GUINDY MACHINE TOOLS LIMITED

ANNUAL REPORT
2025 - 2026

An ISO 9001 & 14001 Company
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GUINDY MACHINE TOOLS LIMITED

Incorporated under Companies Act, 1956

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GENERAL INFORMATION

(i) BOARD OF DIRECTORS:

Chairperson	-	Smt. Jayashrree S. Mani
Director	-	Shri. B. Venugopal
Director	-	Shri. K. Jaganathan
Director	-	Shri. R. Venkatakrishnan
Executive Director Operations	-	Shri. Niranjan Swaminathan

(ii) AUDITORS:

M/s. Vijayaraghavan & Associates,
Chartered Accountants,
New no. 51, (Old no. 23), Giri Road,
T. Nagar, Chennai – 600 017

(iii) BANKERS:

M/s. State Bank of India,
SME Branch (Branch Code: 04327),
Guindy, Chennai – 600 032.

(iv) OUR DIVISIONS:

1. **Work Holding & Machine Tools Division,**
   No. 214, Velachery – Tambaram Main Road,
   Pallikkaranai, Chennai – 600100.
2. **Metrology Division**
   Plot No. 104/2, SIPCOT Industrial Complex,
   Hosur – 635126.

GUINDY MACHINE TOOLS LIMITED

CIN: U29130TN1959PLC003951 | **MSME Regn. No.:** UDYAM-TN-02-0000806
Regd. Off. & Works: 214 (Old No.196), Velachery –Tambaram Main Road,
Pallikkaranai, Chennai – 600 100, India.

To
The Members of
Guindy Machine Tools Limited

DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH 2026

Dear Shareholders,

Your directors have pleasure in presenting this 67th Annual Report on the business and operations of the Company and Audited Financial Statements of the company for the financial year 2025-26 along with the Auditors' Report thereon.

1. FINANCIAL PERFORMANCE & STATE OF COMPANY'S AFFAIRS:

During the current financial year, the Company has recorded a substantial increase in turnover under review, reflecting the improvement in its business operations and overall financial performance. The improvement has been supported by better operational performance, increased business opportunities and the Company's continued efforts towards strengthening its market position and improving overall efficiency. The Company has demonstrated a strong recovery during the current financial year and has made significant progress in overcoming the losses incurred in the previous financial year. The Company remains confident that, with the continued improvement in business performance that all losses incurred in the previous year will be recovered and sustained growth in profitability will be achieved in the coming years.

The Company currently operates through two divisions, namely the WHMT Division and the Metrology Division. The WHMT Division deals with a wide range of products and services, including Chucks, Cylinders, Accessories, Machine Tool Items, and the Reconditioning of Chucks and Cylinders. The Metrology Division specializes in Granite Surface Grinding and offers a range of other Metrology products.

The Results of the year's operation are as under: (₹ In Lakhs)

SL. No.	Particulars	FY 2025-26	FY 2024-25
1	Revenue from Operation	3314.19	1224.78
2	Other Income	155.40	70.19
3	**Total Income**	**3469.59**	**1294.97**
4	Less: Expenditure	3112.63	1832.01
5	**Profit / Loss before Depreciation**	**356.96**	**(537.04)**
6	Less: Depreciation	116.92	139.10
7	Add: Exceptional Items	-	10.11
8	**Profit / (Loss) before Tax**	**240.04**	**(666.03)**
9	Less: Income Tax Provision	-	-
10	**Net Surplus/ (Loss) available for Appropriation**	240.04	**(666.03)**

2. DIVIDEND:

The Board of Directors have recommended a final Dividend of Rs. 1.50 per equity share of Rs. 10/- each amounting to Rs. 54,47,709 at their meeting held on 24.08.2026 on the paid-up capital of Rs. 3,63,18,060 to the members of the company for the financial year ended 31st March 2026

3. TRANSFER TO RESERVES IN TERMS OF SECTION 134 (3) (J) OF THE COMPANIES ACT, 2013:

No sum is proposed to transfer to the Reserves.

4. APPROPRIATION:

The Board of Directors has resolved to appropriate the balance surplus as under:

(₹ in Lakhs)

Particulars	FY 2025-26	FY 2024-25
Profit / (Loss) as per Current Year's Profit and Loss Account	240.04	(666.03)
Add :C/f. from last year Profit and Loss Account	984.33	1620.85
Add/(Less) : Deferred Tax Asset	(65.43)	30.51
Add/(Less): Prior period (short provision)/excess provision	-	(1.00)
Surplus available for appropriation	**1158.94**	**984.33**
Provision for Dividend	54.47	
Transfer to General Reserve	-	-
Balance in Profit and Loss Account carried forward to the next year	**1104.47**	**984.33**

5. MATERIAL CHANGES BETWEEN THE DATE OF THE BOARD REPORT AND END OF FINANCIAL YEAR:

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 the date of the report.

6. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

During the year under review there have been no such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

7. DETAILS OF SUBSIDIARY / JOINT VENTURE / ASSOCIATE COMPANY:

As on March 31, 2026, the Company does not have any Subsidiary / Joint ventures / Associate Companies.

8. CHANGES IN NATURE OF BUSINESS:

Sale / Disposal of Metrology Division

During the year under review, the Board of Directors at its meeting held on March 5, 2026, approved the transfer and sale of the Company's Metrology Division by way of a slump sale on a going concern basis for a total consideration of Rs. 9,35,00,000/- (Rupees Nine Crore Thirty-Five Lakhs only). Pursuant to the provisions of Section 180(1)(a) and other applicable provisions of the Companies Act, 2013, the members of the Company accorded their approval for the transaction through a Special Resolution passed at the Extraordinary General Meeting held on May 18, 2026. Subsequently, the Company executed the definitive Business Transfer Agreement (BTA) on July 16, 2026, to consummate the transfer on the agreed terms and conditions.

9. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:

During the year under review, the Company has transferred Rs. 40,800 towards unclaimed Dividend to IEPF (Investor Education and Protection Fund)

Event after Balance Sheet

Amount required to transfer to IEPF after the Balance Sheet is Rs. 12,375

10. EXTRACTS OF ANNUAL RETURN:

A copy of the Annual Return of the Company containing the particulars prescribed under section 92 of the Act, in Form MGT-7 as on March 31, 2026, will be uploaded on the Company's website at www.gmt.co.in.

11. STATUTORY AUDITORS & AUDITORS'REPORT:

At the Annual General Meeting held on 24th September 2025, M/s. Vijayaraghavan & Associates, Chartered Accountants, (FRN: 005699S) were appointed as Statutory Auditors of the Company to hold office till the conclusion of the Annual General Meeting to be held in the calendar year 2030.

There are no observations (including any qualifications, reservation, adverse remark or disclaimer) of the Auditors in their Audit Report that may call for any explanation from the Directors. Further, the notes of accounts referred to in the Auditor's Report are self-explanatory.

12. SHARE CAPITAL OF THE COMPANY AND THE DETAILS OF ISSUE OF SECURITIES MADE DURING THE YEAR:

a BUY BACK OF SECURITIES

The Company has not bought back any of its securities during the year under review.

b. SWEAT EQUITY

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

c. BONUS SHARES

No Bonus Shares were issued during the year under review.

d. EMPLOYEES STOCK OPTION PLAN

The Company has not provided any Stock Option Scheme to the employees.

13. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

The Company did not have any subsidiary as on 31st March, 2026 or during the year ended on that date.

14. DECLARATION OF INDEPENDENT DIRECTOR:

The provisions of Section 149 of the Companies Act, 2013 pertaining to the appointment of Independent Directors do not apply to our Company.

15. SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT:

The Secretarial Audit is not applicable on the Company as it not covered under the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

16. VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Company is not required to form such a policy.

17. CORPORATE SOCIAL RESPONSIBILITY:

The Company has constituted a CSR committee which is in compliance with the provisions of the Companies Act, 2013 and the rules made there under and the following are the Committee Members:

1) Smt. Jayashrree S Mani, Chairperson

2) Shri. B Venugopal, Member

3) Shri. R. Venkatakrishnan, Member

The Committee members approved the CSR Policy, and the CSR Policy has been published in the company's website www.gmt.co.in.

Pursuant to the provisions of Section 135 of the Companies Act, 2013, read with CSR Rules, the CSR committee of the Board met on 05th March 2026, which was attended by all the members of the CSR Committee.

During the financial year 2025-26, the Company does not fall within the applicability criteria prescribed under Section 135(1) of the Companies Act, 2013 ("the Act") read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 ("CSR Rules").

The Company has not satisfied the thresholds prescribed under Section 135(1) of the Act in the relevant preceding financial years, namely, net worth of ₹ 500 crore or more, turnover of ₹ 1,000 crore or more, or net profit of ₹ 5 crore or more. Further, during the immediately preceding financial year, i.e., FY 2024-25, the Company incurred a net loss and, accordingly, did not meet the prescribed net profit threshold.

In view of the foregoing, the provisions of Section 135 of the Act relating to Corporate Social Responsibility, undertaking of CSR activities, are not applicable to the Company for the financial year 2025-26.

18. ACCOUNTING POLICIES:

All significant accounting policies adopted in the preparation and presentation of financial statements are disclosed in Note No.1. There is no change in the accounting policies adopted.

19. DEPOSITS:

The Company has not invited / accepted any deposits from the public during the year ended March 31, 2026. There were no unclaimed or unpaid deposits as on March 31, 2026.

20. DIRECTORS:

The Present Directors of the Board are, Smt. Jayashrree S. Mani (Chairperson), Shri. B. Venugopal (Director), Shri. K. Jaganathan (Director), Shri. R. Venkatakrishnan (Director) and Shri. Niranjan Swaminathan (Executive Director Operations).

Shri. B Venugopal (Director), and Shri. Niranjan Swaminathan (Director) will retire by rotation at the Annual General Meeting of the Company as per the provisions of the Articles of Association of the Company and being eligible to offer themselves for re-appointment.

Changes in Directors and Key Managerial Personnel:

During the year under review, Smt. Leela Venkat Raman (DIN:00186313) resigned from the office of Director of the Company with effect from 10.10.2025. However, she continues to serve as the Chairman Emeritus of the Company.

The Board places on record its sincere appreciation for her invaluable guidance, visionary leadership, and immense contribution to the growth of the Company during her tenure as a Director.

During the year under review, Shri. Balasubramanian Venugopal (DIN: 00186010) stepped down from the position of Managing Director of the Company with effect from 31.03.2026. However, he continues to serve on the Board as a Director of the Company.

