ANNUAL REPORT 2025-2026

Modern

INSULATORS LIMITED

BOARD OF DIRECTORS

Shri Sachin Ranka	–	Chairman & Managing Director
Shri Shreyans Ranka	–	Joint Managing Director
Shri Animesh Banerjee	–	Executive Director
Shri P. Sridharan	–	Executive Director
Shri Ganpathy Vishwanathan Kalpathy	–	Independent Director
Smt. Meenu Sacheti	–	Independent Director
Shri S.K. Sharma	–	Independent Director
Shri Rahul Singhvi	–	Independent Director

CHIEF FINANCIAL OFFICER
Shri Alok Jain

COMPANY SECRETARY
Smt. Harshita Hetawal

AUDITORS
M/s R.B. Verma & Associates
Chartered Accountants,
Jaipur - 302 001

SECRETARIAL AUDITORS
M/s. Anshika & Associates,
Practicing Company Secretaries,
Jaipur - 302 021

REGISTRAR & SHARE TRANSFER AGENT
Beetal Financial & Computer Services Pvt. Ltd.
Beetal House, 3rd Floor, 99 Madangir
New Delhi - 110 062

REGISTERED OFFICE
Talheti, Village Karoli, Teh. Abu Road
Dist. Sirohi - 307 510 (Rajasthan)
Ph. : 02974-228044
E-mail : compliance@moderninsulators.com

CORPORATE HEAD QUARTER
68/69, Godavari, Pochkhanwala Road,
Worli, Mumbai - 400 025

PLANTS
Insulators Division
Abu Road - 307 510
Distt. Sirohi (Rajasthan)
Terry Towels Division
Village : Nidrad
Taluka : Sanand - 382 110
Ahmedabad (Gujarat)

Modern Insulatores Limited
Regd. Office : Talheti, Village Karoli, Tehsil Abu Road, Dist. Sirohi 307510
Phone : 02974-228377 E-mail : insulatores.modern@gmail.com
Website : www.moderninsulatores.com CIN : L31300RJ1982PLC002460

NOTICE

Notice of the 41st Annual General Meeting

NOTICE is hereby given that the 41st Annual General Meeting of the Members of **Modern Insulators Limited** will be held on Wednesday, the 30th day of September 2026 at 11:00 A.M. at Registered Office of the Company situated at Modern Insulators Limited, Talheti, Village: Karoli, Tehsil: Abu Road, Dist.: Sirohi - 307510 to transact the following business:

A. ORDINARY BUSINESS

(1) To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended 31st March, 2026 and the reports of the Board of Directors and Auditors thereon.

(2) To appoint a director in place of Shri Animesh Banerjee (DIN: 07905214), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

B. SPECIAL BUSINESS

(3) To revise the remuneration of Shri Animesh Banerjee (DIN: 07905214), Executive Director of the Company, and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as a Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 188, 196, 197, 198 and Schedule V of the Companies Act, 2013 ("the Act"), read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Regulation 17(6)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and all other applicable provisions of the Act and SEBI Regulations (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors in their meeting dated 10th August, 2026, approval of the members of the Company be and is hereby accorded to revise the remuneration of Shri Animesh Banerjee (DIN: 07905214), Executive Director of the Company with effect from 1st October, 2026, as under:

i. Basic Salary: -

Rs. 2,42,000 (Rupees Two Lakhs Forty-two Thousand) per month.

ii. Perquisites and allowances: -

a) Residential Accommodation will be provided by the Company for which a deduction of 10% of Basic Salary shall be made per month.
b) Gratuity not exceeding half month's salary for each completed year of service as provided in Gratuity Act.
c) Encashment of leaves as per Company's Rules.
d) Free use of car with driver for Company's business.
e) Free Telephone facility at residence for Company's business.
f) Performance Linked Variable pay up to 15% of Basic salary per month.

iii) He shall not be paid any sitting fees for attending the meetings of the Board of Directors or any Committee thereof.

RESOLVED FURTHER THAT he shall be paid professional consultancy fees of Rs. 5,00,000/- (Rupees Five Lakhs only) per month, in addition to the remuneration specified hereinabove, in consideration of the distinct professional, technical, operational, strategic advisory and/or specialized services rendered or to be rendered by him to the Company in such professional consultancy capacity, as may be required from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to revise, vary, enhance or otherwise modify, from time to time, the remuneration and/or professional consultancy fees payable to him, as may be deemed appropriate, based on the recommendation of the Nomination and Remuneration Committee, and on such terms and conditions as the Board may consider fit and proper, subject to applicable laws and regulations and in the best interests of the Company.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year, the remuneration payable to Shri Animesh Banerjee shall be governed by the limits specified in Schedule V of the Companies Act, 2013 and other applicable provisions of the Act or any statutory modification(s) or re-enactment thereof.

RESOLVED FURTHER THAT the Company Secretary or any director of the Company be and are hereby severally authorized to do all such acts, deeds and things and to file necessary forms and documents with the Registrar of Companies and other statutory authorities, as may be required to give effect to this resolution."

(4) To ratify the remuneration of Cost Auditors for the financial year 2026-27

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s Rajesh & Company, Cost Accountants (Firm Registration No. 000031), the Cost Auditors appointed by the Board of Directors on the recommendation of the Audit Committee, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2027, be paid the remuneration of Rs. 50,000/- and reimbursement of expenses upto Rs. 25,000/- be and is hereby ratified and confirmed.

RESOLVED FURTHER THAT the Board of Directors and Key Managerial Personnel of the Company be and are hereby severally authorised to do all such acts, matters, deeds and things and to sign all such documents, papers and writings as may be necessary, proper or expedient to give effect to this resolution."

By the Order of the Board
For Modern Insulators Limited

Place: Abu Road
Date: 10th August, 2026

(Harshita Hetawal)
Company Secretary

Notes:

1. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, setting out the material facts in respect of the special business item no. 3 & 4 to be transacted at the Meeting is annexed hereto and forms part of the Notice.
2. Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of SEBI (Listing Obligations and Disclosures Requirements), Regulations, 2015 (as amended), the Company is pleased to provide its members the facility of "remote e-voting" (e-voting from a place other than venue of the AGM) to exercise their right to vote at the AGM. The business may be transacted through e-voting services provided by Central Depository Services (India) limited ("CDSL").
3. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote in the meeting instead of himself/herself and the proxy need not be a member of the Company. In terms of Section 105 of the Companies Act, 2013, a person can act as proxy on behalf of not more than fifty members holding in the aggregate, not more than ten percent of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Member.
4. The proxy form duly completed, must be deposited at the Company's registered office not less than 48 hours before the commencement of the meeting. A proxy form for the Annual General Meeting is enclosed.
5. Institutional / Corporate Members (i.e. other than individuals / HUFs /

NRIs etc.) intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send a certified copy of the relevant Board or Governing Body Resolution together with specimen signatures of those representative(s) authorized under the said resolution to attend and vote on their behalf at the Meeting. The said certified true copy of the resolution should be sent to the Scrutinizer by email through its registered email address to anshugupta.cs@gmail.com with a copy marked to compliance@moderninsulators.com.

6. In case of joint holders, the member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
7. Only bonafide members of the Company whose names appear on the Register of Members/Proxy holders, in possession of valid attendance slips/Proxy form duly filled and signed will be permitted to attend the meeting. The Company reserves its right to take all steps as may be deemed necessary to restrict non-members from attending the meeting. Proxies are requested to bring their identity proof at the meeting for the purpose of identification.
8. Brief details of the director, who is liable to retire by rotation at the AGM and seeking re-appointment, is annexed hereto as per the applicable provisions of regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations, 2015'), the Act and the Secretarial Standard on General Meetings ('SS-2').
9. The Share transfer books and Register of members shall remain closed from 23rd September, 2026 to 30th September, 2026 (both days inclusive) in connection with the Annual General Meeting.
10. Section 20 of the Companies Act, 2013 permits service of documents on members by a company through electronic mode. So in accordance with the Companies Act, 2013 read with the Rules framed thereunder, the Annual Report for the year 2025-26 is being sent through electronic mode to those members whose email addresses are registered with the Company/Depository Participant.

    In Compliance with Circulars, Notice of the AGM along with Annual Report for the year 2025-26 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories/RTA, unless any Member has requested for a physical copy of the same. The Notice of AGM and Annual Report for the year 2025-26 are available on the Company's website viz. www.moderninsulators.com and may also be accessed from the relevant section of the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com. The AGM Notice is also available on the website of CDSL at www.evotingindia.com.
11. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting From No. SH - 13. Members are requested to submit the said details to their depository participants ("DPs") in case the shares are held by them in electronic form and to Beetal in case the shares are held by them in physical form.
12. Members holding shares in physical mode are requested to dematerialize their shares by surrendering their share certificates to their Depository Participants (DPs). Members are requested to quote ISIN: INE219W01012 of the Company for dematerialization of the shares.
13. Members are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, change of address, change of name, change of e-mail address, contact numbers etc., to their depository participant (DP) or Members holding shares in physical form are advised to submit the abovementioned information to our Registrar and Share Transfer Agent, Beetal Financial & Computer Service Pvt. Ltd. Beetal House, 3rd Floor, 99 Madangir, Behind LSC, New Delhi-110062.
14. Members who have not registered their email addresses so far are requested to register their e-mail IDs with M/s. Beetal Financial & Computer Services Pvt. Ltd, the Registrars & Share Transfer Agent of the Company and Members holding shares in demat mode are requested to register their e-mail IDs with their respective DPs in case the same is still not registered.
15. Non-resident Indian shareholders are requested to inform about the following immediately to the Company or its Registrar and Share Transfer Agent or the concerned Depository Participant, as the case may be, immediately of:
    a. The change in the residential status on return to India for permanent settlement.
    b. The particulars of the NRE account with a Bank in India, if not furnished earlier.
16. The Statutory Registers maintained under the provisions of the Companies Act, 2013, will be available for inspection by the Members at the AGM.
17. Members are requested to send all communications relating to shares and unclaimed dividends, change of address etc. to the Registrar and Share Transfer Agent at the following address:

    Beetal Financial & Computer Service Pvt. Ltd. Beetal House, 3rd Floor, 99 Madangir, Behind LSC, New Delhi-110062
18. A Member desirous of getting any information on the accounts of the Company is requested to forward his request to the Company at least 10 days prior to the Meeting so that the required information can be made available at the day of the Meeting.
19. A route map showing directions to reach the venue of the Annual General Meeting is given with the Annual Report.
20. **Voting**

    All persons whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date i.e. 23rd September, 2026 only shall be entitled to vote at the General Meeting by availing the facility of remote e-voting or by voting at the General Meeting.

(I) Voting through Electronic means

1. In compliance with the provisions of Section 108 of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (LODR) Regulations, 2015, the Company provides to Members the facility of exercising their right to cast vote(s) at the AGM by electronic means and the items of business given in the Notice may be transacted through e-voting services.
2. The facility for voting through Ballot/Poll Paper shall also be made available at the AGM and the members attending the meeting, who have not already cast their vote through remote e-voting, shall be able to exercise their right at the AGM.
3. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
4. The remote e-voting period commences on Sunday, 27th September, 2026 (9:00 am) and ends on Tuesday, 29th September, 2026 (5:00 pm). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Wednesday, 23rd September. 2026 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
5. The Board of Directors of the Company has appointed Smt. Anshika Gupta (FCS No. 7733, CP No. 8587), Practicing Company Secretary as Scrutinizer for scrutinizing the voting at the venue of AGM and remote e-voting process in a fair and transparent manner.
6. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the meeting, thereafter unblock the votes through remote e-voting in the presence of at least two witnesses, not in the employment of the Company and make a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman of the Company or in his absence Whole time Director of the Company, who shall countersign the same.

7. The Scrutinizer shall submit his report to the Chairman or in his absence Whole time Director of the Company, who shall declare the result of the voting. The Results shall be declared within 48 hours after the Annual General Meeting of the Company. The results declared along with the Scrutinizer's Report shall be placed on the company's website www.moderninsulators.com and on the website of CDSL www.evotingindia.com and the same shall also be communicated to BSE Limited.
8. Any person who becomes a member of the Company after dispatch of the Notice of the meeting and holding shares as on the cut-off date i.e. 23rd September, 2026 may obtain the User ID and password in the manner as mentioned below.

THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

(i) The voting period begins on Sunday, 27th September, 2026 (9:00 am) and ends on Tuesday, 29th September, 2026 (5:00 pm). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 23rd September, 2026 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) Pursuant to SEBI Master Circular No. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated January 30, 2026, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholder's/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

(iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to aforesaid SEBI Circular, Login method for e-Voting for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & My Easi New (Token) Tab. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the E-voting is in progress as per the information provided by company. On clicking the E-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & My Easi New (Token) Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the E-voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL Depository	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period. 4) For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting

	service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

Important note: *Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.*

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022-4886-7000 and 022-2499 7000

(v) Login method for Remote e-Voting for Physical shareholders and shareholders other than individual holding in Demat form.

1) The shareholders should log on to the e-voting website www.evotingindia.com.
2) Click on "Shareholders" module.
3) Now enter your User ID
   a) For CDSL: 16 digits beneficiary ID,
   b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
   c) Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
4) Next enter the Image Verification as displayed and Click on Login.
5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
6) If you are a first-time user follow the steps given below:

For Members holding shares in Demat Form (other than individual shareholders) and Members holding shares in Physical Form	
PAN	• Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	• Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

(vi) After entering these details appropriately, click on "SUBMIT" tab.

(vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(ix) Click on the EVSN: Modern Insulators Limited.

(x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xv) If a demat account holder has forgotten the login password, then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

(xvii) **Additional Facility for Non - Individual Shareholders and Custodians -For Remote Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; compliance@moderninsulators.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/ MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES.

1. **For Physical shareholders-** please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company at compliance@moderninsulators.com/RTA at beetalrta@gmail.com.
2. **For Demat shareholders-,** Please update your email id & mobile no. with your respective Depository Participant (DP)

3. **For Individual Demat shareholders-** Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call at toll free no. 1800 21 09911.

ANNEXURE TO NOTICE EXPLANATORY STATEMENT

(Pursuant to Section 102 of the Companies Act, 2013)

Item No. 03

To revise the remuneration of Shri Animesh Banerjee, Executive Director

The proposed resolution for revision in remuneration of Shri Animesh Banerjee, Executive Director (DIN: 07905214) is being proposed at Item No. 3 of the Notice of AGM. All the requisite information related to the proposed resolution for revision in remuneration of the Director is being furnished here at one place for the ease of reference of shareholders and to avoid repetition of information.

The matter of revision of remuneration of the above Director was considered by the Nomination & Remuneration Committee (NRC) and approved by the Board of Directors in their respective meetings held on Monday, August 10th, 2026.

After due consideration, NRC recommended the revised remuneration of the above director of the Company as provided in proposed resolution.

Accepting the recommendation of the NRC, the Board of Directors also approved the proposed revised remuneration of Directors in their respective meetings held on August 10th, 2026, subject to approval by the Members of the Company in this AGM.

The details of the existing remuneration of the above Director are given in the Corporate Governance Report, and revised remuneration is given in the respective resolution in the Notice of the AGM.

The individual shareholding of Shri Animesh Banerjee as on 31/03/2026, is as under:

Name and Designation of Directors	No. of Shares (%)
Shri Animesh Banerjee - Executive Director	Nil

Item No. 04

Ratification of remuneration of Cost Auditors for the financial year 2025-26

The Board of Directors of the Company based on the recommendation of the Audit Committee, has in its meeting held on 29th May, 2026 approved the re-appointment of M/s Rajesh & Company, Cost Accountants, (FRN 000031) as Cost Auditor of the Company to conduct the audit of the cost records of the Company for the financial year 2026-27 at a remuneration of Rs. 50,000/- (Rupees Fifty thousand Only) and out of pocket expenses as may be incurred in connection with the audit but not exceeding Rs. 25,000/- and GST or other Govt. levies as may be applicable.

In accordance with the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable to the Cost Auditors shall be fixed by the Board of Directors of the Company on the recommendation of the Audit Committee and the same shall be subsequently ratified by the members of the Company at a general body meeting. Accordingly, consent of the members is sought for ratification of the remuneration payable to the Cost Auditors for the financial year 2026-27.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item no. 4 of the Notice.

The Board of Directors recommends the resolution as set out at Item No. 4 of this notice for approval by the members of the Company by way of an Ordinary Resolution.

DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING

[Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and Secretarial Standard - 2 on General Meetings]

Name of Director	Shri Animesh Banerjee
Director Identification (DIN)	07905214
Date of Birth	04/07/1965
Age	61 Years
Date of first appointment on the Board of Directors of the Company	22/03/2025
Designation	Whole-time Director
Expertise in specific functional areas	Business Management and Manufacturing
Education	Masters (Chemistry) and MBA.
No. of shares held in Company	Nil
Relationships between Directors and Key Managerial Personnel inter-se	Shri Animesh Banerjee is not related to any Director and Key Managerial Personnel of the Company
Terms and Conditions of Appointment/Reappointment	In terms of Section 152(6) of the Companies Act, 2013, Shri Animesh Banerjee who was appointed as Whole-time Director w.e.f. 22nd March, 2025, is liable to retire by rotation.
Directorships held in other Companies on the date of this AGM Notice	Modern Composites Pvt. Ltd., Bengal Building Solution Pvt. Ltd
Committee Membership / Chairmanship of other companies	He is not a member of any committee of the Board in any other entity.
	He is a member of the Audit Committee, Stakeholders' Relationship Committee and Corporate Social Responsibility Committee of the Company.
Details of Remuneration sought to be paid	As approved by NRC and Board.
Remuneration last drawn (including sitting fees, if any	Please refer to the Corporate Governance Report which is an Integral part of this Annual Report
Listed entities from which the Director has resigned from directorship in last three (3) years	None
Number of meetings of the Board attended during F.Y. 2025-26	Please refer to the Corporate Governance Report which is an Integral part of this Annual Report.

DIRECTORS' REPORT

To the Members of Modern Insulators Limited

Your Directors are pleased to present the 41st Annual Report on the business and operations of the Company along with the Audited Financial Statements for the year ended 31st March 2026.

Financial Performance

The Audited Financial Statements of your Company as on 31st March, 2026, are prepared in accordance with the relevant applicable Indian Accounting Standards ("Ind AS") and the provisions of the Companies Act, 2013 ("Act"). The Company's standalone and consolidated financial performance for the year ended 31st March, 2026, is summarized below:

(₹ in Crores)

Particulars	Standalone		Consolidated	
	FY 2025-26	**FY 2024-25**	**FY 2025-26**	**FY 2024-25**
Revenue from operations	719.14	503.25	719.83	503.27
Other income	22.17	12.32	21.88	12.07
Total Income	**741.31**	**515.57**	**741.72**	**515.35**
Total Expenditure	637.63	477.20	640.88	477.46
Profit before Finance Costs, Exceptional Items and tax expenses	**108.83**	**42.52**	**106.72**	**42.18**
Finance Costs	5.15	4.15	5.88	4.29
Profit before, Exceptional Items and tax expenses	**103.68**	**38.37**	**100.84**	**37.89**
Exceptional Items	–	6.92	–	6.92
Profit before tax	**103.68**	**45.29**	**100.84**	**44.81**
Tax Expense:				
Current Tax	26.19	7.63	26.19	7.63
Deferred tax	(5.42)	(1.56)	(5.13)	(1.40)
Profit after tax	**82.93**	**39.22**	**79.78**	**38.58**
Other Comprehensive Income	0.16	-0.08	0.16	-0.08
Total Comprehensive Income	**83.08**	**39.14**	**79.94**	**38.51**
Paid-up Share Capital	47.14	47.14	47.14	47.14
Reserves and Surplus	501.98	418.89	496.12	416.18

Performance Review

The Standalone revenue from operations for the year stood at ₹719.14 Crores as compared to ₹503.25 Crores in the previous year, registering a growth of 43%. The Company has registered the standalone EBITDA of ₹ 117.70 Crores during the financial year under review as against EBITDA of ₹ 51 Crores during previous financial year, representing a robust growth of 130%.

The Consolidated revenue from operations for the year stood at ₹719.84 Crores registering a growth of 43% as compared to Rs. ₹503.27 Crores in the previous year. The Company has registered the consolidated EBITDA of ₹ 116.56 Crores during the financial year under review as against EBITDA of ₹ 51 Crores during previous financial year, representing a growth of 129%.

Share Capital

The paid-up Equity Share Capital as at 31st March, 2026 stood at Rs. 47.14 crore. There was no change in the paid-up share capital during the year under review. The Company does not have any outstanding paid-up preference share and equity share capital as on the date of this Report.

Dividend & Reserves

Considering the Company's robust growth trajectory, ongoing business expansion, strategic capital investments, and the need to deploy financial resources towards supporting future business developments and long-term value creation, the Board of Directors has, after due consideration, decided not to recommend any dividend for the financial year under review.

The Company confirms that there are no unpaid or unclaimed dividends requiring transfer to the Investor Education and Protection Fund (IEPF) in accordance with the applicable provisions of the Companies Act, 2013 and the rules made thereunder. Further, no amount has been transferred to the General Reserve out of the profits for the financial year under review.

Consolidated Financial Statements

In accordance with the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, Listing Regulations and Ind AS 110 - Consolidated Financial Statements (CFS)/and Ind AS 28 - Investment in Joint Ventures, the Audited Consolidated Financial Statements forms an integral part of this Annual Report.

Performance of Subsidiary/ Joint Venture

Modern Composites Private Limited

The Subsidiary Company reported a revenue from operations of ₹1.00 Crore during the financial year under review. While the current year's performance reflects the early stage of its business lifecycle, the subsidiary has established a strong foundation for sustained growth. With the business now transitioning into its growth phase, the Board is confident that the subsidiary is well-positioned to achieve a substantial scale-up in operations and emerge as a significant contributor to the Group's growth in the years ahead.

Shriji Design - MIL (JV) & Akhandlamani - MIL JV

The Company has entered into a Joint Venture Agreement with Shriji Design and Akhandlamani with the objective of pursuing opportunities in the railway EPC sector. During the financial year under review, the Joint Venture continued to evaluate and pursue suitable business opportunities in line with its strategic objectives. Although no project was undertaken during the year, the Joint Venture remains operationally prepared and well-positioned to participate in suitable opportunities as and when they arise.

Financial Statements

Your Company has consistently applied the applicable accounting policies during the year under review. The Management continuously evaluates all recently issued or revised accounting standards to ensure appropriate implementation in the financial reporting process.

The Company prepares and discloses its consolidated and standalone financial results on a quarterly basis, which are subjected to a limited review by the Statutory Auditors, and publishes the consolidated and standalone audited financial results on an annual basis. There were no revisions made to the financial statements during the year under review.

The Financial Statements of the Company have been prepared in accordance with the applicable Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act, 2013, read with the relevant rules issued thereunder. These financial statements form an integral part of this Report.

Further, pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing the salient features of the financial statements of the Company's Subsidiaries, Associate Companies and Joint Ventures in the prescribed Form AOC-1 is annexed to this Report and forms an integral part thereof.

Scheme of Arrangements between Modern Insulators Limited and Modern Denim Limited

During the financial year under review, the Hon'ble National Company Law Tribunal, Jaipur Bench ("NCLT"), vide its Order dated 22nd January, 2026, disposed of the Company's petition with the liberty to the Company to re-approach the Hon'ble NCLT for obtaining the final sanction of the Scheme upon completion of the requisite regulatory and procedural compliances, including obtaining the necessary statutory approvals.

The Members are informed that the Company is actively pursuing the requisite approvals from the competent regulatory authorities and is taking all necessary steps to complete the prescribed compliances at the earliest. Upon receipt of the requisite statutory approvals, the Company shall promptly re-approach the Hon'ble NCLT, in terms of the liberty granted under the aforesaid Order, for obtaining the final sanction of the Scheme.

Management Discussion and Analysis

Pursuant to Regulation 34(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Management Discussion and Analysis Report is given in **Annexure -'A'.**

Corporate Governance

Pursuant to Regulation 34(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, (SEBI (LODR) Regulations, 2015) a report on Corporate Governance along with a Certificate from the Company Secretary in Practice towards compliance of the provisions of Corporate Governance, forms an integral part of this Annual Report and are given in **Annexure-'B'.**

The Executive Director and the Chief Financial Officer have certified to the Board with regard to financial statements and other matters as required under Regulation 17(8) read with Schedule II to the SEBI (LODR) Regulations, 2015.

Subsidiary, Associates and Joint Venture Companies

As on March 31, 2026, your Company has one wholly-owned subsidiary company and two joint venture firms. The company does not have any associate company.

In accordance with the provisions of Section 129(3) of the Act, read with the Companies (Accounts) Rules, 2014, a report on the performance and financial position of the subsidiary and joint venture Companies is provided, in the prescribed Form AOC-1, in **Annexure 'C'**.

Further, pursuant to the provisions of Section 136 of the Companies Act, 2013, the audited financial statements along with other relevant documents, in respect of the subsidiary, are available on the website of the Company, in the link https://www.moderninsulators.com/financial-information/.

The policy for determining material subsidiaries of the Company has been provided in the following link: https://www.moderninsulators.com/policies.

Particulars of Loans, Guarantees and Investment

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 are disclosed in the Financial Statements forming part of this Annual Report. The requisite disclosures, as prescribed under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, have also been appropriately provided in the Financial Statements and the notes forming part thereof.

Annual Return

Pursuant to Section 134(3)(a) and Section 92(3) of the Act, read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company for the Financial Year 31st March, 2026 is uploaded on the website of the Company and the same is available on www.moderninsularors.com.

Particulars of Contracts or Arrangements with Related Parties

All contracts, arrangements and transactions entered into by the Company with its related parties during the financial year were on arm's length basis and in the ordinary course of business and in accordance with the provisions of the Act, and the SEBI Listing Regulations.

Any Related Party Transaction exceeding the thresholds prescribed under the SEBI Listing Regulations and the Act, shall be considered material and would require prior approval of the Members. In this regard, there were no material transactions of the Company with any of its related parties during the year in terms of Section 134 read with Section 188 of the Act. Therefore, the disclosure of the Related Party Transactions as required under Section 134(3)(h) of the Act, in Form AOC-2 is not applicable to the Company for the financial year 2025-26 and, hence, the same is not required to be provided.

As per the provisions of the Act, and Regulation 46(2)(g) of the SEBI Listing Regulations, your Company has formulated a policy on Related Party Transactions which is available on Company's website at the link https://www.moderninsulators.com/Investors/Modern/Financial/WebFiles/policy/Policy%20on%20Related%20Party%20Transactions.pdf.

The statement showing the disclosure of transactions with related parties, such as payment of Directors' remuneration in compliance with applicable Ind AS, the details of the same are provided in Note No. 41 of the Standalone Financial Statement forming integral part of the Annual Report.

Directors

Appointment/Re-appointment of Directors

In accordance with the provisions of the Act and the Articles of Association of the Company, Shri Animesh Banerjee, Executive Director of our Company, is liable to retire by rotation at the ensuing Annual General Meeting ('AGM').

Shri Animesh Banerjee, being eligible, have offered himself for re-appointment at the ensuing AGM.

Brief profile of Shri Animesh Banerjee is provided in the Report on Corporate Governance and Notice of AGM.

The Board of Directors at its meeting held on 08th January, 2026, based on the recommendation of the Nomination and Remuneration Committee and subject to the approval of Members approved the appointment of Shri Shreyans Ranka (DIN: 06470710) as the Joint Managing Director of the Company for a period of five (5) years, effective from 08th January, 2026. Shri Shreyans Ranka was previously associated with the Company in the capacity of a Whole-time Director.

