-in-Trade and Work-in-Progress      | 22   | (10.94)                     | (5.81)                      |
| Employee benefits expense  | 23   | 35.20                       | 28.88                       |
| Finance costs  | 24   | 2.84                        | 3.80                        |
| Depreciation and amortisation expense  | 25   | 10.18                       | 7.97                        |
| Other Expenses   | 26   | 100.08                      | 69.27                       |
| <b>Total expenses</b>  |      | <b>275.41</b>               | <b>208.82</b>               |
| <b>III Profit before exceptional items and tax</b>                                 |      | <b>44.52</b>                | <b>33.39</b>                |
| <b>IV Add: Exceptional items</b>   | 27   | <b>(1.13)</b>               | <b>(0.26)</b>               |
| <b>V Profit before tax and after exceptional items</b>                             |      | <b>43.39</b>                | <b>33.12</b>                |
| <b>VI Tax expenses</b>   |      |                             |                             |
| - Current tax  |      | 7.45                        | 6.20                        |
| - Deferred tax   |      | 0.49                        | (0.37)                      |
| - Tax adjustments of earlier years   |      | -                           | 0.48                        |
| <b>Total tax expenses</b>  |      | <b>7.94</b>                 | <b>6.31</b>                 |
| <b>Non-controlling interest</b>  |      | <b>(0.03)</b>               | <b>(0.03)</b>               |
| <b>VII Profit for the year</b>   |      | <b>35.48</b>                | <b>26.85</b>                |
| <b>VIII Other comprehensive income</b>   |      |                             |                             |
| Items that will not be reclassified to Profit or Loss                              |      |                             |                             |
| Remeasurements of Defined benefit plans  |      | (0.39)                      | (0.32)                      |
| Income Tax relating to items that will not be reclassified to Profit or Loss       |      | 0.10                        | 0.08                        |
| Items that will be reclassified to Profit or Loss                                  |      |                             |                             |
| Exchange differences in translating the financial statements of foreign operations |      | 0.20                        | (0.17)                      |
| <b>Total other comprehensive income for the year, net of tax</b>                   |      | <b>(0.09)</b>               | <b>(0.41)</b>               |
| <b>IX Total comprehensive income for the year</b>                                  |      | <b>35.39</b>                | <b>26.44</b>                |

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2026

(Rupees in Crores)

| Particulars                        | Note   | Year Ended 31 March 2026 | Year Ended 31 March 2025 |
|------------------------------------|--------|--------------------------|--------------------------|
| <b>X Earnings per equity share</b> | 31 (a) |                          |                          |
| Basic (in Rs.)                     | (i)    | 27.85                    | 23.22                    |
| Diluted (in Rs.)                   |        | 27.05                    | 22.56                    |

### Material Accounting Policies

1

Accompanying Notes are an integral part of these Financial Statements

This is the Consolidated Statement of Profit and Loss referred to in our report of even date

### For SCA AND ASSOCIATES

Chartered Accountants

Firm Reg.No 101174W

**Vasant M Gala**

**Partner**

Membership No. 037626

Mumbai, 14<sup>th</sup> May, 2026

### For and on behalf of the Board of Directors

**Kirit V. Gala**

Chairman and Managing Director

DIN : 01540274

**S. Giridhar**

Chief Financial Officer

Mumbai, 14<sup>th</sup> May, 2026

**Balkishan S. Jalan**

Whole Time Director

DIN : 02876873

**Pooja Ladha**

Company Secretary

Mumbai, 14<sup>th</sup> May, 2026

**CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2026**
*(Rupees in Crores)*

| Particulars   | Year ended<br>31 March 2026                     |                | Year ended<br>31 March 2025 |                |
|---|---|----------------|-----------------------------|----------------|
|   | <b>A. Cash flow from operating activities :</b> |                |                             |                |
| <b>Net profit before tax</b>  |   | <b>43.39</b>   |                             | <b>33.12</b>   |
| <b>Adjustment for :</b>   |   |                |                             |                |
| Depreciation  | 10.18   |                | 7.97                        |                |
| Unrealised exchange (gain) / loss                                   | (1.28)  |                | (1.37)                      |                |
| Finance Cost (including fair value change in financial instruments) | 2.84  |                | 3.80                        |                |
| Interest income   | (3.36)  |                | (2.53)                      |                |
| Bad debts   | 0.12  |                | 0.21                        |                |
| Provision for doubtful debts  | (0.19)  |                | 0.15                        |                |
| Loss / (Gain) on sale / disposal of fixed assets                    | (0.04)  |                | (0.00)                      |                |
| Non -cash adjustments   | 0.20  |                | (0.17)                      |                |
| Fair value changes in financial assets                              | (0.02)  | <b>8.45</b>    | (0.02)                      | <b>8.04</b>    |
| <b>Operating profit/(loss) before working capital changes</b>       |   | <b>51.84</b>   |                             | <b>41.17</b>   |
| Trade receivables   | (9.22)  |                | (22.88)                     |                |
| Other financial assets  | (0.94)  |                | 0.18                        |                |
| Other non-current assets  | 0.24  |                | (0.16)                      |                |
| Other current assets  | (10.82)   |                | (5.08)                      |                |
| Inventories   | (17.04)   |                | (14.74)                     |                |
| Trade payable   | 1.60  |                | 4.65                        |                |
| Provisions  | 0.84  |                | 1.51                        |                |
| Other current financial liabilities                                 | 0.58  |                | 3.15                        |                |
| Other liabilities   | 0.81  | (33.95)        | 2.25                        | (31.12)        |
| <b>Cash enerated from operations</b>                                |   | <b>17.89</b>   |                             | <b>10.05</b>   |
| Direct taxes paid   |   | (7.72)         |                             | (7.30)         |
| <b>Net cash from operating activities</b>                           |   | <b>10.17</b>   |                             | <b>2.75</b>    |
| <b>B. Cash flow from investing activities</b>                       |   |                |                             |                |
| Purchase of Property, Plant & Equipment                             | (29.80)   |                | (27.29)                     |                |
| Capital work in progress and capital advance                        | (8.55)  |                | (6.59)                      |                |
| Proceeds from sale of fixed fssets                                  | 0.08  |                | -                           |                |
| Loans (financial assets) given                                      | (0.08)  |                | 0.04                        |                |
| Deposits / Balances with banks                                      | 23.43   |                | (59.87)                     |                |
| Interest income   | 3.66  |                | 1.78                        |                |
| <b>Net cash used in investing activities</b>                        |   | <b>(11.26)</b> |                             | <b>(91.93)</b> |
| <b>C. Cash flow from financing activities</b>                       |   |                |                             |                |
| Proceeds from issue of shares                                       | 0.87  |                | 135.58                      |                |
| (Repayments) / proceeds from working capital facilities (Net)       | 12.78   |                | (18.69)                     |                |
| (Repayments) of term loans  | 0.68  |                | (13.15)                     |                |
| Payment of lease liabilities  | (0.58)  |                | (0.48)                      |                |
| Initial public offer expenses                                       | -   |                | (10.19)                     |                |
| Interest paid   | (2.74)  |                | (3.74)                      |                |
| <b>Net cash from financing activities</b>                           |   | <b>11.01</b>   |                             | <b>89.33</b>   |

## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2026

(Rupees in Crores)

| Particulars   | Year ended<br>31 March 2026 |              | Year ended<br>31 March 2025 |                |
|---|-----------------------------|--------------|-----------------------------|----------------|
| <b>Net increase/(decrease) in cash and cash equivalents</b>                   |                             | <b>9.92</b>  |                             | <b>0.15</b>    |
| <b>Cash and cash equivalents as at beginning of the financial year</b>        |                             | <b>1.53</b>  |                             | <b>1.38</b>    |
| - Cash and cash equivalents   |                             | 1.53         |                             | 1.38           |
| <b>Cash and cash equivalents as at end of the financial year</b>              |                             | <b>11.45</b> |                             | <b>1.53</b>    |
| - Cash and cash equivalents   |                             | 11.45        |                             | 1.53           |
| Note to Cash Flow Statement:  |                             |              |                             |                |
| 1. The above Cash Flow Statement has been prepared under the Indirect Method. |                             |              |                             |                |
| 2. Reconciliation of Financing Liabilities                                    |                             |              |                             |                |
| <b>Opening balance</b>  |                             |              |                             |                |
| - Long Term Borrowings  |                             | 1.07         |                             | 9.21           |
| - Current borrowings  |                             | 21.75        |                             | 40.43          |
| - Current maturities of long term debt  |                             | 0.27         |                             | 5.29           |
| - Interest accrued on debt  |                             | 0.03         |                             | 0.09           |
| - Lease Liabilities   |                             | 1.14         |                             | 1.49           |
| <b>Total - A</b>  |                             | <b>24.26</b> |                             | <b>56.51</b>   |
| <b>Cash flow movements</b>  |                             |              |                             |                |
| - Proceeds from borrowings  |                             | 13.46        |                             | -              |
| - Repayment of borrowings   |                             | -            |                             | (31.84)        |
| - Interest  |                             | 0.10         |                             | 0.07           |
| - Increase in ROU Asset   |                             | 0.90         |                             | -              |
| - Payment of Lease Liabilities  |                             | (0.58)       |                             | (0.48)         |
| <b>Total - B</b>  |                             | <b>13.88</b> |                             | <b>(32.25)</b> |
| <b>Closing Balance (A+B)</b>  |                             | <b>38.14</b> |                             | <b>24.26</b>   |
| <b>Closing Balance Break Up</b>   |                             |              |                             |                |
| - Long Term Borrowings  |                             | 1.62         |                             | 1.07           |
| - Current borrowings  |                             | 34.53        |                             | 21.75          |
| - Current maturities of long term debt  |                             | 0.40         |                             | 0.27           |
| - Interest accrued on debt  |                             | 0.01         |                             | 0.03           |
| - Lease Liabilities   |                             | 1.58         |                             | 1.14           |

This is the Consolidated Statement of Cash Flows referred to in our report of even date

### For SCA AND ASSOCIATES

Chartered Accountants  
Firm Reg.No 101174W

**Vasant M Gala**

**Partner**

Membership No. 037626

Mumbai, 14<sup>th</sup> May, 2026

### For and on behalf of the Board of Directors

**Kirit V. Gala**

Chairman and Managing Director

DIN : 01540274

**S. Giridhar**

Chief Financial Officer

Mumbai, 14<sup>th</sup> May, 2026

**Balkishan S. Jalan**

Whole Time Director

DIN : 02876873

**Pooja Ladha**

Company Secretary

Mumbai, 14<sup>th</sup> May, 2026

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2026**
*(Rupees in Crores)*

| <b>Equity share capital</b>                        | <b>As at<br/>31 March 2026</b> | <b>As at<br/>31 March 2025</b> |
|--|--------------------------------|--------------------------------|
| Authorised share capital                           | 18.00                          | 18.00                          |
| Issued share capital                               | 12.80                          | 12.70                          |
| Subscribed share capital                           | 12.80                          | 12.70                          |
| Fully paid-up share capital                        | 12.80                          | 12.70                          |
| <b>Balance at the beginning of the year</b>        | 12.70                          | 10.11                          |
| Changes in equity share capital during the year    |                                |                                |
| Shares issued through Initial public offer ('IPO') | -                              | 2.56                           |
| Shares issued through ESOP 2021                    | 0.10                           | 0.03                           |
| <b>Balance at the end of the reporting year</b>    | <b>12.80</b>                   | <b>12.70</b>                   |

| <b>Other equity</b>   | <b>Reserves and Surplus</b> |                                   |                          |  | <b>Other Comprehensive Income</b>           | <b>Total</b>  | <b>Non Controlling Interest</b> |
|---|-----------------------------|-----------------------------------|--------------------------|--|---|---------------|---------------------------------|
|   | <b>Securities Premium</b>   | <b>Capital Redemption Reserve</b> | <b>Retained Earnings</b> | <b>Remeasurements of Defined Benefit Plans</b> | <b>Foreign currency translation reserve</b> |               |                                 |
| <b>Balance as at 01st April 2024</b>                          | <b>27.78</b>                | -                                 | <b>62.96</b>             | <b>0.15</b>                                    | <b>3.79</b>                                 | <b>94.68</b>  | <b>(0.34)</b>                   |
| Profit for the year ended 31st March 2025                     | -                           | -                                 | 26.85                    | -  | -   | 26.85         | -                               |
| Other Comprehensive Income for the year ended 31st March 2025 | -                           | -                                 | -                        | (0.24)   | (0.17)                                      | (0.41)        | -                               |
| Add: Premium arising on issue of equity shares through IPO    | 132.78                      | -                                 | -                        | -  | -   | 132.78        | -                               |
| Add: Premium arising on issue of equity shares through ESOP   | 0.22                        | -                                 | -                        | -  | -   | 0.22          | -                               |
| Less: Share issue expenses on IPO                             | -                           | -                                 | (10.19)                  | -  | -   | (10.19)       | -                               |
| Share of non-controlling interest                             | -                           | -                                 | -                        | -  | -   | -             | (0.03)                          |
| <b>Total comprehensive income for the year</b>                | <b>133.00</b>               | -                                 | <b>16.66</b>             | <b>(0.24)</b>                                  | <b>(0.17)</b>                               | <b>149.25</b> | <b>(0.03)</b>                   |
| <b>Balance as at 31st March 2025</b>                          | <b>160.78</b>               | -                                 | <b>79.62</b>             | <b>(0.09)</b>                                  | <b>3.62</b>                                 | <b>243.93</b> | <b>(0.37)</b>                   |
| Profit for the year ended 31 March 2026                       | -                           | -                                 | 35.48                    | -  | -   | 35.48         | -                               |
| Other Comprehensive Income for the year ended 31 March 2026   | -                           | -                                 | -                        | (0.29)   | 0.20  | (0.09)        | -                               |
| Share of Non Controlling Interest                             | -                           | -                                 | -                        | -  | -   | -             | (0.03)                          |
| <b>Total comprehensive income for the year</b>                | -                           | -                                 | <b>35.48</b>             | <b>(0.29)</b>                                  | <b>0.20</b>                                 | <b>35.39</b>  | <b>(0.03)</b>                   |
|   | <b>160.78</b>               | -                                 | <b>115.10</b>            | <b>(0.38)</b>                                  | <b>3.82</b>                                 | <b>279.32</b> | <b>(0.40)</b>                   |