The Board places on record its sincere appreciation for his leadership, strategic guidance, and invaluable contributions to the Company during his tenure as Managing Director

The Composition of Board of Directors during the year are as follows: -

Sl. No.	Name of the Director	DIN	Date of Appointment	Current Designation	Category
1	Smt. Jayashrree S Mani	00186174	28.09.2002	Whole Time Director	Promoter
2.	Shri. Balasubramanian Venugopal	00186010	01.04.2006	Director	Professional
3	Shri. Niranjan Swaminathan	02769367	11.03.2024	Whole Time Director	Promoter
4	Shri. Krishnamachari Jaganathan	00186245	01.04.2006	Director	Professional
5.	Shri. Ramakrishnan Venkatakrishnan	00332632	19.02.2007	Director	Professional

21. NUMBER OF MEETINGS OF THE BOARD:

The following Meetings of the Board of Directors were held during the year 2025-26.

SL No	Date of Meeting	Board Strength	No. of Directors Present
1	30.06.2025	6	4
2	11.08.2025	6	5
3	24.11.2025	5	5
4	05.03.2026	5	5

PRESENCE / ATTENDANCE OF DIRECTORS IN THE MEETINGS

Sl. No	Name of the Director	Board Meeting		
		No. of Meetings held	No. of Meetings Attended	%
1	Smt. Leela Venkat Raman	2 *	0	0%
2	Smt. Jayashrree S. Mani	4	4	100%
3	Shri. B. Venugopal	4	4	100%
4	Shri. K. Jaganathan	4	4	100%
5	Shri. R. Venkatakrishnan	4	4	100%
6	Shri. Niranjan Swaminathan	4	3	75%

**Number of Board Meetings that needs to be attended.*

22. DIRECTORS' RESPONSIBILITY STATEMENT:

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the directors 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.
- 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.

- The directors prepared the annual accounts on a going concern basis; they devised proper systems to ensure compliance with the provisions of all applicable laws and ensured that such systems were adequate and operating effectively.

23. APPOINTMENT OF INDEPENDENT DIRECTORS:

The provisions of Section 149 pertaining to the appointment of Independent Directors do not apply to our Company.

24. NOMINATION AND REMUNERATION COMMITTEE:

The Board of Directors, at its meeting held on **24 November 2025**, reviewed the requirement for constitution of the Nomination and Remuneration Committee ("NRC") and, considering that constitution of an NRC is not mandatory for the Company under the applicable provisions of law, approved the dissolution of the Nomination and Remuneration Committee with effect from **24 November 2025**.

Accordingly, the Company does not have a Nomination and Remuneration Committee with effect from the aforesaid date.

25. PARTICULARS OF LOAN GUARANTEE (OR) INVESTMENTS:

The Company has not made / given / advanced any Loan or Guarantee during the financial year covered under section 185 of the Companies Act, 2013. However, the Company has made Investments in accordance with provisions of section 186 of the Companies Act, 2013. The details of the same has given in the Note no.19 to the Financial Statements.

26. 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, is annexed herewith as "Annexure-I".

27. ENVIRONMENT AND CERTIFICATION:

Earlier your Company has retained the accreditation of its Quality systems in line with ISO 9001 – 2008 and Environmental systems in line with ISO 14001:2004, which have now been combined and managed as an Integrated Management System. The Company has obtained accreditation for its management system in line with ISO 9001-14001:2015 certification.

Several activities such as Rainwater Harvesting, Sewage Treatment, and separation and disposal of scrap as per government guidelines have been initiated already. Requirements of the Environment Management System (EMS) the for protection of the environment are under periodic review and improvement.

28. MANAGERIAL REMUNERATION:

Computation of Managerial Remuneration is furnished in Annexure – II and it is attached to this Report.

29. RELATED PARTY TRANSACTIONS:

The Company is required to enter various Related Party Transactions as defined under Section 188 of the Companies Act, 2013 with related parties as defined under Section 2 (76) of the said Act. Further, all the necessary details of transactions entered with the related parties are attached herewith in Form No. AOC-2 (Annexure – III) for your kind perusal and information. (Note- 39)

30. RISK MANAGEMENT:

Risks are events, situations or circumstances which may lead to negative consequences on the Company's businesses. Risk management is a structured approach to managing uncertainty. A formal enterprise-wide approach to Risk Management is being adopted by the Company and key risks will now be managed within a unitary framework. As a formal roll-out, all business divisions and corporate functions will embrace Risk Management Policy and Guidelines and make use of these in their decision-

making. Key business risks and their mitigation are considered in the annual/strategic business plans and in periodic management reviews. The risk management process in our multi-business, multi-site operations, over the period of time will become embedded into the Company's business systems and processes, such that our responses to risks remain current and dynamic.

31. INTERNAL FINANCIAL CONTROLS:

The Companies Act, 2013 re-emphasizes the need for an effective Internal Financial Control system in the Company. The system should be designed and operated effectively. Rule 8(5) (viii) of Companies (Accounts) Rules, 2014 requires the information regarding adequacy of Internal Financial Controls with reference to the financial statements to be disclosed in the Board`s report. To ensure effective Internal Financial Controls the Company has laid down the following measures:

- The internal financial control systems are commensurate with the size and nature of its operations.
- All legal and statutory compliances are ensured on a monthly basis. Non-compliance, if any, is seriously taken by the management, and corrective actions are taken immediately. Any amendment is regularly updated by internal as well as external agencies in the system.
- Approval of all transactions is ensured through a pre-approved Delegation of Authority Schedule which is reviewed periodically by the management.
- The Company follows a robust internal audit process. Transaction audits are conducted regularly to ensure the accuracy of financial reporting, and to safeguard and protection of all the assets.
- Fixed Asset verification of assets is done on an annual basis. The audit reports for the above audits are compiled and submitted to Board of Directors for review and necessary action.

32. DISCLOSURE AND MAINTENANCE COST RECORDS AS SPECIFIED BY CENTRAL GOVERNMENT UNDER SECTION 148(1) OF THE COMPANIES ACT, 2013:

The provision of maintenance of cost audit records and filing the same is not applicable to the Company.

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

The Company is committed to uphold and maintain the dignity of women employees and it has in place a policy which provides for protection against sexual harassment of women at the workplace and for prevention and redressal of such complaints.

The Company has formulated the Policy for POSH, and a committee has been formed as per the POSH Act. Orientation and awareness programs have been conducted. Periodical meetings are conducted by the Committee and NIL complaints were received during the year under review.

34. MATERNITY BENEFIT PROVIDED BY THE COMPANY UNDER MATERNITY BENEFIT ACT 1961:

The Company declares that it has duly complied with the provision of the Maternity Benefit Act, 1961. All eligible women employees have been extended the statutory benefits prescribed under the Act, including paid maternity leave, continuity of salary and service during the leave period and post-maternity support such as nursing breaks and flexible return-to-work options as applicable. The Company remains committed to fostering an inclusive and supportive work environment that upholds the rights and welfare of its women employees in accordance with applicable laws.

35. APPOINTMENT OF DESIGNATED PERSON (MANAGEMENT AND ADMINISTRATION) RULES 2014 - RULE 9 OF THE COMPANIES ACT 2013:

In accordance with Rule 9 of the Appointment of Designated Person (Management and Administration) Rules, 2014, the company is required to designate a responsible individual to ensure compliance with statutory obligations. Accordingly, the Board has appointed Mr. Niranjan Swaminathan, Executive Director Operation, as the Designated Person in a duly convened Board meeting, and this appointment has been duly reported in the Annual Return of the company.

36. SECRETARIAL STANDARD:

The Company has duly complied with the applicable Secretarial Standards, namely SS-1 – Secretarial Standard on Meetings of the Board of Directors and SS-2 – Secretarial Standard on General Meetings, issued by the Institute of Company Secretaries of India (ICSI) and approved by the Central Government, as applicable to the Company.

The Company has established proper systems and procedures to ensure compliance with the applicable Secretarial Standards, and the Directors are satisfied that such systems are adequate and operating effectively.

37. DETAILS OF APPLICATION MADE OR ANY PRECEDING PENDING UNDER IBC, 2016 DURING THE FY ALONG WITH THE CURRENT STATUS:

The details of application made or any proceeding pending under the Insolvency and Bankruptcy code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year. NIL

38. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE- TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF:

The details of the difference in amount of valuation at the time of one-time settlement and at time of taking loans from Bank/FI is mentioned below:

Valuation at the time of one-time settlement	Valuation at the time of taking Loans from Banks/FI	Difference	Reason for Difference
-	-	-	-

39. DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY:

NIL

40. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

41. Exceptional Items:

Earlier year adjustments have been made with respect to depreciation to maintain the residual value as per the Schedule II to the Companies Act 2013 and the same has been charged as exceptional items in the Profit & Loss Account and the Notes to Accounts for the charge has been disclosed under 34.

42. ACKNOWLEDGEMENT:

Your directors wish to express their appreciation for the continued co-operation received from the Banks, Government Authorities, Customers, Vendors and Shareholders during the year under review. They also wish to place on record their deep sense of appreciation for the committed service of the Executives, Staff and Workers of the Company.

// By Order of the Board //

Sd/-
(NIRANJAN SWAMINATHAN)
Executive Director Operations
DIN: 02769367

Sd/-
(JAYASHRREE S MANI)
Chairperson
DIN: 00186174

Place : Chennai
Date : 24.08.2026

ANNEXURE - I

Information under Section 134(3)(m) of the Companies Act, 2013 read with rule 8(3) the Companies (Accounts) Rules, 2014 and forming part of the Report of the Director

A. Conservation of Energy:

(i) The steps taken or impact on conservation of energy:

This process is under constant review and systems are currently at optimum

B. Technology Absorption:

(i) The benefits derived like product improvement, cost reduction, product development or import substitution:

a. New Special Product line was developed to reduce the risks of dependence on a limited number of market segments and improve the profitability.

b. To render our products affordable for small and medium scale engineering units and automobile ancillary units.

c. To enhance the durability of our products and their application by user industries.

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

There was no import of Technology. Technology is developed in-house and is regularly used in the lines of production and periodically updated.

C. Foreign Exchange Earnings and Outgo:

The Company's main line of business is manufacturing work holding, work positioning, machine tools and metrology products. The Company has achieved Export Turnover of Rs. 21.94 Lakhs during the year 2025 – 2026, as compared to Rs.28.72 Lakhs in the previous year, 2024 – 2025.

₹ in Lakhs)

Particulars	**2025-26**	**2024-25**
Total Foreign exchange received		
On sale of products and services	21.94	28.72
On agency commission	-	-
Total Foreign exchange used		
Raw material	-	-
Consumable Stores	-	-
Capital goods	-	-
Foreign Travel	-	-
Others	6.62	2.36

ANNEXURE - II

MANAGERIAL REMUNERATION

The managerial remuneration payable by the Company is governed by the provisions of **Section 197 of the Companies Act, 2013**, read with the applicable provisions of **Schedule V** thereto. For the purpose of determining the ceiling on managerial remuneration, the net profits of the Company have been computed in accordance with the provisions of **Section 198 of the Companies Act, 2013**.