The Members approved his appointment through Postal Ballot on 3rd March, 2026, in compliance with Regulation 17(1C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In continuation of the appointments reported in the previous Annual Report, the Members, through Postal Ballot on 15th May, 2025, approved the appointment of Shri Animesh Banerjee (DIN: 07905214) and Shri Pranatharthiharan Sridharan (DIN: 03100055) as Executive Directors of the Company for a term of three (3) years with effect from 22nd March, 2025.

Key Managerial Person

In terms of the provisions of Sections 2(51) and 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any amendments thereunder), the following employees were holding the position of Key Managerial Personnel (KMP) of the Company as on 31st March, 2026:

1. Shri Sachin Ranka- Chairman & Managing Director
2. Shri Shreyans Ranka-Joint Managing Director
3. Shri Pranatharthiharan Sridharan- Whole-time Director
4. Shri Animesh Banerjee- Whole-time Director
5. Shri Alok Jain- Chief Financial Officer
6. Smt. Harshita Hetawal- Company Secretary & Compliance Officer

The Board affirms that the appointment, terms of employment, and remuneration of the Directors and Key Managerial Personnel are in line with the Company's duly approved Nomination and Remuneration Policy, which is formulated in accordance with the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Declaration of Independence

All Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1) (b) of the Listing Regulations. In the opinion of the Board, the Independent Directors, fulfil the conditions of independence specified in Section 149(6) of the Act and Regulation 16(1) (b) of the Listing Regulations. The Independent Directors have also confirmed that they have complied with the Company's Code of Business Conduct & Ethics and registered their names in the Independent Directors Databank with Indian Institute of Corporate Affairs ("IICA")

In the opinion of the Board, the Independent Directors possess the requisite expertise and experience and are persons of high integrity and repute. They fulfill the conditions specified in the Act as well as the Rules made thereunder and are independent of the Management.

Formal Annual Evaluation

Pursuant to the provisions of the Act and the Listing Regulations, the Board has carried out an annual evaluation of its own performance, its Committees, Independent Directors, Non-Executive Directors, Executive Director and the Chairman of the Board.

The NRC of the Board has laid down the manner in which annual evaluation of the performance of the Board, its Committees and Individual Directors have to be made. It includes circulation of evaluation forms separately for evaluation of the Board and its Committees, Independent Directors/Non-Executive Directors/Executive Director and the Chairman of the Company.

The performance of Non-Independent Directors, the Board, as a whole, and the Committees of the Board have been evaluated by Independent Directors in a separate meeting. At the same meeting, the Independent Directors also evaluated the performance of the Chairman of the Company, after taking into account the views of Executive Director and Non-Executive Directors. Evaluation as done by the Independent Directors was submitted to the NRC and subsequently to the Board.

Thereafter, the Board at its meeting discussed the performance of the Board, as a whole, its Committees and Individual Directors. The Board expressed satisfaction with the overall functioning of the Board and its Committees. The Board was also satisfied with the contribution of the Directors, in their respective capacities, which reflected the overall engagement of the Individual Directors.

Meetings of the Board

The Board of the Company met 11 (Eleven) times during the year to deliberate on various matters. The meetings were held on 01st April, 2025, 28th May, 2025, 11th July, 2025, 14th August, 2025, 30th August, 2025, 13th October, 2025, 6th November, 2025, 20th December, 2025, 8th January, 2026, 4th February, 2026 and 10th February, 2026. The intervening gap between consecutive meetings was not more than one hundred and twenty (120) days as prescribed by the Act, and applicable provisions.

Statutory Committees of the Board

Audit Committee

The Audit Committee comprises of Shri S.K. Sharma Chairman, Shri Rahul Singhvi & Shri Animesh Banerjee as its members. Two out of three members, including Chairman of Audit Committee are Independent Directors.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee ('NRC') comprises of Shri S.K. Sharma, Chairman, Shri Rahul Singhvi & Shri G.V. Kalpathy as its members. All the members including the Chairman are Independent Directors.

Corporate Social Responsibility Committee

The Corporate Social Responsibility ('CSR') Committee comprises of Shri Sachin Ranka, Chairperson, Shri Animesh Banerjee & Shri S.K. Sharma as its members.

Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee ('SRC') comprises of Shri S.K. Sharma Chairman, Shri Rahul Singhvi & Shri Animesh Banerjee as its members. Two out of three members, including Chairman of SRC Committee are Independent Directors.

Independent Directors' Meeting

The Independent Directors met on 10th February 2026, without the attendance of Non-Independent Directors and members of the management.

The Independent Directors reviewed the performance of Non-Independent Directors, the Committees and the Board as a whole along with the performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Directors' Responsibility Statement

The audited accounts for the year are in conformity with the requirements of the Act and the Accounting Standards. The financial statements reflect fairly the form and substance of transactions carried out during the year and reasonably present your Company's financial condition and results of its operations.

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirms that:

a) in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
b) they had selected such accounting policies and applied them consistently, and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
c) they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
d) they had prepared the annual accounts on a going concern basis;
e) they had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
f) they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Auditors and Audit Reports

Statutory Auditors

M/s R. B. Verma & Associates, Chartered Accountants, Jaipur (ICAI Firm Registration No. 012650C), were appointed as the Statutory Auditors of the Company for a period of five consecutive years at the 37th Annual General Meeting (AGM) of the Members held on 30th September, 2022, to hold office from the conclusion of the said AGM until the conclusion of the 42nd AGM of the Company. Their remuneration is being determined by the Board of Directors in consultation with the Statutory Auditors.

The Board has carefully reviewed the Auditors' Report for the financial year under review. The observations made by the Statutory Auditors on the Financial Statements (Standalone and Consolidated) of the Company, in their Report for the financial year ended 31st March 2026, read with the Notes therein, are self-explanatory and, therefore, do not call for any further explanation or comments from the Board of Directors under Section 134(3)(f) of the Act.

The Statutory Auditors have not reported any instance of fraud by the Company or on the Company by its officers or employees under Section 143(12) of the Companies Act, 2013.

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 ("the Act"), read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Anshika & Associates, Company Secretaries, Jaipur as the Secretarial Auditor of the Company for the financial year 2025-26.

The Secretarial Audit Report issued by M/s Anshika & Associates, Practicing Company Secretaries, for the financial year 2025-26 forms an integral part of this Report and is annexed herewith as **Annexure-'D'.**

The observations made in the Secretarial Audit Report are self-explanatory and do not call for any further comments under Section 134 of the Act. The Company has also put in place appropriate systems and processes to ensure timely and effective compliance with all applicable statutory requirements and to further strengthen the governance framework.

Cost Auditors

In terms of Section 148 of the Act, the Company is required to maintain cost records and have the audit of its cost records conducted by a Cost Accountant. Cost records are prepared and maintained by the Company as required under Section 148(1) of the Act.

Pursuant to the provisions of Section 148 of the Act, read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Board at its meeting held on 28th May, 2025, has appointed M/s Rajesh & Company, Cost Accountants, Jaipur (Firm Registration No. 000031), as the Cost Auditors to conduct the audit of the cost records of the Company for the financial year 2025-26. As required under the Companies Act, 2013 a resolution seeking Members approval for ratification of remuneration

Internal Auditors

In accordance with the provisions of Section 138 of the Companies Act, 2013 ("the Act"), the Board of Directors has appointed M/s S. Garg & Co., Chartered Accountants, as the Internal Auditor of the Company.

The Internal Auditor independently reviews and evaluates the adequacy and effectiveness of the Company's internal control systems, risk management practices, and governance processes. The scope of the Internal Audit includes a comprehensive examination of business operations, financial transactions, statutory compliances, and adherence to policies and procedures, with the objective of strengthening operational efficiency and safeguarding the Company's assets.

The Internal Audit Reports, along with significant observations, findings, and recommendations, are placed before the Audit Committee on a quarterly basis. The Audit Committee reviews these reports in detail and monitors the corrective actions taken by the management in response to the audit observations. This structured process ensures that appropriate risk-mitigation measures are implemented and that the internal control framework of the Company remains robust and effective.

Remuneration and Nomination Policy

The Board of Directors have framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. The Policy broadly lays down the guiding principles, philosophy and the basis for payment of remuneration to Executive and Non-executive Directors (by way of sitting fees and commission), Key Managerial Personnel, Senior Management and other employees. The policy also provides the criteria for determining qualifications, positive attributes and Independence of Director and criteria for appointment of Key Managerial Personnel/Senior Management and performance evaluation which are considered by the Nomination and Remuneration Committee and the Board of Directors while making selection of the candidates. The above policy has been posted on the website of the Company at https://www.moderninsulators.com/policies/.

Vigil Mechanism / Whistle Blower Policy

Your Company has in place a Vigil Mechanism / Whistle-Blower Policy in compliance with the provisions of Section 177 of the Companies Act, 2013, read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Company has established a mechanism for directors and employees to report instances and concerns about unethical behaviour, actual or suspected fraud, or violation of the Company's Code of Conduct. It also provides adequate safeguards against the victimization of employees, who avail the mechanism and allows direct access to the Chairman of the Audit Committee in exceptional cases. During the year, no person was denied access to the Audit Committee.

During the year under review, no employee or individual was denied access to the Audit Committee under the Vigil Mechanism. Further details of the Vigil Mechanism are provided in the Corporate Governance Report, forming part of this Annual Report. The Vigil Mechanism / Whistle-Blower Policy is also available on the Company's website at: https://www.moderninsulators.com/policies/.

Risk Management and Sustainability

Your Company remains firmly committed to a comprehensive and forward looking approach to risk management and sustainability, recognising them as essential enablers for long-term value creation and achievement of organisational objectives. In an increasingly dynamic business environment, our robust risk management framework facilitates the identification, assessment, mitigation, and continuous monitoring of diverse risks across the organisation. This approach not only safeguards our interests, but also allows us to proactively seize emerging opportunities.

The Board of Directors and the Audit Committee periodically review the risk management framework, including the key risks and the mitigation measures adopted by the management. This oversight ensures that risk exposures are kept within acceptable levels and aligned with the Company's risk appetite.

The Company's Risk Management Policy is available on its website at: https://www.moderninsulators.com/policies/.

Internal Controls

Your Company has in place adequate internal control systems (including internal financial control system) commensurate with the size and complexity of its operations. Internal control systems comprising of policies and procedures are designed to ensure sound management of the Company's operations, safe keeping of its assets, optimal utilisation of resources, reliability of its financial information and compliance. Systems and procedures are periodically reviewed to keep pace with the growing size and complexity of the Company's operations. During the year, no material or serious observation has been received from the Statutory Auditors of your Company, citing inefficiency or inadequacy of such controls.

Corporate Social Responsibility (CSR)

Your Company continues to uphold its commitment towards inclusive growth and sustainable development through well-structured CSR initiatives in line with the provisions of Section 135 of the Companies Act, 2013 and the Companies (CSR Policy) Rules, 2014. During the financial year 2025-26, the Company spent about Rs. 71 lacs on CSR activities, as approved by the CSR Committee and the Board of Directors from time to time. The CSR initiatives were focused on the Company's identified thrust areas, namely:

- Promoting education and healthcare to improve access and quality of life in communities,
- Women empowerment through initiatives aimed at skill development and livelihood enhancement, and
- Conservation of natural resources to promote sustainability and environmental protection.

The Executive Director of the Company has certified that the CSR expenditure for the year has been utilized fully, and in the manner approved by the Board.

In accordance with the statutory requirements, the Annual Report on CSR activities, including a brief outline of the CSR Policy and details of the initiatives undertaken, is annexed to this Report as Annexure-E and forms an integral part of it. The Company's detailed CSR Policy is also available on its website at: https://www.moderninsulators.com/policies/.

For details regarding the composition, meetings, and terms of reference of the CSR Committee, kindly refer to the Corporate Governance Report, which forms part of this Annual Report.

Your Board firmly believes that CSR initiatives are not only a statutory responsibility but also a reflection of the Company's ethos of giving back to society and creating a meaningful impact on the communities it serves.

Environment, Health and Safety

Your Company remains committed to conducting its operations in a safe, responsible and environmentally sustainable manner. Environment, Health and Safety ("EHS") continues to be an integral part of the Company's business philosophy and operational excellence framework, with a strong focus on protecting the health and well-being of employees, contractors, visitors and the communities in which it operates.

Your Company continues to strengthen its EHS practices through robust risk assessment, preventive safety measures, regular safety audits, emergency preparedness, and continuous monitoring of its operations. Periodic training and awareness programmes are conducted to reinforce a culture of safety, accountability and compliance across the organization.

Company is committed to minimizing the environmental impact of its operations through the efficient use of energy and natural resources, responsible waste management, emission reduction initiatives and compliance with applicable environmental laws and regulations. Continuous improvement in environmental performance, resource efficiency and operational sustainability remains a key focus area of the Company.

Prevention of Sexual Harassment at Workplace

Your Company has zero tolerance for sexual harassment at workplace. Your Company has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ('POSH Act'), and the Rules framed thereunder. All employees (permanent, contractual, temporary and trainees) are covered under this policy. The policy is available on the Company's website at: https://www.moderninsulators.com/policies/.

An Internal Complaints Committee (ICC), duly constituted in line with the requirements of the Act, has been entrusted with the responsibility of receiving and addressing complaints, creating awareness, and ensuring strict implementation of the policy.

During the year under review, the Company has not received any complaints relating to sexual harassment. The Board reaffirms the Company's strong commitment to fostering a workplace culture built on dignity, equality, safety, and mutual respect for all employees and associates.

Particular of Employees

The information required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is attached as Annexure-F. In accordance with the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the names and other particulars of employees drawing remuneration in excess of the limits, set out in the aforesaid rules, forms part of this Report.

In line with the provisions of Section 136(1) of the Act, the Report and Accounts, as set out therein, are being sent to all the Members of your Company, excluding the aforesaid information about the employees. Any Member, who is interested in obtaining these particulars about employees, may write to the Company Secretary at compliance@moderninsulators.com. The aforesaid addendum is also available for inspection by the members at the Registered Office of the Company from 21 days before the AGM till the date of the ensuing AGM, during business hours on working days.

Compliance of the Provisions Relating to the Maternity Benefit Act, 1961

The Board affirms that the Company remains fully committed to upholding its Maternity Policy in strict compliance with applicable laws, including the Maternity Benefit Act, 1961, and in alignment with internal human resource protocols.

The policy is designed to support the health, well-being, and work-life balance of women employees during and after pregnancy.

Human Resources and Industrial Relations

The Company firmly believes that its people are its most valuable asset and a key driver of sustainable growth. It remains committed to fostering a high-performance work culture that encourages collaboration, innovation, accountability and continuous learning, while aligning individual aspirations with the Company's strategic objectives and core values.

The Company continues to invest in strengthening organizational capabilities through structured learning and development initiatives, technical and functional training programmes, leadership development and periodic safety awareness programmes. A robust performance management framework, including a Key Result Area (KRA)-based appraisal system for all the employees and senior management that promotes meritocracy, accountability and performance excellence.

Employee well-being, engagement and development remain integral to the Company's human resource philosophy. The Company is committed to providing a safe, inclusive and conducive work environment that encourages professional growth, recognizes performance and supports continuous capability enhancement. The Human Resources function continues to play a strategic role in building a future-ready workforce capable of responding to evolving business needs and industry developments.

Industrial relations at all manufacturing locations remained cordial and harmonious throughout the year. The Company continues to maintain constructive engagement with employees and workmen through open communication, mutual trust and respect, thereby ensuring uninterrupted operations and sustained organizational productivity.

Statutory Information and Other Disclosures

(a) The information on conservation of energy, technology absorption and foreign exchange earnings and outgo pursuant to Section 134(3)(m) of the Act, read with the Rule 8(3) of the Companies (Accounts) Rules, 2014 is annexed as Annexure 'G' and forms an integral part of this Report.

(b) The Company has not accepted any deposits, within the meaning of Section 73 of the Act, read with the Companies (Acceptance of Deposits) Rules, 2014 as amended.

(c) There were no proceedings initiated under the Insolvency and Bankruptcy Code, 2016.

(d) The requirement to disclose 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, is not applicable.

(e) Company has taken appropriate insurance for all assets against foreseeable perils.

Material Changes and Commitments Effecting the Financial Position of the Company

Except as stated specifically in this Report, there have been no material changes or commitments affecting the financial position of the Company that have occurred between the close of the financial year and the date of this Report

Secretarial Standards

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

General

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- Issue of equity shares with differential rights as to dividend, voting or otherwise;
- Issue of shares (including sweat equity shares) to employees of the Company under any Scheme;
- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and the Company's operations in the future.
- There has been no change in the nature of business of the Company.

Appreciation

Your Directors place on record their sincere appreciation for the continued guidance, cooperation, and support received from the Company's bankers, business partners, stakeholders, Central and State Governments, and regulatory authorities during the year under review. Their trust and encouragement remain vital to the Company's growth journey.

The Board also conveys its heartfelt appreciation to all employees of the Company for their dedication, professionalism, and unwavering commitment. Their collective efforts, teamwork, and resilience have been instrumental in driving the Company's performance and strengthening its foundation for future growth. Your Directors look forward to the continued support of all stakeholders as the Company pursues its vision of sustainable growth and value creation.

For and on behalf of the Board of Modern Insulators Limited

Sachin Ranka

Place : Abu Road — Chairman & Managing Director

Date : 10.08.2026 — DIN: 00335534

Annexure A to Boards' Report

MANAGEMENT DISCUSSION AND ANALYSIS

Economic and Industry Overview

This Management Discussion and Analysis provides an overview of the economic and industry environment and presents the Management's perspective on the Company's business performance, strategic priorities, operational and financial performance, opportunities, risks and outlook for the financial year 2025-26.

The power sector continues to play a pivotal role in India's economic growth and infrastructure development. During the year, the sector witnessed sustained investments across generation, transmission and distribution, supported by increasing electricity demand, accelerated renewable energy capacity addition and continued strengthening of the national transmission network. Government initiatives aimed at expanding transmission infrastructure, facilitating renewable energy integration and enhancing grid reliability are expected to further support long-term growth of the sector.

The insulator industry continues to benefit from these structural developments. In the domestic market, increasing investments in transmission and distribution infrastructure, renewable energy evacuation projects, substation expansion and grid modernization continue to drive demand for high-performance insulators. Internationally, growing investments in power infrastructure, replacement of ageing transmission assets, grid modernization initiatives and the global transition towards clean energy continue to create significant opportunities for quality manufacturers. Backed by these favourable industry fundamentals and a healthy project pipeline, the medium- to long-term outlook for the insulator industry remains positive.

Global Economic Outlook

The global economy demonstrated resilience during the financial year despite persistent geopolitical tensions, trade policy uncertainties and evolving macroeconomic challenges. While inflationary pressures moderated across several major economies, the pace of disinflation remained uneven, prompting central banks to adopt a cautious approach towards monetary policy. At the same time, continued investments in technology, digital transformation and artificial intelligence, together with resilient consumer demand, provided support to global economic activity.

According to the International Monetary Fund's (IMF) World Economic Outlook Update - July 2026, global economic growth is projected at 3.0% in 2026 and 3.4% in 2027. The IMF notes that while the global economy has remained resilient, the outlook continues to be shaped by geopolitical developments, energy market volatility and evolving trade dynamics, partly offset by the ongoing technology-led investment cycle.

Overall, the global economic environment remains resilient but is expected to be characterised by moderate growth, evolving policy responses and continued geopolitical and macroeconomic uncertainties. Nevertheless, sustained investments in energy infrastructure, grid modernization and the clean energy transition are expected to provide long-term growth opportunities for the power equipment industry.

Indian Economy

India continued to be one of the fastest-growing major economies during FY 2025-26, supported by resilient domestic demand, sustained public capital expenditure, robust investment activity and a stable macroeconomic environment. Strong performance across the manufacturing and services sectors, coupled with continued policy reforms and infrastructure development, reinforced the country's growth momentum despite an uncertain global economic environment. According to the Government's First Advance Estimates, India's real GDP is estimated to grow by 7.4% during FY 2025-26, underscoring the strength and resilience of the economy.

The Government continued its focus on infrastructure creation, manufacturing, logistics, digital transformation and clean energy through sustained capital expenditure and policy initiatives. Continued investments in transportation, power, renewable energy and industrial infrastructure are expected to strengthen India's long-term growth prospects and enhance the country's global competitiveness. Fiscal consolidation also remained on track, reflecting the Government's commitment to maintaining macroeconomic stability while supporting economic growth.

India's external sector remained resilient, supported by healthy foreign exchange reserves, steady capital inflows and strong services exports. The country's sound macroeconomic fundamentals, favourable demographics, expanding manufacturing base and growing emphasis on ease of doing business continue to reinforce investor confidence and position India as an attractive global investment destination.

Looking ahead, India's growth outlook remains favourable, driven by structural reforms, increasing private and public investments, rapid digital adoption and the Government's continued emphasis on manufacturing, infrastructure development and the energy transition. While external risks arising from geopolitical developments, global trade uncertainties and commodity price volatility persist, India's strong domestic fundamentals are expected to support sustainable economic growth over the medium to long term.

Global power sector overview

Global electricity demand rose by 4.3% in 2024 and is forecast to continue to grow at close to 4% out to 2027. Global electricity demand is expected to more than double from 25,000 terawatt-hours (TWh) to between 52,000 and 71,000 TWh by 2050, due to the growth driven by a combination of factors including a strengthening global economy, increased electrification across various sectors, and the expansion of data centers. Electricity consumption from data centres, artificial intelligence (AI) and the cryptocurrency sector could double by 2030 to roughly 945-950 TWh, accounting for 3% of all global power demand. Data centres are significant drivers of growth in electricity demand in many regions, particularly in North America, Europe and some parts of Asia.

Global energy investments across all energy domains have reached a staggering milestone of $3.4 trillion annually. Grid network spending remains the fastest-growing investment bracket, expanding at 4% to 8% annually to hit $0.6 trillion to $1.2 trillion per year by 2040. Capital deployed for wind and solar capacity additions is on track to range between $0.5 trillion and $1.0 trillion annually by 2040.

The rapid growth of renewables, supported by rising nuclear generation, is set to displace global coal-fired generation, which is forecast to fall by an average of 1.7% annually through 2026. The transport sector is projected to see a steep growth in power demand, driven by passenger electric vehicles. By 2050, global passenger battery per electric vehicle is projected to reach 1.3 billion-almost equal to the total number of all cars today.

Indian power sector overview

The Indian power sector is one of the most diversified in the world. The IMF has retained its growth projection for India at 6.5 per cent for the financial year 2026-27, maintaining the upward revision made in April. India is the third-largest producer and consumer of electricity globally, operating an expanded network that successfully meets a peak demand exceeding 270 GW. Total installed power capacity reached over 542 GW, with renewable sources accounting for more than 274 GW. Electricity generation continues to scale up rapidly, recently reaching 1,840 TWh annually, with significant capacity additions surpassing 52,000 MW in a single recent fiscal period. India aims to exceed 500 GW of non-fossil fuel electricity generation capacity. To meet these targets and address coal demand-supply issues, the Ministry of Power is actively transitioning older thermal plants to rely on renewable energy generation.

The Indian power sector presents an investment opportunity of over Rs. 40,00,000 crore (US$ 462 billion) over the next decade. This massive expansion is fueled by an accelerating 7% CAGR in power demand, ongoing structural infrastructure upgrades, and an aggressive national transition toward clean energy. By 2035, electric vehicles (EVs) and data centers are projected to account for a staggering one-third of all power demand growth across the country. The non-fossil fuel sector continues its record-breaking expansion, with India solidifying its place as the world's third-largest renewable energy capacity holder. Driven by the national target of 500 GW by 2030, the country recently achieved a record-breaking single-year addition of over 52,000 MW of power generation capacity. Power Grid Corporation's Rs. 2,00,000 crore capital expenditure (capex) opportunity to support multi-state grid integrations and green energy corridors.

The Union Budget 2025-26 officially launched the "Nuclear Energy Mission", shifting heavy focus toward atomic power to replace traditional carbon-heavy baseload plants. The government allocated Rs. 20,000 crore to fund research, development, and standard deployment. The ultimate goal is to scale nuclear capacity to 100 GW by 2047. The Government has also implemented a massive Rs. 9.15 lakh crore investment plan under the National Electricity Plan (Transmission). This upgrades grid systems to support the integration of massive renewable capacities.

The Central Electricity Authority (CEA) estimates India's power requirement to grow to reach 817 GW by 2030. Also, by 2029-30, CEA estimates that the share of renewable energy generation would increase from 18% to 44%, while that of thermal energy is expected to reduce from 78% to 52%. The government plans to establish renewable energy capacity of 500 GW by 2030.

India has made remarkable progress in the power sector and India's power sector is on a path of transformation, with increased focus on sustainability, digitalization, and decentralization. With continued policy support and technological advancements, the country aims to become a global leader in clean energy transition.

Business Performance Review

Insulators Division

The Insulators Division delivered a strong operational and financial performance during the year. Revenue increased to ₹669.87 crores from ₹446.38 crores in the previous year, registering a growth of approximately 50%. Profit before interest and depreciation (PBID) more than doubled to ₹116.56 crores, compared to ₹49.65 crores in the previous year, reflecting improved operating performance and higher business volumes.

The Company continued to maintain its leadership position in the manufacture of Extra High Voltage (EHV) porcelain insulators in India. The Division benefited from robust domestic demand, supported by continued investments in transmission infrastructure and renewable energy integration, along with healthy growth in export orders across key international markets. The Company's established manufacturing capabilities, diversified customer base and strong market presence enabled it to capitalize on these opportunities, resulting in higher sales volumes and improved profitability. The Company remains well positioned to benefit from the favourable long-term outlook for the power transmission sector in both domestic and international markets.

Terry Towels Division

The Terry Towels Division reported a turnover of ₹49.26 crores during the year as compared to ₹56.87 crores in the previous year. Profit before interest and depreciation (PBID) stood at ₹1.13 crores against ₹1.39 crores in the previous year. The Division's performance was impacted by prevailing market conditions and pricing pressures during the year.

With a focus on strengthening its long-term competitiveness, the Company made strategic capital expenditure towards modernization, process improvements and capacity enhancement of the Terry Towels Division. These investments are expected to improve operational efficiencies, enhance product quality, expand manufacturing capabilities and support the Division's growth in the coming years. The Company remains focused on improving capacity utilization, expanding its customer base and leveraging operational efficiencies to drive sustainable growth and profitability over the medium to long term.

Exports

The Company continues to maintain its position as the largest exporter of Extra High Voltage (EHV) Porcelain Insulators from India. During the year, export revenue increased significantly to ₹380 crores from ₹192 crores in the previous year, registering an impressive growth of approximately 98%. The strong export performance was driven by sustained product quality, timely execution, increased customer confidence and higher order inflows from key international markets.

The Company continues to strengthen its global presence by expanding its product portfolio to address evolving customer requirements. Its focus includes advanced applications such as RTV coated insulators, semi-conducting glaze insulators, large diameter and high-strength hollow insulators, HVDC insulators and specialized insulators for reactor applications. These initiatives are expected to enhance the Company's ability to serve a broader range of transmission and substation projects across international markets.

The Company also continues to expand its global customer base through product approvals and strategic engagement with overseas utilities and EPC contractors. During the year, it secured approval from a leading utility in the Gulf region and received a significant order for RTV coated porcelain long rod insulators. It has also been awarded a framework contract by a European utility following the successful completion of its ESG audit and is in the process of finalizing a framework agreement with an another European utility for the supply of Solid Core Post Insulators. In addition, the Company remains well positioned to participate in the growing number of HVDC transmission projects through leading OEMs and EPC companies.