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2026

| Other equity   | Reserves and Surplus |                            |                   |   | Other Comprehensive Income           | Total         | Non Controlling Interest |
|--|----------------------|----------------------------|-------------------|---|--------------------------------------|---------------|--------------------------|
|  | Securities Premium   | Capital Redemption Reserve | Retained Earnings | Remeasurements of Defined Benefit Plans | Foreign currency translation reserve |               |                          |
| <b>Transactions with owners in their capacity as owners:</b> |                      |                            |                   |   |                                      | -             |                          |
| Add: Premium arising on issue of equity shares through ESOP  | 0.77                 | -                          | -                 | -                                       | -                                    | 0.77          | -                        |
| <b>Balance as at 31 March 2026</b>                           | <b>161.55</b>        | <b>-</b>                   | <b>115.10</b>     | <b>(0.38)</b>                           | <b>3.82</b>                          | <b>280.09</b> | <b>(0.40)</b>            |

This is the Consolidated Statement of Changes in Equity referred to in our report of even date

### For SCA AND ASSOCIATES

Chartered Accountants  
Firm Reg.No 101174W

**Vasant M Gala**  
**Partner**

Membership No. 037626  
Mumbai, 14<sup>th</sup> May, 2026

### For and on behalf of the Board of Directors

**Kirit V. Gala**  
Chairman and Managing Director  
DIN : 01540274

**S. Giridhar**  
Chief Financial Officer

Mumbai, 14<sup>th</sup> May, 2026

**Balkishan S. Jalan**  
Whole Time Director  
DIN : 02876873

**Pooja Ladha**  
Company Secretary

Mumbai, 14<sup>th</sup> May, 2026

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2026

### Note 1 : Material Accounting Policies

#### A General Information

Gala Precision Engineering Limited (the 'Company') (formerly known as Gala Precision Engineering Private Limited) is a public limited Company and domiciled in India and is incorporated under the provisions of the Companies Act with its registered office located at A-801, 8th Floor, Thane One DIL Complex, Ghodbunder Road Majiwade, Thane. The group is engaged in the manufacturing and selling of Springs, Parts, Fasteners and Assemblies with its manufacturing facilities located at Plot No. 295, Village Vadavali at Post Met, Musarne Road, Bhiwandi - Wada Highway, Taluka Wada, Palghar, Maharashtra and Plot no-G-18/2, Vallam Vadagal, SIPCOT Industrial Park Sriperumbudur, Kancheepuram, Tamil Nadu, 602105, India

This Consolidated Financial Information comprises of Gala Precision Engineering Limited ("Holding Company") and its subsidiaries (collectively referred to as 'the Group')

#### B Basis of Consolidation

The Consolidated Financial Statements comprise of the Financial Statements of the Holding Company and the following Subsidiaries as on 31-Mar-2026

| Name of Company  | Country of Incorporation | Proportion of Ownership |
|--|--------------------------|-------------------------|
| 1. Gala Springs LLP -  | India                    | - 92%                   |
| 2. Gala Precision Components (Shanghai) Private Limited - China - 92% (Step Down Subsidiary) |                          |                         |

The Consolidated Financial Statements comprise the Financial Statements of the Holding Company and its Subsidiaries as at 31st March 2026. Control is achieved when the Holding Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Holding Company controls an investee if and only if the Holding 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

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Holding Company has less than a majority of the voting or similar rights of an investee, the Holding Company considers all relevant facts and circumstances in assessing whether it has power over an investee, including

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Holding Company's voting rights and potential voting rights
- The size of the Holding Company's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Holding Company re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a Subsidiary begins when the Holding Company obtains control over the Subsidiary and ceases when the Holding Company loses 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 Holding Company gains control until the date the Holding 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, if material, are made to that group's Financial Statements in preparing the Consolidated Financial Statements to ensure conformity with the group's accounting policies.

The Financial Statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent Holding Company, i.e., year ended on 31 March 2026.

**Consolidation procedures for subsidiaries are:**

- a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the Holding Company with those of its Subsidiaries.
- b) Offset (eliminate) the carrying amount of the Holding Company's investment in each Subsidiary and the Holding Company's portion of equity of each Subsidiary
- c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and Property, Plant and Equipment, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the Consolidated Financial Statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Holding Company of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the Financial Statements of Subsidiaries to bring their accounting policies in line with the Holding Company's accounting policies

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Holding Company loses control over a Subsidiary, it

- Derecognises the assets (including goodwill) and liabilities of the Subsidiary
- Derecognises the carrying amount of any non-controlling interests
- Derecognises the cumulative translation differences recorded in equity
- Recognises the fair value of the consideration received\
- Recognises the fair value of any investment retained
- Recognises any surplus or deficit in profit or loss
- Reclassifies the Holding Company's share of components previously recognised in OCI to profit or loss or retained earnings, as appropriate, as would be required if the Holding Company had directly disposed of the related assets or liabilities

**Basis of preparation and presentation of Financial Statements**

**i. Statement of Compliance**

These Separate Financial Statements (also known as Consolidated Financial Statements) have been prepared in accordance with IND AS as prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto.

The Consolidated Financial Statements have been prepared on historical cost basis considering the applicable provisions of Companies Act 2013, except for the following items that have been measured at fair value as required by relevant IND AS. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

- a) Certain financial assets/liabilities measured at fair value and
- b) Any other item as specifically stated in the accounting policy

The Consolidated Financial Statement are presented in INR and all values are rounded off to Rupees Crores unless otherwise stated.

The group reclassifies comparative amounts, unless impracticable and whenever the group changes the presentation or classification of items in its Financial Statements materially. No such material reclassification has been made during the year.

The Consolidated Financial Statements of the Group for the year ended 31st March, 2026 were authorised for issue in accordance with a resolution of the directors on 14th May, 2026.

### **Major Sources of Estimation Uncertainty**

In the application of accounting policy which are described in note (C) below, the management is required to make judgment, estimates and assumptions about the carrying amount of assets and liabilities, income and expenses, contingent liabilities and the accompanying disclosures that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant and are prudent and reasonable. Actual results may differ from those estimates. The estimates and underlying assumptions are reviewed on ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future period.

The few critical estimations and judgments made in applying accounting policies are:

#### **Property, Plant and Equipment:**

Useful life of Property, Plant and Equipment and Intangible Assets are as specified in Schedule II to the Companies Act, 2013 and on certain assets based on technical advice which considered the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support. The Company reviews the useful life of Property, Plant and Equipment at the end of each reporting period. This reassessment may result in change in depreciation charge in future periods.

#### **Impairment of Non-financial Assets:**

For calculating the recoverable amount of non-financial assets, the Company is required to estimate the value-in-use of the asset or the Cash Generating Unit and the fair value less costs to disposal. For calculating value in use the Company is required to estimate the cash flows to be generated from using the asset. The fair value of an asset is estimated using a valuation technique where observable prices are not available. Further, the discount rate used in value in use calculations includes an estimate of risk assessment specific to the asset.

#### **Impairment of Financial Assets:**

The Company impairs financial assets other than those measured at fair value through profit or loss or designated at fair value through other comprehensive income on expected credit losses. The estimation of expected credit loss includes the estimation of probability of default (PD), loss given default (LGD) and the exposure at default (EAD). Estimation of probability of default apart from involving trend analysis of past delinquency rates includes an estimation on forward-looking information relating to not only the counterparty but also relating to the industry and the economy as a whole. The probability of default is estimated for the entire life of the contract by estimating the cash flows that are likely to be received in default scenario. The lifetime PD is reduced to 12 months PD based on an assessment of past history of default cases in 12 months. Further, the loss given default is calculated based on an estimate of the value of the security recoverable as on the reporting date. The exposure at default is the amount outstanding at the balance sheet date

#### **Defined Benefit Plans:**

The cost of the defined benefit plan and the present value of such obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

## Income Taxes

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

In assessing the realizability of deferred income tax assets, management considers whether some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, management believes that the Company will realize the benefits of those deductible differences. The amount of the deferred income tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

## Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. After considering current and future economic conditions, the Company concludes that no changes are required to lease period relating to the existing lease contracts.

### Allowance for credit losses on receivables:

The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considered current and anticipated future economic conditions relating to industries the Company deals with and the countries where it operates. In calculating expected credit loss, the Company has also considered credit reports and other related credit information for its customers to estimate the probability of default in future.

## C Summary of Material Accounting Policies:

### Property, Plant and Equipment

The Group has elected to continue with the carrying value of Property, Plant and Equipment ('PPE') recognised as of the transition date, measured as per the Previous GAAP and use that carrying value as its deemed cost.

Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated impairment losses except for freehold land which is not amortised. Any gain or loss arising on derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in profit or loss with other income or other expense line item on net basis, respectively

The depreciable amount of an asset is determined after deducting its residual value. Depreciation on the property, plant and equipment, is provided over the useful life of assets based on management estimates which is in line with the useful life indicated in Schedule II to the Companies Act, 2013. Depreciation on all assets is provided on straight line basis. Given below are the estimated useful lives for each class of property, plant and equipment:

| Particulars            | Useful Life |
|------------------------|-------------|
| Buildings              |             |
| Factory Building       | 30 Years    |
| Plant and equipment    | 15 Years    |
| Furniture and fixtures | 10 Years    |
| Vehicles               | 8 Years     |

|                              |          |
|------------------------------|----------|
| Office equipment             | 5 Years  |
| Computers                    | 3 Years  |
| Spares, tools and equipments | 5 Years  |
| Electrical installation      | 10 Years |
| Other Assets                 |          |
| Dies & Moulds                | 5 Years  |
| Borewell                     | 10 Years |
| Development cost             | 10 Years |
| Lean Improvement             | 7 Years  |
| Computer Software            | 6 Years  |
| Leasehold Land               | 99 Years |
| Leasehold Building           | 5 Years  |

### Intangible Assets

The Company has elected to continue with the carrying value of Intangible assets recognised as of the transition date, measured as per the Previous GAAP and use that carrying value as its deemed cost.

Intangible assets acquired separately are measured on initial recognition at cost. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Development cost represents expenditure incurred in relation to development of Disc Springs, Coil spring & Fastening solutions and related process and is amortised over a period of 10 years, being management's estimate of the period over which economic benefit is expected to be derived therefrom.

Lean Improvement represents expenditure incurred in relation to improvisation of business processes and is amortised over a period of 7 years, being management's estimate of the period over which economic benefit is expected to be derived therefrom.

Software (not being an integral part of the related hardware) acquired for internal use are treated as intangible assets.

Any gain or loss arising on derecognition of an intangible asset is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in profit or loss with other income or other expense line item on net basis, respectively.

### Inventories

Inventories consisting of stores and spares, raw materials, work in progress, stock in Trade and finished goods are measured at lower of cost and net realisable value. However, materials held for use in production of inventories are not written down below cost, if the finished products are expected to be sold at or above cost.

The cost is computed on FIFO basis except for Inventory of Raw Material and stores and spares which are on daily moving Weighted Average Cost basis. Inventory obsolescence is based on assessment of the future uses. Obsolete and slow-moving items are subjected to continuous technical monitoring.

### Lease

#### Where the Group is a lessee-

The Group's lease asset classes primarily consist of leases for land and buildings. The Group assesses whether a contract contains a lease, at inception of a contract.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Lease term includes extension or termination options when it is reasonably certain that they will be exercised

The right-of-use assets are initially recognized at cost and subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment of whether it will exercise an extension or a termination option

### **Government Grants**

The grant relating to export benefits is presented under other income on a systematic basis in the Profit or Loss over the periods necessary to match them with the related costs, which they are intended to compensate

### **Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognized when there is a present legal or constructive obligation as a result of a past event and it is probable (i.e. more likely than not) 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.

Provision for separate sales related obligations is made for probable future claims on sales effected and are estimated based on previous claim experience on a scientific basis. This provision is revised annually.

Contingent liabilities are disclosed on the basis of judgment of management / independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

### **Revenue Recognition and Other Income**

The Group derives revenues primarily from sale of goods comprising springs, parts, fasteners, and assemblies. Revenue from contract with customers is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Group expects to receive in exchange for those products or services.

Revenue from the sale of goods is recognised at the point in time when control is transferred to the customer.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of prompt payment discounts and schemes offered by the Group as part of the contract with the customers. The Group recognises changes in the estimated amounts of obligations for discounts in the period in which the change occurs. Revenue also excludes taxes collected from customers.

Revenue in excess of invoicing is classified as contract assets while invoicing in excess of revenues are classified as contract liabilities.

Use of significant judgements in Revenue Recognition :

- Judgement is required to determine the transaction price for the contract. The transaction price could be either a fixed amount of consideration or variable consideration with elements such as prompt payment discounts. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.
- The Group exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer.

## Employee Benefits

### Short-term Employees Benefits

All employee benefits payable wholly within twelve months of rendering services are classified as short term employee benefits. Benefits such as salaries, wages, performance incentives etc., are recognized during the period in which the employee renders related services and are measured at undiscounted amount expected to be paid when the liabilities are settled.

### Post-employment benefits

The Group provides the following post-employment benefits:

- i) Defined benefit plans such as gratuity and
- ii) Defined Contribution plans such as provident fund

### Defined benefits plans

The cost of providing benefits on account of gratuity are determined using the projected unit credit method on the basis of actuarial valuation made at the end of each balance sheet date. Re-measurements comprising of actuarial gains and losses arising from experience adjustments and change in actuarial assumptions, the effect of change in assets ceiling (if applicable) and the return on plan asset (excluding net interest) are recognised in other comprehensive income (OCI) except those included in cost of assets as permitted in the period in which they occur. Re-measurements are not reclassified to the Statement of Profit and Loss in subsequent periods.

### Defined Contribution Plans

Payments to defined contribution retirement benefit plans, viz., Provident Fund for eligible employees are recognized as an expense when employees have rendered the service entitling them to the contribution.

## Income Taxes

Income tax expense represents the sum of tax currently payable and deferred tax. Tax is recognised in the profit or loss section of the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

### Current tax

Current tax is the expected tax payable/ receivable on the taxable income/ loss for the year using applicable tax rates for the relevant period, and any adjustment to taxes in respect of previous years. Interest expenses and penalties, if any, related to income tax are included in finance cost and other expenses respectively. Interest Income, if any, related to Income tax is included in Other Income

### Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, unabsorbed losses and unabsorbed depreciation to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, unabsorbed losses and unabsorbed depreciation can be utilised.