Computation of Net Profit under Section 198

The computation of net profit for the purpose of Section 197 read with Section 198 of the Companies Act, 2013 is as follows:

Particulars	Amount (₹)
Profit Before Tax as per the Statement of Profit and Loss	2,40,04,296
Add: Managerial Remuneration	70,40,065
Net Profit computed in accordance with Section 198	3,10,44,361

Ceiling on Managerial Remuneration

Based on the net profit computed in accordance with Section 198 of the Companies Act, 2013, the overall ceiling on managerial remuneration under

Particulars	Amount (₹)
Net Profit computed under Section 198	3,10,44,361
Maximum overall managerial remuneration at 11%	34,14,880

**refer RPT note number 39 for director wise breakup*

Section 197 is as follows:

The total managerial remuneration payable by a public company is generally subject to the limits prescribed under Section 197, based on net profits computed in the manner laid down in Section 198.

Managerial Remuneration

The managerial remuneration paid/payable during the financial year exceeded the limits prescribed under **Section 197 of the Companies Act, 2013**, based on the net profits computed in accordance with **Section 198 of the Act**.

The Company has obtained the approval of its Members by way of a **Special Resolution** in respect of the waiver of recovery of the excess managerial remuneration, in accordance with the applicable provisions of the Companies Act, 2013.

ANNEXURE - III

FORM NO. AOC -2

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

Form for Disclosure of particulars of contracts/arrangements entered by GUINDY MACHINE TOOLS LIMITED ("the Company") with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis

Sl. No.	Particulars	Details
a	Name (s) of the related party & nature of relationship	NA
b	Nature of contracts/arrangements/transaction	NA
c	Duration of the contracts/arrangements/transaction	NA
d	Salient terms of the contracts or arrangements or transaction including the value, if any	NA
e	Justification for entering into such contracts or arrangements or transactions'	NA
f	Date of approval by the Board	NA
g	Amount paid as advances, if any	NA
h	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NA

2. Details of contracts or arrangements or transactions at Arm's length basis.

Sl. No.	Particulars	Details
a	Name (s) of the related party & nature of relationship	1. Smt.Jayashrree S. Mani, Chairperson 2. Shri. B Venugopal, Managing Director. 3. Shri. Niranjan Swaminathan, Executive Director Operations 4. Shri. K Jaganathan, Director. 5. Shri.R.Venkatakrishnan, Director.
b	Nature of contracts / arrangements / transaction	Remuneration, Sitting Fee and Professional Fee
c	Duration of the contracts / arrangements / transaction	On going
d	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs. 28,66,800 Rs. 22,71,465 Rs. 19,01,800 Rs. 3,60,000 Rs. 6,87,964
e	Date of approval by the Board	30/06/2025
f	Amount paid as advances, if any	NIL

Vijayaraghavan & Associates
Chartered Accountants

51, Giri Road,
T.Nagar, Chennai – 600 017
Ph:91-44-2834-0273/42121335
E Mail:pbvassociates@gmail.com

INDEPENDENT AUDITOR'S REPORT

To the Members of
GUINDY MACHINE TOOLS LIMITED.

Report on the Audit of the Financial Statements

Opinion

We have audited the Financial Statements of GUINDY MACHINE TOOLS LIMITED ("the Company"), which comprise the balance sheet as at 31st March 2026, and the statement of profit and loss, and statement of cash flows for the year then ended, and notes to the Financial Statements, including a summary of significant 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 Financial Statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and its profit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

We draw attention to Note 43 under Notes to the financial statements, which describes the proposed transfer of the Company's Metrology Division pursuant to the Business Transfer Agreement at Hosur as a going concern, on a slump-sale basis. The proposal was approved by the Board of Directors on 5th March 2026 and by the members by special resolution on 18th May 2026, and a Business Transfer Agreement was executed on 16th July 2026, after the balance sheet date and before the date of this report. As explained in the said Note, the transfer is conditional upon, inter alia, the transfer of the leasehold rights by SIPCOT and receipt of the full consideration, and had not been completed as at the date of this report; accordingly, no effect of the proposed disposal, including any gain thereon, has been recognised in these financial statements for the year ended 31 March 2026.Our opinion is not modified in respect of this matter.

"Information Other than the Financial Statements and Auditor's Report Thereon"

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report but does not include the Financial Statements and our auditor's report thereon.

Our opinion on the 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 Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance, (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the 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 Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the 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 scepticism throughout the audit. We also:

a. Identify and assess the risks of material misstatement of the 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 Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

e. Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in

(i) Planning the scope of our audit work and in evaluating the results of our work; and

(ii) to evaluate the effect of any identified misstatements in the Financial Statements.

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 Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, 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 and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   (e) On the basis of the written representations received from the directors as on 31st March, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2026 from being appointed as a director in terms of Section 164(2) of the Act.

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

1) The Company does not have any pending litigations which would impact its financial position.

2) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

3) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company as at the date of our report

4) i) The management has represented that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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.

ii) The management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, 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;

iii) Based on such audit procedures which we have 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) contain any material misstatement.

5) No interim dividend has been declared or paid by the Company during the financial year 2025-26. The Board of Directors has proposed a final dividend for the financial year 2025-26, subject to approval of the members at the ensuing Annual General Meeting.

3. Based on our examination, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all transactions recorded in the software. The audit trail feature has not been tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For **VIJAYARAGHAVAN & ASSOCIATES**
Chartered Accountants
Firm's Registration No.: 005699S

Sd/-
P B VIJAYARAGHAVAN
Partner
Membership No.: 015103
UDIN: 26015103YWFXEY1653

Place : Chennai
Date : 24th August, 2026

"ANNEXURE – A" TO THE AUDITORS' REPORT

Annexure A to the Independent Auditor's Report on the Financial Statements of Guindy Machine Tools Limited for the year ended 31 March 2026

On the basis of our examination of the books and records of the Company carried out in accordance with the auditing standards generally accepted in India and according to the information and explanations given to us, we state that:

i. (a) i. The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment ("PPE").

ii. The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular programme of physical verification of its PPE by which all PPE are verified in a phased manner. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In our opinion, and according to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) disclosed in the financial statements are held in the name of the Company as at the balance sheet date.

(d) The Company has not revalued its PPE or intangible assets or both during the year.

(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

ii. (a) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year. 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 operations. No material discrepancies of 10% or more in aggregate for each class of inventories were noticed on such verification of inventories.

(b) The company has not been sanctioned working capital limits in excess of INR 5 crore in aggregate from banks during the year on the basis of security of current assets of the Company.

iii. The Company has not provided any guarantee or security or 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. Accordingly, reporting under clauses 3(iii)(a) to 3(iii)(f) of the Order is not applicable to the Company.

iv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not granted any loans, provided any guarantees or given any security to which the provisions of Section 185 of the Companies Act, 2013 are applicable. The Company has made investments in equity shares and mutual funds during the year and, in our opinion, the provisions of Section 186 of the Companies Act, 2013 have been duly complied with in respect of such investments.

v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

vi. The maintenance of cost records has not been specified by the Central Government under sub-section(1) of Section 148 of the Companies Act, 2013 for the business activities carried out by the company. Hence, reporting under clause 3(vi) of the Order is not applicable to the Company.

vii. (a) In our opinion and according to the information and explanations given to us, the company has generally been regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, duty of customs, cess and any other material statutory dues applicable to it with the appropriate authorities

According to the information and explanations given to us, there were certain disputed statutory dues in the books of the Company, details of which are given below

- Goods and Services Tax Demands

Name of Statute	Nature of Dues	Amount (₹)	Period	Forum where dispute is pending
GST (Metrology)	Tax	7,12,587	July 2017 – March 2018	Before Appellate Authority
	Interest	4,78,082		
	Penalty	75,404		
GST (WHMT)	Tax	8,01,364	April 2018 – March 2019	Before Appellate Tribunal
	Interest	Nil		
	Penalty	80,136		
GST (WHMT)	Tax	2,14,100	April 2018 – March 2019	Before Appellate Authority
	Interest	Nil		
	Penalty	2,14,100		

viii. In our opinion and according to the information and explanations given to us there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix. a) The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

b) The Company has not been declared a wilful defaulter by any bank or financial institution or government or any government authority or any other lender.

c) The Company has not obtained any term loans during the year. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable.

d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

e) The Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under clause 3(ix)(e) of the Order is not applicable.

f) The Company does not have any subsidiaries, associates or joint ventures. Accordingly, reporting under clause 3(ix)(f) of the Order is not applicable.

x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting on clause 3(x)(a) of the order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x) (b) of the Order is not applicable.

xi. (a) No material fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.

(b) No report under sub-section (12) of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. In our opinion and based on our examination, the company is not required to have an internal audit system under section 138 of the Act. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.

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 its directors or persons connected with its directors. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company and hence provisions of section 192 of the Act, 2013 are not applicable to the Company.

xvi. (a) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and Hence, reporting under clause 3(xvi)(a), (b), (c) of the order is not applicable

(b) There is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the order is not applicable.

xvii. The company has not incurred any cash losses during the financial year and incurred Cash loss of INR 5,38,03,675 in the immediately preceding financial year.

xviii. There has been no resignation of statutory auditors of the company during the year.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements 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 provisions of Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility are not applicable to the Company for the year under consideration. Accordingly, the provisions of clause 3(xx) of the Order are not applicable.

xxi. The Company does not have any subsidiary, associate or joint venture and accordingly, the provisions of clause 3(xxi) of the Order are not applicable.

For **VIJAYARAGHAVAN & ASSOCIATES**
Chartered Accountants
Firm's Registration No.: 005699S

Sd/-
P B VIJAYARAGHAVAN
Partner
Membership No.: 015103
UDIN: 26015103YWFXEY1653

Place : Chennai
Date : 24th August, 2026

ANNEXURE - B TO THE AUDITORS' REPORT

We have audited the internal financial controls over financial reporting of **GUINDY MACHINE TOOLS LIMITED**. ("The Company") as of 31 March 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the **internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India**. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the **Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note")** and the **Standards on Auditing ("SAs")**, issued by the Institute of Chartered Accountants of India and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls over financial reporting.