The global electrical insulator market continues to present significant growth opportunities, driven by increasing investments in renewable energy, transmission infrastructure, grid modernization and cross-border interconnections. These long-term industry trends are expected to support sustained demand for high-voltage porcelain insulators and provide favourable opportunities for export-oriented manufacturers.

The Company continues to strengthen its international market presence through active participation in leading global industry exhibitions and customer engagement initiatives. During the year, it participated in the IEEE PES Transmission & Distribution Conference & Exposition 2026 in the United States and has planned participation in the Middle East Energy Exhibition in Dubai and the Power Transmission & Distribution Technology Expo 2026 in Germany. These initiatives support the Company's efforts to enhance brand visibility, strengthen customer relationships and explore new business opportunities across international markets.

ANALYSIS AND REVIEW

The Company continues to maintain its leadership position in the manufacture of High Voltage and Extra High Voltage porcelain insulators in India. Its strong market position is supported by consistent product quality, technological expertise and long-standing customer relationships across domestic and international markets. Despite an increasingly competitive business environment, the Company continues to strengthen its presence by delivering reliable products that meet evolving customer requirements.

Innovation, quality and continuous improvement remain integral to the Company's growth strategy. The Company's well-equipped in-house Research & Development (R&D) Centre focuses on product development, process optimization, indigenization of critical raw materials and continuous improvement in manufacturing processes to enhance product quality, consistency and cost competitiveness. These initiatives have enabled the Company to meet stringent customer specifications while improving operational efficiencies.

The Company's state-of-the-art testing laboratory accredited by the National Accreditation Board for Testing and Calibration Laboratories (NABL) in accordance with ISO/IEC 17025:2017, reaffirming its technical competence and commitment to internationally accepted testing standards for High Voltage Insulators. The Company continues to invest in innovation and advanced manufacturing technologies to enhance operational excellence.

In view of the strong demand outlook for porcelain insulators in both domestic and international markets, the Company has undertaken phased capacity expansion to support future growth. During the year, one additional kiln was successfully commissioned, enhancing production capacity, while work on the installation of another kiln is progressing as planned. These investments are expected to improve manufacturing flexibility, strengthen execution capabilities and enable the Company to efficiently cater to the growing demand from customers across various geographies.

The Company also operates fully integrated SGI Foundry facilities, enabling timely availability of critical cast components for its captive requirements while also serving external customers.

Opportunities & Challenges

India's national power transmission network has surpassed 500,000 circuit kilometers (ckm), scaling rapidly to keep pace with surging industrial demand and a historic peak load projected to reach 388 GW by 2032. India's transmission network is expanding rapidly to meet the country's increasing power demand and align with the growing power generation capacity. In recent years, this expansion has been characterised not only by the physical growth of the transmission network, but also by the adoption of higher transmission voltages and advanced technologies for bulk power transmission. India's power transmission sector is experiencing a massive infrastructure push. However, its growth is severely constrained by right-of-way (RoW) delays and complex land acquisition, supply chain restrictions tied to the China+1 policy, and critical raw material price volatility for the domestic electric insulator industry.

Although, several opportunities are available to private sector under the TBCB (tariff-based competitive bidding) route. The Indian electric insulator market is poised to reach USD 844.3 Million by 2033, growing at a steady CAGR of 6.59%. The industry is perfectly positioned to capitalize on several strategic growth vectors. The Central Electricity Authority (CEA) is executing plans for the addition of 114,687 circuit kilometres (CKM) of transmission lines and 776,330 MVA of transformation capacity. Infrastructure schemes like the intra-state Green Energy Corridor (GEC) Phase II are accelerating, focusing on regions with high renewable energy potential. Total investment in national transmission infrastructure is estimated at a substantial Rs 4,252.22 billion, with expanded participation by private players under the Tariff Based Competitive Bidding (TBCB) framework. Indian Railways continues to heavily electrify its broad-gauge network and lay new lines for high-speed trains, driving direct demand for specialized insulators. The combination of railway electrification and new high-speed lines represents investment in India's railway infrastructure. Achieving these goals requires a collective effort from policymakers, financial institutions, and private investors.

In Exports, increased demand of insulators seen in various markets. The global electric insulator market is projected to grow at a CAGR of 4.98% from 2025 to 2032, expanding from USD 15.01 billion in 2024 to USD 22.14 billion by 2032. Over the last decade, approximately 1.5 million kilometers of new transmission lines have been built globally to accommodate rising electricity demands. Regions such as Asia Pacific, Europe, North America, and the Middle East are heavily investing in renewable energy integration. This requires advanced insulation solutions to stabilize variable power loads.

Global power grids are undergoing rapid modernization to support clean energy transitions, directly accelerating the demand for electric insulators. The Asia-Pacific region is projected to command 42% of global grid expenditure by 2050 under the net-zero scenario. Europe's dedicated spending on grid digitalization is on track to reach $458 billion over the same period. Total US grid investment is surging toward $453 billion by 2050 to handle expanding capacity requirements. Great Britain is actively deploying an average of $11.8 billion annually to strengthen its power networks and achieve its clean energy targets. The Middle East and Africa show potential, particularly in Saudi Arabia and the UAE, driven by large-scale energy projects and electrification efforts. This development highlights that the rising adoption of smart technologies will drive the demand for electric insulators in the coming years.

The International Energy Agency (IEA) estimates that global investment in transmission would need to exceed USD 200 billion per year by the mid-2030s to meet rising electricity needs and achieve de-carbonization goals.

RISKS & CONCERNS

The Company's business is influenced by macroeconomic conditions, geopolitical developments, fluctuations in raw material and energy prices, changes in freight costs, foreign exchange movements and evolving regulatory requirements. While inflationary pressures have moderated in several economies, geopolitical uncertainties and supply chain disruptions continue to pose challenges to global trade and manufacturing activities.

The power sector, however, continues to benefit from sustained investments in transmission infrastructure, renewable energy integration and grid modernization across both domestic and international markets, providing a favourable long-term demand outlook for the Company's products. Nevertheless, periodic volatility in input costs, logistics and interest rates may have an impact on operating margins and project execution timelines.

The Company continues to focus on strengthening its operational resilience through prudent procurement practices, supply chain diversification, cost optimization initiatives and continuous improvements in manufacturing efficiency. It also continues to invest in process improvements, energy-efficient technologies and capacity enhancement initiatives to improve productivity and mitigate the impact of input cost volatility.

With a diversified customer base, strong export presence, established manufacturing capabilities and a continued focus on operational excellence, the Company believes it is well positioned to manage these challenges while pursuing sustainable long-term growth.

OUTLOOK

The outlook for the power transmission sector remains encouraging, supported by sustained investments in electricity infrastructure, renewable energy integration and grid expansion across both domestic and international markets. The Company's healthy order book, growing export presence and established market position provide a strong foundation for continued business growth in the coming years.

The Company remains focused on enhancing its manufacturing capabilities through capacity expansion, technology upgradation and continuous process improvements. These initiatives, together with its emphasis on product quality, innovation and timely execution, are expected to strengthen operational efficiency, improve customer responsiveness and support future growth.

While the business environment may continue to witness periodic volatility arising from geopolitical developments, fluctuations in raw material prices and global economic conditions, the Company remains confident of leveraging its diversified customer base, strong manufacturing capabilities and operational strengths to capitalize on emerging opportunities. The Company is well positioned to deliver sustainable growth and create long-term value for its stakeholders.

Annexure B to Boards' Report

REPORT ON CORPORATE GOVERNANCE

1. A Brief Statement on Listed Entity's Philosophy on Code of Governance

Your Company's Corporate Governance philosophy is driven by its desire towards attainment of highest levels of ethical values and professional standards. It is committed to building and maintaining a sustainable, thriving business based on the highest level of honesty, utmost integrity, transparency and accountability. Our primary and major goal is to optimize stakeholder value while adhering diligently to all applicable laws and regulations.

The Company has adopted the Code of Conduct for its employees, including the Board of Directors, which encompasses an appropriate mechanism to report any concern pertaining to non-adherence to the said Code. Pursuant to Regulation 26(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulation"), all members of the Senior Management have confirmed that there is no material, financial and commercial transactions wherein they have a personal interest that may have a potential conflict with the interest of the Company at large. Pursuant to Regulation 26(3) of the SEBI Listing Regulations, all the Board Members and Senior Management of the Company as on 31st March, 2026 have affirmed compliance with their respective Codes of Conduct. A Declaration to this effect, duly signed by the Managing Director is reproduced at the end of this Report

The Company's philosophy on Corporate Governance is, thus, concerned with the ethics, values and morals of the Company and its directors who are expected to act in the best interests of the Company and remain accountable to members and other beneficiaries for their actions and properly comply with all the applicable legal and regulatory requirements.

2. Board of Directors:

The Board of Directors ('the Board') is the apex body, constituted by the shareholders, for overseeing the Company's overall functioning. During the Financial year 2025-26 under review, the composition of the Board was in conformity with Regulation 17 of the SEBI Listing Regulations read together with Section 149 and 152 of the Companies Act, 2013 and rules framed thereunder. As on 31st March, 2026, the Board consisted of 8 Directors, out of which 4 (Four) Directors were Non-Executive Independent Directors. The Company has an Executive Chairman and Four Independent Directors ('IDs'), including One Independent Women Directors.

All Independent Directors have confirmed in accordance with Regulation 25(8) of the SEBI Listing Regulations that they meet the independence criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149 of the Companies Act, 2013 and the Rules framed thereunder.

The Independent Directors have further stated that they are unaware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence. The Company has received confirmation from all the existing IDs of their registration on the Independent Directors Database maintained by the Indian Institute of Corporate Affairs pursuant to Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014. Based on the disclosures received from all the Independent Directors and as determined at the Board Meeting held on 29th May, 2026, the Board is of the opinion that the Independent Directors fulfill the Conditions of Independence as specified in the Act, the SEBI Listing Regulations and that they are independent of the Management.

During the financial year 2025-26, the time gap between any two Board Meetings did not exceed 120 (One Hundred and Twenty) days. None of the Directors on the Board hold the office of Director in more than 20 companies, including 10 public companies, as disclosed under Section 184 of the Act read with Rules framed thereunder.

None of the Independent Directors serve as Independent Directors in more than 7 listed entities and none of the Whole-time Directors/ Managing Director of the Company serve as Independent Directors in any listed entities. In accordance with Regulation 26 of the SEBI Listing Regulations, none of the Directors are members in more than 10 committees or act as chairperson of more than 5 committees (the committees being, Audit Committee and Stakeholders' Relationship Committee) across all public limited companies in which he/ she is a director.

The required information, including information as enumerated in Regulation 17(7) read with Part A of Schedule II of the SEBI Listing Regulations, is made available to the Board of Directors, for discussion and consideration at Board Meetings.

Pursuant to Regulation 27(2) of the SEBI Listing Regulations, the Company submits a quarterly compliance report on Corporate Governance to the Stock Exchanges in the format as specified by SEBI, within 30 days from the end of every quarter.

The Executive Director and Chief Financial Officer have certified to the Board on, inter alia, the accuracy of the financial statements and adequacy of internal controls for financial reporting, in accordance with Regulation 17(8) read together with Part B of Schedule II of the SEBI Listing Regulations, pertaining to CEO and CFO certification for the financial year ended 31st March, 2026.

a) Composition and category of Directors (e.g. Promoter, Executive, Non-Executive, Independent Non-Executive, Nominee Director - institution represented and whether as lender or as equity investor)

As on 31st March 2026, the composition of the Board of Directors of the Company was as follows:

Sr.No	Name of the Director	Category	Designation
1.	Shri Sachin Ranka	Promoters	Chairman & Managing Director
2.	Shri Shreyans Ranka		Joint Managing Director
3.	Shri Pranatharthiharan Sridharan	Non-Promoters	Executive Director
4.	Shri Animesh Banerjee		Executive Director
5.	Shri Rahul Singhvi		Non-Executive Independent Director
6.	Shri Sureshkumar Mohanlal Sharma		Non-Executive Independent Director
7.	Smt. Meenu Alok Sacheti		Non-Executive Independent Director
8.	Shri Ganpathy Vishwanathan Kalpathy		Non-Executive Independent Director

b) Attendance of each Director at the Meetings of the Board of Directors and the last Annual General Meeting

During the financial year 2025-26 under review, 11 Board Meetings were held on 01st April, 2025, 28th May, 2025, 11th July, 2025, 14th August, 2025, 30th August, 2025, 13th October, 2025, 6th November, 2025, 20th December, 2025, 8th January, 2026, 4th February, 2026 and 10th February, 2026.

The quorum for the meeting of the Board of Directors is one-third of the Board of Directors or three Directors, whichever is higher, with at least one independent director being present. During the year, the requisite quorum was present for all the Board Meetings.

The following table shows the details of attendance of the Directors at the Board Meetings held during the year under review and at the last Annual General Meeting (AGM) held on 30th September, 2025:

Sr. No	Name of the Director	No. of Board Meetings attended in the year	Attendance at the last AGM held on 30th September, 2025
1.	Shri Sachin Ranka	11	No
2.	Shri Shreyans Ranka	11	No
3.	Shri Pranatharthiharan Sridharan	11	No
4.	Shri Animesh Banerjee	11	No
5.	Shri Rahul Singhvi	7	No
6.	Shri Sureshkumar Mohanlal Sharma	11	Yes
7.	Smt. Meenu Alok Sacheti	3	No
8.	Shri Ganpathy Vishwanathan Kalpathy	2	No

c) Number of other Board of Directors or Committees in which a director is a member or chairperson as on 31st March, 2026

Sr.No	Name of the Director	Directorships in Board of Directors*	Membership of Committees of Boards**	Chairmanship of Committees of Boards**
1.	Shri Sachin Ranka	2	0	0
2.	Shri Shreyans Ranka	1	0	0
3.	Shri Pranatharthiharan Sridharan	1	0	0
4.	Shri Animesh Banerjee	1	2	0
5.	Shri Rahul Singhvi	2	4	2
6.	Shri Sureshkumar Mohanlal Sharma	1	2	2
7.	Smt. Meenu Alok Sacheti	2	0	0
8.	Shri Ganpathy Vishwanathan Kalpathy	2	2	0

**Directorships are reported for listed and unlisted public companies (including Modern Insulators Limited) but exclude private limited companies, and section 8 companies.*

***Committee Memberships/ Chairmanships are reported for listed and unlisted public companies put together (including Modern Insulators Limited) in terms of Regulation 26(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Committee Memberships include Chairmanship, if any. Committees considered for the purpose are those prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 viz. Audit Committee and Stakeholders' Relationship Committee.*

Names of the Listed entities where the person is a director and the category of Directorship as on 31st March, 2026

Sr. No	Name of the Director	Name of Listed Entity in which Director	Category of Directorship
1.	Shri Sachin Ranka	1. Modern Insulators Limited 2. Modern Denim Limited	Chairman & Managing Director Chairman & Managing Director
2.	Shri Shreyans Ranka	Modern Insulators Limited	Joint Managing Director
3.	Shri Pranatharthiharan Sridharan	Modern Insulators Limited	Whole-time Director
4.	Shri Animesh Banerjee	Modern Insulators Limited	Whole-time Director
5.	Shri Rahul Singhvi	1. Modern Insulators Limited 2. Modern Denim Limited	Independent Director Independent Director
6.	Shri Sureshkumar Mohanlal Sharma	Modern Insulators Limited	Independent Director
7.	Smt. Meenu Alok Sacheti	1. Modern Insulators Limited 2. Modern Denim Limited	Independent Director Independent Director
8.	Shri Ganpathy Vishwanathan Kalpathy	1. Modern Insulators Limited 2. Modern Denim Limited	Independent Director Independent Director

1. *The count for the number of listed entities on which a person is an Independent Director is of only those whose equity shares are listed on a Stock Exchange.*
2. *Data presented above is after taking into account the disclosures furnished by the Directors of the Company in the beginning of the Financial Year 2026-27.*

d) Number of Meetings of the Board of Directors held and dates on which held

During the financial year 2025-26, 11 (Eleven) Board Meetings were held. The dates on which these Meetings were held are given in point no. (b) hereinabove.

e) Disclosure of relationships between directors inter-se

Shri Shreyans Ranka, Joint Managing Director on the Board of Directors is the son of Shri Sachin Ranka, Chairman & Managing Director and belong to promoter category of the Company.

f) Number of shares and convertible instruments held by Non-Executive Directors

None of the Non-Executive Directors holds any share or convertible instruments in the Company.

g) Web link where details of familiarization programmes imparted to Independent Directors is disclosed

All Independent Directors (IDs) are familiarized with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business models of the Company, etc. from time to time. The Company makes consistent efforts to acquaint the Board with the overall business performance by way of presenting specific performance of each Plant and Corporate Function from time to time. Detailed agenda are sent well in advance to all the Directors in order for the Board to perform its function and fulfill its role effectively.

Pursuant to the provisions of Regulation 25(7) and Regulation 46 of the SEBI Listing Regulations, kindly refer to the Company's website https://www.moderninsulators.com/Investors/Modern/Financial/WebFiles/policy/Policy%20on%20Familiarization%20Programme%20for%20Independent%20Directors.pdf for details of the familiarisation programme for IDs on their role, rights, responsibilities in the Company and others related matters.

h) Skills/Expertise/Competence of the Board of Directors including the areas as identified by the Board in the context of the Company's Business

As on 31st March, 2026, the Board comprised of qualified members who bring the required skills, competence and expertise to enable them to effectively contribute in deliberations at Board and Committee meetings. The below summarizes a mix of skills, expertise and competencies expected to be possessed by our individual Directors, which are key to corporate governance and Board effectiveness:

Sr. No.	Name of Directors	Expertise in Specific Functional Areas
1.	Shri Sachin Ranka	Industrialist, Corporate Strategy, Corporate Management and Leadership
2.	Shri Shreyans Ranka	Business Strategy, Sales & Marketing and Business Management, Business Development
3.	Shri Pranatharthiharan Sridharan	Business Management, Leadership, Administration, Marketing
4.	Shri Animesh Banerjee	Manufacturing, Administration, Leadership, Management
5.	Shri Rahul Singhvi	Capital Market, Wealth Management, Fund raising
6.	Shri Sureshkumar Mohanlal Sharma	Board service and governance
7.	Smt. Meenu Alok Sacheti	Finance, Board service and governance
8.	Shri Ganpathy Vishwanathan Kalpathy	Corporate Governance, Leadership, Board service, Social Services, etc.

i) Confirmation that in the opinion of the Board, the Independent Directors fulfill the conditions specified in these Regulations and are independent of the management

The Independent Directors provide an annual confirmation stating that they meet the criteria of independence as stated in Section 149(6) of the Companies Act, 2013 ("Act") and Regulation 16(1)(b) of the SEBI Listing Regulations. Based on the confirmations/declarations/disclosures received from the Independent Directors and on evaluation of the relationship disclosed, the Board confirms that in its opinion, the Independent Directors of the Company fulfill the conditions as specified in the Act and the SEBI Listing Regulations and are independent of the management.

j) Detailed reasons for the resignation of the Independent Director who resigns before the expiry of his tenure along with a confirmation by such director that there are no other material reasons other than those provided

During the year under review, none of the Independent Directors of the Company had resigned from the Board of the Company before the expiry of their respective tenure(s).

Separate Meeting of Independent Directors

A separate Meeting of the Independent Directors of the Company are held every year in terms of the Schedule IV to the Companies Act, 2013 and Regulation 25 of the SEBI Listing Regulation inter-alia, the following prescribed items are discussed:

a) Review of performance of Non-Independent Directors and the Board as a whole;

b) Review of performance of the Chairperson of the Company, taking into account the views of the Executive and Non-Executive Directors;

c) Assessment of the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

In respect of the financial year 2025-26, the Independent Directors were met on 10th February 2026 without the presence of any Non-Independent Director or representatives of management.

3. Audit Committee

The Company has established an Audit Committee in accordance with the requirements of Regulation 18 of the Listing Regulations and Section 177 of the Companies Act, 2013. The Audit Committee's terms of reference encompass the matters specified under Regulation 18 and Part C of Schedule II of the Listing Regulations and Section 177 of the Companies Act, 2013 as amended from time to time.

Additionally, the Audit Committee may also address other matters referred to it by the Board. All members of the Audit Committee possess financial literacy and expertise in the fields of Company's business. The Audit Committee's primary responsibility is to oversee the financial reporting process carried out by the Management, Internal Auditors, and Independent Auditors.

(a) Brief description of terms of reference

The terms of reference of the Audit Committee are as per the governing provisions of the Companies Act, 2013 (Section 177) and the SEBI Listing Regulation (specified in Regulation 18(3) read with Part C of Schedule II).

The Role of the Audit Committee includes the following:

1. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
3. approval of payment to statutory auditors for any other services rendered by the statutory auditors;

4. reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
   a. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
   b. changes, if any, in accounting policies and practices and reasons for the same;
   c. major accounting entries involving estimates based on the exercise of judgment by management;
   d. significant adjustments made in the financial statements arising out of audit findings;
   e. compliance with listing and other legal requirements relating to financial statements;
   f. disclosure of any related party transactions;
   g. modified opinion(s) in the draft audit report;
5. reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public issue or rights issue or preferential issue or qualified institutions placement, and making appropriate recommendations to the board to take up steps in this matter;
7. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Approval of any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed;
9. scrutiny of inter-corporate loans and investments;
10. valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. evaluation of internal financial controls and risk management systems;
12. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. discussion with internal auditors of any significant findings and follow up there on;
15. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. to review the functioning of the whistle blower mechanism;
19. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
20. reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
21. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
22. reviewing other areas that may be brought under the purview of role of Audit Committee as specified in SEBI Regulations and the Companies Act, from time to time.
23. Carrying out any other function as is mentioned in the terms of reference of the audit committee.

The Audit Committee has been granted powers as prescribed under Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to investigate any activity within its terms of reference, seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

The Committee also mandatorily reviews the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Management letters / letters of internal control weaknesses issued by the statutory auditors;
3. Internal Audit Reports relating to internal control weaknesses;
4. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee;
5. Statement of deviations in terms of Listing Regulations:
   a. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to Stock Exchange(s) where the Equity Shares are proposed to be listed; and
   b. Annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notice.

(b) Composition, Name of Members and Chairperson

The Audit Committee is comprised with 3 (Three) Directors as its Members. All Members are financially literate and possess sound knowledge of accounts, finance and audit matters.

The Company Secretary of the Company acts as Secretary to the Audit Committee. The Composition of Audit Committee as on 31st March, 2026 & as on the date of this report, is given below:

Sr. No	Name of the Director	Category	Designation
1.	Shri Sureshkumar Mohanlal Sharma	Non-Executive - Independent Director	Chairman
2.	Shri Rahul Singhvi	Non-Executive - Independent Director	Member
3.	Shri Animesh Banerjee	Executive Director	Member

(c) Meetings and attendance during the year

The Chairperson of the Audit Committee was present at the last AGM of the Company. During the period under review 5 (Five) Audit Committee Meetings were held on 01st April, 2025, 28th May, 2025, 14th August, 2025, 06th November, 2025 and 10th February, 2026. The requisite quorum was present for all the Meetings.

Sr. No	Name of the Director	No. of Meetings held during tenure	No. of Meetings attended
1.	Shri Sureshkumar Mohanlal Sharma	5	5
2.	Shri Rahul Singhvi	5	5
3.	Shri Animesh Banerjee	5	5

4. Nomination and Remuneration Committee

The Company has a properly constituted Nomination and Remuneration Committee (NRC). The Committee's composition and terms of reference are in adherence to the requirements of Regulation 19 and Part D of Schedule II of the Listing Regulations and Section 178 of the Companies Act, 2013 as amended from time to time.

Additionally, the NRC may address other matters referred to it by the Board. The primary responsibilities of the NRC include formulating criteria for determining the qualifications, positive attributes, and independence of a director and recommend to the board of directors a policy relating to the remuneration of the directors, key managerial personnel and other specified employees.

(a) Brief description of terms of reference

The Nomination and Remuneration Committee of the Company functions according to its terms of reference, its objectives, composition, meeting requirements, authority and power, responsibilities, reporting and evaluation functions in accordance with Section 178 of the Act and Regulation 19 read with Part D of Schedule II of the SEBI Listing Regulations.

Terms of Reference

The NRC shall, among other things, be responsible for the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
2. The NRC should, for every appointment of an Independent Director, evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an Independent Director. For the purpose of identifying suitable candidates as an Independent Director, the Committee may:
   a. use the services of an external agencies, if required;
   b. consider candidates from a wide range of backgrounds, having due regard to diversity; &
   c. consider the time commitments of the candidates
3. Formulation of criteria for evaluation of Independent Directors and the Board;
4. Devising a policy on Board Diversity;
5. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and shall specify the manner for effective evaluation of performance of Board, its Committees and individual directors to be carried out either by the Board, by the NRC or by an independent external agency and review its implementation and compliance;
6. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors;
7. Recommend to the Board, all remuneration, in whatever form, payable to Senior Management;
8. Carrying out any other functions required to be carried out by the NRC as contained in the Listing Regulations or any other applicable law, as and when amended from time to time;

(b) Composition, name of members and Chairperson

The Nomination and Remuneration Committee comprises of 3 (Three) Non-Executive Directors, with the Chairman being Non-Executive Independent Director. The Company Secretary of the Company acts as Secretary to the Nomination and Remuneration Committee. The Composition of Nomination and Remuneration Committee as on 31st March, 2026 & as on the date of this report, is given below:

Sr. No	Name of the Director	Category	Designation
1.	Shri Sureshkumar Mohanlal Sharma	Non-Executive - Independent Director	Chairman
2.	Shri Rahul Singhvi	Non-Executive - Independent Director	Member
3.	Smt. Meenu Alok Sacheti	Non-Executive - Independent Director	Member

(c) Meetings and attendance during the year

The Chairperson of the NRC attended the last AGM of the Company. During the period under review 4 (Four) Nomination and Remuneration Committee Meetings were held on 01st April, 2025, 11th July, 2025, 14th August, 2025 and 08th January, 2026. The requisite quorum was present for all the Meetings.

Sr. No	Name of the Director	No of meetings held during tenure	No. of meetings attended
1.	Shri Sureshkumar Mohanlal Sharma	4	4
2.	Shri Rahul Singhvi	4	4
3.	Smt. Meenu Alok Sacheti	4	4

(d) Performance evaluation criteria for Independent Directors

The Nomination and Remuneration Committee of the Board has laid out the evaluation criteria for performance evaluation of the Board, its committees and all the individual directors, in adherence of Listing Regulation.

Brief synopsis of the performance evaluation carried out for the financial year is provided in the Directors' Report Section of this Report.

5. Stakeholders Relationship Committee

The terms of reference and the ambit of powers of Stakeholders Relationship Committee are as per the governing provisions of the Companies Act, 2013 (Section 178) and the Listing Regulation (specified in Part D of Schedule II). The status of shareholder correspondences, queries, grievances etc. are endeavoured to be addressed instantaneously by the secretarial department & RTA i.e. Beetal Financial & Computer Services Private Limited and status thereof is also placed before the Stakeholders Relationship Committee.

Terms of Reference:

The SRC shall, among other things, be responsible for the following:

1. Resolving the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
2. Review of measures taken for effective exercise of voting rights by shareholders;
3. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent;
4. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/ statutory notices by the shareholders of the company; and
5. Resolving grievances of debenture holders related to creation of charge, payment of interest/principal, maintenance of security cover and any other covenants.