## Financial Instruments

### a) Financial assets

#### Financial assets other than investment in subsidiaries

Financial assets of the Group comprise trade receivable, cash and cash equivalents, Bank balances, advances to employees, security deposit, claims recoverable etc.

**Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However, Trade receivables that do not contain a significant financing component are measured at Transaction Price. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

**Subsequent measurement**

For purposes of subsequent measurement financial assets are classified in three categories:

- Financial assets measured at amortized cost
- Financial assets at fair value through OCI
- Financial assets at fair value through profit or loss

**Financial assets measured at amortized cost**

Security Deposits, Rent deposits and Export benefits receivable are measured at amortised cost. Financial assets are measured at amortized cost if the financials asset is held within a business model whose objective is to hold financial assets 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. These financials assets are amortized using the effective interest rate (EIR) method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of profit and loss.

**Financial assets at fair value through profit or loss ('FVTPL')**

Any financial asset that does not meet the criteria for classification as at amortized cost or as financial assets at fair value through other comprehensive income, is classified as financial assets at fair value through profit or loss

**Derecognition**

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

**Impairment of financial assets**

The Group assesses impairment based on expected credit loss ('ECL') model on the following:

- Financial assets that are measured at amortised cost; and

ECL is measured through a loss allowance on a following basis:-

- The 12 month expected credit losses (expected credit losses that result from those default events on the financial instruments that are possible within 12 months after the reporting date)
- Full life time expected credit losses (expected credit losses that result from all possible default events over the life of financial instruments)

The Group follows 'simplified approach' for recognition of impairment on trade receivables or contract assets resulting from normal business transactions. The application of simplified approach does not require the Group to track changes in credit risk. However, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, from the date of initial recognition. For recognition of impairment loss on other financial assets, the Group determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has increased significantly, lifetime ECL is provided. For assessing increase in credit risk and impairment loss, the Group assesses the credit risk characteristics on instrument-by-instrument basis. Impairment loss allowance (or reversal) recognised during the period is recognised as expense/income in profit and loss.

**b) Financial Liabilities**

The Group's financial liabilities includes borrowings, trade payable, lease liabilities, accrued expenses and other payables.

**Initial recognition and measurement**

All financial liabilities at initial recognition are classified as financial liabilities at amortized cost or financial liabilities at fair value through profit or loss, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

**Financial Liabilities classified as Amortised Cost:**

All Financial Liabilities other than derivatives are measured at amortised cost. Interest expense that is not capitalised as part of costs of assets is included as Finance costs in Profit or Loss.

**Derecognition**

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

**Derivatives**

Derivative instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument and is recognised in Other Comprehensive Income (OCI).

**Borrowing costs**

Borrowing cost includes interest, commitment charges, brokerage, underwriting costs, discounts / premiums, financing charges, exchange difference to the extent they are regarded as interest costs and all ancillary / incidental costs incurred in connection with the arrangement of borrowing.

Borrowing costs which are directly attributable to acquisition / construction of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized as a part of cost pertaining to those assets. All other borrowing costs are recognised as expense in the period in which they are incurred.

The Group identifies the borrowings into specific borrowings and general borrowings. Specific borrowings are borrowings that are specifically taken for the purpose of obtaining an asset. Borrowing cost incurred on specific borrowings are capitalised to the cost of the qualifying asset. For general borrowings, the Group determines the amount of borrowing costs eligible for capitalisation by applying a capitalisation rate to the expenditures on the qualifying asset based on the weighted average of the borrowing costs applicable to general borrowings. The capitalisation on borrowing costs commences when the Group incurs expenditure for the asset, incurs borrowing cost and undertakes activities that are necessary to prepare the asset for its intended use or sale. The capitalisation of borrowing costs is suspended during extended periods in which active development of a qualifying asset is suspended. The capitalisation of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

**Share based Payments****Equity-settled transactions**

The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and

the Group's best estimate of the number of equity instruments that will ultimately vest. The statement of profit and loss expense or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions

No expense is recognised for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share

### Segment reporting

Operating segments are reported in a manner consistent with the internal reporting done to the chief operating decision maker. The Company operates in a single operating segment

## D Recent pronouncements

The Ministry of corporate Affairs ("MCA") notified amendments on 7 May 2025 and 13 August 2025 under the Companies (Indian Accounting Standards) Amendment Rules, 2025 and the Companies (Indian Accounting Standards) Second Amendment Rules, 2025, respectively, which is effective from annual reporting periods beginning on or after 1 April 2025.

### (a) Amendment to Ind AS 7 and Ind AS 107 - Supplier Finance Arrangement:

The amendments to Ind AS 7 'Statement of Cash Flows' and Ind AS 107 'Financial Instruments: Disclosures' clarify the characteristics of supplier finance arrangements and require additional disclosures for such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The Company does not have any supplier finance arrangements during the financial year.

### (b) Amendment to Ind AS 1 - Classification of liabilities as current or non-current and non-current liabilities with covenants:

The amendment specifies the requirements for classifying liabilities as current or non-current in the balance sheet, and clarifies the following:

- a) An entity's right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period. The classification of a liability as current or non-current is unaffected by the likelihood that the entity will exercise its right to defer settlement.
- b) If an entity's right to defer settlement of a liability is subject to covenants, such covenants affect whether that right exists at the end of the reporting period only if the entity is required to comply with the covenant on or before the end of the reporting period.
- c) In case of a liability that can be settled, at the option of the counterparty, by the transfer of the entity's own equity instruments, such settlement terms do not affect the classification of the liability as current or non-current only if the option is classified as an equity instrument.

These amendments have no effect on the measurement of any items in the financial statements of the Company. The Company do not make retrospective adjustments as a result of adopting the amendments to Ind AS 1.

**c) Amendment to Ind AS 12 – Pillar-Two Tax Reforms**

The Company is not within the scope of the OECD Pillar Two Model Rules.

**d) Amendment to Ind AS 21-Lack of exchangeability**

The Amendments introduces requirement to assess when a currency is exchangeable into another currency and when it is not. The amendment requires an entity to estimate the spot exchange rate when it concludes that a currency is not exchangeable into another currency. These amendments had no effect on the financial statements of the Company.”

The below amendments are notified but not yet effective

**Amendment to Ind AS 1 ‘Presentation of Financial Statements’- Classification of Liabilities as current or non-current and non-current liabilities with covenants:**

The amendment includes specific provisions that will take effect for reporting periods beginning on or after 1 April 2026, retrospectively, as outlined below:

- a) Breach of material covenant for long-term loan arrangement on or before end of reporting period with effect that liability becomes payable on demand as on reporting date, then it shall be classified as current liability, if lender agreed after reporting period and before approval of financial statements to not demand payment as a consequence of breach.
- b) Classify as non-current liability, if lender agreed by end of reporting period to provide grace period ending at least 12 months after reporting period within which entity can rectify the breach provided lender does not demand immediate repayment.
- c) Disclose information about the timing of settlement to understand the impact of the liability on the financial statements.

The Company does not expect this amendment to have an impact on its operations or financial statements.

**Note 2 (a) Property, Plant and Equipment**

(Rupees in Crores)

| Particulars  | Freehold Land | Buildings    | Plant and equipment | Furniture and fixtures | Vehicles    | Office equipment | Computers   | Spares, tools and equipments | Electrical installation | Other Assets | Total         |
|--|---------------|--------------|---------------------|------------------------|-------------|------------------|-------------|------------------------------|-------------------------|--------------|---------------|
| <b>Gross Block</b>   |               |              |                     |                        |             |                  |             |                              |                         |              |               |
| At cost as at 01 April 2024  | 0.87          | 9.66         | 34.82               | 3.07                   | 1.68        | 0.66             | 0.80        | 0.42                         | 1.23                    | 4.07         | 57.28         |
| Additions  | -             | 8.08         | 9.27                | 0.69                   | 0.52        | 0.22             | 0.53        | 0.42                         | 2.36                    | 1.82         | 23.91         |
| Disposals /adjustments   | -             | -            | (0.00)              | -                      | (0.02)      | -                | (0.01)      | (0.00)                       | -                       | -            | (0.03)        |
| <b>At cost as at 31 March 2025</b>                                 | <b>0.87</b>   | <b>17.74</b> | <b>44.09</b>        | <b>3.76</b>            | <b>2.18</b> | <b>0.88</b>      | <b>1.32</b> | <b>0.84</b>                  | <b>3.59</b>             | <b>5.89</b>  | <b>81.16</b>  |
| Additions  | -             | 2.70         | 21.63               | 0.81                   | 1.26        | 0.50             | 0.56        | 0.23                         | 0.69                    | 2.22         | 30.60         |
| Transfer (In/out)  | -             | -            | 1.06                | -                      | -           | -                | 0.07        | -                            | -                       | (1.06)       | 0.07          |
| Disposals /adjustments   | -             | -            | (0.03)              | -                      | -           | -                | -           | -                            | -                       | -            | (0.03)        |
| <b>At cost as at 31 March 2026</b>                                 | <b>0.87</b>   | <b>20.44</b> | <b>66.75</b>        | <b>4.57</b>            | <b>3.44</b> | <b>1.38</b>      | <b>1.95</b> | <b>1.07</b>                  | <b>4.28</b>             | <b>7.05</b>  | <b>111.80</b> |
| <b>Depreciation Block</b>  |               |              |                     |                        |             |                  |             |                              |                         |              |               |
| Accumulated depreciation / amortisation as at 01 April 2024        | -             | 1.31         | 8.38                | 1.52                   | 0.48        | 0.37             | 0.50        | 0.23                         | 0.53                    | 2.68         | 16.00         |
| Depreciation / Amortisation for the year                           | -             | 0.34         | 2.57                | 0.40                   | 0.23        | 0.10             | 0.20        | 0.07                         | 0.16                    | 0.43         | 4.50          |
| Disposals /adjustments   | -             | -            | -                   | -                      | (0.00)      | -                | (0.00)      | -                            | -                       | -            | (0.00)        |
| <b>Accumulated depreciation / Amortisation as at 31 March 2025</b> | <b>-</b>      | <b>1.65</b>  | <b>10.95</b>        | <b>1.92</b>            | <b>0.71</b> | <b>0.47</b>      | <b>0.70</b> | <b>0.30</b>                  | <b>0.69</b>             | <b>3.11</b>  | <b>20.50</b>  |
| Depreciation / Amortisation for the year                           | -             | 0.63         | 3.60                | 0.45                   | 0.30        | 0.15             | 0.33        | 0.17                         | 0.40                    | 0.78         | 6.81          |
| Transfer (In/out)  | -             | -            | 0.11                | -                      | -           | -                | 0.06        | -                            | -                       | (0.11)       | 0.06          |
| Disposals /adjustments   | -             | -            | (0.00)              | -                      | -           | -                | 0.00        | -                            | -                       | -            | (0.00)        |
| <b>Accumulated depreciation / Amortisation as at 31 March 2026</b> | <b>-</b>      | <b>2.28</b>  | <b>14.66</b>        | <b>2.37</b>            | <b>1.01</b> | <b>0.62</b>      | <b>1.09</b> | <b>0.47</b>                  | <b>1.09</b>             | <b>3.78</b>  | <b>27.37</b>  |
| <b>Net Block</b>   |               |              |                     |                        |             |                  |             |                              |                         |              |               |
| As at 31 March 2025  | 0.87          | 16.09        | 33.14               | 1.84                   | 1.47        | 0.41             | 0.62        | 0.54                         | 2.90                    | 2.78         | 60.66         |
| As at 31 March 2026  | 0.87          | 18.16        | 52.09               | 2.20                   | 2.43        | 0.76             | 0.86        | 0.60                         | 3.19                    | 3.27         | 84.43         |

**Notes:**

- The title deeds of immovable properties are held in the name of Holding Company
- Other Assets includes Dies, Moulds and Borewell
- During the year, the Company has capitalised borrowing cost Rs. Nil Crore (P.Y. Rs. 0.19 Crore) to the cost of capital work in progress

**Note 2 (b) : Right of use asset**
*(Rupees in Crores)*

| Particulars   | Land        | Building    | Total       |
|---|-------------|-------------|-------------|
| <b>Gross Block</b>                                    |             |             |             |
| <b>Carrying value as at 01 April 2024</b>             | <b>2.90</b> | <b>2.22</b> | <b>5.12</b> |
| Additions   | -           | -           | -           |
| Disposals / adjustments                               | -           | -           | -           |
| <b>Carrying value as at 31st March 2025</b>           | <b>2.90</b> | <b>2.22</b> | <b>5.12</b> |
| Additions   | -           | <b>0.90</b> | 0.90        |
| Disposals / adjustments                               | -           | -           | -           |
| <b>Carrying value as at 31st March 2026</b>           | <b>2.90</b> | <b>3.12</b> | <b>6.02</b> |
| <b>Depreciation Block</b>                             |             |             |             |
| <b>Accumulated depreciation as at 01 April 2024</b>   | <b>0.06</b> | <b>0.54</b> | <b>0.60</b> |
| Depreciation / Amortisation for the year              | 0.02        | 0.42        | 0.44        |
| Disposals   | -           | -           | -           |
| <b>Accumulated depreciation as at 31st March 2025</b> | <b>0.08</b> | <b>0.96</b> | <b>1.04</b> |
| Depreciation / Amortisation for the year              | 0.03        | 0.52        | 0.55        |
| Disposals   | -           | -           | -           |
| <b>Accumulated depreciation as at 31st March 2026</b> | <b>0.11</b> | <b>1.48</b> | <b>1.59</b> |
| <b>Net Block</b>                                      |             |             |             |
| <b>As at 31st March 2025</b>                          | <b>2.82</b> | <b>1.26</b> | <b>4.08</b> |
| <b>As at 31st March 2026</b>                          | <b>2.79</b> | <b>1.64</b> | <b>4.43</b> |

**Note 2 (c). Capital Work-in-Progress**
*(Rupees in Crores)*

| Particulars                        | Buildings   | Plant and equipment | Total       |
|------------------------------------|-------------|---------------------|-------------|
| <b>At cost as at 31 March 2024</b> | <b>2.75</b> | <b>0.48</b>         | <b>3.23</b> |
| Additions                          | 2.43        | 3.18                | 5.61        |
| Capitalised during the year        | (2.03)      | (0.17)              | (2.20)      |
| <b>At cost as at 31 March 2025</b> | <b>3.15</b> | <b>3.49</b>         | <b>6.64</b> |
| Additions                          | 5.36        | 12.00               | 17.36       |
| Capitalised during the year        | (6.64)      | (10.07)             | (16.71)     |
| <b>At cost as at 31 March 2026</b> | <b>1.87</b> | <b>5.42</b>         | <b>7.29</b> |