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 were established and maintained and whether such controls operated effectively in all material respects**.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the **design and operating effectiveness of internal control** based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

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

provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For **VIJAYARAGHAVAN & ASSOCIATES**
Chartered Accountants
Firm's Registration No.: 005699S

Sd/-
P B VIJAYARAGHAVAN
Partner
Membership No.: 015103
UDIN: 26015103YWFXEY1653

Place : Chennai
Date : 24th August, 2026

AUDITED BALANCE SHEET AS AT MARCH 31, 2026

Particulars	Note No.	2025-26 ₹ in Lakhs	2024-25 ₹ in Lakhs
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	2	363.18	363.18
(b) Reserves and Surplus	3	2890.73	2,770.60
(c) Money received against share warrants			
Sub-total - Shareholders' Funds		**3253.91**	**3,133.78**
(2) Share Application Money Pending Allotment			
(3) Non-Current Liabilities			
(a) Long-Term Borrowings	4	-	-
(b) Deferred Tax Liabilities (Net)	5	-	-
(c) Other Long-Term Liabilities	6	5.95	5.45
(d) Long-Term Provisions	7	272.73	179.07
Sub-total - Non-Current Liabilities		**278.68**	**184.52**
(4) Current Liabilities			
(a) Short-Term Borrowings	8	-	-
(b) Trade Payables	9	147.13	124.64
i) Total Outstanding Dues of MSME's		35.59	33.47
ii) Total Outstanding Dues of other than MSME's		111.54	91.17
(c) Other Current Liabilities	10	257.44	301.21
(d) Short-Term Provisions	11	159.21	153.79
Sub-total - Current Liabilities		**563.78**	**579.63**
TOTAL - EQUITY AND LIABILITIES		**4,096.38**	**3,897.93**
II. ASSETS			
(1) Non-Current Assets			
(a) **Property, Plant and Equipment and Intangible Assets**			
Property, Plant and Equipment	12	632.12	703.66
Intangible Assets	13	12.58	15.72
Capital Work-in-Progress	14	-	-
Intangible Assets under Development	15	-	-
(b) Deferred Tax Asset (Net)	5	148.11	213.54
(c) Non-Current Investments	16	-	-
(d) Long-Term Loans and Advances	17	16.33	22.88
(e) Other Non-Current Assets	18	-	-
Sub-total - Non-Current Assets		**809.15**	**955.81**
(2) Current Assets			
(a) Current Investments	19	768.30	850.91
(b) Inventories	20	1,148.07	1,167.02
(c) Trade Receivables	21	182.81	129.41
(d) Cash and Cash Equivalents	22	1,100.16	698.95
(e) Short-Term Loans and Advances	23	12.52	4.69
(f) Other Current Assets	24	75.38	91.14
Sub-total - Current Assets		**3,287.23**	**2,942.12**
TOTAL - ASSETS		**4,096.38**	**3,897.93**
Summary of significant accounting policies	**1**		
The accompanying notes are an integral part of the financial statements	**2 to 45**		

As per our Report Annexed
for **VIJAYARAGHAVAN & ASSOCIATES**
Chartered Accountants
Firm Registration No:005699S

Sd/
P.B.VIJAYARAGHAVAN
Partner
Membership No.15103
UDIN: 26015103YWFXEY1653

Place : Chennai
Date : 24th August, 2026

For and on behalf of the Board of Directors
Guindy Machine Tools Limited

Sd/-
JAYASHRREE S MANI
Chairperson
DIN:00186174

Sd/-
NIRANJAN SWAMINATHAN
Executive Director Operations
DIN:02769367

AUDITED PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED MARCH 31, 2026

	Particulars	Note No.	2025-26 ₹ in Lakhs	2024-25 ₹ in Lakhs
I.	Revenue from Operations		3,897.28	1,436.60
	Less: Duties & Taxes		583.09	211.82
	Net Revenue from Operations	25	**3,314.19**	**1,224.78**
II.	Other Income	26	155.40	70.58
III.	**Total Revenue (I + II)**		**3,469.59**	**1,295.35**
IV.	**Expenses**			
	Cost of Materials Consumed	27	738.16	262.56
	Purchases of Stock-in-Trade	28	-	-
	Changes in Inventories of Finished Goods, Work In Progress & Stock-in-Trade	29	21.17	20.58
	Employee Benefits Expense	30	1,466.09	955.39
	Finance Costs	31	2.20	1.30
	Depreciation and Amortisation Expense	32	116.92	139.10
	Other Expenses	33	885.02	592.56
	Total Expenses		**3,229.55**	**1,971.49**
V.	**Profit / (Loss) before Exceptional Items & Tax (III - IV)**		**240.04**	**(676.14)**
VI.	Exceptional Items	34	-	(10.11)
VII.	**Profit / (Loss) Before Tax (V - VI)**		**240.04**	**(666.03)**
VIII.	**Tax Expense**			
	Current Tax	35	-	-
	Deferred Tax (Asset) / Liability	35	(65.43)	(30.51)
	Earlier Year Tax Adjustments	35	-	1.00
	Total Tax Expense		**(65.43)**	**(29.50)**
IX.	**PROFIT / (LOSS) FOR THE PERIOD (VII - VIII)**		174.62	(636.52)
X.	**Earnings per Equity Share (Face value Rs. 10 each)**	36		
	(a) Basic (Rs.)		4.81	(17.53)
	(b) Diluted (Rs.)		4.81	(17.53)
	Summary of significant accounting policies	**1**		
	The accompanying notes are an integral part of the financial statements	**2 to 45**		

As per our Report Annexed
for **VIJAYARAGHAVAN & ASSOCIATES**
Chartered Accountants
Firm Registration No:005699S

Sd/
P.B.VIJAYARAGHAVAN
Partner
Membership No.15103
UDIN: 26015103YWFXEY1653

Place : Chennai
Date : 24th August, 2026

For and on behalf of the Board of Directors
Guindy Machine Tools Limited

Sd/-
JAYASHRREE S MANI
Chairperson
DIN:00186174

Sd/-
NIRANJAN SWAMINATHAN
Executive Director Operations
DIN:02769367

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2026

Particulars		2025-26 ₹ in Lakhs	2024-25 ₹ in Lakhs
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Profit / (Loss) before Tax	**240.04**	**(666.03)**
	Add:		
	Depreciation and Amortisation	116.92	139.10
	Finance Costs	2.20	1.30
	Interest Income (considered separately)	41.44	69.35
	(Profit) / Loss on Sale of Fixed Assets	(3.35)	(0.84)
	Provision for Employee Benefits / Others	-	(11.12)
	Unrealised Foreign Exchange (Gain) / Loss	-	-
	Operating Profit before Working Capital changes	**397.25**	**(468.22)**
	Movement in Working Capital:		
	(Increase) / Decrease in Other Non-Current Assets	-	-
	(Increase) / Decrease in Trade Receivables	(53.40)	223.50
	(Increase) / Decrease in Inventories	18.96	75.32
	(Increase) / Decrease in Short-Term Loans & Advances	(7.83)	126.69
	(Increase) / Decrease in Other Current Assets	15.75	(0.94)
	(Increase) / Decrease in Long-Term Loans & Advances	6.55	(1.39)
	Increase / (Decrease) in Trade Payables	22.49	(72.32)
	Increase / (Decrease) in Other Current Liabilities	(43.77)	37.90
	Increase / (Decrease) in Short-Term Provisions	(5.43)	(378.91)
	Increase / (Decrease) in Other Long-Term Liabilities	0.50	-
	Increase / (Decrease) in Long-Term Provisions	93.65	179.07
	Cash Generated from Operations	**455.58**	**(279.30)**
	Less: Income Tax Paid (Net of Refunds)	-	-
	Net Cash Flow from / (used in) Operating Activities (A)	**455.58**	**(279.30)**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of Property, Plant and Equipment (incl. CWIP)	(45.02)	(59.89)
	Decrease/ (Increase) in Capital WIP	-	-
	Purchase of Intangible Assets (incl. under development)	-	-
	Proceeds from Sale of Fixed Assets	6.14	0.86
	Purchase / (Sale) of Non-Current Investments	-	-
	Purchase / (Sale) of Current Investments	82.61	(850.91)
	Interest Received	(41.44)	(69.35)
	Dividends Received	-	-
	Net Cash Flow from / (used in) Investing Activities (B)	**2.29**	**(979.30)**

Particulars		2025-26 ₹ in Lakhs	2024-25 ₹ in Lakhs
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from / (Repayment of) Long-Term Borrowings	-	-
	Proceeds from / (Repayment of) Short-Term Borrowings	-	-
	Proceeds from Issue of Share Capital	-	-
	Securities Premium Received	-	-
	Dividend Provision	(54.47)	-
	Finance Costs Paid	(2.20)	(1.30)
	Net Cash Flow from / (used in) Financing Activities (C)	**(56.67)**	(1.30)
	Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	**401.20**	(1,259.90)
	Cash and Cash Equivalents - Opening Balance	**698.95**	1,958.86
	Cash and Cash Equivalents - Closing Balance (Note 22)	**1,100.16**	698.95

Note:

I) The above Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard (AS-3) on Cash Flow

II) Figures in brackets are outflows.

III) Direct tax paid are treated as arising from operating activities and not bifurcated between investing and financing activities.

Summary of significant accounting policies	1
The accompanying notes form an intergral part of Financial Statement	2 to 45

As per our Report Annexed
for **VIJAYARAGHAVAN & ASSOCIATES**
Chartered Accountants
Firm Registration No:005699S

Sd/
P.B.VIJAYARAGHAVAN
Partner
Membership No.15103
UDIN: 26015103YWFXEY1653

Place : Chennai
Date : 24th August, 2026

For and on behalf of the Board of Directors
Guindy Machine Tools Limited

Sd/-
JAYASHRREE S MANI
Chairperson
DIN:00186174

Sd/-
NIRANJAN SWAMINATHAN
Executive Director Operations
DIN:02769367

NOTES TO THE FINANCIAL STATEMENTS

1.1 Corporate Information

Guindy Machine Tools Limited (the Company), CIN: U29130TN1959PLC003951, was originally incorporated as a Private Limited Company on October 28, 1959 under the Companies Act, 1956 and subsequently sought conversion as a Public Limited Company with effect from 19th January, 1993. and domiciled in India under the Companies Act, 2013, with its registered office at New No.214 / Old No.196, Tambaram-Velachery Main Road,Pallikaranai, Chennai, Tamil Nadu, India, 600100. The Company is engaged in the business of The manufacturing of Work Holding, Work Positioning, Machine Tools and Metrology equipment. The financial statements were approved and authorised for issue by the Board of Directors on 24th August, 2026.

1.2 Basis of Preparation

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the Accounting Standards (AS) notified under Section 133 of the Companies Act, 2013 read together with Rule 7 of the Companies (Accounting Standards) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention, except for certain financial instruments which are measured at fair values. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous financial year.

1.3 Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities) as at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods.

1.4 Current / Non-current Classification

An asset is classified as current when it satisfies any of the following criteria:

(a) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;

(b) it is held primarily for the purpose of being traded;

(c) it is expected to be realised within twelve months after the reporting date; or

(d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date. All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

(a) it is expected to be settled in the Company's normal operating cycle;

(b) it is held primarily for the purpose of being traded;

(c) it is due to be settled within twelve months after the reporting date; or

(d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current / non-current classification of assets and liabilities.

1.5 Property, Plant and Equipment and Intangible Assets

Property, Plant and Equipment are stated at historical cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises the purchase price, borrowing costs if the capitalisation criteria are met, any directly attributable cost of bringing the asset to its working condition for its intended use and initial estimate of costs of dismantling and removing the item and restoring the site on which it is located. Subsequent expenditure related to an item of PPE is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing PPE, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred. Gains or losses arising from de-recognition of PPE are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is de-recognised.