(a) Name of Non-Executive Director heading the committee

The Stakeholders Relationship Committee comprises of 3 (Three) members of which, 1 (One) are Executive Directors, the Chairman being Non-Executive Independent Director. The Company Secretary of the Company acts as Secretary to the Stakeholders Relationship Committee. The Composition of Stakeholders Relationship Committee as on 31st March, 2026 & as on the date of this report, is given below:

Sr. No	Name of the Director	Category	Designation
1.	Shri Sureshkumar Mohanlal Sharma	Non-Executive - Independent Director	Chairman
2.	Shri Rahul Singhvi	Non-Executive - Independent Director	Member
3.	Shri Animesh Banerjee	Executive Director	Member

(b) Name and designation of compliance officer

Smt. Harshita Hetawal, Company Secretary, has been designated as the Compliance Officer as per the Listing Regulations.

(c) Number of shareholders' complaints received during the financial year

The number of shareholders' complaints received and resolved during the financial year 2025-26 is given below:

(i) Number of shareholders' complaints received - 26

(ii) Number of shareholders' complaints resolved - 26

(d) Number of complaints not solved to the satisfaction of shareholders

None. All complaints were resolved to the satisfaction of shareholders.

(e) Number of pending complaints

As of 31st March, 2026, no complaint was pending unresolved.

Meetings and attendance during the year

The Chairperson of the SRC also attended the last AGM of the Company. During the period under review 4 (Four) Stakeholders Relationship Committee Meetings were held on 28th May, 2025, 14th August, 2025, 06th November, 2025 and 10th February, 2026. The requisite quorum was present for the Meetings.

Sr. No	Name of the Director	Number of Meetings held during tenure	No. of Meeting attended
1.	Shri Sureshkumar Mohanlal Sharma	4	4
2.	Shri Rahul Singhvi	4	4
3.	Shri Animesh Banerjee	4	4

Corporate Social Responsibility Committee

The Committee is constituted by the Board in accordance with provisions of Section 135 of the Companies Act, 2013 read with the Companies (Companies Social Responsibility Policy) Rules, 2014, to:

a. Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Act;
b. Recommend the amount of expenditure to be incurred on the activities referred to in the above clause (a); and
c. Monitor the Corporate Social Responsibility Policy of the Company from time to time.
d. Any other matter as the CSR Committee may deem appropriate after approval of the Board or as may be directed by the Board from time to time.

CSR Policy is placed on the Company's website at https://www.moderninsulators.com/Investors/Modern/Financial/WebFiles/policy/Corporate%20Social%20Responsibility%20Policy.pdf as required under the Companies Act and Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014.

Composition, Name of Members and Chairperson

The Committee comprises of 3 (three) members out of which 1 (one) is Non-Executive Independent Director. The Chairman of the Committee being Executive Director. The Company Secretary of the Company acts as Secretary of the Committee. The Composition of Corporate Social Responsibility Committee as on 31st March, 2026 & as on the date of this report, is given below:

Sr. No	Name of the Director	Category	Designation
1.	Shri Sachin Ranka	Executive Director	Chairman
2.	Shri Animesh Banerjee	Executive Director	Member
3.	Shri Sureshkumar Mohanlal Sharma	Non-Executive - Independent Director	Member

Meetings and attendance during the year

During the period under review 2 (Two) Corporate Social Responsibility Committee Meetings were held on 28th May, 2025 and 10th February, 2026. The requisite quorum was present for the Meetings.

Sr. No	Name of the Director	Number of Meetings held during tenure	No. of Meeting attended
1.	Shri Sachin Ranka	2	2
2.	Shri Animesh Banerjee	2	2
3.	Shri Sureshkumar Mohanlal Sharma	2	2

Senior Management Personnel

Particulars of Senior Management including the changes therein during the Financial Year 2025-26:

Sr. No.	Name	Designation	Changes, if any
1.	Shri Alok Jain	Chief Financial Officer	Appointed with effect from 01st April, 2025
2.	Smt. Harshita Hetawal	Company Secretary and Compliance Officer	-

6. Remuneration of Directors

(a) All pecuniary relationships or transactions of the Non-Executive Directors vis-a-vis the listed entity

The Company's non-executive directors are professionals with high levels of expertise and rich experience in functional areas such as business strategy, financial governance, corporate governance, research & innovation.

The non-executive directors are being paid only the sitting fees for attending the meetings of the Board or Committees thereof, of such sum as may be approved by the Board of Directors within the overall limits as prescribed under the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The sitting fee for Board/ Committee meetings paid to Non-Executive Directors for the year ended 31st March, 2026 is given in para 6(c) below.

(b) Criteria of making payments to Non-Executive Directors

The Company has adopted a Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other Employees, regulated by the Nomination and Remuneration Committee of the Board. The Policy is also available on the website of the Company at https://www.moderninsulators.com/Investors/Modern/Financial/WebFiles/policy/Nomination%20and%20Remuneration%20Policy.pdf.

The Non-Executive Directors are entitled to Sitting fees for attending meetings of the Board and its Committees.

The remuneration to the Managing Director and Executive Director is paid on the scale determined by the Nomination and Remuneration Committee within the limits approved by the Shareholders at the General Meeting.

(c) Disclosures with respect to Remuneration

(i) Details of remuneration paid to Executive Directors during the Financial Year 2025-26 are given below:

(Rs. in lakhs)

Name of the Director	Salary	Allowances/ Perquisites	Stock option	Total
Shri Sachin Ranka	149.15	-	-	149.15
Shri Shreyans Ranka	59.24	-	-	59.24
Shri Pranatharthiharan Sridharan	39.00	-	-	39.00
Shri Animesh Banerjee	84.36	-	-	84.36

Details of remuneration paid to Non-Executive Directors during the Financial Year 2025-26 are given below:

Name of the Director	Sitting Fee	Commission	Total
Shri Rahul Singhvi	85,000	-	85,000
Shri Sureshkumar Mohanlal Sharma	-	-	-
Smt. Meenu Alok Sacheti	19,500	-	19,500
Shri Ganpathy Vishwanathan Kalpathy	19,500	-	19,500

(ii) Details of fixed component and performance linked incentives, along with the performance criteria:

The details of fixed component are as provided in the table above and there are no other incentives paid to any Director of the Company.

(iii) Service contracts, notice period, severance fees

The appointment of the Executive Directors is governed by Resolutions passed by the Shareholders of the Company, which cover the terms and conditions of such appointment, read with the service rules of the Company. a separate service contract is also entered into by the Company with the executive directors. No notice period or severance fee is payable to any Director.

(iv) Stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable:

During the year under review, the Company has not granted any Stock option to its Executive Directors as well as Non-Executive Directors.

7. General Body Meeting

a. Location and time, where last three Annual General Meetings (AGM) held:

Date of AGM	Location	Time
30th September, 2025	Talheti, Village Karoli, Tehsil Abu Road, Dist. Sirohi - 307510	11:00 A.M
30th September, 2024	Talheti, Village Karoli, Tehsil Abu Road, Dist. Sirohi - 307510	11:00 A.M.
28th September, 2023	Talheti, Village Karoli, Tehsil Abu Road, Dist. Sirohi - 307510	11:00 A.M

b. Whether any Special Resolutions passed in the previous three Annual General Meetings

Date of AGM	Details of Special Resolutions passed, if any
30th September, 2025	• Revision in remuneration of Shri Sachin Ranka (DIN: 00335534), Chairman & Managing Director of the Company • Revision in remuneration of Shri Shreyans Ranka (DIN: 06470710), Whole-time Director of the Company • Re-appointment of Shri Rahul Singhvi (DIN: 08816920) as an Independent Director of the Company
30th September, 2024	No Special Resolution was passed in this meeting
28th September, 2023	• Re-appointment of Shri Shreyans Ranka (DIN: 06470710) as a Whole Time Director of the Company • Re-appointment of Shri S.K Sharma as an Independent Director of the company

c. Special Resolution passed last year through postal ballot - details of voting pattern and procedure thereof

During the financial year 2025-26, members of the Company approved the following resolutions by requisite majority, through postal ballot:

Date of Postal Ballot Notice	Description of the Special Resolution(s)	Votes in favor of the resolution		Votes against the resolution		Date of Scrutiniser Report
		No. of votes	% of total vote	No. of votes	% of total vote	
1st April, 2025	Appointment of Mr. Animesh Banerjee (DIN: 07905214) as an Executive Director of the Company (Special Resolution)	2,83,81,450	99.94%	16,000	0.06%	16th May, 2025
	Appointment of Shri P. Sridharan (DIN: 03100055) as an Executive Director of the Company (Special Resolution)	2,83,81,950	99.94%	16000	0.06%	
8th January, 2026	Appointment and payment of remuneration to Shri Shreyans Ranka (DIN: 06470710), as Joint Managing Director for a period of 5 years (Ordinary Resolution)	2,84,32,653	99.72%	80,687	0.28%	5th March, 2026

d. Person who conducted the postal ballot exercise

Ms. Anshika Gupta (FCS No. 7733, CP No. 8587), Proprietor of M/s. Anshika & Associates, Company Secretaries, was appointed as the Scrutinizer for conducting the postal ballot / remote e-voting process in a fair and transparent manner in accordance with the Act and the Companies (Management and Administration) Rules, 2014 made thereunder.

e. Special Resolution proposed to be conducted through postal ballot

None of business proposed to be transacted at the ensuing Annual General Meeting requires passing of the special resolution through postal ballot.

f. Procedure for postal ballot

In compliance with Regulation 44 of the SEBI Listing Regulations and provisions of Sections 108 and 110 and other applicable provisions of the Act, read with Rules 20 and 22 of the Management and Administration Rules, 2014 ("Management Rules"), as amended from time to time, and in accordance with the General Circulars issued by the MCA from time to time, the Company extended only the remote e-voting facility for its Members, to enable them to cast their votes electronically instead of submitting the postal ballot form.

Further, in compliance with the requirements of the MCA Circulars, the Company sent/emailed the postal ballot notices to its members, who have registered their email addresses with the Company/its RTA or depository participants, in the electronic form only and the shareholders were required to communicate their assent or dissent through the remote e-voting system only. The communication of assent / dissent of the members took place through the remote e-voting system.

8. Means of Communication

a) Financial Results

The Quarterly, Half Yearly and Annual Results are regularly submitted to the Stock Exchange, which are also uploaded on the Company's website and are published in newspapers, Indian Express in English and Jansatta in Hindi editions along with the Quick Response code and the weblink where such financial results are available and can be accessed by the investors. Additionally, the results and other important information are also periodically updated on the Company's website at www.moderninsulators.com in the "Investors" section.

b) Intimation to the Stock Exchanges:

The Company intimates to the Stock Exchanges all price sensitive information or such other matters which in its opinion are material and of relevance to the Shareholders. The Company also regularly provides information to the stock exchanges as per the requirements of the SEBI Listing Regulations.

c) Website

The Company's website contains a separate dedicated section 'Investor' section. It contains comprehensive database of information of interest to our investors including the financial results and Annual Report of the Company, any price sensitive information disclosed to the regulatory authorities from time to time, business activities and the services rendered/facilities extended by the Company to our investors, in a user-friendly manner. The basic information about the Company is provided on the Company's website and the same is updated regularly.

d) Presentations made to institutional investors or to the analysts

The Company is committed to maintaining transparency and open communication with all its stakeholders. During the Financial Year 2025-26, the Company did not make any formal presentations to institutional investors or to equity research analysts. Consequently, no transcripts or audio/video recordings of such proceedings were required to be uploaded to the Company's website or submitted to the Stock Exchanges.

Forward-looking financial data and quarterly performance updates were consistently disseminated to the public through uploading the financial results, newspaper advertisements, and regular disclosures filed directly with the Stock Exchanges.

9. General Shareholder Information

a) Annual General Meeting - Date, Time and Venue

Day: Wednesday

Date: September 30, 2026

Time: 11:00 A.M

Venue: Registered Office i.e. Talheti, Village: Karoli, Tehsil: Abu Road, Dist.: Sirohi - 307510, Rajasthan.

b) Financial year

The Financial year of the Company starts from 1st April of a year and ends on 31st March of the following year.

The tentative calendar of Meeting of Board of Directors for consideration of quarterly financial results for the Financial Year 2026-27 are as follows:

Result for the Quarter ending	Tentative date
June 30, 2026	August 10th, 2026 .
September 30, 2026	On or before November 14, 2026
December 31, 2026	On or before February 14, 2027
March 31, 2027	On or before May 30, 2027

c) Dividend Payment Date

During the financial year, Board of Directors has not recommended and approved any dividend for the financial year 2025-26.

d) Name and address of each stock exchange(s) at which the listed entity's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s)

The equity shares of the Company are listed at:

BSE Limited (BSE)	Calcutta Stock Exchange
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001 **Scrip Code:** 515008 **ISIN:** INE219W01012	7, Lyons Range, Murgighata, Dalhousie, Kolkata, West Bengal 700001 **Scrip Code:** 023461

Annual listing fees for the Financial Year 2026-27 have been paid by the Company to BSE Limited within the stipulated time.

e) In case the securities are suspended from trading, the Directors' Report shall explain the reason thereof

The Company's shares were not suspended from trading during the financial year under review.

f) Registrar to an issue and share transfer agents

Beetal Financial & Computer Services Pvt. Ltd

Registered Office: Beetal House, 3rd Floor, 99 Madangir,

Behind LSC, New Delhi, 110062.

Email ID: beetalrta@gmail.com, beetalsta@gmail.com

Contact No.: 011 - 29961281/ 83

g) Share Transfer System

In terms of Regulation 40 of the SEBI Listing Regulation, transfer of securities in physical form are not processed unless the securities are held in the dematerialized mode with a Depository Participant. Further, with effect from 24th January, 2022, SEBI has made it mandatory for listed companies to issue securities in dematerialized mode only while processing any investor service request viz. issue of duplicate securities certificates, claim from unclaimed suspense account, renewal/ exchange of securities certificate, endorsement, sub-division/ splitting of securities certificate, consolidation of securities certificates/ folios, transmission and transposition.

Further, SEBI vide its circular dated 30th January, 2026 on "Ease of Doing Investment and Ease of Doing Business by doing away with requirement of issuance of Letter of Confirmation ('LOC') and to effect direct credit of securities in dematerialization account of the investor". Under the revised framework, RTA shall directly credit securities to the demat account of the investor, after carrying out necessary due diligence. This will reduce the timeline for credit of securities from approximately 150 days to 30 days, while also mitigating risks associated with loss or pilferage of LOC.

Investor requests must now be accompanied by a latest Client Master List (CML) of the demat account, not older than two months and duly attested by the Depository Participant. The revised framework has come into force from 2nd April 2026. Any LOC issued prior to this date may continue to be used by investors for dematerialization within the prescribed timelines.

h) Distribution of shareholding as on 31st March, 2026

No. of Shares	No of Shareholders	% of total share holders	No of shares	Nominal Value	% of Nominal Value
Up to 5,000	1,36,714	97.47	82,51,357	8,25,13,570	17.50
5001-10,000	1,896	1.35	14,77,250	1,47,72,500	3.13
10,001-20,000	897	0.64	13,21,531	1,32,15,310	2.80
20,001-30,000	309	0.22	7,86,762	78,67,620	1.67
30,001-40,000	93	0.07	3,30,691	33,06,910	0.70
40,001-50,000	80	0.06	3,74,129	37,41,290	0.79
50,001-1,00,000	137	0.10	9,97,418	99,74,180	2.12
1,00,001 & above	138	0.10	3,36,04,762	33,60,47,620	71.28
Total	**1,40,264**	**100.00**	**4,71,43,900**	**47,14,39,000**	**100.00**

Shareholding Pattern as on 31st March, 2026

Category	No. of Shareholders	No. of Shares Held	% of Total Holding
Promoters and Promoter group	7	2,83,72,070	60.18
Mutual Fund & Insurance Companies	10	5,04,114	1.07
Banks & other domestic Financial Institutions	44	53,254	0.11
Foreign Financial Institutions	5	1,56,772	0.33
Indian Public and Others*	1,36,968	1,62,93,552	34.56
Non-Resident Indians	2,875	10,01,808	2.13
Bodies Corporate	355	7,62,330	1.62
Total	**1,40,264**	**4,71,43,900**	**100.00**

**Indian Public & others shareholding includes shareholdings of individuals, KMP, HUF, and Suspense Account.*

Details of Shareholding Pattern given above are based on the Shareholding Pattern filed with the Stock Exchanges as at 31st March, 2026.

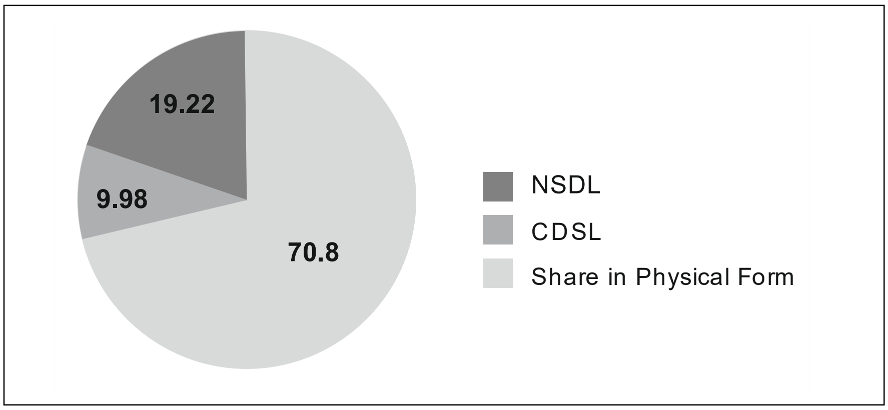
i) Dematerialization of shares and liquidity

The shares of the Company are in compulsory demat segment and are available for trading in the depository systems of both the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

As at 31st March, 2026, 3,80,80,151 equity shares out of 4,71,43,900 equity shares of the Company, forming 80.77% of the Company's paid-up capital is held in the dematerialized form. Majority of demat shares are with National Securities Depository Limited. The status of shares held in demat and physical format is given below. The Company's shares are liquid and actively traded on the stock exchange.

Particulars	As on 31st March, 2026		As on 31st March, 2025	
	Number of shares	% of holding	Number of shares	% of holding
Shares in Demat Form	3,80,80,151	80.77	3,80,41,806	80.69
NSDL	3,33,76,191	70.80	3,32,79,726	70.59
CDSL	47,03,960	09.98	47,62,080	10.10
Shares in Physical Form	90,63,749	19.22	91,02,094	19.31
Total	**4,71,43,900**	**100.00**	**4,71,43,900**	**100.00**

Status of Dematerialization as on 31st March, 2026



j) Outstanding global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity

There are no GDRs/ ADRs/ Warrants/ any other convertible instruments outstanding as on 31st March, 2026.

k) Commodity price risk or foreign exchange risk and hedging activities

Not Applicable.

l) Location of Plant:

As on March 31st, 2026, The Company's plants are located at the following addresses:

Insulators Division	Talheti, Village: Karoli, Tehsil: Abu Road, Dist.: Sirohi - 307510 (Rajasthan)
Terry Towels Division	Village: Nidrad, Taluka: Sanand-382110, Ahmedabad, Gujarat

m) Address for correspondence

With the Company	With the Registrar and Transfer Agents
The Company Secretary Modern Insulators Limited (Secretarial Department) Talheti, Village: Karoli, Tehsil: Abu Road, Dist.: Sirohi - 307510 Telephone No.: 91-02974-228044 Email: compliance@moderninsulators.com	**Beetal Financial & Computer Services Pvt. Ltd** Registered Office: Beetal House, 3rd Floor, 99 Madangir, Behind LSC, New Delhi, 110062. Email ID: beetalrta@gmail.com, beetalsta@gmail.com Contact No.: 011 - 29961281/83

n) List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad

During the financial year under review, the Company has obtained the following Credit Rating from India Ratings & Research Private Limited:

Instrument	Credit Rating Report Dated	Credit Rating
Long Term Rating	08th September, 2025	IND BBB+ / Stable
Short Term Rating		IND A2

After subsequent of the financial year, the Company obtained the following Credit Rating from CRISIL Ratings Limited:

Instrument	Credit Rating Report Dated	Credit Rating
Long Term Rating	05th May, 2026	Crisil A- / Stable (Assigned)
Short Term Rating		Crisil A2+ (Assigned)

The details of credit ratings are also available on the website of the Company in the Investors Section.

10. Other Disclosure

a. Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large:

All transactions entered with related parties as defined under the Act and Regulation 23 of the SEBI Listing Regulations, as amended, during the year under review were valued on an arms' length pricing basis and in the ordinary course of business. These have been approved by the Audit Committee. Certain transactions that are repetitive in nature are pre-approved by the Audit Committee through omnibus approval route.

During the year under review, there was no transaction of a material nature with any of the related parties, which was in conflict with the interests of the Company.

The detailed Policy on Related Party Transactions is available on the website of the Company at https://www.moderninsulators.com/Investors/Modern/Financial/WebFiles/policy/Policy%20on%20Related%20Party%20Transactions.pdf.

The Company has made requisite disclosure with respect to related party transactions in the significant accounting policies and note to accounts to the financial statements. Transactions with the related parties as per the requirements of Ind AS 24 are disclosed in Note no. 41 to the Standalone Financial Statements of the Company for the year ended 31st March, 2026 forming part of this Annual Report.

b. Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years:

Financial Year	Authority	Nature of Non-Compliance / Matter	Details of Penalty / Fine / Stricture Imposed	Status / Action Taken by Company
2025-26	BSE	Delay in submission of shareholding pattern for the period ended March 2025.	Basic Fine of Rs. 2,000 +18% GST= Rs. 2,360	Fine paid by the Company
2024-25	BSE	Delay in submission of Annual Secretarial Compliance Report for the year ended March 2024.	Basic Fine of Rs. 8,000 + 18% GST = RS. 9,440/	Fine paid by the Company
2023-24	BSE	Delay in submission of Shareholding pattern for the quarter ended on December, 2023.	Basic Fine of Rs. 2,000 + GST 18% = RS. 2,360/	Fine paid by the Company
		Non-compliance with the requirement pertaining to appointment or continuation of Nonexecutive director who has attained the age of seventy-five years for the quarter ended September, 2023.	Basic Fine of Rs. 46,000 + GST 18% = RS. 54,280/	Fine paid by the Company
		Non-compliance with the constitution of nomination and remuneration committee for the quarter ended September, 2023	Basic Fine of Rs. 52,000 + GST 18% = RS. 61,360/	Fine paid by the Company
		Non-compliance with requirement to appoint a qualified company secretary as the compliance officer for the quarter ended December, 2023	Basic Fine of Rs. 25,000 + GST 18% = RS. 29,500/	Fine paid by the Company

Except the above, Company has not been penalized, nor have the stock exchanges, SEBI or any statutory authority imposed any strictures, during the last three years, on any matter relating to capital markets.

c. Details of establishment of vigil mechanism/ whistle blower policy and affirmation that no personnel have been denied access to the audit committee.

Pursuant to the provisions of Section 177(9) of the Companies Act, 2013, and Regulation 22 of the SEBI Listing Regulation, the Company has established a robust Vigil Mechanism and Whistle Blower Policy for its directors and employees to report genuine concerns, unethical behavior, or grievances, without fear of retaliation.

The vigil mechanism of your Company provides for adequate safeguards against victimization of whistle blowers who avail the mechanism and provides for direct access to the Chairman of the Audit Committee in exceptional cases. The Company hereby affirms that the mechanism is operating effectively and that no personnel have been denied access to the Audit Committee during the financial year 2025-26.

The details of the Whistle Blower Policy have been appropriately communicated within the organization, and the full policy is available on the website of the Company athttps://www.moderninsulators.com/Investors/Modern/Financial/WebFiles/policy/Whistle%20Blower%20Policy.pdf. Any complaint or protected disclosure pertaining to an improper or unethical act as defined in the Whistle-blower Policy should be submitted to the Vigilance and Ethics Officer of the Company or to the Chairman of the Audit Committee in exceptional cases.

d. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

The Company has fully complied with the mandatory requirements of SEBI Listing Regulation.

e. Web link where policy for determining 'material' subsidiaries is disclosed:

The policy for determining 'material' subsidiaries is available on the website of the Company under 'Policies & Code' in the Investor section & can be accessed at https://www.moderninsulators.com/Investors/Modern/Financial/WebFiles/policy/Policy%20for%20Determining%20Material%20Subsidiaries.pdf.

f. Web link where policy on dealing with related party transactions is disclosed:

The policy on dealing with related party transactions is available on the website of the Company under 'Policies & Code' in the Investor section and can be accessed at https://www.moderninsulators.com/Investors/Modern/Financial/WebFiles/policy/Policy%20on%20Related%20Party%20Transactions.pdf.

g. Disclosure of commodity price risks and commodity hedging activities: -

Not Applicable.

h. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A):

During the year, the Company has not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of SEBI Listing Regulation.

i. Certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Board/ Ministry of Corporate Affairs or any such statutory authority:

As required under Regulation 34(3) read with Clause 10(i) Part C of Schedule V of the SEBI Listing Regulations, the Company has received a certificate from Ms. Anshika Gupta (Membership No. FCS 7733, CP No. 8587), Company Secretary in Practice, Proprietor of M/s Anshika and Associates, certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continue as Director of Company by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority. The Certificate is forms part of this Report.

j. Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof:

During the period under review, there were no instances in the Company where the Board has not accepted any recommendations of any Committee of the Board, which is mandatorily required to be accepted as per the law.

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

The details of total fees for all services paid by the Company and its subsidiaries & Joint Venture, on a consolidated basis, to the statutory auditor and all entities in the network firm/ network entity of which the statutory auditor is a part, are as follows:

Type of service	Amount (In Lakhs)
Statutory Audit Fee	5.75
Tax Advisory Services	1.60
Limited Review Report and other Expenses	2.96
Total	**10.31**

l. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has a zero-tolerance policy for sexual harassment in the workplace. It has adopted a comprehensive policy on Prevention, Prohibition and Redressal of Sexual Harassment at Workplace, in alignment with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder.

Details of complaints received and redressed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, during the Financial Year 2025-26 are as follows:

No. of Complaints filed during the Financial Year	No. of Complaints disposed of during the Financial Year	No. of Complaints pending as on end of the Financial Year
Nil	Nil	Nil

m. disclosure by listed entity and its subsidiaries of 'Loans and advances' in the nature of loans to firms/ companies in which directors are interested by name and amount:

Name of the Director	Name of the entity in which Director is interested	Nature of loan & advance	Amount Outstanding at the end of FY (in Lakhs)	Maximum Amount Outstanding during FY 2025-26 (in Lakhs)
Shri Sachin Ranka	Modern Denim Limited	Unsecured Loan	7,119.00	7,414.00
Shri Animesh Banerjee/ Shri Shreyans Ranka	Modern Composites Private Limited	Unsecured Loan	1,923.00	1,923.00

n. Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries:

During the year under review, as per the provisions of Regulations 16 of the SEBI Listing Regulations, material subsidiaries shall mean a subsidiary whose turnover or net worth exceeds 10 percent of the consolidated turnover or net worth respectively, of the Company and its subsidiaries in the immediately preceding accounting year. During the period under review, the Company had no material subsidiaries during Financial Year 2025-26, basis on the turnover or net worth computed as per the Audited Financial Statements of the immediately preceding accounting year.

Disclosure of the extent to which the Discretionary Requirements as Specified in Part E of Schedule II have been Adopted

A. **The Board: -** Chairman of the Company being on Executive position, the provision on entitlement of chairperson's office at the expense of the Company in case of a non-executive chairperson is not applicable.