**Note 3 (a) Intangibles**
*(Rupees in Crores)*

| Particulars  | Development cost | Lean Improvement | Computer Software | Total        |
|--|------------------|------------------|-------------------|--------------|
| <b>Gross Block</b>   |                  |                  |                   |              |
| <b>At cost as at 01 April 2024</b>                                 | <b>24.87</b>     | <b>1.34</b>      | <b>0.53</b>       | <b>26.74</b> |
| Additions  | 3.33             | -                | 0.12              | 3.45         |
| Disposals /adjustments   | -                | -                | -                 | -            |
| <b>At cost as at 31 March 2025</b>                                 | <b>28.20</b>     | <b>1.34</b>      | <b>0.65</b>       | <b>30.19</b> |
| Additions  | <b>0.07</b>      | -                | <b>0.05</b>       | 0.12         |
| Transfer (In/out)  | -                | -                | <b>(0.07)</b>     | (0.07)       |
| Disposals /adjustments   | -                | -                | <b>(0.00)</b>     | (0.00)       |
| <b>At cost as at 31 March 2026</b>                                 | <b>28.27</b>     | <b>1.34</b>      | <b>0.63</b>       | <b>30.24</b> |
| <b>Depreciation Block</b>  |                  |                  |                   |              |
| <b>Accumulated depreciation / amortisation as at 01 April 2024</b> | <b>7.10</b>      | <b>0.78</b>      | <b>0.26</b>       | <b>8.14</b>  |
| Depreciation / Amortisation for the year                           | 2.84             | 0.19             | 0.07              | 3.10         |
| Disposals /adjustments   | -                | -                | -                 | -            |
| <b>Accumulated depreciation / Amortisation as at 31 March 2025</b> | <b>9.94</b>      | <b>0.97</b>      | <b>0.33</b>       | <b>11.24</b> |

(Rupees in Crores)

| Particulars  | Development cost | Lean Improvement | Computer Software | Total        |
|--|------------------|------------------|-------------------|--------------|
| Depreciation / Amortisation for the year                           | 3.50             | 0.19             | 0.08              | 3.77         |
| Transfer (In/out)  | -                | -                | (0.06)            | (0.06)       |
| Disposals /adjustments   | -                | -                | -                 | -            |
| <b>Accumulated depreciation / Amortisation as at 31 March 2026</b> | <b>13.44</b>     | <b>1.16</b>      | <b>0.35</b>       | <b>14.95</b> |
| <b>Net Block</b>   |                  |                  |                   |              |
| <b>As at 31 March 2025</b>   | <b>18.26</b>     | <b>0.37</b>      | <b>0.32</b>       | <b>18.95</b> |
| <b>As at 31 March 2026</b>   | <b>14.83</b>     | <b>0.18</b>      | <b>0.28</b>       | <b>15.29</b> |

**Note 3 (b)**

(Rupees in Crores)

| Particulars                        | Intangible Assets under development |
|------------------------------------|-------------------------------------|
| <b>At cost as at 31 March 2024</b> | <b>3.33</b>                         |
| Additions                          | 3.92                                |
| Capitalised during the year        | (3.33)                              |
| <b>At cost as at 31 March 2025</b> | <b>3.92</b>                         |
| Additions                          | 7.55                                |
| Capitalised during the year        | -                                   |
| <b>At cost as at 31 March 2026</b> | <b>11.47</b>                        |

- i. During the year, the Group has capitalised the following expenses of revenue nature to the cost of Capital Work-In-Progress and Property, Plant and Equipment.

| Particulars                       | 31-Mar-26 | 31-Mar-25   |
|-----------------------------------|-----------|-------------|
| Raw material                      | -         | 0.03        |
| Personnel costs                   | -         | 2.16        |
| Process costs                     | -         | 0.40        |
| Testing costs                     | -         | 0.05        |
| Job-work cost                     | -         | 0.36        |
| Technical fees and other expenses | -         | 0.33        |
| <b>Total</b>                      | <b>-</b>  | <b>3.33</b> |

- ii. The Group does not have any capital work in progress, whose completion is overdue or has exceeded its cost compared to its original plan

**CWIP aging schedule**

(Rupees in Crores)

| CWIP                      | Amount in CWIP for a period of |                    |             |             |                   | As at 31 March 2026 |
|---------------------------|--------------------------------|--------------------|-------------|-------------|-------------------|---------------------|
|                           | Less than 6 months             | 6 months - 1 years | 1 - 2 Years | 2 - 3 Years | More than 3 years |                     |
| <b>Tangible Assets:</b>   |                                |                    |             |             |                   |                     |
| Projects in progress      | 5.42                           | 1.01               | 0.49        | 0.32        | 0.05              | 7.29                |
| <b>Intangible Assets:</b> |                                |                    |             |             |                   |                     |
| Projects in progress      | 7.55                           | 3.92               | -           | -           | -                 | 11.47               |

**CWIP aging schedule**

(Rupees in Crores)

| CWIP                      | Amount in CWIP for a period of |                    |           |             |                   | As at 31 March 2025 |
|---------------------------|--------------------------------|--------------------|-----------|-------------|-------------------|---------------------|
|                           | Less than 6 months             | 6 months - 1 years | 1-2 Years | 2 - 3 Years | More than 3 years |                     |
| <b>Tangible Assets:</b>   |                                |                    |           |             |                   |                     |
| Projects in progress      | 5.29                           | 0.54               | 0.49      | 0.27        | 0.05              | 6.64                |
| <b>Intangible Assets:</b> |                                |                    |           |             |                   |                     |
| Projects in progress      | 3.92                           | -                  | -         | -           | -                 | 3.92                |

**Note 4**
**Other Financial Assets**
*(Rupees in Crores)*

| Particulars                                     | Non-Current            |                        | Current                |                        |
|---|------------------------|------------------------|------------------------|------------------------|
|   | As at<br>31 March 2026 | As at<br>31 March 2025 | As at<br>31 March 2026 | As at<br>31 March 2025 |
| <b>Carried at amortised cost</b>                |                        |                        |                        |                        |
| Bank deposits with more than 12 months maturity | -                      | 4.50                   | -                      | -                      |
| Others;   |                        |                        |                        |                        |
| Security deposits                               | 1.28                   | 0.84                   | 0.05                   | 0.21                   |
| Deposits - Rent                                 | 0.28                   | 0.32                   | 0.02                   | 0.02                   |
| Interest accrued on loans and deposits          | -                      | -                      | 0.53                   | 0.83                   |
| Export benefits receivable                      | -                      | -                      | 1.85                   | 1.22                   |
| Others  | -                      | -                      | 0.09                   | -                      |
| <b>Total</b>                                    | <b>1.56</b>            | <b>5.66</b>            | <b>2.54</b>            | <b>2.28</b>            |

**Note 5**
**Other Assets**
*(Rupees in Crores)*

| Particulars                                  | Non-Current            |                        | Current                |                        |
|--|------------------------|------------------------|------------------------|------------------------|
|  | As at<br>31 March 2026 | As at<br>31 March 2025 | As at<br>31 March 2026 | As at<br>31 March 2025 |
| Capital advances                             | 4.40                   | 4.05                   | -                      | -                      |
| Advances other than capital advances;        |                        |                        |                        |                        |
| Considered good                              | -                      | -                      | 4.26                   | 1.36                   |
| Considered doubtful                          | -                      | -                      | 0.02                   | 0.02                   |
| <b>Less: Provision for doubtful advances</b> | -                      | -                      | (0.02)                 | (0.02)                 |
| <b>Sub Total</b>                             | <b>4.40</b>            | <b>4.05</b>            | <b>4.26</b>            | <b>1.36</b>            |
| Others                                       |                        |                        |                        |                        |
| Balance with Statutory authorities           | -                      | -                      | 14.42                  | 6.76                   |
| Prepaid Expenses                             | 0.03                   | 0.26                   | 0.96                   | 0.70                   |
| <b>Sub Total</b>                             | <b>0.03</b>            | <b>0.26</b>            | <b>15.38</b>           | <b>7.46</b>            |
| <b>Total</b>                                 | <b>4.43</b>            | <b>4.31</b>            | <b>19.64</b>           | <b>8.82</b>            |

**Note 6**
**Inventories**
*(Rupees in Crores)*

| Particulars  | As at<br>31 March 2026 | As at<br>31 March 2025 |
|--|------------------------|------------------------|
| (Valued at lower of cost and Net realisable value) |                        |                        |
| Raw materials                                      | 31.73                  | 27.55                  |
| Work-in-progress                                   | 31.73                  | 21.97                  |
| Finished goods                                     | 18.76                  | 17.58                  |
| Stores and spares                                  | 7.21                   | 5.29                   |
| <b>Total</b>                                       | <b>89.43</b>           | <b>72.39</b>           |

**Note 7****Trade Receivables***(Rupees in Crores)*

| Particulars                                | As at<br>31 March 2026 | As at<br>31 March 2025 |
|--|------------------------|------------------------|
| Trade receivables                          |                        |                        |
| Unsecured, considered good                 | 81.53                  | 70.87                  |
| Trade Receivables - credit impaired        | 0.17                   | 0.36                   |
| Less: Allowance for bad and doubtful debts | (0.17)                 | (0.36)                 |
| <b>Total</b>                               | <b>81.53</b>           | <b>70.87</b>           |

Note: The Group has used a practical expedient for computing expected credit loss allowance for trade receivables, taking into account historical credit loss experience and accordingly, provisions are made for expected credit loss for amounts due from customers where necessary.

**Trade Receivables ageing schedule***(Rupees in Crores)*

| Particulars                                    | Ageing  |                       |                     |           |           |                      | As at<br>31 March<br>2026 |
|--|---------|-----------------------|---------------------|-----------|-----------|----------------------|---------------------------|
|  | Not Due | Less than<br>6 months | 6 months<br>-1 year | 1-2 Years | 2-3 Years | More than<br>3 Years |                           |
| Undisputed Trade receivables — considered good | 61.79   | 18.51                 | 0.77                | 0.17      | 0.16      | 0.13                 | <b>81.53</b>              |
| Disputed Trade Receivables — credit impaired   | -       | -                     | -                   | -         | -         | 0.17                 | <b>0.17</b>               |

**Trade Receivables ageing schedule***(Rupees in Crores)*

| Particulars                                    | Ageing  |                       |                     |           |           |                      | As at<br>31 March<br>2025 |
|--|---------|-----------------------|---------------------|-----------|-----------|----------------------|---------------------------|
|  | Not Due | Less than<br>6 months | 6 months<br>-1 year | 1-2 Years | 2-3 Years | More than<br>3 Years |                           |
| Undisputed Trade receivables — considered good | 46.15   | 23.91                 | 0.23                | 0.50      | 0.08      | -                    | <b>70.86</b>              |
| Disputed Trade Receivables — credit impaired   | -       | -                     | 0.04                | 0.10      | 0.07      | 0.15                 | <b>0.36</b>               |

**Note 8****Cash and Cash Equivalents***(Rupees in Crores)*

| Particulars  | As at<br>31 March 2026 | As at<br>31 March 2025 |
|--|------------------------|------------------------|
| Balances with Banks (of the nature of cash and cash equivalents) | 11.37                  | 1.48                   |
| Cash on hand   | 0.08                   | 0.05                   |
| <b>Total</b>   | <b>11.45</b>           | <b>1.53</b>            |

**Note 9****Bank Balances other than Cash and Cash Equivalents***(Rupees in Crores)*

| Particulars   | As at<br>31 March 2026 | As at<br>31 March 2025 |
|---|------------------------|------------------------|
| Margin money deposits*  | 2.83                   | 2.83                   |
| Deposits with original maturity of more than 3 months but less than 12 months | 35.98                  | 55.00                  |
| Current account held at a foreign branch                                      | 0.17                   | 0.08                   |
| <b>Total</b>  | <b>38.98</b>           | <b>57.91</b>           |

\* Margin money deposits with banks are lien marked.

**Note 10**
**Loans (Unsecured, considered good)**
*(Rupees in Crores)*

| Particulars                     | As at         | As at         |
|---------------------------------|---------------|---------------|
|                                 | 31 March 2026 | 31 March 2025 |
| Loans and Advances to employees | 0.38          | 0.30          |
| <b>Total</b>                    | <b>0.38</b>   | <b>0.30</b>   |

**Note 11: Equity Share Capital**
*(Rupees in Crores)*

| Particulars  | As at              |              | As at              |              |
|--|--------------------|--------------|--------------------|--------------|
|  | 31 March 2026      |              | 31 March 2025      |              |
|  | Number             | Amount       | Number             | Amount       |
| Authorised Share Capital                           | 1,80,00,000        | 18.00        | 1,80,00,000        | 18.00        |
| Issued Share Capital                               | 1,27,97,550        | 12.80        | 1,26,97,800        | 12.70        |
| Subscribed Share Capital                           | 1,27,97,550        | 12.80        | 1,26,97,800        | 12.70        |
| Fully Paid-up Share Capital                        | 1,27,97,550        | 12.80        | 1,01,11,584        | 10.11        |
| <b>Balance at the beginning of the year</b>        | 1,26,97,800        | 12.70        | 1,01,11,584        | 10.11        |
| Changes in equity share capital during the year:   |                    |              |                    |              |
| Shares issued through ESOP 2021                    | 99,750             | 0.10         | 27,800             | 0.03         |
| Shares issued through Initial public offer ('IPO') | -                  | -            | 25,58,416          | 2.56         |
| <b>Issued and subscribed share capital</b>         | <b>1,27,97,550</b> | <b>12.80</b> | <b>1,26,97,800</b> | <b>12.70</b> |

**Rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital**

The Holding company has equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Holding Company after distribution of all preferential amounts, in proportion to their shareholding.