1.6 Depreciation and Amortisation (Schedule II)

Depreciation on Property, Plant and Equipment is provided on the Written Down Value Method (WDV) over the useful lives of the assets prescribed in Schedule II to the Companies Act, 2013. Depreciation on assets added/disposed off during the year is provided on a pro-rata basis from the date of capitalisation/ up to the date of disposal. The useful lives considered by the Management are given in the below table . The residual value of the assets is determined @ 5% of the original cost as prescribed under Schedule II, where the Management believes that the estimated residual value reflects the actual realisable value at the end of the useful life of the asset. The useful lives, residual values and method of depreciation are reviewed at the end of each financial year and adjusted prospectively, if appropriate.

Category of asset	Rate	Useful life	Method
Building	9.50%	30	WDV
Plant And Machinery	18.10%	15	WDV
Furniture And Fittings	25.89%	10	WDV
Office Equipment	45.07%	5	WDV
Computer And Hardware	63.16%	3	WDV
Electrical And Equipment's	25.89%	10	WDV
Motor Cars / Van	31.23%	8	WDV
Two Wheeler	25.89%	10	WDV
Servers And Networks	39.30%	6	WDV
Land	NIL	NIL	NIL
Software (Intangible Assets)	NIL	5	WDV

1.8 Capital Work-in-Progress

Projects under which Property, Plant and Equipment are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest. Capital Work-in-Progress is not depreciated until the asset is ready for its intended use.

NOTES TO THE FINANCIAL STATEMENTS

1.9 Impairment of Assets (AS-28)

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash flows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses, including impairment on inventories, are recognised in the Statement of Profit and Loss.

1.10 Inventories (AS-2)

Inventories are valued at the lower of cost, Standard cost and net realisable value. Cost of raw materials, stores and spares, components and packing materials is determined using the Standard cost Method and includes all costs of purchase, taxes and duties other than those subsequently recoverable, and all other costs incurred in bringing the inventories to their present location and condition. Cost of Finished Goods and Work-in-Progress includes cost of direct materials, labour, and a proportion of manufacturing overheads based on the normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. Obsolete, defective and slow-moving items are identified on review and provided for, where considered necessary.

1.11 Cash and Cash Equivalents (AS-3)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

1.12 Cash Flow Statement (AS-3)

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

1.13 Revenue Recognition (AS-9)

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

The following specific recognition criteria must also be met before revenue is recognised:

(a) Sale of Goods - Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, usually on delivery of the goods. Revenue is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Sales exclude Goods and Services Tax (GST). The types of revenue recognised are as listed below

Sale of Finished Goods - Comprises of sale of Chuck, Cylinders and Accessories

Sale of Reconditioning of Chucks and Cylinders - Comprises of Reconditioning services of Chucks and Cylinders.

Sale of Machine Tools - Comprises of Sale of Machine Tools

(b) Sale of Services - Revenue from services is recognised in the accounting period in which services are rendered.

Other Income

(c) Interest Income - Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head 'Other Income' in the Statement of Profit and Loss.

(d) Profit / (Loss) on sale of investment and fixed asset is recognized at the time of sale or disposal, when the significant risks and rewards are transferred

(e) Other non-operating income - including FD interest and miscellaneous receipts, is recognized when the right to receive the income is established, and no significant uncertainty exists regarding its realization

1.14 Foreign Currency Transactions and Translations (AS-11)

Initial Recognition - Foreign currency transactions are recorded in the reporting currency by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion - Foreign currency monetary items are reported using the closing rate. For this purpose, the Company uses the RBI exchange rates prevailing on the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined. Exchange Differences - Exchange differences arising on translation / settlement of foreign currency monetary items are recognised as income or as expenses in the year in which they arise, except to the extent such exchange differences that are regarded as an adjustment to interest costs are accounted in accordance with the policy on borrowing costs. Premium or discount on forward contracts is amortised as an expense or income over the life of the contract.

1.15 Investments (AS-13)

Investments, which are readily realisable and are intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. On initial recognition, all investments are measured at cost. The cost comprises the purchase price and directly attributable acquisition charges such as brokerage, fees and duties. Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost; however, provision for diminution in value is made to recognise a decline, other than temporary, in the value of such investments. On disposal of an investment, the difference between the carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

1.16 Employee Benefits (AS-15 Revised)

(a) Short-term Employee Benefits - The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the period when the employee renders the service.

(b) Defined Contribution Plans - Retirement benefits in the form of Provident Fund and Employee State Insurance are defined contribution schemes. The Company has no obligation, other than the contribution payable to the respective funds. The Company recognises contribution payable to these schemes as an expenditure, when an employee renders the related service.

(c) Defined Benefit Plan (Gratuity) - The Company operates a funded defined benefit gratuity scheme for its employees. The cost of providing benefits is determined using the Projected Unit Credit Method, based on actuarial valuation carried out at each reporting date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised immediately in the Statement of Profit and Loss. The net defined benefit liability recognised in the Balance Sheet represents the present value of the defined benefit obligation at the reporting date.

(d) Long-term Compensated Absences (Leave Encashment) - Accumulated leave, which is expected to be utilised within the next twelve months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company treats accumulated leave expected to be carried forward beyond twelve months as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the Projected Unit Credit Method at the year-end.

1.17 Borrowing Costs (AS-16)

Borrowing costs include interest and amortisation of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale.

1.18 Leases (AS-19)

Where the Company is the Lessee - Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases. Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term, unless the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Finance leases, which effectively transfer substantially all the risks and benefits incidental to ownership of the leased item to the Company, are capitalised at the lower of the fair value and the present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charge and the reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability.

1.19 Earnings per Share (AS-20)

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.20 Provision for Taxation - Current Tax and Deferred Tax (AS-22)

Tax expense for the year, comprising current tax and deferred tax, is included in the determination of the net profit or loss for the year. Current Tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates under the provisions of the Income-tax Act, 1961. The Company has elected to be taxed under the concessional tax regime under Section 115BAA of the Income-tax Act, 1961 at an effective tax rate of 25.168% (including surcharge and cess) and has accordingly not availed certain specified deductions and has not availed MAT credit. Deferred Tax is recognised on timing differences, being the differences between the taxable income and the

accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred tax assets, other than those arising from unabsorbed depreciation or carry forward losses, are recognised only to the extent that there is reasonable certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by the same governing taxation laws. The carrying amount of deferred tax assets is reviewed at each reporting date and written down to reflect the amount that is reasonably /virtually certain (as the case may be) to be realised.

1.21 Provisions, Contingent Liabilities and Contingent Assets (AS-29)

A provision is recognised when the Company has a present obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate. Contingent liabilities are not recognised but are disclosed in the Notes unless the possibility of any outflow of economic resources in settlement is remote. Contingent assets are neither recognised nor disclosed in the financial statements.

1.22 Segment Reporting (AS-17)

The Company's operations predominantly relate to one business segment and one geographical segment. Accordingly, there is no separate reportable segment disclosure under AS-17.

1.23 Related Party Transactions (AS-18)

Related parties have been identified in accordance with AS-18. Transactions with related parties, including remuneration to Key Managerial Personnel (KMP), are disclosed in the relevant note.

1.24 Cash Flow Statement (AS-3) - Operating Cycle

Based on the nature of activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of classification of its assets and liabilities as current and non-current.

1.25 Share Issue Expenses

Expenses incurred in connection with the fresh issue of share capital are adjusted against Securities Premium Account in accordance with Section 52 of the Companies Act, 2013.

NOTES TO THE FINANCIAL STATEMENTS

Note No.	Particulars	2025-26 ₹ in Lakhs	2024-25 ₹ in Lakhs
2	**Share Capital**		
a)	**Authorised Capital**		
	40,00,000 Equity Shares of Rs. 10/- Par Value	400.00	400.00
b)	**Issued, Subscribed and Fully Paid-up**		
	36,31,806 Equity Shares of Rs. 10/- Par Value	363.18	363.18
	TOTAL - Share Capital	**363.18**	**363.18**

c) Reconciliation of the number of shares outstanding at the beginning and end of the year

Particulars	No. of Shares (CY)	No. of Shares (PY)
At the beginning of the year	3631806	3631806
Add: Issued during the year	0	0
At the end of the year	**3631806**	**3631806**

(d) Rights, Preferences and Restrictions attaching to Equity Shares - The Company has a single class of equity shares having a par value of Rs.10 each. Each holder is entitled to one vote per share and to dividend, if any, declared by the Company. In the event of liquidation, equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(e) Details of Shareholders holding more than 5% shares

Name of Shareholder	No. of Shares	% Holding (CY)	% Holding (PY)
Mrs.Jayashrree S.Mani	25,53,300.00	70.30%	15.86%

As per records of the Company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

(f) Shares held by Promoters at the end of the year

Promoter Name	No. of Shares	% Holding	% Change during year
Mrs.Jayashrree S.Mani	25,53,300.00	70.30%	15.86%

NOTES TO THE FINANCIAL STATEMENTS

Note No.	Particulars	As at 31-Mar-2026	As at 31-Mar-2025
3	**Reserves and Surplus**		
	(a) Securities Premium		
	Opening Balance	-	-
	Add: Received during the year	-	-
	Closing Balance — Securities Premium	**-**	**-**
	(b) General Reserve		
	Opening Balance	1,786.17	1,786.17
	Add: Transfer from Surplus	-	-
	Closing Balance — General Reserve	**1,786.17**	**1,786.17**
	(c) Capital Reserve		
	Opening Balance	0.10	0.10
	Add: Transfer from Surplus	-	-
	Closing Balance — Capital Reserve	**0.10**	**0.10**
	(d) Surplus / (Deficit) in the Statement of Profit and Loss		
	Opening Balance	984.33	1,620.85
	Add: Profit / (Loss) for the year	174.62	(636.52)
	Less: Interim Dividend	-	-
	Less: Final Dividend	54.47	-
	Less: Transfer to General Reserve	-	-
	Less: Other Appropriations	-	-
	Closing Balance — Surplus / (Deficit)	1,104.47	984.33
	TOTAL — Reserves and Surplus	**2980.73**	**2,770.60**
4	**Long-term Borrowings**		
	Secured		
	(a) Term Loans from Banks - Secured	-	-
	(b) Term Loans from Financial Institutions - Secured	-	-
	Unsecured		
	(c) Term Loans from Banks - Unsecured	-	-
	(d) Loans from Related Parties - Unsecured	-	-
	TOTAL — Long-term Borrowings	**-**	**-**

NOTES TO THE FINANCIAL STATEMENTS

Note No.	Particulars	As at 31-Mar-2026	As at 31-Mar-2025
5	**Deferred Tax Liability (Net)**		
	Opening balance (b/f)	(18.00)	-
	(Charge) / Credit for the year (to P&L)	-	(18.00)
	Closing Deferred Tax Liability (Net)	(18.00)	(18.00)
	Deferred Tax Asset (Net)		
	Opening balance (b/f)	231.54	183.04
	(Charge) / Credit for the year (to P&L)	(65.43)	48.51
	Closing Deferred Tax Asset (Net)	**166.12**	**231.54**
	Closing Deferred Tax Liability / Asset (Net)	**148.11**	**213.54**
6	**Other Long-term Liabilities**		
	(a) Security Deposits Received	5.95	5.45
	(b) Retention Money Payable	-	-
	TOTAL — Other Long-term Liabilities	**5.95**	**5.45**
7	**Long-term Provisions**		
	(a) Provision for Gratuity - Long Term	241.49	179.07
	(b) Provision for Leave Encashment - Long Term	31.24	-
	TOTAL — Long-term Provisions	**272.73**	**179.07**
8	**Short-term Borrowings**		
	Secured		
	(a) Working Capital Loans from Banks - Secured	-	-
	(b) Cash Credit Facility - Secured	-	-
	Unsecured		
	(c) Short-term Loans from Related Parties	-	-
	(d) Commercial Paper - Unsecured	-	-
	TOTAL — Short-term Borrowings	-	-
9	**Trade Payables**		
	(a) Creditors for Goods - MSME	35.59	33.77
	(b) Creditors for Goods - Others	111.54	83.29
	(c) Creditors for Expenses	-	-
	(d) Creditors for Capital Goods	-	7.58
	TOTAL — Trade Payables	**147.13**	**124.64**

MSME Disclosure under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 — the principal amount and interest due thereon remaining unpaid to any supplier as at the reporting date have been identified on the basis of information and records available with the Company.