B. **Shareholder Rights: -** Quarterly financial statements are published in leading newspapers and uploaded on Company's website https://www.moderninsulators.com/financialresults/.

C. **Separate posts of Chairperson and the Managing Director or the CEO:** Presently, Shri Sachin Ranka is the Chairman the Managing Director of the Company.

D. **Reporting of Internal Auditor: -** The Company appointed M/s S. Garg & Co., Chartered Accountants as the Internal Auditors for conducting the internal audit for the FY 2025-26. Internal Auditors directly present their reports to the Audit Committee for their consideration.

E. **Meetings of IDs:** During the year under review, 1 Independent Director Meeting was held on 10th February, 2026 without the presence of Non-Independent Directors and members of Management.

Disclosures of the Compliance with Corporate Governance Requirements Specified in Regulations 17 to 27 and Clauses (B) to (I) of Sub Regulation (2) of Regulation 46

The Company has complied with all the mandatory requirements of corporate governance as specified in:

- sub-para 2 to 10 of the Schedule V of the Listing Regulations;
- Regulation 17 to 27 and clauses (b) to (i) of sub - regulation (2) of Regulation 46 of the SEBI Listing Regulation

Declaration Signed by the Chief Executive Officer Stating that the Members of Board of Directors and Senior Management Personnel have Affirmed Compliance with the Code of Conduct of Board of Directors and Senior Management

The Company is committed to conduct its business in accordance with the applicable laws, rules and regulations and with the highest standards of business ethics. Code of Ethics is intended to provide guidance and help in recognizing and dealing with ethical issues, mechanisms to report unethical conduct and to help foster a culture of honesty and accountability. The Board has adopted a Code of Ethics for Directors, Senior Management and other Employees of the Company.

The Code is available on the website of the Company under 'Policies & Code' in the Investor section and can be accessed at https://www.moderninsulators.com/Investors/Modern/Financial/WebFiles/policy/Code%20of%20Conduct%20for%20Board%20of%20Directors%20and%20SMP.pdf

A declaration signed by the Shri Sachin Ranka, Chairman and Managing Director of the Company is forming the part of this report.

Compliance Certificate from Either the Auditors or Practicing Company Secretaries Regarding Compliance of Conditions of Corporate Governance

The Certificate from the Secretarial Auditors of the Company regarding compliance of conditions of Corporate Governance is annexed with the Directors' Report and forms an integral part of the Integrated Annual Report.

Disclosures with Respect to Demat Suspense Account/ Unclaimed Suspense Account

Particulars	No. of Shareholders
Aggregate no. of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	15
No. of shareholders who approached listed entity for transfer of shares from suspense account during the year	2
No. of shareholders to whom shares were transferred from suspense account during the year	2
Aggregate no. of shareholders and the outstanding shares in the suspense account lying at the end of the year	13

Disclosure of certain types of agreements binding Listed Entities

There is no such agreement which is required to be disclosed under clause 5A of paragraph A of Part A of Schedule III of the SEBI Listing Regulation.

Prevention of Insider Trading Code

The Company has instituted a comprehensive Code of Conduct for prevention of Insider Trading ("Code"), which prohibits the Directors, Promoters, Key Managerial Personnel and other Designated Persons (collectively called as "Designated Employees") from dealing in the securities of the Company on the basis of Unpublished Price Sensitive Information ("UPSI"), available to them by virtue of their position in the Company. The object of the Code is to prevent misuse of UPSI and prohibit insider trading activity, in order to protect the interests of the shareholders at large. The Code lays down guidelines, which advises Designated Employees on procedures to be followed and disclosures to be made while dealing with the Shares of the Company.

All the Directors, employees and third parties (intermediaries and fiduciaries) such as auditors, consultants etc. who could have access to the Unpublished Price Sensitive Information of the Company are governed by this code. The trading window is closed during the time of declaration of results and occurrence of any material events as per the Code.

The full text of the Codes is available on the website of Company under 'Codes & Policies' in the Investor section and can be accessed at https://www.moderninsulators.com/Investors/Modern/Financial/WebFiles/policy/Code%20of%20Conduct%20for%20Regulating,%20Monitoring%20and%20Reporting%20of%20Trading%20by%20Insiders.pdf.

Other useful information for Shareholders

Special Window for Transfer and Dematerialization of Physical Shares

Pursuant to the SEBI Circular dated 30th January, 2026, the Company has opened a special window from 5th February, 2026 to 4th February, 2027 to enable transfer and dematerialization of physical shares sold or purchased prior to 1st April, 2019, including cases where earlier transfer requests were rejected, returned or unattended due to deficiencies.

Transfers under this window are permitted only in demat mode and the credited securities will remain under one year lock-in from the date of registration of transfer.

Further, cases involving disputes between transferor and transferee will not be considered in this window and may be settled by transferor and transferee through court/ NCLT process. Also, securities which have been transferred to Investor Education and Protection Fund (IEPF) shall not be considered under this window for processing.

ANNEXURE - I

DECLARATION BY THE MANAGING DIRECTOR UNDER REGULATION 26(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 REGARDING ADHERENCE TO THE CODE OF CONDUCT

Pursuant to Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management personnel of the Company have affirmed compliance to their respective Codes of Conduct, as applicable to them for the financial year ended 31st March, 2026.

For Modern Insulators Limited

Place: Abu Road
Date: 10th August, 2026

Sachin Ranka
Chairman & Managing Director
DIN: 00335534

CEO/CFO CERTIFICATE

The Board of Directors
Modern Insulators Limited

We the undersigned, in our respective capacities as Whole Time Director and Chief Financial Officer of Modern Insulators Limited ("the Company") to the best of our knowledge and belief certify that:

a. We have reviewed the Financial Statements and the Cash Flow Statement for the year 31st March, 2026 and that to the best of our knowledge and belief, we state that:
   i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   ii. These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws, and regulations.
b. We further state that to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting of the Company. We have not come across any reportable deficiencies in the design or operation of internal controls.
d. We have indicated to the Auditors and the Audit Committee that:
   i. there are no significant changes in the internal control over financial reporting during the year;
   ii. the significant changes, if any, in the accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
   iii. there are no instances of significant fraud of which we have become aware.

For Modern Insulators Limited

Place : Abu Road
Date : 10/08/2026

Shri Alok Jain
Chief Financial Officer

Shri Animesh Banerjee
Whole Time Director
DIN: 07905214

CERTIFICATE OF NON DISQUALIFICATION OF DIRECTORS

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

To,
The Members of
Modern Insulators Limited

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Modern Insulators Limited having CIN L31300RJ1982PLC002460 and having registered office at Modern Insulators Limited Talheti, Village Karoli, Tehsil Abu Road ABU Road Sirohi Rajasthan-307510 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

List of Directors of Modern Insulators Limited as on March 31, 2026

S.No.	Name of Director	DIN
1	Mr. Sachin Ranka	00335534
2	Mr. Shreyans Sachin Ranka	06470710
3	Mr. Pranatharthiharan Sridharan	03100055
4	Mr. Rahul Singhvi	08816920
5	Ms. Meenu Alok Sacheti	02266703
6	Mr. Suresh Kumar Mohanlal Sharma	01378040
7	Mr. Animesh Banerjee	07905214
8	Mr. Ganpathy Vishwanathan Kalpathy	10512773

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

For ANSHIKA AND ASSOCIATES
Company Secretaries

Place : Jaipur
Date : 10.08.2026

UDIN No. F007733H001027741

Anshika Gupta
Proprietor
FCS No. 7733
CP No. : 8587

CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members
Modern Insulators Limited

We have examined the compliance of the conditions of Corporate Governance by **Modern Insulators Limited** ("the Company") for the year ended on March 31, 2026, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub regulation (2) of Regulation 46 and Para-C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

Management's Responsibility for compliance with the conditions of SEBI Listing Regulations

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

Our Responsibility

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

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

We have conducted our examination in accordance with the Guidance Note on Corporate Governance Certificate and the Guidance Manual on Quality of Audit & Attestation Services issued by the Institute of Company Secretaries of India ("ICSI").

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and the representation made by the directors and the management, we hereby certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned SEBI Listing Regulations.

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

Restriction on use

The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the SEBI Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For ANSHIKA AND ASSOCIATES
Company Secretaries

Anshika Gupta
Proprietor
FCS No. 7733
CP No. : 8587

Place : Jaipur
Date : 10.08.2026

UDIN No. F007733H001027818

Annexure C to Boards' Report

FORM NO. AOC. 1

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

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

Part "A": SUBSIDIARIES

S. No.	Particulars	Description
1.	Name of the Subsidiary	Modern Composites Private Ltd.
2.	Reporting period for the subsidiary concerned, if different from the Holding Company's Reporting Period	NA
3.	Reporting Currency and Exchange Rate as on the last date of the relevant Financial Year in the case of Foreign Subsidiaries.	NA
4.	Share Capital	500 lakhs
5.	Reserves & Surplus	(507.57) lakhs
6.	Total Assets	2990.44 lakhs
7.	Total Liabilities	2990.44 lakhs
8.	Investments	–
9.	Turnover	–
10.	Profit before Taxation	(382.12) lakhs
11.	Provision for Taxation	–
12.	Profit after Taxation	(411.90) lakhs
13.	Proposed Dividend	–
14.	% of Shareholding	100

Part "B": ASSOCIATES AND JOINT VENTURES

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

Sr. No.	Particulars	Description	
1	Name of Associates/Joint Ventures	Shriji Designs-MIL (JV)	Akhandalamani-MIL (JV)
2.	Latest audited Balance Sheet Date	31.03.2026	31.03.2026
3.	Shares of Associate/Joint Ventures held by the company on the year end	–	–
	Number	NA	NA
	Amount of Investment in Associates/Joint Venture	–	–
	Extend of Holding %	–	–
4.	Description of how there is significant influence	Joint Venture	Joint Venture
5.	Reason why the associate/joint venture is not consolidated	Consolidated	Consolidated
6.	Networth attributable to Shareholding as per latest audited Balance Sheet	69.72 lakhs	–
7.	Profit / Loss for the year		
	i. Considered in Consolidation	97.08 lakhs	–
	ii. Not Considered in Consolidation	–	–

Note:-

1. Akhandlamani-MIL JV is yet to commence operations.

For **Modern Insulators Limited**

Place: - Abu Road
Date: - 29th May, 2026

Sachin Ranka
Chairman & Managing Director
DIN : 00335534

FORM MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March, 2026

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members

MODERN INSULATORS LIMITED

Talheti, Village Karoli,

Tehsil Abu Road

Sirohi 307510 Rajasthan

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Modern Insulators Limited** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

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

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

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

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

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations,2015
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not applicable to the Company during the Audit Period);**
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 **(Not applicable to the Company during the Audit Period);**
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the Audit Period);**
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the Audit Period);** and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during the Audit Period)**
- (i) The Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015 and amendments thereof;

(vi) The laws as are applicable specifically to the Company are as under:

(a) Petroleum Act, 1934 and rules made there under;

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

I. Secretarial Standards issued by The Institute of Company Secretaries of India

II. The Listing Agreements entered into by the Company with BSE Limited.

III. The Company is also listed on Calcutta Stock Exchange but the trading of the company is suspended.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below: -

1. There was Delay in submission of Shareholding pattern for the quarter ended 31st March, 2025.
2. The Company has granted an interest-free unsecured loan to a company covered under Section 189 of the Companies Act, 2013. The Company has not provided interest on the said loan as prescribed under Section 186(7) of the Companies Act, 2013. As informed by the Management, the interest has not been provided in view of the proposed Scheme of Arrangement between Modern Insulators Limited and Modern Denim Limited and their respective shareholders and creditors, which is pending for completion of the requisite regulatory and procedural requirements and final approval of the Hon'ble National Company Law Tribunal (NCLT). As informed by the Management the matter to be resolved upon completion of the necessary formalities.

We further report that

The Board of Directors of the Company was duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

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

For ANSHIKA AND ASSOCIATES
Company Secretaries

Anshika Gupta
Proprietor
FCS No. 7733
CP No. : 8587
UDIN No. F007733H001027653

Place : Jaipur
Date :- 10.08.2026

ANNEXURE 'A'

To,
The Members
Modern Insulators Limited

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

1. Maintenance of Secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these Secretarial records based on our audit.
2. We have followed the Audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company. We have relied upon the Report of Statutory Auditors regarding compliance of Companies Act, 2013 and Rules made there under relating to maintenance of Books of Accounts, papers and financial statements of the relevant Financial Year, which give a true and fair view of the state of the affairs of the company.
4. We have relied upon the Report of Statutory Auditors regarding compliance of Fiscal Laws, like the Income Tax Act, 1961 & Finance Acts, the Customs Act, 1962, the Central Excise Act, 1944 and Service Tax.
5. Where ever required, we have obtained the Management representation about the compliance of Laws, rules and regulations and happening of events etc.
6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
7. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For ANSHIKA AND ASSOCIATES
Company Secretaries

Anshika Gupta
Proprietor
FCS No. 7733
CP No. : 8587
UDIN No. F007733H001027653

Place : Jaipur
Date :- 10.08.2026

Annexure E to Boards' Report

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. **A brief outline of the Company's CSR policy of the Company**
   The Company had proposed to undertake activities relating to rural development including preventive healthcare, environmental sustainability, medical relief, promoting primary education, etc. for the Financial Year 2025-26. The CSR policy is available on the Company's website. The web link of the same is https://www.moderninsulators.com/Investors/Modern/Financial/WebFiles/policy/Corporate%20Social%20Responsibility%20Policy.pdf

2. **The Composition of the CSR Committee:**

S. No.	Name of Director	Designation	Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Shri Sachin Ranka	Chairman	Managing Director	2	2
2.	Shri S.K. Sharma	Member	Independent Director	2	2
3.	Shri Animesh Banerjee	Member	Executive Director	2	2

3. **Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.**
   a. **Web-link of Composition of CSR Policy: -** https://www.moderninsulators.com/Policies
   b. **Web-link of Composition of CSR committee: -** https://www.moderninsulators.com/board-of-directors-important-committee/=
   c. **Web-link of CSR projects approved by the Board: -** https://www.moderninsulators.com/wp-content/uploads/2025/07/csr-annual-action-plan-fy-2025-26.pdf

4. **Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report). –** Not Applicable

5. **Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any –**

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs.)	Amount required to be set off for the financial year, if any (in Rs.)
01.	2023-24	–	–
02.	2024-25	–	–
03	2025-26	–	–

6. **Average net profit of the Company as per section 135(5):** **Rs. 3547 lakhs**

7.

(a)	**Two percent of average net profit of the Company as per Section 135(5)**	Rs. 70.94 lakhs
(b)	**Surplus arising out of the CSR projects or programmes or activities of the previous financial years.**	Nil
(c)	**Amount required to be set off for the financial year, If any**	Nil
(d)	**Total CSR obligation for the financial year (7a+7b+7c).**	70.94 lakhs

8. (a) **CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year. (Rs. in lakhs)	Amount Unspent (Rs. in Lacs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of transfer
71.04	**NA**	**NA**	**NA**	**NA**	**NA**

(b) Details of CSR amount spent against ongoing projects for the financial year: **Not Applicable**

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
S. No.	**Name of the Project**	**Item from the list of activities in schedule VII to the Act**	**Local area (Yes/ No)**	**Location of the project**		**Amount spent for the project (in lakhs)**	**Mode of implemen-tation Direct (Yes/No.)**	**Mode of implementation Through implementing agency**	
				State	**District**			**Name**	**CSR Registration Number**
1.	Medical relief including medical camps, general health care activities/ Promoting Education etc.	Item No. (i)	No	Maharashtra	Mumbai	56.25	No	H.S. Ranka Foundation	CSR 00011878
2.	Medical relief including medical camps, general health care activities/ Promoting Education etc.	Item No. (i)	Yes	Rajasthan	Sirohi	4.50	Yes	NA	NA
3.	Medical relief including medical camps, general health care activities/ Promoting Education etc.	Item No. (i)	No	Maharashtra	Mumbai	5.00	No	JASCAP	CSR 00001488
4.	Promotion of education	Item No. (i)	No	New Delhi	New Delhi	3.00	No	Gunjan Foundation & Progressive Ladies Welfare Society	CSR 00001488
5.	Ensuring environmental sustainability, ecological balance, protection of flora and fauna, etc.	Item No. (iv)	Yes	Rajasthan	Sirohi	2.29	Yes	NA	NA

(d) Amount spent in Administrative Overheads : Nil

(e) Amount spent on Impact Assessment, if applicable : Nil

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) : Rs. 71.04 lakhs

(g) Excess amount for set off, if any

Sl. No.	**Particulars**	**Amount (Rs. in lakhs)**
(i)	Two percent of average net profit of the company as per section 135(5)	70.94
(ii)	Total amount spent for the Financial Year	71.04
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.10
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.00
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.00

Note : The excess CSR spend of Rs. 0.10 lakh (FY 2025-26) shall not be carried forward for set-off against the CSR obligations of the Company up to the immediate succeeding three financial years, as permitted under the Companies Act, 2013.

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	**Preceding Financial Year**	**Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)**	**Amount spent in the reporting Financial Year (in Rs.)**	**Amount transferred to any fund specified under Schedule VII as per section 135(6), if any**			**Amount remaining to be spent in succeeding financial years (in Rs.)**
				Name of the fund	**Amount (in Rs.)**	**Date of transfer**	
–	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**	**NA**

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year (in Rs.)	Cumulative amount spent at the end of reporting Financial Year (in Rs.)	Status of the project - Completed / Ongoing
–	NA	NA	NA	NA	NA	NA	NA	NA

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).

a. Date of creation or acquisition of the capital asset(s). : **NA**

b. Amount of CSR spent for creation or acquisition of capital asset. : **NA**

c. Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. : **NA**

d. Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). : **NA**

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). : **NA**

(Sachin Ranka)
Chairman & Managing Director &
Chairman of CSR Committee
(DIN: 00335534)

Place : Abu Road
Date : 10th August, 2026

ANNEXURE F TO BOARDS' REPORT

Information pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(1) Ratio of the remuneration of each Director/KMP to the median remuneration of all the employees of the Company for the financial year:

Median remuneration of all the employees of the Company for the Financial Year 2025-26	415733
Percentage increase in the median remuneration of employees in the Financial Year	10.30%
Number of permanent employees on the rolls of the Company as on 31st March, 2026	1540

Name of Director & KMP	Designation	Ratio of Remuneration to median remuneration of all employees	% increase in remuneration in Financial year 2025-26
Shri Sachin Ranka	Chairman & Managing Director	42.47	NA
Shri Shreyans Ranka	Joint Managing Director	15.80	10.04
Shri Animesh Banerjee	Executive Director	17.40	NA
Shri P. Sridharan	Executive Director	9.86	NA
Shri Alok Jain	Chief Financial Officer	8.75	10.25 %
Smt. Harshita Hetawal	Company Secretary	0.65	NA

Note : The ratio of remuneration to the median remuneration is based on the remuneration paid during the period 1st April, 2025 to 31st March, 2026.

(2) Average percentage increase made in the salaries of employees, other than the managerial personnel in the financial year 2025-26, was 13% over the previous financial year, which is by and large in line with the industry benchmark. However, the average salaries of the managerial personnel for the same financial year increased by 2.1%

(3) The remuneration is as per the remuneration policy of the company.

Annexure G to Boards' Report

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, AND FOREIGN EXCHANGE EARNING AND OUTGO ETC:

Information on Conservation of Energy, Technology absorption, Foreign Exchange earnings and outgo required to be disclosed under Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are provided hereunder:

(A) Conservation of Energy:

S. No.	Particulars	Remarks
(i)	The steps taken or impact on conservation of energy:	The Company continues to accord high priority to energy conservation and operational excellence by implementing various energy efficiency initiatives across its manufacturing facilities. Continuous monitoring of energy consumption, process optimization and adoption of energy-efficient technologies have resulted in improved operational efficiency and reduced specific energy consumption. During the year, the Company undertook the following initiatives: Key initiatives undertaken include: i) Installation and optimization of Variable Frequency Drives (VFDs) on critical equipment for improved energy management. ii) Optimization of kiln and dryer operating parameters through process control, resulting in improved fuel efficiency and reduced energy consumption. iii) Installation/upgradation of waste heat recovery and recuperation systems to maximize utilization of thermal energy. iv) Preventive and predictive maintenance of major utilities to enhance equipment reliability and minimize energy losses. v) Continuous employee awareness programmes promoting energy conservation and efficient operating practices.
(ii)	The steps taken by the Company for utilizing alternate sources of energy:	The Company continues to evaluate and adopt sustainable energy solutions to reduce dependence on conventional energy sources. The initiatives include: • Assessment of renewable energy opportunities including solar power through captive/open access arrangements. • Optimization of cleaner fuel usage in selected manufacturing processes. • Reduction in fossil fuel consumption through process improvements and enhanced thermal efficiency. • Evaluation of other sustainable energy alternatives in line with the Company's long-term sustainability objectives.
(iii)	The capital investment on energy conservation equipment's:	During the year, the Company continued to invest in energy-efficient machinery, process improvements, digital monitoring systems, high-efficiency electrical equipment, waste heat recovery systems and modernization of utilities for enhancing energy efficiency, improving productivity and reducing operating costs.

(B) Technology Absorption:

a) Efforts, in brief made towards technology absorption, adoption and innovation:

1. We have developed and supplied high performance product for Export market
2. Developed controlled conductivity glaze system for Export market.
3. Electrical enhanced controlled drying mechanism to improve productivity and reduce dependency on fossil fuel.
4. Barrel cooling mechanism in extrusion pug mill for improved performance and recovery.
5. Strategic imported raw materials substitution with indigenous source.

b) Benefits derived as a result of above efforts:

I. Reduction in power cost and fuel consumption due to reduced cycle hours.
1. Strategic shifting towards value addition segments
2. Reduction usage of fossil fuels and movement towards green energy
3. Improved recovery of product.
4. Reduced dependency on imported raw materials and cost.
5. Increased usage of recycled materials.

C) Foreign exchange earnings and Outgo: The Company has earned during the period foreign exchange of Rs. 352.07 crores lacs against an outgo of Rs. 43.28 crores.

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

INDEPENDENT AUDITOR'S REPORT

To the members of **Modern Insulators Limited**

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the accompanying Standalone Financial Statements of **Modern Insulators Limited** (the 'Company') which comprise the Balance Sheet as at **31 March 2026**, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the 'Standalone Financial Statements').

In our opinion and to the best of our information and according to the explanations given to us, except for the effect of the matters described in "Basis for Qualified Opinion" section of our report, the aforesaid standalone financial statements, give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) specified under section 133 of the Act, of the state of affairs of the Company as at 31 March 2026, its profit (including Other Comprehensive Income), its cash flows and the changes in equity for the year ended on that date.

Basis for Qualified Opinion

The Hon'ble National Company Law Tribunal (NCLT), Jaipur Bench vide its order dated 22 January 2026 has disposed of the Company's Petition No. CP(CAA) No.14/230-232/JPR/2022 in respect of the Scheme of Arrangement between Modern Insulators Limited and Modern Denim Limited and their respective shareholders and creditors (Scheme), with a liberty to the company to re-approach the Hon'ble NCLT after completion of pending regulatory and procedural requirements including obtaining NOC from stock exchange.

As informed by the management, based on legal advice, the Company has re-submitted its application with the stock exchange for necessary NOC. In response, the stock exchange has raised certain queries, the compliance of which is under process. Upon completion of these regulatory requirements, in accordance with the Hon'ble NCLT order, the company will re-approach the Hon'ble NCLT for final approval of the Scheme. The management is hopeful that the Scheme will be approved by the Hon'ble NCLT.

Meanwhile, provision for taxation including interest to the extent of Rs.936.19 lacs for the year ended 31 March 2026 (previous year Rs.1915.17 lacs; upto the year Rs.12780.38 lacs) has not been made in accounts, in view of the proposed amalgamation under above mentioned Scheme under the provisions of Companies Act, 2013. (Refer note no.36)

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the year ended 31 March 2026. These matters were addressed in the context of our audit of the standalone financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion, on these matters.

In addition to what has been stated in the "Basis for Qualified Opinion" section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	How our audit addressed the Key Audit Matter
Measurement, presentation and disclosure of allowance for Expected Credit Losses (ECL) on trade receivables	**Our audit procedures included, but were not limited to the following:**
• As per Ind AS 109, the Company is required to recognize allowance for ECL on trade receivables due to the credit risks associated with each individual trade receivable. • Management determines the allowance for ECL on trade receivables by reviewing customers ageing profile, historical loss adjusted to reflect current and estimated future economic conditions, credit history and suit filed cases for additional allowance. • The determination of allowance for ECL is subjective and requires management to make judgements and assumptions, hence it is considered to be a key audit matter. • Refer note no. 1, 1A, 8 and 44 to the standalone financial statements.	• Tested the effectiveness of Company's controls with respect to (i) development of methodology for allowance for expected credit losses, (ii) completeness and accuracy of the information used and (iii) computation of allowance for expected credit losses. • Tested sample of the data used in the model to the underlying accounting records. • Evaluated the ECL model calculations, agreeing the data inputs and checking the mathematical accuracy of the calculations. • Assessed the key inputs and assumptions used • Assessed whether the disclosures in the financial statements are adequate. • The result of our review was satisfactory.

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

The Company's Board of Directors and Management is responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the standalone financial statements, consolidated financial statements and our auditor's reports thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

Management's Responsibility for the Standalone Financial Statements

The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors and Management is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS prescribed 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 standalone financial statements, Board of Directors and Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors and Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing 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 Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- 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.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of Board of Directors and 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 upto the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 for the year ended 31 March 2026 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013 and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 Standalone Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

d) Except for the effects of the matter described in the "Basis for Qualified Opinion" section, in our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act;

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

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013, refer to our report in Annexure B;

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid / provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

i) The Company has disclosed the impact of pending litigations on its financial position in standalone financial statements. (Refer note no. 42)

ii) The Company has made provision, as required under the applicable law or Ind AS for material foreseeable losses, if any, on long term contracts including derivative contracts. (Refer note no. 55)

iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv) (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in note no. 54(v), no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in note no. 54(vi), no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures performed, that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (i) and (ii) of rule 11(e) as provided under sub clause (a) and (b) above, contain any material misstatement.

v) The Company has not declared or paid any dividend during the year ended 31 March 2026.

vi) Based on our examination, which included test checks, except for the exception mentioned below, the Company has used accounting software for maintaining its books of accounts for the year ended 31 March 2026, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further during the course of our audit, we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements other than the exception mentioned below:

One unit (separate segment) of the company has used such accounting software for maintaining books of accounts for the year ended 31 March 2026, which does not have a feature of recording audit trail (edit log) facility and consequently we are unable to report whether the audit trail facility has been operated and maintained throughout the year for all relevant transactions recorded in the software or if the audit trail feature has been tampered with or the audit trail has been preserved by the Company as per the statutory requirements. (Refer note no. 56)

For **R B Verma & Associates**
Chartered Accountants
Firm Registration No. 012650C

Rajesh Verma
Partner
Membership No. 404029
UDIN - 26404029BYZOOC6778

Place - Abu Road
Date - 29 May 2026

ANNEXURE A FORMING PART OF THE INDEPENDENT AUDITOR'S REPORT

Referred to in the report of even date of the Auditors to the members of Modern Insulators Limited

(i) (a) (A) The company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipments except furniture & fixtures for which detailed records are not maintained.

(B) The company has maintained proper records showing full particulars of intangible assets.

(b) According to the information and explanations given to us, most of the property, plant and equipments have been physically verified during the year by the Management in accordance with a phased programme of verification at reasonable intervals and no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the title deeds of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company or its unit as at the balance sheet date.