| Shares in the Company held by each shareholder holding more than five per cent shares | As at 31 March 2026 |       | As at 31 March 2025 |       |
|---|---------------------|-------|---------------------|-------|
|   | No.                 | %     | No.                 | %     |
| - Kirit Vishanji Gala   | 27,94,618           | 21.84 | 27,91,518           | 21.98 |
| - Rumie Kirit Gala  | 12,49,488           | 9.76  | 12,49,488           | 9.84  |
| - Taramati V Gala   | 12,05,200           | 9.42  | 11,97,200           | 9.43  |
| - Pooja Unichem LLP   | 6,60,000            | 5.16  | 6,60,000            | 5.20  |

| Particulars of promoter & promoter group holding            | As at 31 March 2026 |                                |                          | As at 31 March 2025 |                                |                          |
|---|---------------------|--------------------------------|--------------------------|---------------------|--------------------------------|--------------------------|
|   | Number              | % of total shares in the class | % Change during the year | Number              | % of total shares in the class | % Change during the year |
| <b>Equity shares of Rs. 10 each, fully paid-up held by-</b> |                     |                                |                          |                     |                                |                          |
| - Kirit Vishanji Gala                                       | 27,94,618           | 21.84                          | 0.11%                    | 27,91,518           | 21.98                          | 0.00%                    |
| - Rumie Kirit Gala  | 12,49,488           | 9.76                           | 0.00%                    | 12,49,488           | 9.84                           | -4.17%                   |
| - Taramati V Gala   | 12,05,200           | 9.42                           | 0.67%                    | 11,97,200           | 9.43                           | 14.94%                   |
| - Kirit Vishanji Gala(HUF)                                  | 1,34,400            | 1.05                           | 0.00%                    | 1,34,400            | 1.06                           | -37.08%                  |
| - Nayna Gala  | 2,04,400            | 1.60                           | 0.00%                    | 2,04,400            | 1.61                           | -19.65%                  |
| - Alpa Kiran Chheda   | 2,54,400            | 1.99                           | 0.00%                    | 2,54,400            | 2.00                           | 0.00%                    |
| - Vaibhavi Gala   | 2,54,400            | 1.99                           | 0.00%                    | 2,54,400            | 2.00                           | 27.20%                   |
| - Rajiv and Anupa Ashar Family Trust                        | 1,07,200            | 0.84                           | 0.00%                    | 1,07,200            | 0.84                           | 0.00%                    |

| Particulars of promoter & promoter group holding | As at 31 March 2026 |                                |                          | As at 31 March 2025 |                                |                          |
|--|---------------------|--------------------------------|--------------------------|---------------------|--------------------------------|--------------------------|
|  | Number              | % of total shares in the class | % Change during the year | Number              | % of total shares in the class | % Change during the year |
| - Saloni Kirit Gala                              | 1,43,544            | 1.12                           | 0.00%                    | 1,43,544            | 1.13                           | 61.02%                   |
| - Smeet Kirit Gala                               | 5,89,144            | 4.60                           | 0.00%                    | 5,89,144            | 4.64                           | 0.00%                    |
| - Madhu Ashar                                    | 86,000              | 0.67                           | 2.38%                    | 84,000              | 0.66                           | 0.00%                    |
| - Manisha Ashar                                  | 14,800              | 0.12                           | 0.00%                    | 14,800              | 0.12                           | 0.00%                    |

**Note 12: Other equity****a. Other equity***(Rupees in Crores)*

| Particulars                             | As at 31 March 2026 | As at 31 March 2025 |
|---|---------------------|---------------------|
| Securities premium                      | 161.55              | 160.78              |
| Retained earnings                       | 115.10              | 79.62               |
| Remeasurements of defined benefit plans | (0.38)              | (0.09)              |
| Items of Other comprehensive income     | 3.82                | 3.62                |
| <b>Total</b>                            | <b>280.09</b>       | <b>243.93</b>       |

**b. Movements in other equity***(Rupees in Crores)*

| Particulars   | Reserves and Surplus |                            |                   |   | Other Comprehensive Income           | Total         | Non Controlling Interest |
|---|----------------------|----------------------------|-------------------|---|--------------------------------------|---------------|--------------------------|
|   | Securities Premium   | Capital Redemption Reserve | Retained Earnings | Remeasurements of Defined Benefit Plans | Foreign currency translation reserve |               |                          |
| <b>Balance as at 01 April 2024</b>                            | <b>27.78</b>         | -                          | <b>62.96</b>      | <b>0.15</b>                             | <b>3.79</b>                          | <b>94.68</b>  | <b>(0.34)</b>            |
| Profit for the Year ended 31st March 2025                     | -                    | -                          | 26.85             | -                                       | -                                    | 26.85         | (0.03)                   |
| Other comprehensive income for the year ended 31st March 2025 | -                    | -                          | -                 | (0.24)                                  | (0.17)                               | (0.41)        | -                        |
| Add: Premium arising on issue of equity shares through IPO    | 132.78               | -                          | -                 | -                                       | -                                    | 132.78        | -                        |
| Add: Premium arising on issue of equity shares through ESOP   | 0.22                 | -                          | -                 | -                                       | -                                    | 0.22          | -                        |
| Initial public offer expenses                                 | -                    | -                          | (10.19)           | -                                       | -                                    | (10.19)       | -                        |
| <b>Total comprehensive income for the year</b>                | <b>133.00</b>        | -                          | <b>16.66</b>      | <b>(0.24)</b>                           | <b>(0.17)</b>                        | <b>149.25</b> | <b>(0.03)</b>            |
| <b>Balance as at 31st March 2025</b>                          | <b>160.78</b>        | -                          | <b>79.62</b>      | <b>(0.09)</b>                           | <b>3.62</b>                          | <b>243.93</b> | <b>(0.37)</b>            |
| Profit for the Year ended 31st March 2026                     | -                    | -                          | 35.48             | -                                       | -                                    | 35.48         | (0.03)                   |
| Other comprehensive income for the year ended 31st March 2026 | -                    | -                          | -                 | (0.29)                                  | 0.20                                 | (0.09)        | -                        |
| <b>Total comprehensive income for the year</b>                | -                    | -                          | <b>35.48</b>      | <b>(0.29)</b>                           | <b>0.20</b>                          | <b>35.39</b>  | <b>(0.03)</b>            |
|   | <b>160.78</b>        | -                          | <b>115.10</b>     | <b>(0.38)</b>                           | <b>3.82</b>                          | <b>279.32</b> | <b>(0.40)</b>            |

(Rupees in Crores)

| Particulars   | Reserves and Surplus |                            |                   |   | Other Comprehensive Income           | Total         | Non Controlling Interest |
|---|----------------------|----------------------------|-------------------|---|--------------------------------------|---------------|--------------------------|
|   | Securities Premium   | Capital Redemption Reserve | Retained Earnings | Remeasurements of Defined Benefit Plans | Foreign currency translation reserve |               |                          |
| Add: Premium arising on issue of equity shares through ESOP | 0.77                 | -                          | -                 | -                                       | -                                    | 0.77          | -                        |
| <b>Balance as at 31st March 2026</b>                        | <b>161.55</b>        | <b>-</b>                   | <b>115.10</b>     | <b>(0.38)</b>                           | <b>3.82</b>                          | <b>280.09</b> | <b>(0.40)</b>            |

| Nature and Purpose of each component of equity | Nature and Purpose  |
|--|---|
| i. Securities Premium                          | Amounts received in excess of par value on issue of shares is classified as Securities Premium  |
| ii. Capital Redemption Reserve                 | Capital Redemption Reserve represents statutory reserve created upon buyback of Preference shares in the earlier years.   |
| iii. Retained Earnings                         | Retained earnings are the profits that the Group has earned till date, less any dividends or other distributions paid to shareholders   |
| iv. Remeasurements of Defined Benefit Plans    | Gains / Losses arising on Remeasurements of Defined Benefit Plans are recognised in the Other Comprehensive Income as per IND AS-19 and shall not be reclassified to the Statement of Profit or Loss in the subsequent years. |
| v. Foreign currency translation reserve        | Exchange differences relating to the translation of the results and net assets of the groups foreign operations from their functional currencies to the Group's presentation currency, i.e, Indian Rupees.                    |

**Note 13**
**Borrowings**

(Rupees in Crores)

| Particulars                             | As at 31 March 2026 | As at 31 March 2025 |
|---|---------------------|---------------------|
| <b><u>Non-current</u></b>               |                     |                     |
| <b><u>Secured</u></b>                   |                     |                     |
| Vehicle loans;<br>from Banks            | 1.62                | 1.07                |
| <b>Sub total</b>                        | <b>1.62</b>         | <b>1.07</b>         |
| <b><u>Current</u></b>                   |                     |                     |
| <b><u>Secured</u></b>                   |                     |                     |
| Current maturities of long-term debt    | 0.40                | 0.27                |
| Interest accrued and due on term loan   | 0.01                | 0.03                |
| Loans repayable on demand<br>from banks | 34.53               | 21.75               |
| <b>Sub total</b>                        | <b>34.94</b>        | <b>22.05</b>        |
| <b>Total</b>                            | <b>36.56</b>        | <b>23.12</b>        |

| A. Nature of Borrowings  | Interest Rate and terms of repayments   |
|--|---|
| <b>Vehicle finance loan (secured)</b><br>The loans are secured against hypothecation of related vehicles taken under the loans.  | The loan carries rate of interest of 7.40% to 9.30% per annum (Previous year 7.40% to 9.30%) . The loans are repayable in equated monthly installments, from the month subsequent to disbursement of the loan.  |
| <b>Cash credit and overdraft facilities from HDFC Bank Ltd. and Yes Bank Ltd. are secured by pari passu charge by way of hypothecation of inventories of raw materials and finished goods and book debts, both present and future.</b> | Cash credit and overdraft facilities from HDFC Bank Ltd. carries rate of interest of 4.01% to 9.07% per annum [previous year: 4.40% to 10.50% ] and Yes Bank Ltd. carries rate of interest of 4.05% to 9.25% per annum [previous year: 4.50% to 9.50% per annum], computed on a monthly basis on the actual amount utilised, and are repayable on demand. |

**Note 14****Provisions***(Rupees in Crores)*

| Particulars                     | Non Current            |                        | Current                |                        |
|---------------------------------|------------------------|------------------------|------------------------|------------------------|
|                                 | As at<br>31 March 2026 | As at<br>31 March 2025 | As at<br>31 March 2026 | As at<br>31 March 2025 |
| Provision for employee benefits |                        |                        |                        |                        |
| Gratuity                        | 5.67                   | 5.13                   | 0.90                   | 0.50                   |
| Leave encashment                | 2.01                   | 1.77                   | 0.24                   | 0.19                   |
| <b>Total</b>                    | <b>7.68</b>            | <b>6.90</b>            | <b>1.14</b>            | <b>0.69</b>            |

**Note 15****Deferred tax liabilities - (Net)***(Rupees in Crores)*

| Particulars   | As at<br>31 March 2026 | As at<br>31 March 2025 |
|---|------------------------|------------------------|
| Deferred Tax Liabilities (Net);   |                        |                        |
| - Arising on account of difference in carrying amount and tax base of PPE and Intangibles | 6.30                   | 6.38                   |
| Deferred tax asset:   |                        |                        |
| - Right-of-use and lease liability  | 0.05                   | 0.05                   |
| - Accrued Expenses allowable on Actual Payments   | 3.29                   | 3.76                   |
| - Brought forward long term capital loss  | 2.09                   | 2.09                   |
| <b>Total</b>  | <b>0.87</b>            | <b>0.48</b>            |

*(Rupees in Crores)*

| Particulars   | As on 31 March 2026 |  |                   |                 |
|---|---------------------|--|-------------------|-----------------|
|   | Opening Balance     | Recognised in Statement of Profit and Loss | Recognised in OCI | Closing Balance |
| <b>Tax effect of items constituting deferred tax liabilities</b>                          |                     |  |                   |                 |
| - Arising on account of difference in carrying amount and tax base of PPE and Intangibles | 6.38                | (0.08)                                     | -                 | 6.30            |
| <b>Gross deferred tax liabilities (a)</b>   | <b>6.38</b>         | <b>(0.08)</b>                              | <b>-</b>          | <b>6.30</b>     |

(Rupees in Crores)

| Particulars   | As on 31 March 2026 |  |                   |                 |
|---|---------------------|--|-------------------|-----------------|
|   | Opening Balance     | Recognised in Statement of Profit and Loss | Recognised in OCI | Closing Balance |
| <b>Tax effect of items constituting deferred tax assets</b> |                     |  |                   |                 |
| - Right-of-use and lease liability                          | 0.05                | (0.00)                                     | -                 | 0.05            |
| - Accrued Expenses allowable on actual payments             | 3.76                | (0.57)                                     | 0.10              | 3.29            |
| - Brought forward long term capital loss                    | 2.09                | (0.00)                                     | -                 | 2.09            |
| <b>Gross deferred tax assets (b)</b>                        | <b>5.90</b>         | <b>(0.57)</b>                              | <b>0.10</b>       | <b>5.43</b>     |
| <b>Net deferred tax liability (a - b)</b>                   | <b>0.48</b>         | <b>0.49</b>                                | <b>(0.10)</b>     | <b>0.87</b>     |

(Rupees in Crores)

| Particulars   | As on 31 March 2025 |  |                   |                 |
|---|---------------------|--|-------------------|-----------------|
|   | Opening Balance     | Recognised in Statement of Profit and Loss | Recognised in OCI | Closing Balance |
| <b>Tax effect of items constituting deferred tax liabilities</b>                          |                     |  |                   |                 |
| - Arising on account of difference in carrying amount and tax base of PPE and Intangibles | 5.77                | 0.61                                       | -                 | 6.38            |
| <b>Gross deferred tax liabilities (a)</b>   | <b>5.77</b>         | <b>0.61</b>                                | <b>-</b>          | <b>6.38</b>     |
| <b>Tax effect of items constituting deferred tax assets</b>                               |                     |  |                   |                 |
| - Right-of-use and lease liability  | 0.04                | 0.01                                       | -                 | 0.05            |
| - Accrued Expenses allowable on actual payments   | 1.79                | 1.89                                       | 0.08              | 3.76            |
| - Brought forward long term capital loss  | <b>3.01</b>         | <b>(0.92)</b>                              | -                 | <b>2.09</b>     |
| <b>Gross deferred tax assets (b)</b>  | <b>4.84</b>         | <b>0.98</b>                                | <b>0.08</b>       | <b>5.90</b>     |
| <b>Net deferred tax liability (a - b)</b>   | <b>0.93</b>         | <b>(0.37)</b>                              | <b>(0.08)</b>     | <b>0.48</b>     |