Note No.	Particulars	As at 31-Mar-2026	As at 31-Mar-2025

Ageing Schedule for the year 2025-26

Particulars	Outstanding for the following periods from the due date of payment						Total
	Upto 45 days	45 days to 6 months year	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	35.59	-	-	-	-	-	35.59
(ii) Others	89.05	20.25	2.23	-	-	-	111.54
(iii) Disputed dues - MSME	-	-	-	-	-	-	0.00
(iv) Disputed dues - Others	-	-	-	-	-	-	0.00
Total	124.64	20.25	**2.23**	**-**	-	-	147.13

Ageing Schedule for the year 2024-25

Particulars	Outstanding for the following periods from the due date of payment						Total
	Upto 45 days	45 days to 6 months year	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	33.47	-	-	-	-	-	33.47
(ii) Others	68.17	15.42	-	-	-	7.58	91.17
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	101.64	15.42	**-**	**-**	-	7.58	124.64

10 Other Current Liabilities

(a)	Current Maturities of Long-term Debt	-	-
(b)	Interest Accrued but Not Due on Borrowings	-	-
(c)	Interest Accrued and Due on Borrowings	-	-
(d)	Statutory Dues Payable - GST	34.96	29.40
(e)	Statutory Dues Payable - TDS	3.38	3.09
(f)	Property Tax Payable	-	-
(g)	Salary and Wages Payable	101.08	112.98
(h)	Advances from Customers	81.79	78.25
(i)	Other Payables	31.97	76.70
(j)	Professional Tax Payable	0.45	0.22
(k)	CSR Payable	-	-
(l)	Credit Card Payable	3.80	0.57
(m)	OT Payable to Employees	-	-
TOTAL — Other Current Liabilities		**257.44**	**301.21**

NOTES TO THE FINANCIAL STATEMENTS

Note No.	Particulars	As at 31-Mar-2026	As at 31-Mar-2025
11	**Short-term Provisions**		
	(a) Provision for Gratuity - Short Term	25.83	69.59
	(b) Provision for Leave Encashment - Short Term	9.03	34.39
	(c) Provision for Bonus	41.01	9.28
	(d) Provision for Income Tax	-	-
	(e) Provision for Dividend	54.47	-
	(f) Other Short-term Provisions	24.87	36.52
	(g) Provision for Audit Fee	4.00	4.00
	TOTAL — Short-term Provisions	**159.21**	**153.79**
16	**Non-current Investments**		
	(a) Investment in Subsidiaries	-	-
	(b) Investment in Associates	-	-
	(c) Investment in Joint Ventures	-	-
	(d) Other Non-current Investments	-	-
	TOTAL — Non-current Investments	**-**	**-**
17	**Long-term Loans and Advances**		
	(a) Security Deposits	16.33	22.88
	(b) Capital Advances	-	-
	(c) Advance Income Tax (Net of Provision)	-	-
	(d) Other Long-term Loans and Advances	-	-
	TOTAL — Long-term Loans and Advances	**16.33**	**22.88**
18	**Other Non-current Assets**		
	(a) MAT Credit Entitlement	-	-
	(b) Other Non-current Assets	-	-
	(c) Loans to Related Party	-	-
	(d) Rental Deposit	-	-
	TOTAL — Other Non-current Assets	**-**	**-**
19	**Current Investments**		
	(a) Investment in Mutual Funds	768.30	850.91
	(b) Other Current Investments	-	-
	TOTAL — Current Investments	**768.30**	**850.91**

NOTES TO THE FINANCIAL STATEMENTS

Note No.	Particulars	As at 31-Mar-2026	As at 31-Mar-2025
20	**Inventories**		
	(a) Raw Materials	158.41	167.23
	(b) Work in Progress	495.74	571.57
	(c) Finished Goods	442.34	387.69
	(d) Stock in Trade	-	-
	(e) Stores and Spares	51.58	40.54
	(f) Packing Materials	-	-
	(g) Goods in Transit	-	-
	TOTAL — Inventories	**1,148.07**	**1,167.02**
21	**Trade Receivables**		
	Unsecured, considered good		
	(a) Trade Receivables - Considered Good	182.81	129.41
	Unsecured, considered doubtful		
	(b) Trade Receivables - Considered Doubtful	-	-
	Less: Provision for Doubtful Debts		
	TOTAL — Trade Receivables	**182.81**	**129.41**

Trade Receivables Ageing Schedule for the Year 2025-26

	Less than 6 months	6 months - 1 year	1 - 2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade Receivables considered good	157.15	0.16	0.44	1.53	23.52	182.81
(ii) Undisputed Trade Receivables considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-

Trade Receivables Ageing Schedule for the Year 2024-25

	Less than 6 months	6 months - 1 year	1 - 2 Years	2-3 Years	More than 3 Years	Total
(i) Undisputed Trade Receivables considered good	96.39	0.52	9.09	4.63	18.78	129.41
(ii) Undisputed Trade Receivables considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

Note No.	Particulars	As at 31-Mar-2026	As at 31-Mar-2025
22	**Cash and Cash Equivalents**		
	(a) Cash on Hand	0.08	0.28
	(b) Balances with Banks - Current Accounts	498.10	114.14
	(c) Balances with Banks - EEFC Accounts	3.00	8.58
	(d) Fixed Deposits	598.98	575.95
	(e) Cheques / Drafts on Hand	-	-
	TOTAL — Cash and Cash Equivalents	**1,100.16**	**698.95**
23	**Short-term Loans and Advances**		
	(a) Advance to Employees	-	-
	(b) Advance to Suppliers	12.52	4.69
	(c) Security Deposits (Short-term)	-	-
	TOTAL — Short-term Loans and Advances	**12.52**	**4.69**
24	**Other Current Assets**		
	(a) GST Input Tax Credit Receivable	1.94	1.08
	(b) Interest Accrued on Fixed Deposits	25.13	24.39
	(c) Export Incentive Receivable	-	-
	(d) Balances with Govt Authorities	4.97	4.75
	(e) TDS & TCS Receivables	7.50	7.80
	(f) Advance Tax	-	-
	(g) Other Receivables	1.55	20.11
	(h) Prepaid Expenses	34.30	33.00
	TOTAL — Other Current Assets	**75.38**	**91.14**
25	**Revenue from Operations**		
	(a) Sale of Products		
	Sale of Finished Goods	3,060.83	1,124.53
	Sale of Machine Tools	21.18	-
	Sale of Traded Goods	-	-
	(b) Sale of Services		
	Sale of Services	41.98	36.88
	Sale of Reconditioning of Chucks and Cylinders	158.10	59.13
	(c) Other Operating Revenue		
	Export Incentives	-	-
	Scrap Sales	32.10	4.24
	TOTAL — Revenue from Operations	**3,314.19**	**1,224.78**

NOTES TO THE FINANCIAL STATEMENTS

Note No.	Particulars	As at 31-Mar-2026	As at 31-Mar-2025
26	**Other Income**		
	(a) Interest Income - Deposits	41.44	66.95
	(b) Interest Income - Others	102.35	2.41
	(c) Dividend Income	-	-
	(d) Profit on Sale of Fixed Asset	3.35	0.84
	(e) Foreign Exchange Gain	-	-
	Realized gain from non operating	-	-
	Realized gain from operating	-	0.38
	(f) Other Income	8.27	-
	(g) Warranty Provision Reversal	-	-
	TOTAL — Other Income	**155.40**	**70.58**
27	**Cost of Materials Consumed**		
	Opening Stock of Raw Materials	167.23	218.82
	Opening Stock of consumable	40.54	43.69
	Add: Purchases of Raw Materials	596.60	176.63
	Add: Purchases of consumable	143.78	31.20
	Less: Closing Stock of Raw Materials	158.41	167.23
	Less: Closing Stock of consumable	51.58	40.54
	TOTAL — Cost of Materials Consumed	**738.16**	**262.56**
28	**Purchase of Stock-in-Trade**		
	(a) Purchase of Stock-in-Trade	-	-
	TOTAL — Purchase of Stock-in-Trade	**-**	**-**
29	**Changes in Inventories of FG/WIP/Stock-in-Trade**		
	Opening Stock		
	Work in Progress (Opening)	571.57	645.98
	Finished Goods (Opening)	387.69	333.85
	Stock in Trade (Opening)	-	-
	Sub-total — Opening	**959.25**	**979.83**
	Less: Closing Stock		
	Work in Progress (Closing)	495.74	571.57
	Finished Goods (Closing)	442.34	387.69
	Stock in Trade (Closing)	-	-
	Sub-total — Closing	**938.08**	**959.25**
	Changes in Inventories (Decrease / (Increase))	**21.17**	**20.58**