(d) The Company has not revalued any of its property, plant and equipment and intangible assets during the year and therefore reporting under clause 3(i)(d) of the order is not applicable.

(e) According to the information and explanations given to us and as represented to us by the Management, no proceedings have been initiated during the year or are pending against the Company as at 31 March 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder and therefore reporting under clause 3(i)(e) of the order is not applicable.

(ii) (a) According to the information and explanations given to us, the inventories have been physically verified during the year by the Management. In our opinion, the frequency of verification is reasonable and no discrepancies of 10 % or more in the aggregate for each class of inventory were noticed on physical verification during the year.

(b) The company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of the security of current assets. Based on information and explanations given to us, we observed that, in some cases the figures reported in quarterly returns or statements filed by the company with such banks are not in agreement with the books of account of the company. The differences observed are not material. (Refer note no. 53)

(iii) (a) The Company has granted loans or advances in the nature of loans to following as per the details given below:

(Rs. in lacs)

Particulars	Loans granted
Aggregate amount granted during the year	
- subsidiaries (net) (Refer note no. 12, 38)	1079.50
- joint ventures (net) (Refer note no. 12, 38)	(101.09)
- associates	-
- related parties (net) (Refer note no. 4, 38)	135.00
- others	-
Balance outstanding as at 31 March, 2026 in respect of above	
- subsidiaries (Refer note no. 12, 38)	1923.00
- joint ventures (Refer not no. 12, 38)	77.47
- associates	-
- related parties ((Refer note no. 4, 38)	7119.00
- others	-

(b) (i) The Company has granted interest free unsecured loan Rs.7119.00 lacs to a Company covered in the register maintained under section 189 of the Companies Act, 2013 in view of proposed amalgamation under the provisions of Companies Act, 2013. According to the information and explanations given to us, since the amount paid is in connection to proposed amalgamation, no terms have been specified for repayment of loan and interest. In view of likely advantage to the Company on such amalgamation, granting of such loan is not prejudicial to the interest of the Company. (Refer note no. 49(ii))

(ii) The Company has granted unsecured loan Rs.2000.47 lacs to joint ventures and subsidiary company covered in the register maintained under section 189 of the Companies Act, 2013, which is payable on demand. We are informed that the Company has received the amount demanded from the party and thus there is no default during the year. Interest on such loan has been paid / provided during the year except loan to subsidiary company. In our opinion, the terms and conditions of grant of such loan are not, prima facie, prejudicial to the interest of the Company. (Refer note no. 49(iii))

(c) The Company, in respect of loans and advances in the nature of loans, has not stipulated the schedule of repayment of principal and payment of interest and therefore reporting under clause 3(iii)(c) of the order is not applicable.

(d) According to the information and explanations given to us, in respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) No loans or advances in the nature of loans, which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans.

(f) The Company has granted unsecured loan to another Company / joint venture which are payable on demand as per details below:

(Rs. in lacs)

Particulars	All parties	Promotors	Related parties
Aggregate amount of loans / advances in the nature of loans:			
- Repayable on demand in the absence of any specific agreement (A)	9119.47	-	9119.47
- Agreement do not specify the terms and conditions of repayment (B)	-	-	-
Total (A)+(B)	9119.47	-	9119.47
Percentage of loans/advances in the nature of loans	100%	-	100%

(iv) According to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made, guarantees and securities provided, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act during the year and therefore reporting under clause 3(v) of the order is not applicable.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013 for the products of the Company and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We had not, however carried out detailed examination of the same to determine whether they are accurate and complete.

(vii) (a) According to the information and explanations given to us and based on our examination of the records, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including goods and service tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues applicable to it. Further no undisputed statutory dues as noted above are outstanding for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and based on our examination of the records, there are no statutory dues referred to in sub clause (a) hereinabove as at 31 March 2026, which have not been deposited on account of dispute except the following:

Name of Statute	Nature of dues	Amount (in lacs)	Period to which amount relates	Forum where dispute is pending
Central Goods and Service Tax Act, 2017	ITC delayed taken in TRAN-1 disallowed	55.03(Paid under protest 8.27)	July, 2017	The Jt / Additional Commissioner (Appeals), Jodhpur
Central Goods and Service Tax Act, 2017	ITC availed on invoices not uploaded/ GSTIN cancelled	15.91 (Paid under protest 0.79)	2018-19 & 2019-20	The Commissioner (Appeals), Jodhpur
Central Goods and Service Tax Act, 2017	ITC wrong availed	0.93 (Paid under protest 0.04)	2018-19 to 2020-21	The Superintendent Office, Abu Road
Central Goods and Service Tax Act, 2017	ITC availed on invoices not uploaded/ GSTIN cancelled	2.46 (Paid under protest 0.12)	2018-19 to 2020-21	The Commissioner (Appeals), Jodhpur
Central Goods and Service Tax Act, 2017	ITC excess availed/ utilized	61.90 (Paid under protest 6.19)	2018-19 to 2020-21	The Commissioner (Appeals), Jodhpur
Central Goods and Service Tax Act, 2017	Delivery place not registered on GST portal	8.21 (Paid under protest 8.21)	2025-26	Office of State Tax Officer, Gujrat
Rajasthan Stamp Act, 1998	Stamp duty, interest & penalty	195.48	2012-2015	High court, Jodhpur, Rajasthan
Income Tax Act, 1961	Penalty	3.10	AY 2018-19	The Commissioner of Income Tax (Appeals), Jaipur

(viii) 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 and therefore reporting under clause 3(viii) of the order is not applicable.

(ix) (a) According to the information and explanations given to us and based on our examination of the records, the company has not defaulted in repayment of dues or in the payment of interest thereon to any lender during the year.

(b) According to the information and explanations given to us and as represented to us by the Management, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) According to the information and explanations given to us, the term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and therefore 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 therefore reporting under clause 3(x)(a) of the order is not applicable.

(b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) during the year and therefore reporting under clause 3(x)(b) of the order is not applicable.

(xi) (a) According to the information and explanations given to us and based on our examination of the records, no material fraud by the Company or any fraud on the company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) According to the information and explanations given to us and as represented to us by the Management, there are no whistle-blower complaints received during the year and upto the date of this report.

(xii) The company is not a Nidhi Company and therefore reporting under clause 3(xii) of the order is not applicable.

(xiii) According to the information and explanations given to us, transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details of such transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards. (Refer note no. 41)

(xiv) (a) The Company has an internal audit system commensurate with the size and the nature of its business.

(b) We have considered the internal audit reports, for the year under audit, issued to the Company during the year.

(xv) According to the information and explanations given to us, the company has not entered into any non-cash transactions during the year prescribed under section 192 of the Companies Act with directors or persons connected with them during the year and therefore reporting under clause 3(xv) of the order is not applicable.

(xvi) (a) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and therefore reporting under clause 3(xvi)(a), (b) and (c) of the order is not applicable.

(b) According to the information and explanations given to us, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and therefore reporting under clause 3(xvi)(d) of the order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year and therefore reporting under clause 3(xviii) of the order is not applicable.

(xix) According to the information and explanations given to us and 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 the 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 upto 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. (Refer note no. 52)

(xx) According to the information and explanations given to us and on the basis of our examination of records, there are no unspent amounts in respect of Corporate Social Responsibility (CSR) towards ongoing or other than ongoing projects and therefore reporting under clause 3(xx) of the order is not applicable.

(xxi) The reporting under clause (xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **R B Verma & Associates**
Chartered Accountants
Firm Registration No. 012650C

Rajesh Verma
Partner
Membership No. 404029
UDIN - 26404029BYZOOC6778

Place - Abu Road
Date - 29 May 2026

ANNEXURE B FORMING PART OF THE INDEPENDENT AUDITOR'S REPORT

Referred to in the report of even date of the Auditors to the members of Modern Insulators Limited

We have audited the internal financial controls with reference to standalone financial statements of **Modern Insulators Limited** ("the Company") as of **31 March 2026** in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Board of Directors and Management is responsible for establishing and maintaining internal financial controls based on the internal financial controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (the 'ICAI').

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (the 'Act').

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial control with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A Company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2026, based on the internal financial control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

For **R B Verma & Associates**
Chartered Accountants
Firm Registration No. 012650C

Rajesh Verma
Partner
Membership No. 404029
UDIN - 26404029BYZOOC6778

Place - Abu Road
Date - 29 May 2026

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2026

(₹ in Lacs)

Particulars	Note No.	As at 31st March, 2026	As at 31st March, 2025
ASSETS			
Non–current assets			
(a) Property, plant and equipment	2	**15616.38**	15688.20
(b) Capital work-in-progress	2	**52.51**	1.00
(c) Intangible assets	2	**13.54**	16.31
(d) Financial assets			
(i) Investments	3	**500.01**	500.01
(ii) Loans	4	**7119.00**	6984.00
(iii) Other financial assets	5	**1089.75**	1312.21
(e) Other non-current assets	6	**112.49**	8.25
Total Non-current assets		**24503.68**	24509.98
Current assets			
(a) Inventories	7	**15544.34**	12450.98
(b) Financial assets			
(i) Trade receivables	8	**15190.05**	12197.63
(ii) Cash and cash equivalents	9	**550.16**	363.64
(iii) Bank balances other than cash and cash equivalents	10	**1152.84**	235.22
(iv) Investments	11	**11441.82**	4616.30
(v) Loans	12	**2000.47**	1022.06
(vi) Other financial assets	13	**354.68**	298.48
(c) Other current assets	14	**4943.36**	4235.01
(d) Current tax assets (net)		–	–
Total Current assets		**51177.72**	35419.32
TOTAL ASSETS		**75681.40**	59929.30
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	15	**4714.39**	4714.39
(b) Other equity	16	**50197.51**	41889.04
Total Equity		**54911.90**	46603.43
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	**3165.15**	3.46
(b) Provisions	18	**3325.76**	2377.85
(c) Deferred tax liabilities (Net)	19	**1528.28**	2068.39
(d) Other non-current liabilities	20	**11.22**	15.60
Total Non-current liabilities		**8030.41**	4465.30
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	21	**2849.78**	1928.15
(ii) Trade payables			
-Total outstanding dues of micro enterprises and small enterprises	22	**520.30**	487.98
-Total outstanding dues of creditors other than micro enterprises and small enterprises	22	**4928.40**	3316.99
(iii) Other financial liabilities	23	**2342.05**	1732.48
(b) Provisions	24	**616.68**	535.63
(c) Other current liabilities	25	**1218.80**	719.03
(d) Current tax liability (Net)	26	**263.08**	140.31
Total Current liabilities		**12739.09**	8860.57
TOTAL EQUITY AND LIABILITIES		**75681.40**	59929.30
Significant accounting policies	1		
Other notes on standalone financial statements	**35 to 58**		

The accompanying note form an integral part of the standalone financial statements.

As per our report of even date attached

For R B Verma & Associates
Chartered Accountants
Firm Registration No. 012650C

Rajesh Verma
Partner
Membership No. 404029

Place : Abu Road
Date : 29th May, 2026

For and on behalf of the Board of Directors

Sachin Ranka	– Chairman & Managing Director	(DIN : 00335534)
Shreyans Ranka	– Joint Managing Director	(DIN : 06470710)
P. Sridharan	– Whole Time Director	(DIN : 03100055)
Animesh Banerjee	– Whole Time Director	(DIN : 07905214)
S.K. Sharma	– Independent Director	(DIN : 01378040)
Rahul Singhvi	– Independent Director	(DIN : 08816920)
G.V. Kalpathy	– Independent Director	(DIN : 10512773)
Meenu Alok Sacheti	– Independent Director	(DIN : 02266703)
Alok Jain	– Chief Financial Officer	
Harshita Hetawal	– Company Secretary	

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2026

(₹ in Lacs)

Particulars	**Note No.**	**Year ended 31st March, 2026**	**Year ended 31st March, 2025**
Income			
Revenue from operations	27	**71913.61**	50325.16
Other income	28	**2217.17**	1232.13
Total Income		**74130.78**	51557.29
Expenses			
Cost of materials consumed	29	**20084.54**	16162.82
Purchase of stock–in–trade		**38.82**	40.52
Changes in inventories of finished goods, stock–in–trade & stock–in–process	30	**(56.98)**	(2183.62)
Employee benefits expense	31	**8933.25**	7952.98
Finance costs	32	**514.90**	414.57
Depreciation and amortization expense	2	**886.35**	851.59
Other expenses	33	**33361.64**	24481.31
Total Expenses		**63762.52**	47720.17
Profit before exceptional items and tax		**10368.26**	3837.12
Exceptional items (Interest on income tax refund)		**–**	692.23
Profit before tax		**10368.26**	4529.35
Tax Expense			
Current tax		**2618.53**	763.25
Deferred tax		**(542.91)**	(155.63)
Total tax expenses		**2075.62**	607.62
Profit for the year		**8292.64**	3921.73
Other comprehensive income			
Items that will not be reclassified to profit or loss:			
Actuarial gain/(loss) on defined benefit plan		**18.63**	(11.75)
Income tax relating to above		**(2.80)**	4.11
Total other comprehensive income for the year (net of tax)		**15.83**	(7.64)
Total comprehensive income for the year		**8308.47**	3914.09
Earnings per equity share (face value ₹ 10 per share)	34		
Basic (₹)		**17.59**	8.32
Diluted (₹)		**17.59**	8.32

Significant accounting policies	1		
Other notes on standalone financial statements	35 to 58		

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date attached

For R B Verma & Associates
Chartered Accountants
Firm Registration No. 012650C

Rajesh Verma
Partner
Membership No. 404029

Place : Abu Road
Date : 29th May, 2026

For and on behalf of the Board of Directors

Sachin Ranka	– Chairman & Managing Director	(DIN : 00335534)
Shreyans Ranka	– Joint Managing Director	(DIN : 06470710)
P. Sridharan	– Whole Time Director	(DIN : 03100055)
Animesh Banerjee	– Whole Time Director	(DIN : 07905214)
S.K. Sharma	– Independent Director	(DIN : 01378040)
Rahul Singhvi	– Independent Director	(DIN : 08816920)
G.V. Kalpathy	– Independent Director	(DIN : 10512773)
Meenu Alok Sacheti	– Independent Director	(DIN : 02266703)
Alok Jain	– Chief Financial Officer	
Harshita Hetawal	– Company Secretary	

STANDALONE STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2026

(₹ in Lacs)

Particulars	Year ended 31st March, 2026		Year ended 31st March, 2025	
A. Cash Flow from Operating Activities				
Profit before tax		**10368.26**		4529.35
Adjustments for:				
– Depreciation and amortisation expenses	**886.35**		851.59	
– Provisions	**1047.59**		27.66	
– Foreign exchange flucation (net)	**435.00**		2.86	
– Loss/(Profit) on disposal of property, plant and equipment (net)	**(4.46)**		9.81	
– Finance costs	**514.90**		414.57	
– Loss/(profit) on fair valuation of investment carried at FVTPL (net)	**174.98**		(58.53)	
– Interest income	**(344.56)**	**2709.80**	(864.09)	383.87
Operating profit before working capital changes		**13078.06**		4913.22
Adjustments for changes in working capital				
– Trade and other receivables	**(5024.06)**		711.46	
– Inventories	**(3093.36)**		(1887.69)	
– Other non-current assets	**(104.24)**		241.75	
– Trade and other payables	**2748.69**	**(5472.97)**	553.12	(381.36)
Cash from Operating Activities		**7605.09**		4531.86
Income taxes paid		**2358.84**		525.00
Net Cash from Operating Activities (A)		**5246.25**		4006.86
B. Cash Flow from Investing Activities				
– Proceeds from sale of property, plant and equipment	**546.02**		143.19	
– Purchase of property, plant and equipment (including capital work-in progress)	**(1404.83)**		(649.86)	
– Loans and advances (given)/receipt (net)	**(1113.41)**		(1349.86)	
– Interest income received	**344.56**		864.09	
– Investment in equity shares/mutual fund (net)	**(7000.49)**		(2676.77)	
Net Cash used in Investing Activities (B)		**(8628.15)**		(3669.11)
C. Cash Flow from Financing Activities				
– Proceeds/(Repayment) of non-current borrowings (net)	**3156.33**		(12.38)	
– Proceeds/(Repayment) of current borrowings (net)	**926.99**		29.99	
– Interest paid	**(514.90)**		(429.10)	
Net cash From /used in Financing Activities (C)		**3568.42**		(396.96)
Net increase/(decrease) in cash and cash equivalents(A+B+C)		**186.52**		(59.21)
Cash and cash equivalents at the beginning of the year		**363.64**		422.85
Cash and cash equivalents at the close of the year		**550.16**		363.64

Cash and Cash Equivalent includes:-

Particulars	As at 31.03.2026	As at 31.03.2025
Cash on hand	**23.42**	16.58
Balances with Banks		
– In current accounts	**526.74**	47.06
– In deposit accounts Maturity up to 3 months	–	300.00
Total	**550.16**	363.64

The accompanying notes form an integral part of the standalone financial statements.

Note : The above Statement of Cash Flow has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

As per our report of even date attached

For R B Verma & Associates
Chartered Accountants
Firm Registration No. 012650C

Rajesh Verma
Partner
Membership No. 404029

Place : Abu Road
Date : 29th May, 2026

For and on behalf of the Board of Directors

Sachin Ranka	– Chairman & Managing Director	(DIN : 00335534)
Shreyans Ranka	– Joint Managing Director	(DIN : 06470710)
P. Sridharan	– Whole Time Director	(DIN : 03100055)
Animesh Banerjee	– Whole Time Director	(DIN : 07905214)
S.K. Sharma	– Independent Director	(DIN : 01378040)
Rahul Singhvi	– Independent Director	(DIN : 08816920)
G.V. Kalpathy	– Independent Director	(DIN : 10512773)
Meenu Alok Sacheti	– Independent Director	(DIN : 02266703)
Alok Jain	– Chief Financial Officer	
Harshita Hetawal	– Company Secretary	

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2026

A. Equity Share Capital

(₹ in Lacs)

As at 1st April, 2024	4714.39
Changes in equity share capital due to prior period errors	–
Restated balance at the beginning of the current reporting period	4714.39
Changes in equity share capital during the current year	–
As at 31st March, 2025	**4714.39**
As at 1st April, 2025	**4714.39**
Changes in equity share capital due to prior period errors	–
Restated balance at the beginning of the current reporting period	4714.39
Changes in equity share capital during the current year	–
As at 31st March, 2026	**4714.39**

B. Other Equity

(₹ in Lacs)

Particulars	Reserves and Surplus			Total
	Securities Premium Reserve	Capital Reserve	Retained Earnings	
Balance as at 1st April, 2024	2911.45	1285.87	33777.63	37974.95
Profit for the year	–	–	3921.73	3921.73
Other comprehensive income	–	–	(7.64)	(7.64)
Total Comprehensive Income for the Year	–	–	3914.09	3914.09
Balance as at 31st March, 2025	**2911.45**	**1285.87**	**37691.72**	**41889.04**
Balance as at 1st April, 2025	2911.45	1285.87	37691.72	**41889.04**
Profit for the year	–	–	8292.64	**8292.64**
Other comprehensive income	–	–	15.83	**15.83**
Total Comprehensive Income for the Year	–	–	8308.47	**8308.47**
Balance as at 31st March, 2026	**2911.45**	**1285.87**	**46000.19**	**50197.51**

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date attached

For R B Verma & Associates
Chartered Accountants
Firm Registration No. 012650C

Rajesh Verma
Partner
Membership No. 404029

Place : Abu Road
Date : 29th May, 2026

For and on behalf of the Board of Directors

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Meenu Alok Sacheti	– Independent Director	(DIN : 02266703)
Alok Jain	– Chief Financial Officer	
Harshita Hetawal	– Company Secretary	

Notes forming part of standalone financial statements

Significant accounting policies

CORPORATE INFORMATION

Modern Insulators Limited (the Company) is a public limited company incorporated in India under the provisions of the Companies Act, 1956 (the Act) having its registered office at Abu Road, Rajasthan, India. The Company is primarily engaged in the business of manufacturing insulators and terry towels.

Note no. 1: Significant Accounting Policies

(a) Basis of preparation

(i) The Financial Statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as specified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act. The accounting policies are applied consistently to all the periods in the Financial Statements.

(ii) The Financial Statements are prepared on accrual basis under the historical cost convention except (i) claims of customers & others which are accounted for as and when paid/settled and (ii) financial assets and liabilities (including derivatives instruments) that are measured at fair value as required by relevant Ind AS. The methods used to measure fair values are discussed in notes to financial statements.

(iii) The preparation of financial statements requires judgments, estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimated. Difference between the actual results and estimates are recognized in the period in which the results are known/materialized. Major estimates are discussed in Note No. 1A.

(b) Functional and presentation currency

These financial statements are presented in Indian Rupees, which is the functional currency of the company and the currency of the primary economic environment in which the Company operates.

(c) Classification of assets and liabilities into current and non-current

The Company has ascertained its operating cycle as twelve months for the purpose of Current and Non-Current classification of its Assets and Liabilities. Classification is done in accordance with Schedule III Division II of the Companies Act, 2013.

For the purpose of Balance Sheet, an asset is classified as current when:

(i) It is expected to be realised or intended to be sold or consumed in the normal operating cycle; or

(ii) It is held primarily for the purpose of trading; or

(iii) It is expected to be realised within twelve months after the reporting period; or

(iv) 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 period.

All other assets are classified as non-current.

Similarly, a liability is classified as current when:

(i) It is expected to be settled in the normal operating cycle; or

(ii) It is held primarily for the purpose of trading; or

(iii) It is due to be settled within twelve months after the reporting period; or

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

All other liabilities are classified as non-current.

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

(d) Property, plant & equipment (PPE)

The Company had applied for the one time transition exemption of considering the fair value as on the date of transition i.e. 01st April, 2016 as the deemed cost under Ind AS. Hence regarded thereafter as historical cost.

Freehold land is carried at Cost. All other items of Property, plant and equipment (PPE) are stated at acquisition or construction cost less accumulated depreciation / amortisation and impairment loss. Cost comprises the purchase price and any directly attributable cost of bringing the asset to its location and working condition for its intended use, including relevant borrowing costs.

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

The cost of an item of PPE is recognised as an asset if, and only if, it is probable that the economic benefits associated with the item will flow to the Company in future periods and the cost of the item can be measured reliably. Expenditure incurred after the PPE have been put into operations, such as repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred.

Subsequent expenditure incurred after the PPE have been put into operations is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

Items such as spare parts, standby equipments and servicing equipments are recognised as PPE when it is held for use in the production or supply of goods or services or for administrative purpose and are expected to be used for more than one year. Otherwise such items are classified as inventory.

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising on the disposal or retirement of an item of PPE, is determined as the difference between the net sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

(e) Expenditure during construction period

Expenditure, net of income earned, during construction (including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) period is included under capital work-in-progress and the same is allocated to the respective PPE on the completion of construction. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under "Other Non Current Assets"

(f) Depreciation

Depreciation is the systematic allocation of the depreciable amount of PPE over its useful life and is provided on a straight-line basis over the useful lives as prescribed in Schedule II to the Act or as per technical evaluation. Leasehold lands are amortised over the lease term unless it is reasonably certain that the Company will obtain ownership by the end of lease term.

Depreciable amount for PPE is the cost of PPE less its estimated residual value. The useful life of PPE is the period over which PPE is expected to be available for use by the Company or the number of production or similar units expected to be obtained from the asset by the Company.

In case of certain classes of PPE, the Company uses different useful lives than those prescribed in Schedule II to the Act. The useful lives have been assessed based on technical evaluation, taking into consideration the nature of the PPE and the estimated usage of the asset on the basis of management's best estimation of obtaining economic benefits from those classes of assets.

The useful life considered for calculation of depreciation / amortisation for various Asset class are as under:

S. No.	Asset class	Useful life
1.	Leasehold Assets	Lease period
2.	Factory Building	4-30 Years
3.	Non- factory building	4-60 Years
4.	Plant & Machinery	1-30 Years
5.	Furniture & Fixtures	2-10 Years
6.	Office equipments	0-5 Years
7.	Vehicles	2-10 Years

Based on technical evaluation, management believes that the useful life as given above best represent the period over which the management expects to use these assets.

Depreciation on additions is provided on a pro-rata basis from the date of installation or acquisition and in case of Projects from the date of commencement of commercial production.

Depreciation on deductions/disposals is provided on a pro-rata basis up to the date of deduction/disposal.

(g) Intangible assets and amortization

Internally generated intangible assets

Expenditure incurred on development is capitalised if such expenditure leads to creation of any intangible asset, otherwise, such expenditure is charged to the Statement of Profit and Loss. PPE procured for research and development activities are capitalised.

Intangible assets acquired separately

Intangible assets acquired separately are carried at cost less accumulated amortisation and accumulated impairment loss, if any. The Company determines the amortisation period as the period over which the future economic benefits will flow to the Company after taking into account all relevant facts and circumstances. The estimated useful life and amortisation method are reviewed periodically, with the effect of any changes in estimate being accounted for on a prospective basis.

An item of intangible asset is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising on the disposal or retirement of an item of intangible asset, is determined as the difference between the net sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

The useful life considered for calculation of depreciation / amortisation for various Asset class are as under:

Asset class	Useful life
Computer Software	1-3 Years

Based on technical evaluation, management believes that the useful life as given above best represent the period over which the management expects to use these assets.

Intangible asset having definite life are amortised on systematic basis over their useful life. If life of any intangible asset is indefinite then it is not amortised but tested for impairment loss at the end of each reporting date.

(h) Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction, development or erection of a qualifying asset are capitalized as part of the cost of such asset till such time the asset is ready for its intended use and borrowing cost are being incurred. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred.

(i) Inventories

Inventories are valued at the lower of cost and net realisable value.

Raw material, stores and spare parts and packing materials are considered to be realisable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost. The cost is computed on weighted average basis.

Cost of finished goods and work- in- progress includes cost of conversion based on normal capacity and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Spare parts, other than those capitalised as PPE are carried as inventories.

The diminution in the value of obsolete, unserviceable and surplus stores & spares is ascertained after review and if found material, suitable provision is made/written down based on technical evaluation, its recoverabl value and management's best estimate.

(j) Investment in subsidiary and joint venture

Investments in subsidiary company and joint venture are recognized at cost as per Ind AS 27.

(k) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks, cash in hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of change in value.

(l) Government grants

Government grants are recognized when there is reasonable assurance that the grant will be received and all associated conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income on a systematic basis over the expected useful life of the related asset.

(m) Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligations. Provisions are reviewed at each reporting date and are adjusted to reflect the management's best estimate.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

(n) Foreign currency transactions and translations

Transactions in foreign currencies, other than the Company's functional currency are recognised at the exchange rates prevailing at the dates of the transactions. At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated at the rate prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

Exchange differences on monetary items are recognised in the statement of profit and loss in the period in which these arise.

(o) Revenue recognition

Effective 01 April 2018, the Company has adopted Indian Accounting Standard 115 (Ind AS 115) - Revenue from contracts with customers'. The impact of the adoption of Ind-AS 115 on the financial statements of the Company is insignificant.

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised goods or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those goods or services.

The Company satisfies a performance obligation and recognizes revenue over time, if one of the following criteria is met:

(i) The customer simultaneously receives and consumes the benefits provided by the Company's performance; or

(ii) The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or

(iii) The Company's performance does not create an asset with an alternative use to the Company and an entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions is not met, revenue is recognized at the point in time at which the performance obligation is satisfied.