**Note 16**
**Trade Payables**

(Rupees in Crores)

| Particulars   | As at 31 March 2026 | As at 31 March 2025 |
|---|---------------------|---------------------|
| Outstanding due of Micro and Small Enterprises (Refer Note 31(b) )  | 0.95                | 0.78                |
| Outstanding due of Creditors other than Micro and Small Enterprises | 19.04               | 17.53               |
| <b>Total</b>  | <b>19.99</b>        | <b>18.31</b>        |
| Of the above;   |                     |                     |
| - Acceptances   | 8.08                | 2.00                |

**Trade Payables aging schedule**

(Rupees in Crores)

| Particulars  | Outstanding for their periods from due date of payment |                  |                  | As at 31 March 2026 |
|--------------|--|------------------|------------------|---------------------|
|              | Not due  | Less than 1 year | More than 1 year |                     |
| (i) MSME     | 0.74   | 0.21             | -                | 0.95                |
| (ii) Others  | 11.23  | 6.89             | 0.92             | 19.04               |
| <b>Total</b> | <b>11.97</b>   | <b>7.10</b>      | <b>0.92</b>      | <b>19.99</b>        |

## Trade Payables aging schedule

(Rupees in Crores)

| Particulars  | Outstanding for the periods from due date of payment |                  |                  | As at 31 March 2025 |
|--------------|--|------------------|------------------|---------------------|
|              | Not due  | Less than 1 year | More than 1 year |                     |
| (i) MSME     | 0.30   | 0.48             | -                | 0.78                |
| (ii) Others  | 8.32   | 8.50             | 0.71             | 17.53               |
| <b>Total</b> | <b>8.62</b>  | <b>8.98</b>      | <b>0.71</b>      | <b>18.31</b>        |

## Note 17

## Other Financial Liabilities

(Rupees in Crores)

| Particulars                        | As at 31 March 2026 | As at 31 March 2025 |
|------------------------------------|---------------------|---------------------|
| <b>Carried at Amortised Cost :</b> |                     |                     |
| Capital Creditors                  | 0.61                | 2.78                |
| Liability for employee benefits    | 4.78                | 3.56                |
| Others                             | -                   | 0.23                |
| <b>Carried at FVTPL :</b>          |                     |                     |
| Forward exchange contracts         | 2.17                | 0.41                |
| <b>Total</b>                       | <b>7.56</b>         | <b>6.98</b>         |

## Note 18

## Other liabilities

(Rupees in Crores)

| Particulars              | As at 31 March 2026 | As at 31 March 2025 |
|--------------------------|---------------------|---------------------|
| Contract liabilities     | 0.49                | 0.33                |
| Others;                  |                     |                     |
| Statutory dues           | 0.99                | 1.65                |
| Liabilities for expenses | 5.12                | 3.80                |
| <b>Total</b>             | <b>6.60</b>         | <b>5.78</b>         |

Movement of contract liabilities is as under ;

(Rupees in Crores)

| Particulars   | As at 31 March 2026 | As at 31 March 2025 |
|---|---------------------|---------------------|
| As at beginning of the year                         | 0.33                | 0.29                |
| Recognised as revenue from contracts with customers | 0.23                | 0.12                |
| Advance from customers received during the year     | (0.07)              | (0.08)              |
| <b>Balance at the close of the year</b>             | <b>0.49</b>         | <b>0.33</b>         |

## Note 19

## Revenue from Operations

(Rupees in Crores)

| Particulars               | Year Ended 31 March 2026 | Year Ended 31 March 2025 |
|---------------------------|--------------------------|--------------------------|
| Sale of Products          | 303.87                   | 229.20                   |
| Sale of Services          | 0.01                     | 0.08                     |
| Other operating revenues: |                          |                          |
| Export incentives         | 2.51                     | 2.16                     |
| Scrap sales               | 7.91                     | 6.40                     |
| <b>Total</b>              | <b>314.30</b>            | <b>237.84</b>            |

Reconciliation of revenue recognised with the contracted price is as follows:

(Rupees in Crores)

| Particulars  | Year Ended 31<br>March 2026 | Year Ended 31<br>March 2025 |
|--|-----------------------------|-----------------------------|
| Gross sales (contracted price)                                       | 304.38                      | 229.64                      |
| Reductions towards variable consideration (Discount, other expenses) | (0.51)                      | (0.44)                      |
| <b>Revenue recognised</b>  | <b>303.87</b>               | <b>229.20</b>               |

#### Note 20

##### Other Income

(Rupees in Crores)

| Particulars                            | Year Ended 31<br>March 2026 | Year Ended 31<br>March 2025 |
|--|-----------------------------|-----------------------------|
| Interest on margin money/others        | 3.36                        | 2.53                        |
| Discount on Forward Contracts          | 2.11                        | 0.98                        |
| Profit on sale of PPE (net)            | 0.04                        | 0.00                        |
| Gain on Foreign Exchange Translations  | -                           | 0.37                        |
| Insurance claim received               | 0.01                        | 0.01                        |
| Miscellaneous Income                   | 0.09                        | 0.46                        |
| Unwinding of discounted rental deposit | 0.02                        | 0.02                        |
| <b>Total</b>                           | <b>5.63</b>                 | <b>4.37</b>                 |

#### Note 21

##### Cost of Materials consumed

(Rupees in Crores)

| Particulars                    | Year Ended 31<br>March 2026 | Year Ended 31<br>March 2025 |
|--------------------------------|-----------------------------|-----------------------------|
| Opening Stock of Raw Materials | 27.55                       | 20.12                       |
| Purchases during the year      | 142.23                      | 112.14                      |
| Closing Stock of Raw Materials | 31.73                       | 27.55                       |
| <b>Total</b>                   | <b>138.05</b>               | <b>104.71</b>               |

#### Note 22

##### Changes in Inventories of Finished Goods and Work-in-Progress

(Rupees in Crores)

| Particulars          | Year Ended 31<br>March 2026 | Year Ended 31<br>March 2025 |
|----------------------|-----------------------------|-----------------------------|
| Closing Stock:       |                             |                             |
| Finished Goods       | 18.76                       | 17.58                       |
| Work-in-Progress     | 31.73                       | 21.97                       |
|                      | 50.49                       | 39.55                       |
| Less: Opening Stock: |                             |                             |
| Finished Goods       | 17.58                       | 18.95                       |
| Work-in-Progress     | 21.97                       | 14.79                       |
|                      | 39.55                       | 33.74                       |
| <b>Total</b>         | <b>(10.94)</b>              | <b>(5.81)</b>               |

**Note 23****Employee Benefits Expense***(Rupees in Crores)*

| Particulars   | Year Ended 31<br>March 2026 | Year Ended 31<br>March 2025 |
|---|-----------------------------|-----------------------------|
| Salaries and Wages                                  | 31.76                       | 24.91                       |
| Contribution to provident, gratuity and other funds | 1.36                        | 1.89                        |
| Staff welfare expenses                              | 2.08                        | 2.08                        |
| <b>Total</b>  | <b>35.20</b>                | <b>28.88</b>                |

The Shareholders of the Holding Company had approved on 14th January, 2022 an Employee Stock Option Scheme ("Gala ESOP 2021"), formulated by the Holding Company, under which the Holding Company issued upto 50,000 options to its permanent employees, including Wholetime Directors of the Holding Company. The Gala ESOP 2021 is administered by the Board of Directors of the Holding Company.

As per the scheme, the number of shares that will vest is conditional upon length of service, grades, salary cost of the employee to the Holding Company, performance appraisals and / or any other factors as determined by Committee. The vesting period shall be 5 years from the grant date i.e. 14th January 2022. The options granted under this scheme is exercisable by employees till five years from date of its vesting. The Holding Company has granted options at an exercise price of Rs. 350. At grant date, the estimated fair value of stock options granted under Gala ESOP 2021 is Rs. 350. The fair valuation of stock options have been done by an independent valuer using Income Approach Method. The details of stock options granted and key assumptions taken into account for fair valuation are as under:

| Particulars                              | Year Ended 31<br>March 2026 | Year Ended 31<br>March 2025 |
|--|-----------------------------|-----------------------------|
| 1) Grant Date                            | 14th January, 2022          | 14th January, 2022          |
| 2) Risk-free interest rate               | 6.70%                       | 6.70%                       |
| 3) Expected Life                         | 5 Years                     | 5 Years                     |
| 4) Expected Volatility                   | 0.001%                      | 0.001%                      |
| 5) Expected Dividend Yield               | Nil                         | Nil                         |
| 6) Fair market value of underlying share | Rs. 87.50/-                 | Rs. 87.50/-                 |
| 7) Exercise Price                        | Rs. 87.50/-                 | Rs. 87.50/-                 |

| Particulars                                      | Year Ended 31<br>March 2026 | Year Ended 31<br>March 2025 |
|--|-----------------------------|-----------------------------|
| Options outstanding at the beginning of the year | 1,18,400                    | 1,46,200                    |
| Granted during the year                          | -                           | -                           |
| Forfeited/Expired/Lapsed during the year         | -                           | -                           |
| Exercised during the year                        | (99,750)                    | (27,800)                    |
| <b>Outstanding at the end of the year</b>        | <b>18,650</b>               | <b>1,18,400</b>             |

The Shareholders of the Holding Company had approved on 06th August, 2024 an Employee Stock Option Scheme ("Gala ESOP 2024"), formulated by the Holding Company, under which the Holding Company issued upto 300,000 options to its Wholetime Directors of the Holding Company. The Gala ESOP 2024 is administered by the Board of Directors / Nomination and remuneration committee of the Holding Company.

As per the scheme, the number of shares that will vest is conditional upon length of service, grades, salary cost of the employee to the Holding Company, performance appraisals and / or any other factors as determined by Committee. The vesting period shall be 6 years from the grant date i.e. 06th August 2024. The options granted under this scheme is exercisable by employees till five years from date of its vesting. The Holding Company has granted options at an exercise price of Rs. 530. At grant date, the estimated fair value of stock options granted under Gala ESOP 2024 is Rs. 530. The fair valuation of stock options have been done by an independent valuer using Income Approach Method. The details of stock options granted and key assumptions taken into account for fair valuation are as under:

| Particulars                              | Year Ended 31 March 2026 | Year Ended 31 March 2025 |
|--|--------------------------|--------------------------|
| 1) Grant Date                            | 06th August, 2024        | 06th August, 2024        |
| 2) Risk-free interest rate               | 7.20%                    | 7.20%                    |
| 3) Expected Life                         | 6 Years                  | 6 Years                  |
| 4) Expected Volatility                   | 0.00%                    | 0.00%                    |
| 5) Expected Dividend Yield               | Nil                      | Nil                      |
| 6) Fair market value of underlying share | Rs. 530/-                | Rs. 530/-                |
| 7) Exercise Price                        | Rs. 530/-                | Rs. 530/-                |

| Particulars                                      | Year Ended 31 March 2026 | Year Ended 31 March 2025 |
|--|--------------------------|--------------------------|
| Options outstanding at the beginning of the year | 3,00,000                 | NA                       |
| Granted during the year                          | -                        | 3,00,000                 |
| Forfeited/Expired/Lapsed during the year         | -                        | -                        |
| Exercised during the year                        | -                        | -                        |
| Outstanding at the end of the year               | 3,00,000                 | 3,00,000                 |

**Note 24**
**Finance Costs**
*(Rupees in Crores)*

| Particulars                            | Year Ended 31 March 2026 | Year Ended 31 March 2025 |
|--|--------------------------|--------------------------|
| Interest on Loans and Deposits         | 0.13                     | 0.57                     |
| Interest on Working Capital Facilities | 2.22                     | 2.70                     |
| Interest on unsecured loans            | -                        | 0.28                     |
| Finance charges                        | 0.37                     | 0.12                     |
| Interest on lease liabilities          | 0.12                     | 0.13                     |
| <b>Total</b>                           | <b>2.84</b>              | <b>3.80</b>              |

**Note 25**
**Depreciation and Amortisation expense**
*(Rupees in Crores)*

| Particulars                                   | Year Ended 31 March 2026 | Year Ended 31 March 2025 |
|---|--------------------------|--------------------------|
| Depreciation on Property, Plant And Equipment | 6.87                     | 4.50                     |
| Amortisation on intangible assets             | 3.71                     | 3.10                     |
| Amortisation of right-of-use asset            | 0.55                     | 0.44                     |
| Less: Transferred to Capital Work in Progress | (0.95)                   | (0.07)                   |
| <b>Total</b>                                  | <b>10.18</b>             | <b>7.97</b>              |

**Note 26****Other Expenses***(Rupees in Crores)*

| <b>Particulars</b>                         | <b>Year Ended 31<br/>March 2026</b> | <b>Year Ended 31<br/>March 2025</b> |
|--|-------------------------------------|-------------------------------------|
| Consumption of stores and spare parts      | 12.12                               | 9.15                                |
| Packing material consumed                  | 5.53                                | 3.42                                |
| Power and Fuel                             | 9.67                                | 6.88                                |
| Labour charges                             | 42.86                               | 29.08                               |
| Testing expenses                           | 1.30                                | 0.84                                |
| Rent                                       | 0.32                                | 0.25                                |
| Rates and Taxes                            | 0.36                                | 0.43                                |
| Insurance                                  | 1.47                                | 1.15                                |
| Travelling expenses                        | 2.35                                | 1.63                                |
| Legal and professional fees                | 2.31                                | 2.12                                |
| Sitting Fees                               | 0.08                                | 0.16                                |
| Commission                                 | 0.38                                | 0.35                                |
| Business promotion                         | 1.74                                | 2.08                                |
| Bank charges                               | 0.25                                | 0.35                                |
| Telephone and other communication expenses | 0.14                                | 0.10                                |
| Printing and stationery                    | 0.17                                | 0.16                                |
| Provision for expected credit loss         | (0.19)                              | 0.15                                |
| Bad debts written-off                      | 0.12                                | 0.21                                |
| Conveyance and vehicle expenses            | 2.67                                | 2.07                                |
| <b>Repairs and Renewals:</b>               |                                     |                                     |
| - Building                                 | 0.38                                | 0.25                                |
| - Plant and machinery                      | 0.69                                | 0.41                                |
| - Others                                   | 1.12                                | 1.02                                |
| <b>Auditors' Remuneration:</b>             |                                     |                                     |
| As Auditors:                               |                                     |                                     |
| Audit fee                                  | 0.12                                | 0.12                                |
| Other Services                             | -                                   | 0.02                                |
|  | <b>0.12</b>                         | <b>0.14</b>                         |
| Cost Auditors Remuneration:                |                                     |                                     |
| Audit fee                                  | 0.01                                | 0.01                                |
| Recruitment                                | 0.18                                | 0.12                                |
| Freight outward                            | 8.39                                | 4.78                                |
| Computer expenses                          | 0.61                                | 0.51                                |
| Security expenses                          | 0.73                                | 0.50                                |
| Interest on Statutory Dues                 | 0.11                                | 0.15                                |
| Donation                                   | 0.01                                | 0.01                                |
| CSR Activity Expenses                      | 0.54                                | 0.42                                |
| Net loss on foreign currency transactions  | 3.23                                | -                                   |
| Miscellaneous expenses                     | 0.31                                | 0.37                                |
| <b>Total</b>                               | <b>100.08</b>                       | <b>69.27</b>                        |

**Note 27**
**Exceptional Items**
*(Rupees in Crores)*

| Particulars  | Year Ended 31 March 2026 | Year Ended 31 March 2025 |
|--|--------------------------|--------------------------|
| Expenses relating to winding up of foreign subsidiary (Refer Note 31(k)) | (0.31)                   | (0.26)                   |
| Past Service Cost Gratuity as per new Labour Code                        | (0.82)                   | -                        |
| <b>Total</b>   | <b>(1.13)</b>            | <b>(0.26)</b>            |

Effective November 21, 2025, The Government of India has consolidated multiple existing labour legislations into a unified framework comprising four Labour Codes collectively referred to as the New Labour Codes. Under Ind AS 19, changes to employee benefit plans arising from legislative amendments constitute a plan amendment, requiring recognition of past service cost immediately in the statement of profit and loss. The New Labour Codes has resulted in estimated one time increase in provision for employee benefits of the Company of Rs 0.82 crores, and the same has been recognized as an exceptional item during the year. The Company continues to monitor developments on the rules to be notified by regulatory authorities, including clarifications / additional guidance from authorities and will continue to assess the accounting implications basis such developments / guidance.