NOTES TO THE FINANCIAL STATEMENTS

Note No.	Particulars	As at 31-Mar-2026	As at 31-Mar-2025
30	**Employee Benefits Expense**		
	(a) Salaries and Wages	1,198.20	790.18
	(b) Contribution to PF	56.33	29.31
	(c) Contribution to ESI	2.05	1.01
	(d) Gratuity Expense	68.84	89.39
	(e) Leave Encashment Expense	16.84	5.42
	(f) Staff Welfare	69.07	34.99
	(g) Bonus	54.76	5.08
	TOTAL — Employee Benefits Expense	**1,466.09**	**955.39**
31	**Finance Costs**		
	(a) Interest on Borrowings from Banks	-	-
	(b) Interest on Borrowings from Related Parties	-	-
	(c) Bank Charges and Loan Processing Fees	2.20	1.30
	(d) Interest on MSME Delayed Payment	-	-
	(e) Realized loss from non operating	-	-
	(f) Unrealized loss from non operating	-	-
	TOTAL — Finance Costs	**2.20**	**1.30**
32	**Depreciation and Amortisation**		
	(a) Depreciation on PPE	113.78	131.24
	(b) Amortisation on Intangible Assets	3.14	7.86
	(c) Amortisation on Preproduction Expenses	-	-
	TOTAL — Depreciation and Amortisation	**116.92**	**139.10**
33	**Other Expenses**		
	(a) Consumption of Stores and Spares	-	-
	(b) Power and Fuel	112.96	72.80
	(c) Rent	-	-
	(d) Repairs to Buildings	46.78	33.08
	(e) Repairs to Machinery	91.23	32.33
	(f) Repairs - Others	31.16	18.73
	(g) Insurance	21.97	18.58
	(h) Rates and Taxes	20.29	31.24
	(i) Communication Expenses	7.83	7.66
	(j) Travelling and Conveyance	93.18	64.74
	(k) Printing and Stationery	10.34	5.22
	(l) Freight and Forwarding (Outward)	5.01	3.97
	(m) Advertisement and Sales Promotion	38.65	7.27
	(n) Legal and Professional Charges	129.86	89.75
	(o) Payment to Auditors	4.14	4.28
	(p) Bad Debts Written Off	-	-

NOTES TO THE FINANCIAL STATEMENTS

Note No.	Particulars	As at 31-Mar-2026	As at 31-Mar-2025
	(q) Entertainment Expenses	0.82	0.36
	(r) Loss on Sale of Fixed Assets	-	-
	(s) Foreign Exchange Loss	-	-
	Realized loss from operating	0.02	-
	Unrealized loss from operating	-	-
	(t) CSR Expenditure	-	13.51
	(u) Directors' Sitting Fees	0.20	0.23
	(v) Security Charges	32.31	26.93
	(w) Guarantee Fee	-	-
	(x) Membership and Subscription	-	-
	(y) Director Remuneration	64.20	60.17
	(z) Miscellaneous Expenses	1.89	2.01
	(aa) Job Work - Labour Charges	115.80	55.10
	(ab) Service Charges	56.38	43.25
	(ac) Interest on Delayed Payment	0.01	1.37
	TOTAL — Other Expenses	**885.02**	**592.56**
	(xx) Payment to Auditors (included in above)		
	Audit Fees	3.00	3.00
	Tax Audit Fees	1.00	1.00
	Certification Fees	-	-
	Other Services	-	-
	Reimbursement of Expenses	0.13	-
34	**Exceptional Items**		
	(a) Profit on Sale of Fixed Assets	-	-
	(b) Impairment of Assets	-	(10.11)
	TOTAL — Exceptional Items	**-**	**(10.11)**
35	**Tax Expense**		
	(a) Current Tax	-	-
	(b) Deferred Tax	65.43	30.51
	(c) Earlier Year Tax Adjustments	-	-
	TOTAL — Tax Expense	**65.43**	**30.51**
36	**Earnings per Equity Share**		
	Net Profit / (Loss) attributable to Equity Shareholders	1,74,61,629.71	(6,36,52,140.72)
	Weighted Average No. of Equity Shares (Basic)	36,31,806.00	36,31,806.00
	Weighted Average No. of Equity Shares (Diluted)	36,31,806.00	36,31,806.00
	Face Value per Share (Rs.)	10.00	10.00
	EPS — Basic (Rs.)	**4.81**	**(17.53)**
	EPS — Diluted (Rs.)	**4.81**	**(17.53)**

NOTES TO THE FINANCIAL STATEMENTS

Note No.		Particulars	As at 31-Mar-2026	As at 31-Mar-2025
37	(A)	**Product wise Turnover in Value**		
		Products		
		(a) Chucks, Cylinders and Accessories	2,604.96	761.23
		(b) Service and Reconditioning of Chucks and Cylinders	200.08	96.01
		(c) Machine Tools	21.18	-
		(d) Cast Iron & Granite Surface Plates	455.87	363.30
		(e) Scrap Sales	32.10	4.24
			3,314.19	**1,224.78**
	(B)	**Consumption of Raw Materials**		
		Products		
		(a) Casting & Forgings of various sizes	254.39	68.86
		(b) Granite Slabs	114.43	114.20
		(c) Other Steels	236.59	45.15
			605.41	**228.22**
	(C)	**Consumption of Raw Materials and consumables**		
		Total Consumption	**738.16**	**262.56**
		Imported Items	**6.62**	**2.36**
		% of Imported Items	0.9%	0.9%
		Indigenous Items	**731.54**	**260.21**
		% of Indigenous Items	99.1%	99.1%

38. Financial Ratios Analysis

S. No.	Ratio	Numerator	Denominator	2025-26	2024-25	Variance
1	Current Ratio	Current Assets	Current Liability	5.83	5.08	14.9%
2	Debt-Equity Ratio	Long Term Debt	Total Shareholder Equity	-	-	0.0%
3	Debt Service Coverage Ratio	Net Operating Income	Total Debt Service	-	-	0.0%
4	Return on Equity (ROE)	Net Profit after Tax	Shareholder Equity	5.47%	-18.44%	129.7%
5	Inventory Turnover Ratio	COGS	Avg Inventory	0.66	0.24	-179.1%
6	Trade Receivables Turnover	Net credit Sales	Avg Accounts Receivable	21.23	5.08	-318%
7	Trade Payables Turnover	Net credit Purchase	Avg Accounts Payable	4.39	3.71	-18.3%
8	Net Capital Turnover	Sales or Cost of Sales	Net Working Capital	1.22	0.52	-134.7%
9	Net Profit Ratio (%)	Net Profit	Sales	5.27%	-51.97%	110.1%
10	Return on Capital Employed	Net Operating Income	Capital Employed	8.65%	-19.12%	145.3%
11	Return on Investment	Net Profit after interest, taxes, and dividend	Shareholder Equity	5.37%	-20.38%	126.42%

Variance Explanation

1. The Current Ratio increased from 5.08 to 5.83 primarily due to a reduction in current liabilities coupled with an increase in current assets, resulting in a stronger liquidity position.

2. The Company did not have any outstanding short-term or long-term borrowings during the current and previous year. Accordingly, the Debt-Equity Ratio is not applicable.

3. The Company had no debt servicing obligations during the current and previous year as there were no borrowings requiring repayment. Accordingly, the Debt Service Coverage Ratio is not applicable.

4. Return on Equity improved from (18.44)% in the previous year to 5.47% in the current year due to the Company earning a profit during the year as against a loss in the previous year.

5. The Inventory Turnover Ratio increased from 0.24 to 0.66 due to higher cost of goods sold and improved inventory movement during the current year.

6. The Trade Receivables Turnover Ratio increased significantly from 5.08 to 21.23 due to higher sales and improved collection efficiency, resulting in a reduction in average trade receivables.

7. The Trade Payables Turnover Ratio increased from 3.71 to 4.39 due to lower average trade payables and improved payment management during the year.

8. The Net Capital Turnover Ratio increased from 0.52 to 1.22 due to a substantial increase in sales relative to the increase in working capital.

9. Net Profit Margin improved from (51.97)% to 5.27% due to improved profitability, higher revenue, and effective control over operating expenses during the current year.

10. Return on Capital Employed improved from (19.12)% to 8.65% due to positive EBIT during the current year as compared to negative EBIT in the previous year, reflecting improved operational performance and better utilization of capital employed.

11. The Return on Investment has improved from (20.38%) to 5.37% due the increase in the Net Profit during the year.

39. Related Party Disclosures (AS-18)

(a) Names of Related Parties and Description of Relationship

1	Smt Leela Venkat Raman	Chairperson Emeritus
2	Smt Jayashrree S. Mani	Chairperson
3	Shri B. Venugopal	Managing Director
4	Shri Niranjan Swaminathan	Executive Director Operations
5	Shri K. Jaganathan	Director
6	Shri R. Venkatakrishnan	Director
7	RVKS & Associates	Director in GMT and Partner in RVKS & Associates

(b) Related Party Transactions during the year

S. No.	Related Party Name	Nature of Transaction	CY	PY
1	Smt Jayashrree S. Mani	Remuneration	28,66,800.00	21,83,336.00
2	Smt Jayashrree S. Mani	Reimbursement	4,46,201.63	-
3	Shri B. Venugopal	Remuneration	22,71,465.00	16,30,000.00
4	Shri B. Venugopal	Reimbursement	74,759.50	-
5	Shri Niranjan Swaminathan	Remuneration	19,01,800.00	8,70,000.00
6	Shri Niranjan Swaminathan	Sitting Fees	-	5,000.00
7	Shri K. Jaganathan	Sitting Fees	10,000.00	7,500.00
8	Shri R. Venkatakrishnan	Sitting Fees	10,000.00	10,000.00
9	RVKS & Associates	Professional Fees	6,77,964.00	7,00,564.00
10	Shri K. Jaganathan	Professional Fees	3,50,000.00	3,10,000.00
11	Smt Leela Venkat Raman	Remuneration	-	13,33,332.00

40. Disclosure relating to Micro and Small Enterprises

Particulars	March 31st, 2026	March 31st, 2025
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of Accounting Year	35.59 (Principal Amount)	33.47 (Principal Amount)
The amount of interest paid by the buyer under MSME Act 2006 along with the amount of the payment made to the supplier beyond the appointed date during each accounting year	NIL	NIL
The amount of interest due and payable for the period (where the principal has been paid but interest under MSME Act 2006 not paid)	NIL	NIL
The amount of interest accrued and remain unpaid at the end of the accounting year	NIL	NIL
The amount of further interest due and payable even in the succeeding year, until such date where the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Sec.23 of the MSME Act 2006	NIL	NIL

NOTES TO THE FINANCIAL STATEMENTS

41. Contingent Liability

Name of Statute	Nature of Dues	Amount (₹)	Period	Forum where dispute is pending
GST (Metrology)	Tax	7,12,587	July 2017-March 2018	Before Appellate Authority
	Interest	4,78,082		
	Penalty	75,404		
GST (WHMT)	Tax	8,01,364	April 2018-March 2019	Before Appellate Tribunal
	Interest	Nil		
	Penalty	80,136		
GST (WHMT)	Tax	2,14,100	April 2018-March 2019	Before Appellate Authority
	Interest	Nil		
	Penalty	2,14,100		

Sl. No.	AY	Section	Nature of Demand	Tax (₹)	Interest (₹)	Penalty	Appeal Filed
1	2013-14	271(1) (c)	Income Tax Demand	Nil	Nil	1,44,619	Appeal disposed of and tax demand reduced to Nil; penalty of ₹1,44,619 remains payable
2	2019-20	154	Income Tax Demand	4,886	960	Nil	No
3	2009-10	154(WE)	Rectified Demand	2,07,360	3,15,096	Nil	No