If the Company has any contract wherein the period between transfer of the promised goods or services to the customer and payment by the customer exceeds one year, transaction price is adjusted for the time value of money.

(p) Other operating revenues/other income

(i) Income from services is recognized (net of GST as applicable) based on the services rendered in accordance with the terms of contracts.

(ii) For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument to the gross carrying amount of the financial asset.

(iii) Interest income for all financial instruments measured at fair value through other comprehensive income is recognized in the statement of profit and loss.

(iv) Dividend income is accounted for when the right to receive the income is established.

(v) Export incentives under various schemes are recognized in the year of export.

(q) Employee Benefits

Short term employee benefits

Short-term employee benefit obligations are recognized as an expense on accrual basis.

Defined contribution plans

Defined contribution plans are those plans in which an entity pays fixed contribution into separate entities and will have no legal or constructive obligation to pay further amounts. Provident fund and employee state insurance are defined contribution plans in which company pays a fixed contribution and will have no further obligation.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

Company pays Gratuity as per provisions of the Payment of Gratuity Act, 1972. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefits that employees have earned in return for their services in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognized past service costs and the fair value of any plan assets are deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a liability to the company, the present value of liability is recognized as provision for employee benefit. Any actuarial gains or losses are recognized in Other Comprehensive Income in the period in which they arise.

Other long-term employee benefits

Benefits under the Company's leave encashment constitute other long term employee benefits.

The Company's net obligation in respect of leave encashment is the amount of future benefits that employees have earned in return for their service in the current and prior periods, that benefit is discounted to determine its present value and the fair value of any related assets is deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations. The calculation is performed using the projected unit credit method. Any actuarial gains or losses are recognized in the Statement of profit and loss in the period in which they arise.

(r) Research and development expenditure

Revenue expenditure on research and development is charged as an expense in the year in which it is incurred under the respective heads of accounts. Expenditure which results in the creation of capital assets is capitalised and depreciation is provided on such assets as applicable.

(s) Income taxes

Income Tax expenses comprise current tax and deferred tax charge or credit.

Current Tax is measured on the basis of estimated taxable income for the current accounting period in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961 and other applicable tax laws.

Deferred tax is provided, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset, if there is a legally enforceable right to offset current tax liabilities and assets and they relate to income taxes levied by the same tax authority.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent it is no longer probable.

Income tax expenses relating to items recognised directly in equity or OCI is recognised in equity or OCI and not in the Statement of Profit and Loss.

(t) Leases

Leases are classified as finance leases, when the terms of the lease, transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as Operating Leases.

Operating Lease: Lease rentals are charged or recognised in the statement of profit and loss on a straight-line basis over the lease term.

Finance Lease: Assets held under finance leases are recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease obligation. Finance charges are charged to the Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's policy on borrowing costs.

(u) Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(v) Impairment of financial assets

At the end of each reporting period, the Company applies the expected credit loss model for recognizing the impairment loss on financial assets including trade receivables. Expected credit loss is the difference between the contractual cash flows and the cash flows the entity expects to receive using effective interest rate.

Loss allowance for trade receivables is measured at an amount equal to lifetime expected credit losses. For other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses unless there is significant increase in the credit risk from initial recognition in which case those are measured at lifetime expected credit losses. Lifetime expected credit losses are expected credit losses that result from all possible defaults over the expected life of financial instrument. Lifetime expected credit losses are computed based on provision matrix which takes into account historical credit losses adjusted for forward looking information, suit filed cases and credit information of customers.

(w) Segment reporting

Identification of Segments

Operating Segments are identified based on monitoring of operating results by the Board of Directors separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss of the Company.

Operating Segments are identified based on the nature of products and services, the different risks and returns and the internal business reporting system.

Segment Policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

(x) Material prior period errors

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest prior period presented, the opening balances of assets, liabilities and equity for the earliest prior period presented, are restated.

(y) Earnings Per Share (EPS)

The basic EPS is computed by dividing the profit after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted EPS, profit after tax for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(z) Fair value Measurement

The company measures financial instruments, such as investments and derivatives at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

A fair value measurement of a non financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The company uses valuation technique that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Fair values are categorized into different levels in the hierarchy as under:

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

(aa) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized when a Company becomes a party to the contractual provisions of the instruments.

i) Initial Recognition: Financial assets and Financial liabilities

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in statement of profit and loss.

ii) Classification and Subsequent Measurement: Financial Assets

The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

At amortised cost:

A financial asset shall be classified and measured at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, such financial assets are subsequently measured at amortised cost using expected interest rate (EIR) method. In case of financial assets at amortised costs, interest income, foreign exchange gain or loss and impairment are recognized in Statement of profit and loss.

At fair value through OCI:

A financial asset shall be classified and measured at fair value through OCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Where the Company has elected to present the fair value gain on equity instruments in other comprehensive income, there is no subsequent classification of fair value gain or losses to profit and loss account. Dividend from such instruments is recognized in profit and loss account as other income where right to receive is established.

At fair value through Profit or Loss:

A financial asset shall be classified and measured at fair value through profit or loss other than those measured at amortised cost or at fair value through OCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Impairment of financial assets:

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 - Financial Instruments for recognition of impairment loss allowance. The Company recognises a loss allowance for expected credit losses on financial asset. The Company's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time credit expected losses. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

Derecognition of financial assets:

The Company derecognises a financial asset when the contractual rights to receive the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises associated liabilities.

On derecognition of a financial asset, other than investments classified as FVOCI, in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

iii) Classification and Subsequent Measurement: Financial liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities'

Financial Liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL. Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Other Financial Liabilities:

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

Derecognition of Financial Liabilities:

The Company derecognises a financial liability when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such exchange or modification is treated as derecognition of the original liability and the recognition of a new financial liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

The difference between the carrying amount of financial liability derecognized and consideration paid and payable is recognized in the statement of profit and loss.

On derecognition of equity investments classified as FVOCI, accumulated gains or loss recognised in OCI is transferred to retained earnings.

(bb) Financial liabilities and equity instruments

- **Classification as debt or equity**
  Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.
- **Equity instruments**
  An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received.

(cc) Derivative financial instruments

The Company enters into derivative financial instruments viz. foreign exchange forward contracts to manage foreign exchange risks. The Company does not hold derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value on the date derivative contracts are entered into and are subsequently remeasuredat their fair value at the end of each reporting period. The resulting gain or loss is recognised in statement of profit and loss.

Note no. 1A. Significant Accounting Judgements, Estimates and Assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities, the accompanying disclosures and the disclosure of contingent liabilities. Continuous evaluation is done on estimates and judgments based on historical experience and other factors, including expectation of future events that are believed to be reasonable. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates made in preparing Financial Statements:

(a) Useful life of Property, plant and equipment and intangible assets

The Company uses its technical expertise along with historical and industry trends for determining the economic life of an asset/ component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortized depreciable amount is charged over the remaining useful life of the assets.

(b) Post-employment benefit plans

Employees benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations.

(c) Expected credit losses on financial assets

The loss allowance on financial assets including trade receivables are based on assumption about the risk of default and expected timing of collection. The Company uses judgement in making these assumptions and selecting the inputs to the expected credit loss calculation based on Company's history of credit losses adjusted to reflect current and estimated future economic conditions, suit filed cases and credit information of customers at the end of each reporting period.

(d) Provisions and contingencies

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events requires best judgment by the management regarding the probability of exposure to potential loss. If circumstances change following unforeseeable developments, this likelihood could alter.

(e) Impairment of non-financial assets

The company has used certain judgments and estimation to estimate future projection and discount rate to compute value in used of assets/cash generating units and to assess impairment.

(f) Revenue recognition

The company recognised the revenue from contract with customers based on 5 steps model as per Ind AS- 115 which involve judgments relating to identification of contracts with customers, identification of distinct performance obligation, determination of transaction price with respect to identified performance obligation, appropriateness of the basis used to recognise revenue and when the control of goods and services are being transferred.

Notes forming part of Standalone Financial Statements

Note No. 2 : PROPERTY, PLANT & EQUIPMENT, CAPITAL WORK IN PROGRESS AND INTANGIBLE ASSETS

As at 31st March 2026 **(₹ in Lacs)**

Particulars	Gross Block				Depreciation/Amortization				Net Block	
	As at 01.04.2025	Additions	Deductions/ Adjustments	As at 31.03.2026	As at 01.04.2025	Depreciation for the year	Deductions/ Adjustments	As at 31.03.2026	As at 31.03.2026	As at 31.03.2025
A. Property, Plant & Equipment										
Leasehold Land	3644.49	-	-	3644.49	482.38	53.60	-	535.98	3108.51	3162.11
Freehold Land	3780.52	-	-	3780.52	-	-	-	-	3780.52	3780.52
Building	4519.54	-	-	4519.54	1421.53	153.15	-	1574.68	2944.86	3098.01
Plant & Machinery	10694.48	1203.47	870.07	11027.88	5324.38	599.00	340.82	5582.56	5445.32	5370.10
Furniture & Fixtures	227.88	32.99	3.12	257.75	130.06	17.84	1.37	146.53	111.22	97.82
Office Equipments	288.54	22.54	-	311.08	190.09	32.33	-	222.42	88.66	98.45
Vehicles	243.90	91.53	21.43	314.00	162.71	24.87	10.87	176.71	137.29	81.19
Total (A)	23399.35	1350.53	894.62	23855.26	7711.15	880.79	353.06	8238.88	15616.38	15688.20
B. Intangible assets										
Computer Software	141.08	2.79	-	143.87	124.77	5.56	-	130.33	13.54	16.31
Total (B)	141.08	2.79	-	143.87	124.77	5.56	-	130.33	13.54	16.31
Total (A+B)	23540.43	1353.32	894.62	23999.13	7835.92	886.35	353.06	8369.21	15629.92	15704.51
Capital work-in-progress	1.00	51.51	-	52.51	-	-	-	-	52.51	1.00

As at 31st March 2025 **(₹ in Lacs)**

Particulars	Gross Block				Depreciation/Amortization				Net Block	
	As at 01.04.2024	Additions	Deductions/ Adjustments	As at 31.03.2025	As at 01.04.2024	Depreciation for the year	Deductions/ Adjustments	As at 31.03.2025	As at 31.03.2025	As at 31.03.2024
A. Property, Plant & Equipment										
Leasehold Land	3644.49	–	–	3644.49	428.78	53.60	–	482.38	3162.11	3215.71
Freehold Land	3780.52	–	–	3780.52	–	–	–	–	3780.52	3780.52
Building	4507.57	11.97	–	4519.54	1268.51	153.02	–	1421.53	3098.01	3239.06
Plant & Machinery	10421.39	529.98	256.89	10694.48	4887.94	562.75	126.31	5324.38	5370.10	5533.45
Furniture & Fixtures	192.56	40.65	5.33	227.88	116.65	16.34	2.93	130.06	97.82	75.91
Office Equipments	234.01	55.46	0.93	288.54	158.20	32.77	0.88	190.09	98.45	75.81
Vehicles	271.45	3.25	30.80	243.90	145.67	27.87	10.83	162.71	81.19	125.78
Total (A)	23051.99	641.31	293.95	23399.35	7005.75	846.35	140.95	7711.15	15688.20	16046.24
B. Intangible assets										
Computer Software	133.53	7.55	–	141.08	119.53	5.24	–	124.77	16.31	14.00
Total (B)	133.53	7.55	–	141.08	119.53	5.24	–	124.77	16.31	14.00
Total (A+B)	23185.52	648.86	293.95	23540.43	7125.28	851.59	140.95	7835.92	15704.51	16060.24
Capital work-in-progress	–	1.00	–	1.00	–	–	–	–	1.00	–

2.1 Leasehold land classified as finance lease is recognised under property, plant and equipment as substantially all the significant risk and rewards incidental to the ownership of the land under lease have been transferred to the company.

2.2 In accordance with the Indian accounting standard (Ind AS 36) Impairment of assets, management has during the year carried out exercise of identifying assets that may have been impaired. Based on review carried out by management add after no Major no impairment loss on PPE during the year.

2.3 Title deeds of immovable property (other than lease hold land taken on lease by duly executed lease deed) are held in the name of the company or its division.

2.4 Capital work in progress ageing schedule.

(₹ in Lakhs)

Particulars	As on 31st March, 2026					As on 31st March, 2025				
	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Years	Total	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Years	Total
Project in Progress	**51.51**	1.00	–	–	**52.51**	**1.00**	–	–	–	1.00
Projects temporary suspended	–	–	–	–	–	–	–	–	–	–

There is no project under Capital Work in Progress which is overdue in terms of timeliness or cost.

Notes forming part of Standalone Financial Statements

Note No. 3 : NON CURRENT INVESTMENTS **(₹ in Lacs)**

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
Trade Investments (Unquoted)		
Investment in Govt. securities (carried at cost)		
National Saving Certificates (Deposited with Govt. department)	**0.01**	0.01
Investment in Subsidiary (carried at cost)		
Modern Composites Private Limited 5000000 (31st March, 2025 - 5000000) Equity Shares of ₹ 10/- each, fully paid up	**500.00**	500.00
Total	**500.01**	**500.01**
3.1 Aggregate amount of unquoted investments	**500.01**	**500.01**
3.2 Aggregate amount of impairment in the value of investments	–	–

Note No. 4 : NON CURRENT LOANS **(₹ in Lacs)**

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
(Unsecured, considered good)		
Loans and advances to related party (Net) (Refer note no. 41 and 49)	**7119.00**	6984.00
Total	**7119.00**	**6984.00**
Break-up:		
Loans considered good- Secured	–	–
Loans considered good- Unsecured	**7119.00**	6984.00
Loans which have significant increase in credit risk	–	–
Loans- credit impaired	–	–
Total	**7119.00**	6984.00
Less: Allowance for bad and doubtful loans	**-**	**-**
Total Loans	**7119.00**	6984.00

4.1 Refer note no. 49 for additional disclosure

Note No. 5 : OTHER NON CURRENT FINANCIAL ASSETS **(₹ in Lacs)**

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
(Unsecured, considered good)		
Fixed deposits with banks	**82.75**	311.61
Security deposits	**1007.00**	1000.60
Total	**1089.75**	**1312.21**

5.1 Fixed deposits are kept towards margin against limits availed from the banks.
5.2 Fixed deposits with banks are those having maturity period more than 12 months.
5.3 Security deposits includes balances with electricity board, etc. and have been given for business purpose.

Note No. 6 : OTHER NON CURRENT ASSETS **(₹ in Lacs)**

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
Capital advances	**112.49**	8.25
Total	**112.49**	8.25

Note No. 7 : INVENTORIES **(₹ in Lacs)**

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
(Valued at lower of cost or net realisable value)		
Raw materials (Including in transit 31st March, 2026- ₹ 1699.43 Lacs; 31st March, 2025- ₹ 200.13 Lacs)	**4732.57**	2176.77
Stock in process	**3532.67**	3485.69
Finished stock	**5547.59**	5537.59
Stock-in-trade (Traded goods)	**0.13**	0.13
Fuel	**381.55**	93.11
Packing material	**232.21**	256.61
Stores and spares (Including in transit 31st March, 2026- ₹ 103.51 Lacs; 31st March, 2025- ₹ 85.85 Lacs)	**1078.03**	861.49
EPC Material Stock	**39.59**	39.59
Total	**15544.34**	**12450.98**

7.1 Inventory write downs are accounted, considering the value of inventory ageing and net realisable value. Write downs of inventory during the year amounted to ₹ Nil Lacs (31st March, 2025- ₹ Nil Lacs). These write downs are recognised as an expense in the statement of Profit and Loss. The reversal on account of above during the year amounted to ₹ Nil Lacs (31st March, 2025- ₹ Nil Lacs).

Notes forming part of Standalone Financial Statements

Note No. 8 : TRADE RECEIVABLES **(₹ in Lacs)**

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
Trade receivables	**15304.58**	12432.37
Trade receivables from related party	–	–
Trade receivables - Credit impaired	**28.24**	17.39
Less: Allowance for bad and doubtful trade receivables	**142.77**	252.13
Total receivables	**15190.05**	12197.63
Current portion	**15190.05**	12197.63
Non-current portion	–	–
Break up of security details:		
Secured, considered good	–	–
Unsecured, considered good	**15190.05**	12197.63
Doubtful	**142.77**	252.13
Total	**15332.82**	12449.76
Allowance for bad and doubtful trade receivables	**(142.77)**	(252.13)
Total trade receivables	**15190.05**	12197.63

8.1 Balance of trade receivables are subject to reconciliations, confirmation and consequential adjustment, if any.

8.2 Includes ₹ 141.67 Lacs (31st March, 2025- ₹ 245.58 Lacs) under litigation for which adequate provision has been made.

8.3 Refer note no. 50 for ageing of trade receivable.

Note No. 9 : CASH AND CASH EQUIVALENTS **(₹ in Lacs)**

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
Cash on Hand	**23.42**	16.58
Balances with Banks		
In Current accounts	**526.74**	47.06
In Deposit accounts (Maturity upto 3 months)	–	300.00
Total	**550.16**	363.64

9.1 Balance in deposit accounts are kept towards margin against limits availed from the banks.

Note No. 10 : BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS **(₹ in Lacs)**

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
Bank deposits (Maturity more than 3 months but less than 12 months)	**1152.84**	235.22
Total	**1152.84**	235.22

10.1 Bank deposits are kept towards margin against limits availed from the banks.

Note No. 11 : CURRENT INVESTEMENTS **(₹ in Lacs)**

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
Investment in Equity Instruments (Quoted)		
(Carried at FVTPL)		
Centrum Capital Limited, Nil (31st March, 2025 -566000) Equity Shares of ₹ 1/- each fully paid up	-	132.16
HDFC Life Insurance Company Limited, Nil (31st March, 2025 -35000) Equity Shares of ₹ 10/- each fully paid up	-	239.99
Swiggy Limited 138800 (31st March, 2025 -138800) Equity Shares of ₹ 10/- each fully paid up	**360.67**	458.32
Honasa Consumer Limited Nil (31st March, 2025 -5460) Equity Shares of ₹ 10/- each fully paid up	-	12.66
Carborundum Universal Ltd. Nil (31st March, 2025 -691) Equity Shares of ₹ 1/- each fully paid up	-	7.01
Finolex Industries Ltd Nil (31st March, 2025 -3719) Equity Shares of ₹ 2/- each fully paid up	-	5.72
ICICI Bank Ltd. Nil (31st March, 2025 -1053) Equity Shares of ₹ 2/- each fully paid up	-	14.20
ICICI Lombard General Insurance Company Limited Nil (31st March, 2025 -620) Equity Shares of ₹ 10/- each fully paid up	-	11.12
HDFC Bank Ltd Nil (31st March, 2025 -916) Equity Shares of ₹ 1/- each fully paid up	-	16.75

Notes forming part of Standalone Financial Statements

(₹ in Lacs)

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
Relaxo Footwears Limited Nil (31st March, 2025 -1197) Equity Shares of ₹ 1/- each fully paid up	-	4.87
Divis Laboratories Ltd. Nil (31st March, 2025 -183) Equity Shares of ₹ 2/- each fully paid up	-	10.57
Aether Industries Ltd. Nil (31st March, 2025 -1190) Equity Shares of ₹ 10/- each fully paid up	-	9.89
Sona Blw Precision Forgings Ltd Nil (31st March, 2025 -1245) Equity Shares of ₹ 10/- each fully paid up	-	5.74
Hawkins Cooker Ltd. Nil (31st March, 2025 -151) Equity Shares of ₹ 10/- each fully paid up	-	10.89
Neogen Chemicals Ltd. Nil (31st March, 2025 -746) Equity Shares of ₹ 10/- each fully paid up	-	11.51
Gokaldas Exports Ltd. Nil (31st March, 2025 -1211) Equity Shares of ₹ 5/- each fully paid up	-	9.76
Chemplast Sanmar Limited Nil (31st March, 2025 -1787) Equity Shares of ₹ 5/- each fully paid up	-	7.77
Ganesha Ecosphere Limited Nil (31st March, 2025 -769) Equity Shares of ₹ 10/- each fully paid up	-	11.97
EIH Limited Nil (31st March, 2025 -2155) Equity Shares of ₹ 2/- each fully paid up	-	7.62
Dodla Dairy Ltd Nil (31st March, 2025 -881) Equity Shares of ₹ 10/- each fully paid up	-	10.19
Wendt India Ltd Nil (31st March, 2025 -49) Equity Shares of ₹ 10/- each fully paid up	-	4.34
SBFC Finance Limited Nil (31st March, 2025 -8814) Equity Shares of ₹ 10/- each fully paid up	-	7.78
Honeywell Automation India Ltd. Nil (31st March, 2025 -28) Equity Shares of ₹ 10/- each fully paid up	-	9.43
Vardhman Textiles Ltd 6634 (31st March, 2025 -6210) Equity Shares of ₹ 2/- each fully paid up	**34.74**	24.54
Nippon Life India Asset Management Limited Nil (31st March, 2025 -4726) Equity Shares of ₹ 10/- each fully paid up	-	27.34
Jindal Stainless Ltd 4320 (31st March, 2025 -5252) Equity Shares of ₹ 2/- each fully paid up	**30.71**	30.55
CSB Bank Limited Nil (31st March, 2025 -6011) Equity Shares of ₹ 10/- each fully paid up	-	18.17
Sarda Energy and Minerals Ltd 8568 (31st March, 2025 -10368) Equity Shares of ₹ 1/- each fully paid up	**43.75**	53.28
Arvind SmartSpaces Limited 2434 (31st March, 2025 -2434) Equity Shares of ₹ 10/- each fully paid up	**12.23**	17.18
Godawari Power and Ispat Ltd 13115 (31st March, 2025 -14275) Equity Shares of ₹ 5/- each fully paid up	**35.25**	25.71
Rolex Rings Limited 12830 (31st March, 2025 -1283) Equity Shares of ₹ 1/- each fully paid up	**14.24**	16.41
Karur Vysya Bank Ltd 10783 (31st March, 2025 -12581) Equity Shares of ₹ 2/- each fully paid up	**31.21**	26.32
Usha Martin Ltd 8278 (31st March, 2025 -8979) Equity Shares of ₹ 1/- each fully paid up	**32.40**	30.29
Sobha Developers Ltd Nil (31st March, 2025 -1823) Equity Shares of ₹ 10/- each fully paid up	-	22.33
Ceat Ltd 790 (31st March, 2025 -879) Equity Shares of ₹ 10/- each fully paid up	**25.62**	25.31
Coromandel International Ltd Nil (31st March, 2025 -993) Equity Shares of ₹ 1/- each fully paid up	-	19.68
Kalpataru Projects International Limited 2443 (31st March, 2025 -2667) Equity Shares of ₹ 2/- each fully paid up	**25.84**	25.99
Kewal Kiran Clothing Limited 3047 (31st March, 2025 -3022) Equity Shares of ₹ 10/- each fully paid up	**12.70**	13.91
Equitas Small Finance Bank Limited Nil (31st March, 2025 -30532) Equity Shares of ₹ 10/- each fully paid up	-	16.79

Notes forming part of Standalone Financial Statements

(₹ in Lacs)

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
Motherson Sumi Wiring India Limited 64353 (31st March, 2025 -42902) Equity Shares of ₹ 1/- each fully paid up	**23.75**	22.36
AIA Engineering Ltd 620 (31st March, 2025 -462) Equity Shares of ₹ 2/- each fully paid up	**22.55**	15.48
K.P.R. Mill Limited 2481 (31st March, 2025 -2194) Equity Shares of ₹ 1/- each fully paid up	**20.58**	19.89
Gujarat Alkalies & Chemicals Ltd Nil (31st March, 2025 -2383) Equity Shares of ₹ 10/- each fully paid up	**-**	13.80
Harsha Engineers International Limited 2685 (31st March, 2025 -2685) Equity Shares of ₹ 10/- each fully paid up	**8.44**	9.98
GHCL Ltd 4496 (31st March, 2025 -3370) Equity Shares of ₹ 10/- each fully paid up	**19.02**	20.72
MEDPLUS HEALTH SERVICES LIMITED 3398 (31st March, 2025 -3244) Equity Shares of ₹ 2/- each fully paid up	**28.54**	24.65
Brigade Enterprises Ltd 2610 (31st March, 2025 -1019) Equity Shares of ₹ 10/- each fully paid up	**16.98**	9.95
GE Vernova T&D India Ltd Nil (31st March, 2025 -1709) Equity Shares of ₹ 2/- each fully paid up	**-**	26.64
Mahindra Holidays and Resorts India Limited Nil (31st March, 2025 -4019) Equity Shares of ₹ 1/- each fully paid up	**-**	11.45
Aurobindo Pharma ltd. Nil (31st March, 2025 -1375) Equity Shares of ₹ 1/- each fully paid up	**-**	15.96
Kirloskar ferrous indus ltd. Nil (31st March, 2025 -3061) Equity Shares of ₹ 1/- each fully paid up	**-**	14.39
Indian Bank Nil (31st March, 2025 -7995) Equity Shares of ₹ 1/- each fully paid up	**-**	43.28
Rategain Travel Technologies Limited 4710 (31st March, 2025 -2457) Equity Shares of ₹ 1/- each fully paid up	**20.64**	10.93
Aarti Industries Limited 4819 (31st March, 2025 -3821) Equity Shares of ₹ 1/- each fully paid up	**19.23**	14.93
Dalmia Bharat Limited Nil (31st March, 2025 -644) Equity Shares of ₹ 1/- each fully paid up	**-**	11.73
Graphite India Ltd 3286 (31st March, 2025 -1872) Equity Shares of ₹ 1/- each fully paid up	**20.26**	8.95
Indian Energy Exchange Limited 15725 (31st March, 2025 -6046) Equity Shares of ₹ 1/- each fully paid up	**18.04**	10.63
Gujarat State Fertilizers & Chemicals Limited 10823 (31st March, 2025 -10005) Equity Shares of ₹ 1/- each fully paid up	**15.07**	17.74
Gujarat Narmada Valley Fertilizers & Chemicals Ltd 4836 (31st March, 2025 -4301) Equity Shares of ₹ 1/- each fully paid up	**17.72**	21.35
Balrampur Chini Mills Ltd 3754 (31st March, 2025 -3754) Equity Shares of ₹ 1/- each fully paid up	**18.66**	20.55
Kotak mahindra bank ltd. Nil (31st March, 2025 -598) Equity Shares of ₹ 1/- each fully paid up	**-**	12.98
FSN E-Commerce Ventures Limited 11419 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	**26.83**	-
Honasa Consumer Limited 8951 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	**26.70**	-
Black Buck Limited 4212 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	**24.30**	-
Sobha Ltd 2003 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	**23.78**	-
National Aluminium Company Ltd 5614 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	**21.68**	-
Arvind Ltd 5786 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	**19.60**	-
Indiamart Intermesh Limited 982 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	**19.50**	-
Angel One Limited 8180 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	**18.61**	-

Notes forming part of Standalone Financial Statements

(₹ in Lacs)