**Note 28**
**A. Capital Management**

For the purpose of Group's Capital Management, capital includes Issued Equity Capital, Securities Premium, and all other Equity Reserves attributable to the Equity Holders of the Holding Company. The primary objective of the Group's Capital Management is to maximise the Share Holder Value.

The Group manages its capital structure and makes adjustments in the light of changes in economic conditions and requirements of the financial covenants and to continue as a going concern. The Group monitors using a gearing ratio which is net debts divided by total capital plus net debt. The Group includes within net debt, interest bearing loans and borrowings, less cash and short term deposit.

*(Rupees in Crores)*

| Particulars                           | As at 31 March 2026 | As at 31 March 2025 |
|---------------------------------------|---------------------|---------------------|
| Interest bearing loans and borrowings | 36.56               | 23.12               |
| Less: Cash and Short term deposits    | (11.45)             | (1.53)              |
| <b>Net Debt</b>                       | <b>25.11</b>        | <b>21.59</b>        |
| Equity                                | 12.80               | 12.70               |
| Other equity                          | 280.09              | 243.93              |
| <b>Total Capital</b>                  | <b>292.89</b>       | <b>256.63</b>       |
| <b>Capital and Net Debt</b>           | <b>318.00</b>       | <b>278.22</b>       |
| <b>Gearing Ratio %</b>                | <b>7.90%</b>        | <b>7.76%</b>        |

**B. Financial Risk Management**

The Group's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the operations of the Company. The principal financial assets include trade and other receivables and cash and short term deposits.

The Company has assessed market risk, credit risk and liquidity risk to its financial liabilities.

**i) Market Risk**

Market Risk is the risk of loss of future earnings, fair values or cash flows that may result from a change in the price of a financial instrument, as a result of interest rates, foreign exchange rates and other price risks. Financial instruments affected by market risks, primarily include loans And borrowings and foreign currency receivables and payables.

### Interest Rate Risks

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The management is responsible for the monitoring of the Group's interest rate position. Various variables are considered by the management in structuring the Group's borrowings to achieve a reasonable, competitive cost of funding.

#### Exposure to interest rate risk

The interest rate profile of the Group's interest-bearing financial instruments as reported to the management is as follows:

*(Rupees in Crores)*

| Particulars                  | As at<br>31 March 2026 | As at<br>31 March 2025 |
|------------------------------|------------------------|------------------------|
| <b>Financial liabilities</b> |                        |                        |
| Fixed rate instruments       | 2.03                   | 1.37                   |
| Variable rate instruments    | 34.53                  | 21.75                  |
| <b>Total</b>                 | <b>36.56</b>           | <b>23.12</b>           |

#### Fair value sensitivity analysis for fixed rate instruments

The Group measures its fixed rate financial liabilities at amortized cost and does not designate these liabilities at fair value through profit or loss (FVTPL). Consequently, any changes in market interest rates at the reporting date would not directly affect the Group's profit or loss, as the interest expense is based on the fixed effective interest rate.

#### Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rate would have resulted in variation in the interest expense for the Group by

**0.35**                      **0.22**

#### Foreign Currency Risks

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. The Group enters into forward exchange contracts to hedge its foreign currency exposures. Foreign currency risks from financial instruments at the end of the reporting period expressed in INR :

#### Unhedged Short Term Exposures :

| Particulars          | Currency | As at 31 March 2026                            |                       | As at 31 March 2025                            |                       |
|----------------------|----------|--|-----------------------|--|-----------------------|
|                      |          | Amount<br>in Foreign<br>Currency -<br>In Crore | Amount-<br>In ₹ Crore | Amount<br>in Foreign<br>Currency -<br>In Crore | Amount-<br>In ₹ Crore |
| Financial Assets     | USD      | 0.10   | 9.47                  | 0.06   | 4.95                  |
|                      | EURO     | 0.17   | 18.32                 | 0.23   | 21.36                 |
|                      | GBP      | 0.00   | 0.23                  | 0.00   | 0.18                  |
| Financial Liabilites | USD      | 0.02   | 1.45                  | 0.02   | 1.38                  |
|                      | EURO     | 0.00   | 0.32                  | 0.01   | 0.69                  |
|                      | JPY      | 0.00   | 0.04                  | -  | -                     |
| Net exposure         | USD      | 0.08   | 8.02                  | 0.04   | 3.57                  |
|                      | EURO     | 0.17   | 18.00                 | 0.22   | 20.67                 |
|                      | GBP      | 0.00   | 0.23                  | 0.00   | 0.18                  |
|                      | JPY      | (0.00)   | (0.04)                | -  | -                     |

The Group is mainly exposed to changes in US Dollar and EURO.

The Sensitivity analysis is prepared on the net unhedged exposure of the Group at the reporting date.

The sensitivity to a 0.25% to 1% increase or decrease in US Dollar and EURO against INR with all other variables held constant will be as follows;

| Particulars          | Currency | As at 31 March 2026 |          | As at 31 March 2025 |          |
|----------------------|----------|---------------------|----------|---------------------|----------|
|                      |          | Increase            | Decrease | Increase            | Decrease |
| Sensitivity (+/- 1%) |          |                     |          |                     |          |
|                      | USD      | 0.08                | (0.08)   | 0.04                | (0.04)   |
|                      | EURO     | 0.18                | (0.18)   | 0.21                | (0.21)   |

The Group enters into foreign exchange forward contracts with the intention to minimise the foreign exchange risk of outstanding foreign receivables, these contracts are not designated in hedge relationships and are measured at fair value through profit or loss.

| Particulars | As at 31 March 2026                   |                   | As at 31 March 2025                   |                   |
|-------------|---------------------------------------|-------------------|---------------------------------------|-------------------|
|             | Amount in Foreign Currency - In Crore | Amount-In ₹ Crore | Amount in Foreign Currency - In Crore | Amount-In ₹ Crore |
| <b>USD</b>  | 0.13                                  | 12.63             | 0.10                                  | 8.69              |
| <b>EURO</b> | 0.45                                  | 48.41             | 0.48                                  | 44.08             |

### Price Risks

More than One-third of the Group's revenues are generated from exports and the raw materials are procured through import and local purchases where local purchases track import parity price. The Group is affected by the price stability of certain commodities. Due to the significantly increased volatility of certain commodities, the Group enters into contract with the customers that has provision to pass on the change in the raw material prices and also the volatility in the exchange rate. The Group has a risk management framework aimed at prudently managing the risk arising from the volatility in commodity prices and freight costs. The Group hedges 65-70% of its export collections through plain vanilla forward covers.

### ii Credit Risk

Credit Risk is the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. It arises from credit exposure to customers and Balances with Banks.

The Group holds cash and cash equivalents with banks which are having highest safety rankings and hence has a low credit risk.

("The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. The Group has taken insurance cover for overseas debtors through ECGC but has not taken any insurance cover for local debtors. The Group uses Expected Credit Loss (ECL) Model to assess the impairment loss or gain. The outstanding trade receivables due for a period exceeding 180 days as at the year ended, 31st March 2026, is as follows")

| Particulars   | As at 31 March 2026 | As at 31 March 2025 |
|---|---------------------|---------------------|
| The outstanding trade receivables due for a period exceeding 180 days as % of Total Trade receivables | 1.51%               | 1.14%               |

### iii Liquidity Risk

The Group manages liquidity risk by maintaining adequate surplus, banking facilities and reserve borrowings facilities by continuously monitoring forecasts and actual cash flows.

The Group has obtained fund and non-fund based working capital lines from various banks. The Group monitors funding options available in the debt and capital markets with a view to maintaining financial flexibility.

All payments are made along due dates and requests for early payments are entertained after due approval and availing early payment discounts.

The Group has a system of forecasting rolling one month cash inflow and outflow and all liquidity requirements are planned.

#### Exposure to liquidity risk:

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments

(Rupees in Crores)

| Particulars                        | As at 31 March 2026 |           |           |                   | As at 31 March 2025 |           |           |                   |
|------------------------------------|---------------------|-----------|-----------|-------------------|---------------------|-----------|-----------|-------------------|
|                                    | Less than 1 year    | 1-3 years | 3-5 years | More than 5 years | Less than 1 year    | 1-3 years | 3-5 years | More than 5 years |
| <b>Borrowings</b>                  | 34.94               | 1.14      | 0.35      | 0.13              | 22.05               | 0.59      | 0.45      | 0.03              |
| <b>Trade Payable</b>               | 19.99               | -         | -         | -                 | 18.31               | -         | -         | -                 |
| <b>Other Financial Liabilities</b> | 7.56                | -         | -         | -                 | 6.98                | -         | -         | -                 |

#### Note 29

##### Fair Values and Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are

- recognised and measured at fair value and
- measured at amortised cost and for which fair values are disclosed in the Consolidated Financial Statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed in the Indian Accounting Standard.

(Rupees in Crores)

| Particulars  | As at 31 March 2026 | As at 31 March 2025 |
|--|---------------------|---------------------|
|  | Carrying Value      |                     |
| <b>Financial assets and liabilities measured at amortised cost</b> |                     |                     |
| <b>Financial Assets</b>  |                     |                     |
| Loans  | 0.38                | 0.30                |
| Bank Term deposits   | 38.81               | 62.33               |
| Other Assets - Security & Other deposits                           | 1.64                | 1.40                |
| <b>Total Financial Assets</b>                                      | <b>40.83</b>        | <b>64.03</b>        |
| <b>Financial Liabilities</b>                                       |                     |                     |
| Borrowings - Non current   | 1.62                | 1.07                |
| <b>Total Financial Liabilities</b>                                 | <b>1.62</b>         | <b>1.07</b>         |
| <b>Financial assets and liabilities measured at FVTPL</b>          |                     |                     |
| <b>Financial Liabilities</b>                                       |                     |                     |
| Foreign exchange forward contracts                                 | 2.17                | 0.41                |

The management assessed that fair value of trade receivables, cash and cash equivalents, security deposits, recoverable from customers, other short-term financial assets, short-term borrowings, trade payables and other short-term financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

\*The following methods and assumptions were used to estimate the fair values:

- Term deposits- The fair value of term deposits is equal to carrying value since they are carrying market interest rates as per the banks.

- b. Foreign exchange forward contracts- Foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing
- c. Non-current borrowings - The fair value of non-current borrowings is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. The carrying value and fair value of the borrowings has been considered the same since the existing interest rate approximates its fair value
- d. Others- For other financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values

**Note 30**
**Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate**
*(Rupees in Crores)*

| Particulars   | Year Ended 31 March 2026 | Year Ended 31 March 2025 |
|---|--------------------------|--------------------------|
| <b>Accounting Profit before Income Tax</b>          | <b>43.39</b>             | <b>33.12</b>             |
| At India's statutory income tax rate of             | <b>25.17%</b>            | <b>25.17%</b>            |
| Income Tax as per statutory income tax rate         | 10.92                    | 8.34                     |
| Effect of deductions available under Income Tax Act | (3.47)                   | (3.59)                   |
| Effect of brought forward business loss             | 0.00                     | 0.93                     |
| Effect of non-deductible expenses                   | 0.49                     | 0.15                     |
| <b>Total</b>  | <b>7.94</b>              | <b>5.83</b>              |

**NOTE 31 Additional / Explanatory information**
**a) Earnings Per Share**
*(Rupees in Crores)*

| Particulars  |           | Year ended 31 March 2026 | Year ended 31 March 2025 |
|--|-----------|--------------------------|--------------------------|
| i Profit after taxation from continuing operations after exceptional items | Rs. Crore | 35.48                    | 26.84                    |
| Weighter Average Number of equity shares (Face Value Rs. 10/-)             | Nos.      | 1,27,39,718              | 1,15,57,188              |
| Earnings per share for continuing operations                               | Rs.       | 27.85                    | 23.22                    |
| Diluted Number of shares outstanding                                       |           | 1,31,16,200              | 1,18,97,328              |
| Diluted earnings per share   |           | 27.05                    | 22.56                    |

**Weighted average number of Shares**

| Particulars   |      | Year ended 31 March 2026 | Year ended 31 March 2025 |
|---|------|--------------------------|--------------------------|
| Number of shares considered as basic weighted average shares outstanding                | Nos. | 1,26,97,800              | 1,01,11,584              |
| Add: Weighted number of equity shares issued during the year                            | Nos. | 41,918                   | 14,45,604                |
| Number of shares considered as weighted average shares and potential shares outstanding | Nos. | 1,27,39,718              | 1,15,57,188              |

**Diluted number of shares**

| Particulars   |      | Year ended<br>31 March 2026 | Year ended<br>31 March 2025 |
|---|------|-----------------------------|-----------------------------|
| Number of shares considered as basic weighted average shares outstanding                | Nos. | 1,27,39,718                 | 1,15,57,188                 |
| Add: Weighted average number of potential equity shares from ESOP (Refer Note 23)       | Nos. | 76,482                      | 1,44,524                    |
| Add: Weighted average number of potential equity shares from ESOP (Refer Note 23)       |      | 3,00,000                    | 1,95,616                    |
| Number of shares considered as weighted average shares and potential shares outstanding | Nos. | 1,31,16,200                 | 1,18,97,328                 |

**b) Disclosures under The Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED'):**

The details of liabilities to Micro and Small Enterprises, to the extent information available with the Group are given under and have been relied upon by the auditors:

| Particulars  | As at<br>31 March 2026 | As at<br>31 March 2025 |
|--|------------------------|------------------------|
| Principal amounts remaining unpaid to suppliers as at the end of the accounting year | 0.95                   | 0.78                   |

Note: Other information/ disclosures relating to payments made beyond appointed date, interest accrued And paid and cumulative interest are not applicable, being NIL.