42. Employee Benefits (AS-15)

(a) Defined Contribution Plan — Contributions recognised as expense

Employer's Contribution to Provident Fund	56,32,724.00	29,31,375.00
Employer's Contribution to ESI	2,04,716.00	1,01,170.00
Employer's Contribution to Labour Welfare Fund	25,646	-

(b) Defined Benefit Plan — Gratuity

Sl. No.	Defined benefit plans as per Actuarial valuation	31.03.2026	31.03.2025
A	**Components of employer expenses**		
	Current service cost	25.83	23.31
	Plan Amendment's Past Service Costs	3.35	-
	Interest cost	15.56	13.41
	Actuarial (gain)/loss	8.92	37.47
	Total expense	**53.65**	**74.19**

Sl. No.	Defined benefit plans as per Actuarial valuation	31.03.2026	31.03.2025
B	**Net asset/(liability) recognised in the balance sheet**	(267.32)	(248.67)
	Present value of obligation	620.92	600.34
	Liability	(267.32)	(248.67)
C	**Change in the obligation during the year**		
	Present value of the defined benefit obligation at the beginning of the year	600.34	536.22
	Current service cost	25.83	23.31
	Plan Amendment's Past Service Costs	3.35	
	Interest cost	15.56	13.41
	Actuarial (gain)/loss	11.74	37.78
	Benefits paid	58.77	34.19
	Present value of the defined benefit obligation at the end of the year	620.92	600.34
D	**Principal actuarial assumptions**		
	Discount rate	7.36%	6.73%
	Salary Growth Rate	7.00%	7.00%
	Attrition rate	9.00%	9.00%
	Mortality rate	0.00%	0.00%

(b) Defined Benefit Plan — Leave Encashment (Unfunded)

SL. No.	Defined benefit plans-as per Actuarial valuation	31.03.2026	31.03.2025
1	Discount Rate	7.36%	6.73%
2	Salary Growth Rate	7.00%	7.00%
3	Attrition Rate	9.00%	9.00%
4	Present Value of defined Obligation	40.26	33.60
5	Fair Value of Plan Assets	0.00%	0.00%

43. Proposed disposal of the Metrology Division (Hosur) — Events occurring after the Balance Sheet Date and Discontinuing Operation

(a) Disclosure under AS 4 (Events Occurring After the Balance Sheet Date)

The Board of Directors, at its meeting held on 5 March 2026, approved a proposal to sell and transfer the Company's Metrology Division located at Plot No. 104/2, SIPCOT Industrial Complex, Hosur ("the Division"), as a going concern on a slump-sale basis, subject to the approval of the members. The members approved the transaction by special resolution passed at the Extraordinary General Meeting held on 18 May 2026, and a Business Transfer Agreement ("BTA") was executed on 16 July 2026 for a lump-sum consideration of ₹9,35,00,000 (exclusive of taxes). These are events occurring after the balance sheet date; being non-adjusting events, no effect has been given in the financial statements for the year ended 31 March 2026, other than the advance of ₹10,00,000 received on 6 February 2026, which is included under [Other Current Liabilities] as an advance received against the proposed transfer.

Completion of the transfer is conditional upon the fulfilment of conditions precedent, including the transfer of the leasehold rights in respect of the Hosur premises by SIPCOT and receipt of the full consideration. Under the BTA, the profits, losses, risks and rewards of the Division pass to the purchaser only with effect from the date of receipt of the full consideration, and the Company retains operational control of the Division until completion. As at the date of these financial statements the transfer had not been completed; accordingly, the assets and liabilities of the Division continue to be carried at their existing carrying amounts and no gain on disposal has been recognised.

b) Disclosure under AS 24 (Discontinuing Operations)

The Division represents a separate [line of business / geographical area] of the Company. The initial disclosure event under AS 24 (execution of the binding BTA / Board approval and announcement) occurred after the balance sheet date and, accordingly, the Division is not presented as a discontinuing operation in these financial statements. Information in respect of the Division for the year ended 31 March 2026 is given below:

Revenue from operations	Rs. 4,83,08,386
Expenses	Rs. 4,03,25,190
Profit/(loss) before tax attributable to the Division	Rs. 79,83,193
Written Down value of asset attributable to Division	Rs. 1,04,29,221

44. Segment Reporting (AS-17)

The Company's operations predominantly relate to one business segment and one geographical segment. Accordingly, there is no separate reportable segment disclosure under AS-17.

45. Additional Regulatory Disclosures

(a) Expenditure in respect of foreign travel is NIL (PY is NIL).

(b) C.I.F Value of imported components for the products of the company is Rs. 6,62,441 (PY is 2,35,646).

(c) F.O.B value of exports made during the year is Rs. 21,94,797 (PY Rs. 24,43,928).

(d) Receipts in Foreign Exchange as Commission is NIL (PY Rs. 5,81,282).

(e) Staff Welfare includes reimbursement of Medical Expenses to all Directors amounting to Rs. 3,95,378

(f) Money due to Tiny, Micro and SSI units for value of Rs. 1.00 Lakh and above for more than thirty days in Nil

(g) Commitment towards capital expenditure is NIL for the FY 2025-26.

(h) Foreign Letter of Credit outstanding on account of Import of Capital Goods is Nil.

(i) Title Deeds of Immovable Property not held in name of the Company

The Company does not hold any immovable property whose title deeds are not held in the name of the Company.

(j) Revaluation of Property, Plant and Equipment and Intangible Assets

The Company has not revalued its Property, Plant and Equipment or Intangible Assets during the year or in the previous year.

NOTES TO THE FINANCIAL STATEMENTS

(k) The Company has not advanced any loans or advances in the nature of loans to specified persons viz. promoters, directors, KMPs, related parties; which are repayable on demand or where the agreement does not specify any terms or period of repayment.

(l) Benami Property

No proceedings have been initiated on or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

(m) Wilful Defaulter

The Company has not been declared wilful defaulter by any bank, financial institution or other lender.

(n) Relationship with Struck-off Companies

The Company does not have any transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.

(o) Registration of Charges / Satisfaction with ROC

The Company has created charges in favor of its lenders, which have been duly registered with the Registrar of Companies (ROC) within the statutory period prescribed under the Companies Act, 2013.

(p) Compliance with Number of Layers of Companies

The Company has complied with the number of layers prescribed under Clause (87) of Section 2 of the Companies Act, 2013 read with the Companies (Restriction on Number of Layers) Rules, 2017.

(q) Compliance with approved Scheme(s) of Arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on the current or previous financial year.

(r) Utilisation of Borrowed Funds and Share Premium (Rule 11(e)(i))

(i) 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.

(s) Utilisation of Borrowed Funds and Share Premium (Rule 11(e)(ii))

(i) 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.

(t) Undisclosed Income

There are no transactions not recorded in the books of accounts which have been surrendered or disclosed as income during the year in tax assessments under the Income-tax Act, 1961. There

are no previously unrecorded income and related assets required to be recorded in the books of accounts during the year.

(u) Cryptocurrency / Virtual Digital Assets

The Company has not traded or invested in Cryptocurrency or Virtual Digital Assets during the financial year.

(v) Corporate Social Responsibility (CSR) — Section 135

The Company has not covered under section 135 of Companies Act 2013 during the year and preceeding financial year .

(w) Events after the Reporting Period

No material events affecting the financial statements have occurred between the reporting date and the date on which these financial statements were authorised for issue.

(x) Previous Year Figures and Presentation

Previous year figures have been regrouped / reclassified wherever necessary to conform to the current year's classification.

(y) Amount less than 0.5 appearing in the financial statement are disclosed into two decimal due to presentation of figures in lakhs.

(z) Figures have been rounded off to the nearest lakhs. Figures for the previous year have been re-classified / re-arranged / re-grouped, wherever necessary to conform to current year classification as per the requirement of Schedule III to the Companies Act, 2013.

₹ in Lakhs

Property, Plant & Equipment including Intangible Assets Schedule for the FY 2025-26

	Gross Block				Accumulated Depreciation				Reversal of Depreciation	Written Down Value as on	
	Opening	Addition	Deletion	Closing	Opening	Addition	Deletion	Closing		31-03-2026	31-03-2025
Property, Plant & Equipment											
TANGIBLE ASSETS											
LAND	46.93	-	-	46.93	-	-	-	-	-	46.93	46.93
BUILDINGS	371.37	10.69	-	382.06	276.64	10.62	-	287.26	-	94.80	94.73
BUILDINGS - FACTORY	110.05	-	-	110.05	98.05	3.55	-	101.60	-	8.45	12.00
BUILDING-RAW MATERIAL SHED	38.80	-	-	38.80	28.85	-1.17	-	27.68	-	11.12	9.95
COMPUTERS,SOFTWARE & INTANGIBLE ASSET	**165.60**	**0.27**	**8.93**	**156.95**	**139.64**	**6.78**	**8.93**	**137.50**	**-**	**19.45**	**25.96**
COMPUTER & SOFTWARE	117.37	0.27	-	117.64	107.13	3.64	-	110.77	-	6.87	10.24
INTANGIBLE ASSET	48.24	-	8.93	39.31	32.51	3.14	8.93	26.73	-	12.58	15.72
MACHINERY & EQUIPMENTS	2,163.12	25.88	54.47	2,134.53	1,712.87	79.41	51.75	1,740.54	-	393.99	450.25
PRECISION INSTRUMENTS	7.42	-	-	7.42	7.05	-	-	7.05	-	0.37	0.37
PATTERNS AND DIES	21.79	-	-	21.79	16.41	1.12	-	17.53	-	4.26	5.38
JIGS AND FIXTURES	31.85	-	-	31.85	24.11	1.18	-	25.29	-	6.57	7.75
ELECTRICAL INSTALLATION	55.23	-	-	55.23	51.52	0.28	-	51.80	-	3.43	3.71
VEHICLES	108.04	-	-	108.04	70.26	11.15	-	81.41	-	26.63	37.78
OFFICE EQUIPMENT	71.70	2.63	1.44	72.89	64.58	2.19	1.37	65.40	-	7.48	7.12
FURNITURE AND FITTINGS	33.42	5.55	-	38.97	31.25	1.10	-	32.35	-	6.62	2.17
COMPUTER SERVER & NETWORKS	23.62	-	-	23.62	19.87	0.71	-	20.58	-	3.04	3.75
Research and Development											
BUILDINGS	0.53	-	-	0.53	0.50	-	-	0.50	-	0.03	0.03
MACHINERY	230.60	-	-	230.60	219.07	-	-	219.07	-	11.53	11.53
Total	**3,480.08**	**45.02**	**64.84**	**3,460.26**	**2,760.69**	**116.92**	**62.05**	**2,815.57**	**-**	**644.69**	**719.39**
Previous Year FY 2024-25	**3,651.42**	**70.76**	**252.22**	**3,469.96**	**2,862.92**	**139.10**	**241.33**	**2,760.69**	**10.11**	**719.39**	**788.50**



GUINDY MACHINE TOOLS LIMITED

CIN: U29130TN1959PLC003951

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