**c) As required by section 135 of Companies Act, 2013 and Rules therein, a Corporate social responsibility committee has been formed by the Holding Company. The Holding Company has spent the following amount during the year towards corporate social responsibility (CSR) for activities listed under schedule VII of the Companies Act, 2013.**

| Particulars   | As at<br>31 March 2026 | As at<br>31 March 2025 |
|---|------------------------|------------------------|
| Gross amount required to be spent by the Holding Company  | 0.54                   | 0.41                   |
| Amount spent by the Holding Company during the year on purpose other than construction/ acquisition of assets | 0.54                   | 0.42                   |
| Shortfall/(Excess) at the end of the year   | 0.00                   | (0.01)                 |
| Total of previous year short fall   | NA                     | NA                     |
| Reason for shortfall  | NA                     | NA                     |
| Nature of CSR Activities  | Education &<br>Sports  | Education &<br>Sports  |

**d) The Notes to these consolidated Ind AS financial statements are disclosed to the extent relevant and necessary for presenting a true and fair view of the consolidated Ind AS financial statements based on section 129(4) of The Companies Act, 2013 and as clarified vide Circular No.39/2014 dated 14th October,2014.****e) Consolidated Employee benefit disclosures are not materially different from the employee benefit disclosures of the standalone Ind AS financial statements of the Company.****f) Disclosures under Ind AS 108 - "Operating Segment" - (Refer Note below)****(i) Entity wide disclosure required by Ind AS 108 are as detailed below:**

|  | 31-Mar-26 | 31-Mar-25 |
|--|-----------|-----------|
| Springs, Parts, Fasteners and Assemblies | 314.30    | 237.84    |

**(ii) Geographic information**

The geographic information analyses the Holding Company's revenues and non-current assets by the Company's country of domicile and other countries. In presenting geographic information, segment revenue has been based on the selling location in relation to sales to customers and segment assets are based on geographical location of assets.

| <b>Revenue from External Customers:</b> | <b>31-Mar-26</b> | <b>31-Mar-25</b> |
|---|------------------|------------------|
| - within India                          | 202.79           | 148.39           |
| - outside India                         | 111.51           | 89.45            |
| <b>Total revenue</b>                    | <b>314.30</b>    | <b>237.84</b>    |

| <b>Non-current assets (other than financial instruments)</b>       | <b>31-Mar-26</b> | <b>31-Mar-25</b> |
|--|------------------|------------------|
| - within India   | 130.52           | 105.56           |
| - outside India  | -                | 0.01             |
| <b>Total Non-current assets (other than financial instruments)</b> | <b>130.52</b>    | <b>105.57</b>    |

**Information about major customers:**

| <b>The following is the transactions by the Company with customers individually contributing more than 10 or more of the Company's revenue from operations</b> | <b>31-Mar-26</b> | <b>31-Mar-25</b> |
|--|------------------|------------------|
| Revenue from operations of 1 customer of the group represented approximately % of the revenue from operation   | 15.97%           | 23.60%           |

Note:

The Company is engaged interalia in the manufacture of Springs, Parts, Fasteners and Assemblies. These in the context of Ind AS 108 "Operating Segment" is considered to constitute one single primary segment.

**g) Related party disclosures (As per Ind AS 24 - Related Party Disclosures):**
***Other related parties with whom transactions have taken place during the year***

|   |   |
|---|---|
| - Key Managerial Personnel                              | Mr. Kirit Gala - Chairman and Managing Director<br>Mr. Balkishan Jalan, Whole Time Director (Executive)<br>Mr. Satish Kotwani, Whole Time Director - Marketing<br>Mr. S. Giridhar - Chief Financial Officer<br>Ms. Pooja Ladha - Company Secretary  |
| - Entity in which Directors having substantial interest | Vishanji H. Gala - HUF<br>Kirit V. Gala - HUF<br>Balkishan Jalan - HUF<br>Workamp Spaces Pvt. Ltd.<br>Gala Springs LLP<br>Slate Workspaces Pvt Ltd  |
| - Relatives of Key Managerial personnel                 | Mrs. Taramati V Gala - Mother of Mr. Kirit V Gala<br>Mrs. Rumie K Gala - Wife of Mr. Kirit V Gala<br>Mrs. Alpa Chheda - Sister of Mr. Kirit V Gala<br>Mrs. Nayna Gala - Sister of Mr. Kirit V Gala<br>Mr. Smeet Kirit Gala - Son of Mr Kirit V Gala |

| Particulars                            | Entity in which Directors having substantial interest |           | Key Managerial Personnel |           |
|--|---|-----------|--------------------------|-----------|
|  | 31-Mar-26   | 31-Mar-25 | 31-Mar-26                | 31-Mar-25 |
| <b>Interest Expense :</b>              | -   | 0.23      | -                        | 0.07      |
| <b>Remuneration:*</b>                  |   |           |                          |           |
| <b>Directors</b>                       | -   | -         | 3.22                     | 3.11      |
| CFO                                    | -   | -         | 0.35                     | 0.33      |
| Company Secretary                      | -   | -         | 0.10                     | 0.09      |
| Smeet Gala - VP - Business Development | 0.35  | 0.28      | -                        | -         |
| <b>Loan repaid:</b>                    | -   | 10.82     | -                        | 3.93      |
| <b>Loan received:</b>                  | -   | 10.82     | -                        | 3.93      |
| <b>Other payables (Remuneration)</b>   |   |           |                          |           |
| Directors                              | -   | -         | 0.27                     | 0.26      |
| CFO                                    | -   | -         | 0.03                     | 0.03      |
| Company Secretary                      | -   | -         | 0.01                     | 0.01      |
| Smeet Gala - VP - Business Development | 0.03  | 0.02      | -                        | -         |

\* Remuneration does not include provisions made for gratuity of INR 0.38 crores as it is determined on an actuarial basis for the group as a whole

d) Terms and conditions of transactions with related parties;

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31-Mar-2025, 31-Mar-2026 the Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

(Rupees in Crores)

| Particulars   | As at 31 March 2026 | As at 31 March 2025 |
|---|---------------------|---------------------|
| <b>h) Capital Commitment</b>  |                     |                     |
| (i) Estimated amount of contracts remaining to be executed on Capital Account, net of advances and not provided for - | 12.90               | 7.68                |
| <b>i) Contingent Liabilities not provided for:</b>  |                     |                     |
| (a) Disputed Income Tax Demands   | 3.30                | 3.30                |
| (b) Patent Act*   | 2.00                | 2.00                |
| (c) Bank guarantees   | 0.99                | 0.86                |
| (d) Letters of credit   | 5.49                | 2.47                |

\*A patent infringement suit was filed by Nord-Lock AB & Nord-Lock (India) Pvt. Ltd. against Gala Precision Engineering Pvt. Ltd. & Gala Fasteners Pvt. Ltd. Infringement of patents related to Wedge-Lock technology washers and involves the manufacture, sale, and advertisement of 'Gallock Washers' by Gala Precision Engineering. The Plaintiffs' have reserved their rights to enhance their claim amount at a later stage taking into account the Defendants' total sales revenue for all the infringing products sold during the entire period of infringement, which will be assessed after the trial takes place. As the matter is currently under litigation, it is not possible to estimate the financial outcome at this stage. Consequently, no provision has been made in the financial statements in relation to this lawsuit.

(Rupees in Crores)

| Name of entity in the group                          | Net Assets<br>(Total assets - Total liabilities) |               | Share in profit             |              | Share in other comprehensive income             |               | Share in total comprehensive income             |              |
|--|--|---------------|-----------------------------|--------------|---|---------------|---|--------------|
|  | As % of consolidated net assets                  | Amount        | As % of consolidated profit | Amount       | As % of consolidated other comprehensive income | Amount        | As % of consolidated total comprehensive income | Amount       |
| <b>As at 31 March 2026</b>                           |  |               |                             |              |   |               |   |              |
| <b>Parent</b>  |  |               |                             |              |   |               |   |              |
| Gala Precision Engineering Limited                   | 99.99%   | 292.46        | 101.07%                     | 35.86        | 100.00%   | (0.09)        | 101.07%   | 35.77        |
| <b>Subsidiary</b>                                    |  |               |                             |              |   |               |   |              |
| Gala Precision Components (Shanghai) Private Limited | 0.00%  | -             | -0.19%                      | (0.07)       | 0.00%   | -             | -0.19%  | (0.07)       |
| Gala Springs LLP                                     | 0.01%  | 0.03          | -0.88%                      | (0.31)       | 0.00%   | -             | -0.88%  | (0.31)       |
| <b>Total</b>   | <b>100.00%</b>                                   | <b>292.49</b> | <b>100.00%</b>              | <b>35.48</b> | <b>100.00%</b>                                  | <b>(0.09)</b> | <b>100.00%</b>                                  | <b>35.39</b> |
| <b>As at 31 March 2025</b>                           |  |               |                             |              |   |               |   |              |
| <b>Parent</b>  |  |               |                             |              |   |               |   |              |
| Gala Precision Engineering Limited                   | 99.96%   | 256.17        | 101.23%                     | 27.18        | 100.00%   | (0.41)        | 101.25%   | 26.77        |
| <b>Subsidiary</b>                                    |  |               |                             |              |   |               |   |              |
| Gala Precision Components (Shanghai) Private Limited | 0.03%  | 0.06          | -0.26%                      | (0.07)       | 0.00%   | -             | -0.26%  | (0.07)       |
| Gala Springs LLP                                     | 0.01%  | 0.03          | -0.97%                      | (0.26)       | 0.00%   | -             | -0.98%  | (0.26)       |
| <b>Total</b>   | <b>100.00%</b>                                   | <b>256.26</b> | <b>100.00%</b>              | <b>26.85</b> | <b>100.00%</b>                                  | <b>(0.41)</b> | <b>100.00%</b>                                  | <b>26.44</b> |

i)

**k) Notes on IPO Proceeds**

The equity shares of the Holding Company had been listed on National Stock Exchange ("NSE") and on BSE Limited ("BSE") on September 09, 2024 by completing Initial Public Offer ("the IPO") of 31,74,416 equity shares of face value of Rs. 10 each at an issue price of Rs. 529 per equity share (including share premium of Rs. 519 per equity share) consisting of a fresh issue of 25,58,416 equity shares and an offer for sale of 6,16,000 equity shares

The Company has incurred Rs. 17.50 crore as IPO related expenses and allocated such expenses between the Company (Rs. 14.10 crore has been adjusted of the securities premium account) and selling shareholders (Rs. 3.40 crore) in proportion to the equity shares allotted to the public as fresh issue by the Company and under the offer for sale by selling shareholders respectively. The Company has an amount of Rs. 121.24 crore (net of IPO expenses of Rs. 14.11 crore) from proceeds out of fresh issue of equity shares. The utilisation of the net IPO proceeds is summarised below

Details of utilisation of net proceeds amounting to Rs. 121.24 crore received in Monitoring Account:

(Rupees in Crores)

| Sr. No. | Objects of the issue as per prospectus   | Amount Proposed in Offer Document | Actual Net Proceeds | Amount utilised till 31 March 2026 | Amount unutilised as on 31 March 2026* |
|---------|--|-----------------------------------|---------------------|------------------------------------|--|
| 1       | Setting up a new facility at Vallam-Vadagal, SIPCOT, Sriperumbuddur, Tamil Nadu for manufacturing high tensile fasteners and hex bolts | 37.00                             | 37.00               | 28.43                              | 8.57                                   |
| 2       | Funding capital expenditure requirements towards purchase of equipment, plant and machinery at Wada, Palghar, Maharashtra              | 11.07                             | 11.07               | 9.34                               | 1.73                                   |
| 3       | Repayment/ prepayment, in full or part, of certain borrowings availed by our Company   | 45.43                             | 45.43               | 45.43                              | -                                      |
| 4       | General corporate purposes   | 27.91                             | 27.74               | 0.92                               | 26.82                                  |
|         | <b>Total</b>   | <b>121.41</b>                     | <b>121.24</b>       | <b>84.12</b>                       | <b>37.12</b>                           |

\* Net IPO proceeds which were un-utilised as at March 31, 2026 amounting to Rs. 35.98 crores has been temporarily invested in fixed deposits.

#### I) Additional regulatory information required by Schedule III

- i No proceedings have been initiated or pending against the Group under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder
- ii The Group is not declared wilful defaulter by any bank or financial Institution or government or any government authority
- iii The Group has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- iv The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of layers) Rules 2017
- v The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- vi The Group has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:
  - (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
- vii 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 Holding 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

- viii There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- ix The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year
- x The Group has not revalued its Property, Plant and Equipment (including Right-of-Use Assets) or intangible assets or both during the current or previous year.
- xi The title deeds of all the immovable property (other than properties where the Group is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Holding Company.
- xii There are no charges or satisfaction which are yet to be registered with ROC beyond the statutory period.

**For SCA AND ASSOCIATES**

Chartered Accountants  
Firm Reg.No 101174W

**Vasant M Gala**

**Partner**

Membership No. 037626  
Mumbai, 14<sup>th</sup> May, 2026

**For and on behalf of the Board of Directors**

**Kirit V. Gala**

Chairman and Managing Director  
DIN : 01540274

**S. Giridhar**

Chief Financial Officer

Mumbai, 14<sup>th</sup> May, 2026

**Balkishan S. Jalan**

Whole Time Director  
DIN : 02876873

**Pooja Ladha**

Company Secretary

Mumbai, 14<sup>th</sup> May, 2026



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