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
360 One Wam Limited	**16.58**	-
1746 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up		
GE Vernova T&D India Limited	**16.20**	-
445 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up		
VRL Logistics Limited	**12.76**	-
5455 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up		
Swiggy Ltd	**12.10**	-
4652 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up		
Indo Count Industries Limited	**9.84**	-
3943 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up		
India Cements Ltd	**9.51**	-
2767 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up		
986 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up		
Mahindra Holidays and Resorts India Ltd	**9.09**	-
4019 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up		
We Work India Management Limited	**7.08**	-
1555 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up		
HDB Financials Limited	**117.61**	-
21000 (31st March, 2025 -Nil) Equity Shares of ₹ 10/- each fully paid up		
Biocon Ltd	**70.09**	-
19421 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up		
Timken India Ltd	**45.19**	-
1401 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up		
Kalpataru Projects International Ltd	**41.51**	-
3925 (31st March, 2025 -Nil) Equity Shares of ₹ 2/- each fully paid up		
Bharat Heavy Electricals Ltd	**39.34**	-
16023 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up		
KEI Industries Ltd	**35.74**	-
885 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up		
Larsen and Toubro Ltd	**35.57**	-
1015 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up		
Kirloskar Pneumatic Company Limited	**35.01**	-
3366 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up		
Concord Biotech Limited	**32.79**	-
3220 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up		
LG Electronics India Limited	**31.59**	-
2192 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up		
Aurobindo Pharma Ltd	**30.30**	-
2323 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up		
Laurus Labs Limited	**30.06**	-
3028 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up		
Pricol Ltd	**29.04**	-
5651 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up		
Wpil Ltd	**28.98**	-
8379 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up		
INNOVA CAPTAB LIMITED	**28.46**	-
4125 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up		
Garware Hi-Tech Films Ltd	**27.16**	-
803 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up		
PCBL LTD.	**25.60**	-
10581 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up		
BOROSIL Limited	**24.44**	-
11185 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up		
Tata Motors Limited	**24.07**	-
6097 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up		
Tech Mahindra Ltd	**23.93**	-
1729 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up		
Cyient Ltd	**23.74**	-
3154 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up		

Notes forming part of Standalone Financial Statements

(₹ in Lacs)

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
L&T Technology Services Limited 750 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	**23.41**	-
R Systems International Limited 9436 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	**22.06**	-
Jammu Kashmir Bank Ltd 13943 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	**15.34**	-
Intellect Design Arena Ltd 2552 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	**15.27**	-
LTIM Limited 376 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	**15.09**	-
Man Industries India Ltd 4651 (31st March, 2025 -Nil) Equity Shares of ₹ 1/-each fully paid up	**14.81**	-
Ask Automotive Limited 2489 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	**11.07**	-
M & B Engineering Limited 4301 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	**9.74**	-
Bandhan Bank Ltd 3108 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	**4.39**	-
Delhivery Limited 746 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	**3.11**	-
K.P.R.Mill Ltd 192 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	**1.59**	-
Syngene International Ltd 15 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	**0.06**	-
Sub Total (Quoted)	**2128.40**	**1792.40**
Investment in Equity Instruments (Unquoted) **(Carried at Cost)**		
HDB Financials Limited Nil (31st March, 2025 -21000) Equity Shares of ₹ 10/- each fully paid up	**-**	153.30
National Stock Exchange of India 145000 (31st March, 2025 -150000) Equity Shares of ₹ 1/- each fully paid up	**1025.00**	1187.50
Sub Total (Upquoted)	**1025.00**	**1340.80**
Investment in Mutual Funds (Quoted) **(Carried at FVTPL)**		
Avendus Structured credit fund lll 6120 (31st March, 2025 -Nil) units @ ₹ 101294/- each fully paid up	**6199.20**	-
Edelweiss/Nuvama Crossover Opportunities Fund 2024022.330 (31st March, 2025-1800212.906) units @ ₹ 8.3916/- each fully paid up	**160.45**	151.07
360 One special opportunities fund 7480526.76 (31st March, 2025-4874756.262) units @ ₹ 12.5712/- each fully paid up	**878.53**	612.82
Sohum India opportunities fund 6259896.04 (31st March, 2025-4400341.42) units @ ₹ 16.3442/- each fully paid up	**1050.24**	719.20
Nippon India ETF NIL (31st March, 2025 -0.677) units @ ₹ 1000/- each fully paid up	**-**	0.01
	8288.42	**1483.10**
Total (Quoted & Unquoted Investment)	**11441.82**	**4616.30**
11.1 Aggregate amount of quoted & unquoted investments (At cost)	**12002.26**	**5001.77**
11.2 Aggregate amount of imparement in the value of investment	**560.45**	**385.47**
Sub Total (Unquoted)		

Notes forming part of Standalone Financial Statements

Note No. 12 : CURRENT LOANS (₹ in Lacs)

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
(Unsecured, considered good)		
Loans to related parties (Net) (Refer note no. 41 and 49)	**2000.47**	1022.06
Total	**2000.47**	1022.06
Break-up:		
Loans considered good- Secured	–	–
Loans considered good- Unsecured	**2000.47**	1022.06
Loans which have significant increase in credit risk	–	–
Loans- credit impaired	–	–
Total	**2000.47**	1022.06
Less: Allowance for bad and doubtful loans	–	–
Total Loans	**2000.47**	1022.06

12.1 Disclosure as per the requirements of Section 186 of the Companies Act, 2013.

Name of the Company	Terms of Loan	Maximum balance outstanding during the year		Amount Outstanding	
		As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2026	As at 31st March, 2025
Modern Insulators JV Akhandalamani Elec & Constructions	– Payable on demand – Interest rate 12% p.a.	**0.06**	0.05	**0.06**	0.05
Shriji Designs MIL JV	– Payable on demand – Interest rate- 12% p.a.	**186.33**	224.32	**77.41**	178.51
Modern Composites Pvt. Ltd. (100% Subsidiary Company)	– Payable on demand – Interest Free	**1923.00**	843.50	**1923.00**	843.50

12.2 Loans to subsidiary company and joint ventures have been given for their normal business requirement and the same have been utilised for that purpose only.

12.3 Refer note no. 49 for additional disclosure.

Note No. 13 : OTHER CURRENT FINANCIAL ASSETS **(₹ in Lacs)**

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
(Unsecured, considered good)		
Advances to employees	**32.24**	31.29
Deposits	**30.76**	24.42
Export benefits receivables	**202.42**	163.68
Accrued interest	**83.29**	66.89
Others	**5.97**	12.20
Total	**354.68**	298.48

Note No. 14 : OTHER CURRENT ASSETS **(₹ in Lacs)**

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
(Unsecured, considered goods)		
Prepaid expenses	**141.85**	117.51
Advances to suppliers for goods & services	**3419.01**	2722.21
Balance with Govt. authorities	**1041.97**	1030.84
Others	**340.53**	364.45
(Unsecured, considered doubtful)		
Balance with Govt. authorities	–	**15.70**
Less Allowance for doubtful deposit	–	(15.70)
Total	**4943.36**	4235.01

14.1 Advances to suppliers for goods and services include advances against purchases & services, which are receivable in kind in next 12 Months & are for business purpose.

Note No. 15 : EQUITY SHARE CAPITAL **(₹ in Lacs)**

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
Authorised		
9,00,00,000 (31st March, 2025- 9,00,00,000) equity shares of ₹ 10/- each	**9000.00**	9000.00
5,00,000 (31st March, 2025- 5,00,000) Preference shares of ₹ 100/- each	**500.00**	500.00
Total	**9500.00**	9500.00

Notes forming part of Standalone Financial Statements

(₹ in Lacs)

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
Issued, subscribed and paid-up		
4,71,43,900 (31st March, 2025- 4,71,43,900) Equity shares of ₹ 10/- each fully paid-up	**4714.39**	4714.39
Total	**4714.39**	4714.39

15.1 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year :-

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	Number of Shares	₹ in Lacs	Number of Shares	₹ in Lacs
Balance as at the beginning of the year	47143900	4714.39	47143900	4714.39
Add : Issued during the year	–	–	–	–
Balance as at the end of the year	**47143900**	**4714.39**	47143900	4714.39

15.2 Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of Rs.10/- per share. Each Holder of equity shares is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the residual assets of the company after distribution of preferential amount, in proportion to their shareholding.

15.3 Details of share holders holding more than 5% of shares of the company:-

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	No. of Shares	% of Shareholding	No. of Shares	% of Shareholding
Vijay Beneficiary Trust	**16495731**	**34.99**	16495731	34.99
Jay Beneficiary Trust	**6530886**	**13.85**	6530886	13.85
Pride Mercantiles Pvt. Ltd.	**5343453**	**11.33**	5343453	11.33

15.4 Details of shareholding of promoters & promotors group companies /trust :-

As at 31st March, 2026

Promoter Name	No. of shares as at 01.04.2025	Change during the year	No. of shares as at 31.03.2026	% of Total Shares as at 31.03.2026	% change during the year
Pride Mercantiles Pvt. Ltd.	5343453	–	5343453	11.33	–
Jay Beneficiary Trust (Through trustee Sachin Ranka)	6530886	–	6530886	13.85	–
Vijay Beneficiary Trust (Through trustee Sachin Ranka)	16495731	–	16495731	34.99	–
Sachin Ranka	500	–	500	0.00	–
Shreyans Ranka	500	–	500	0.00	–
Smriti Ranka	500	–	500	0.00	–
Suvrat Ranka	500	–	500	0.00	–
Kakunda Investment Pvt. Ltd.	9807	(9807)	–	–	(0.02)
Total	**28381877**	–	**28372070**	**60.18**	(0.02)

As at 31st March, 2025

Promoter Name	No. of shares as at 01.04.2024	Change during the year	No. of shares as at 31.03.2025	% of Total Shares as at 31.03.2025	% change during the year
Pride Mercantiles Pvt. Ltd.	5343453	–	5343453	11.33	–
Jay Beneficiary Trust (Through trustee Sachin Ranka)	6530886	–	6530886	13.85	–
Vijay Beneficiary Trust (Through trustee Sachin Ranka)	16495731	–	16495731	34.99	–
Sachin Ranka	500	–	500	0.00	–
Shreyans Ranka	500	–	500	0.00	–
Smriti Ranka	500	–	500	0.00	–
Suvrat Ranka	500	–	500	0.00	–
Kakunda Investment Pvt. Ltd.	9807	–	9807	0.02	–
Total	**28381877**	**–**	**28381877**	**60.20**	**–**

Notes forming part of Standalone Financial Statements

Note No. 16 : OTHER EQUITY **(₹ in Lacs)**

Particulars	Reserves and Surplus			Total
	Securities Premium Reserve	Capital Reserve	Retained Earnings	
Balance as at 1st April, 2024	2911.45	1285.87	33777.63	37974.95
Profit for the year	–	–	3921.73	3921.73
Other comprehensive income	–	–	(7.64)	(7.64)
Balance as at 31st March, 2025	2911.45	1285.87	37691.72	41889.04
Balance as at 1st April, 2025	**2911.45**	**1285.87**	**37691.72**	**41889.04**
Profit for the year	–	–	**8292.64**	**8292.64**
Other comprehensive income	–	–	**15.83**	**15.83**
Balance as at 31st March, 2026	**2911.45**	**1285.87**	**46000.19**	**50197.51**

16.1 The description of the nature and purpose of each reserve within equity is as follows :

A. **Capital Reserve :** Capital Reserve was created mainly on amalgamation of Modern Terry Towel ltd.(MTTL) with the Company. This reserve will be utilised in accordance with the provisions of the Act.

B. **Securities Premium Reserve :** Securities premium reserve was created due to premium on issue of shares. This reserve will be utilised in accordance with the provisions of the Act.

Note No. 17 : NON CURRENT BORROWINGS **(₹ in Lacs)**

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
Secured Term Loans		
From Banks	**65.15**	3.46
From Others	**3100.00**	–
Total	**3165.15**	3.46

17.1 Term loans from banks are secured against hypothecation of the specific vehicles.

17.2 Term loans from banks (for vehicles) are repayable as per various payment schedules. Last installment due in Feb. 2031. Rate of Interest varies from 7.55% to 8.75%. p.a. (31st March, 2025- 7.40% to 9.05% p.a.)

17.3 Term loans from others is secured by way of pledge/lien over units of Avendus Structured Credit Fund III held by the Company.

17.4 Term loans from others carries interest at 11.50% p.a. and repayable in a single installment on or before 24th August, 2029.

17.5 Breakup of amount due within 12 months (current) and after 12 months (non-current) is as under :

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	Non-Current	Current*	Non-Current	Current*
From Banks	**65.15**	**3.29**	3.46	8.65
From Others	**3100.00**	–	–	–
Sub Total	**3165.15**	**3.29**	3.46	8.65

* Considered in Current Borrowings (Note no. 21).

Note No. 18 : NON CURRENT PROVISIONS **(₹ in Lacs)**

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
Provision for Employee Benefits (Refer note no. 37)		
For Gratuity	**2006.82**	2070.20
For Leave encashment	**307.86**	307.65
Sub Total	**2314.68**	2377.85
Provision for Warranty (Refer note no. 39)		
For Warranty	**1011.08**	–
Sub Total	**1011.08**	–
Total	**3325.76**	2377.85

Note No. 19 : DEFERRED TAX LIABILITES (NET) **(₹ in Lacs)**

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
Deferred Tax Liability in relation to: (Refer note no. 35)		
Property, plant and equipment and intangible assets	**2468.20**	3311.46
Deferred Tax Asset in relation to:		
Provisions	**773.43**	1065.17
Receivables and advances	**35.93**	88.10
Financial assets	**130.56**	89.80
Net Deferred Tax Liability	**1528.28**	2068.39

Notes forming part of Standalone Financial Statements

Note No. 20 : OTHER NON CURRENT LIABILITIES (₹ in Lacs)

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
Other non current liabilities	**11.22**	15.60
Total	**11.22**	15.60

Note No. 21 : CURRENT BORROWINGS (₹ in Lacs)

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
Secured		
Bank borrowings for working capital	**2846.49**	1919.50
Current maturities of long term borrowings	**3.29**	8.65
Total	**2849.78**	1928.15

21.1 Bank borrowings for working capital are repayable on demand.

21.2 Bank borrowings for working capital are secured by hypothecation of stocks, book debts and first charge on fixed assets of Insulator Division and are personally guaranteed by two of the directors.

21.3 Refer note no. 17 for non-current borrowings.

21.4 Refer note no. 53 for deviation in quarterly returns and statements of current assets filed by the company with banks.

Note No. 22 : TRADE PAYABLES (₹ in Lacs)

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
Trade Payables		
Outstanding dues of micro enterprises and small enterprises	**520.30**	487.98
Outstanding dues of creditors other than micro enterprises and small enterprises	**4928.40**	3316.99
Total	**5448.70**	3804.97

22.1 Balances of trade payables are subject to reconciliation, confirmation and consequential adjustments, if any.

22.2 Dues to Micro, Small and Medium Enterprises

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). The disclosures pursuant to the said MSMED Act are as follows:

PARTICULARS		As at 31st March, 2026	As at 31st March, 2025
a.	The Principal amount remaining unpaid to any supplier at the end of the year	**520.30**	487.98
b.	Interest due remaining unpaid to any supplier at the end of the year	**6.40**	4.06
c.	Amount of interest paid by the Company in terms of section 16 of MSMED Act	**–**	–
d.	Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	**3.90**	3.86
e.	Amount of interest accrued and remaining unpaid at the end of accounting year	**2.50**	0.20
f.	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance of a deductible expenditure under section 23 of MSMED Act, 2006	**6.40**	4.06

Disclosure of payable to vendors as defined under the “Micro, Small and Medium Enterprise Development Act, 2006” is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the company and has being relied upon by the auditors.

22.3 Refer note no 51 for ageing of trade payable.

Note No. 23 : OTHER CURRENT FINANCIAL LIABILITIES (₹ in Lacs)

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
Sundry deposits	**78.68**	75.90
Payable towards capital goods	**8.11**	11.28
Other payables	**2255.26**	1645.30
Total	**2342.05**	1732.48

23.1 Other payables include employees’ dues and liability for expenses etc.

Notes forming part of Standalone Financial Statements

Note No. 24 : CURRENT PROVISIONS (₹ in Lacs)

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
Provision for Employee Benefits (Refer note no. 37)		
For Gratuity	**502.50**	430.83
For Leave encashment	**114.18**	104.80
Total	**616.68**	535.63

Note No. 25 : OTHER CURRENT LIABILITIES (₹ in Lacs)

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
Advances received from customers	**1084.31**	599.18
Statutory dues	**134.49**	119.85
Total	**1218.80**	719.03

Note No. 26 : CURRENT INCOME TAX ASSETS/LIABILITIES (Net) (₹ in Lacs)

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
Income tax liability (Refer note no. 35)	**263.08**	140.31
(Net of advance tax paid ₹ 2300 Lacs and TDS/TCS receivable ₹ 136.92 Lacs)		
Total	**263.08**	140.31

Note No. 27 : REVENUE FROM OPERATIONS (₹ in Lacs)

PARTICULARS	Year Ended 31st March, 2026	Year Ended 31 March, 2025
Sale of products	**70261.88**	49235.22
Sale of services	**230.52**	165.59
Sale of traded goods	**38.82**	43.21
Other operating revenues	**1382.39**	881.14
Total	**71913.61**	50325.16
27.1 Particulars of sale of products		
Insulators & metal fitting	**65595.56**	43666.39
EPC OHE Project	–	85.52
Towels & fabric	**4625.32**	5448.87
Yarn & waste	**41.00**	34.44
	70261.88	49235.22
27.2 Particulars of sale of services		
Job work Income	–	1.97
Path lab testing charges	**230.52**	163.62
	230.52	165.59
27.3 Particulars of traded goods		
Yarn	**38.82**	40.52
Advance ceramics / Sanitaryware items	–	2.69
	38.82	43.21
27.4 Particulars of other operating revenue		
Export incentives	**1105.45**	678.56
Scrap sales	**276.94**	202.58
	1382.39	881.14
27.5 Reconciliation of sale of products		
Revenue from contract with customer	**70505.03**	49409.67
Adjustment made to contract price on account of		
(a) Discounts / rebates / incentives	**(10.27)**	(1.37)
(b) Sales return	**(232.88)**	(173.08)
	70261.88	49235.22

Notes forming part of Standalone Financial Statements

Note No. 28 : OTHER INCOME **(₹ in Lacs)**

PARTICULARS	Year Ended 31st March, 2026	Year Ended 31st March, 2025
Foreign exchange fluctuation (net)	**1218.55**	280.84
Interest income	**344.56**	171.86
Profit on sale of investment (net realized gain)	**60.43**	79.84
Divident received	**65.05**	42.47
Rent received	**60.00**	60.00
Miscellaneous income	**468.58**	597.12
Total	**2217.17**	1232.13

Note No. 29 : COST OF MATERIALS CONSUMED **(₹ in Lacs)**

PARTICULARS	Year Ended 31st March, 2026	Year Ended 31st March, 2025
Raw materials at the beginning of the year	**2216.36**	2681.37
Add: Purchases	**22640.34**	15697.81
Less: Raw materials at the end of the year	**4772.16**	2216.36
Cost of materials consumed	**20084.54**	16162.82

Note No. 30 : CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN TRADE & STOCK IN PROCESS **(₹ in Lacs)**

PARTICULARS	Year Ended 31st March, 2026	Year Ended 31st March, 2025
Inventories at the beginning of the year		
Finished goods	**5537.59**	3964.37
Stock-in-trade	**0.13**	1.77
Stock in process	**3485.69**	2873.65
	9023.41	6839.79
Inventories at the end of the year		
Finished goods	**5547.59**	5537.59
Stock-in-trade	**0.13**	0.13
Stock in process	**3532.67**	3485.69
	9080.39	9023.41
Total changes in inventories	**(56.98)**	(2183.62)

Note No. 31 : EMPLOYEE BENEFITS EXPENSE **(₹ in Lacs)**

PARTICULARS	Year Ended 31st March, 2026	Year Ended 31st March, 2025
Salaries, wages, gratuity, bonus and allowances	**8146.07**	7232.50
Contribution to provident fund and other funds (Refer note no. 37)	**670.93**	621.72
Staff and labour welfare	**116.25**	98.76
Total	**8933.25**	7952.98

Note No. 32 : FINANCE COSTS **(₹ in Lacs)**

PARTICULARS	Year Ended 31st March, 2026	Year Ended 31st March, 2025
Interest expenses	**348.83**	266.96
Other borrowing cost	**166.07**	147.61
Total	**514.90**	414.57

Notes forming part of Standalone Financial Statements

Note No. 33 : OTHER EXPENSES (₹ in Lacs)

PARTICULARS	Year Ended 31st March, 2026	Year Ended 31st March, 2025
Manufacturing Expenses		
Power consumption (net)	**3874.94**	3382.63
Fuel consumption	**9989.96**	6550.03
Stores and spares consumption	**4831.62**	4011.55
Packing	**2910.05**	2457.83
Job charges	**1472.79**	1346.74
Making up expenses	**187.92**	134.41
Repairs and maintenance:		
Plant and machinery	**1721.47**	1280.39
Buildings	**858.67**	821.26
Others	**120.46**	76.13
Other expenses	**661.42**	528.74
	26629.30	20589.71
Administrative Expenses		
Rent	**117.52**	97.36
Insurance	**84.32**	67.31
Rates and taxes	**36.46**	95.69
Travelling and conveyance	**575.14**	481.63
Legal and professional expenses	**945.22**	751.80
Telecommunication expenses	**10.19**	9.42
Directors fees (Refer note no. 41)	**1.26**	0.93
Corporate social responsibility (CSR) activities (Refer note no. 48)	**71.04**	52.86
Payment to Auditors		
for Audit fee	**5.00**	4.50
for Limited review	**2.00**	2.00
for Tax audit fee	**1.60**	1.60
for Expenses	**0.96**	1.04
(Profit)/Loss on sale of property, plant and equipment (net)	**(4.46)**	9.81
Other expenses	**584.54**	543.78
	2430.79	2119.73
Selling Expenses		
Commission, rebates etc	**708.03**	130.17
Provision for warranty (Refer note no. 39)	**1011.08**	–
Carriage outward(net)	**1458.32**	1269.52
Provision for doubtful debts	**(109.35)**	33.72
Bad debts	**240.37**	7.45
Sales promotion and advertisement	**94.26**	104.38
Insulators testing charges	**72.44**	285.06
Other expenses	**84.00**	72.04
	3559.15	1902.34
Other Expenses		
Lease rent on land	**0.07**	0.07
Liabilities and sundry balances written back (net)	**–**	(91.68)
Loss/(gain) on fair valuation of investement carried at FVTPL (net)	**174.98**	(58.53)
Property plant and equipments discarded/written off	**507.52**	–
Brokerage and commission on shares	**59.83**	19.67
	742.40	(130.47)
Total	**33361.64**	24481.31

Others notes on Standalone Financial Statements

Note No. 34 : Earnings Per Share (₹ in Lacs except EPS)

PARTICULARS	Unit	Year Ended 31st March, 2026	Year Ended 31st March, 2025
Net profit for the year attributable to equity shareholders (Basic & diluted earnings per share)	₹ In Lacs	**8292.64**	**3921.73**
Weighted average number of equity shares outstanding	Nos.	**47143900**	**47143900**
Nominal value per share	₹	**10.00**	10.00
Earnings Per Share:			
– Basic	₹	**17.59**	**8.32**
– Diluted	₹	**17.59**	**8.32**

Note No. 35 : Income Tax

i) Tax expense recongnised in Statement of Profit and Loss (₹ in Lacs)

PARTICULARS	31st March, 2026	31st March, 2025
(a) Statement of Profit and Loss		
Current tax for the year	**2618.53**	763.25
Deferred tax for the year	**(542.91)**	(155.63)
Income tax expense recognised in Statement of Profit and Loss	**2075.62**	607.62
(b) Other Comprehensive Income		
Income tax on actuarial gain/loss on defined benefit plan	**(2.80)**	4.11
Income tax charged to Other comprehensive income	**(2.80)**	4.11

ii) Reconciliation of effective tax rate (₹ in Lacs)

PARTICULARS	31st March, 2026	31st March, 2025
Profit before tax	**10368.26**	4529.35
Enacted tax rate in India	**25.168%**	34.944%
Current tax expenses on profit before tax at the enacted income tax rate in India	**2609.48**	1582.74
Tax effect of		
Expenses disallowed under Income Tax Act, 1961	**159.68**	31.77
Capital (gain)/loss (differential tax rate)	**4.00**	(6.82)
Income set off from brought forward losses pursuant to proposed amalgamation	**(151.68)**	(1029.05)
Change in tax rate	**(578.65)**	–
Others	**32.79**	28.98
Total tax expenses in the statement of profit and loss account	**2075.62**	607.62
Effective Tax Rate	**20.02%**	13.42%

iii) The movement in deferred tax assets and liabilities

During the year ended 31st March, 2026 (₹ in Lacs)

PARTICULARS	As at 1st April, 2025	Recognised in Profit and Loss	Recognised in OCI	As at 31st March, 2026
Property, plant and equipment and intangible assets	**3311.46**	**(843.26)**	**–**	**2468.20**
Provisions	**(1065.17)**	**288.94**	**2.80**	**(773.43)**
Receivables and advances	**(88.10)**	**52.17**	**–**	**(35.93)**
Financial assets	**(89.80)**	**(40.76)**	**–**	**(130.56)**
Net Deferred Tax Liability	**2068.39**	**(542.91)**	**2.80**	**1528.28**

During the year ended 31st March, 2025 (₹ in Lacs)

PARTICULARS	As at 1st April, 2024	Recognised in Profit and Loss	Recognised in OCI	As at 31st March, 2025
Property, plant and equipment and intangible assets	3403.17	(91.71)	–	3311.46
Provisions	(1052.12)	(8.94)	(4.11)	(1065.17)
Receivables and advances	(19.49)	(68.61)	–	(88.10)
Financial assets	(103.43)	13.63	–	(89.80)
Net Deferred Tax Liability	2228.13	(155.63)	(4.11)	2068.39

Others notes on Standalone Financial Statements

iv) Company has claimed the losses pertaining to Modern Denim Limited in its income tax return from AY 2017-18, with which the company has proposed amalgamation. Income Tax Department has completed assessment for Assessment Year 2017-18 and 2018-19 and has disallowed such losses claimed pursuant to proposed amalgamation pending approval from concerned authorities. However, the Company has filed appeal against the said order before CIT (Appeals).CIT(A) in his order has held that effect of the scheme of amalgamation will be allowed by the AO as and when the scheme is approved by the competent authority.

(v) During the year, the company has opted for concessional tax regime under section 115BAA of the Income Tax Act 1961 and consequently restated the deferred tax assets/liabilities on account of change in tax rates.

Note No. 36

The Hon'ble National Company Law Tribunal (NCLT), Jaipur Bench, vide its order dated 22 January 2026, has disposed of the Company's Petition No. CP(CAA) No.14/230-232/JPR/2022 in respect of the Scheme of Arrangement between Modern Insulators Limited and Modern Denim Limited and their respective shareholders and creditors (Scheme). with a liberty to the company to re-approach the Hon'ble NCLT after the completion of pending regulatory and procedural requirements, including obtaining a (NOC) from the stock exchange.

As informed by the management, based on legal advice, the Company has re-submitted its application with the stock exchange for the necessary NOC. In response, the stock exchange has raised certain queries, the compliance of which is under process. Upon completion of these regulatory requirements, in accordance with the Hon'ble NCLT order, the company will re-approach the Hon'ble NCLT for final approval of the Scheme. The management is hopeful that the Scheme will ultimately be approved by the Hon'ble NCLT.

Meanwhile, provision for taxation, including interest to the extent of Rs. 936.19 lacs for the year ended 31 March 2026 (previous year Rs. 1915.17 lacs; upto the year Rs. 12780.38 lacs) has not made in accounts, in view of the proposed amalgamation under above-mentioned Scheme under the provisions of the Companies Act, 2013.

Note No. 37 : Employee Benefit disclosure as per IndAS-19(As per actuarial valuation as on 31 st March-2026 and 31 st March-2025)

i) Defined contribution plan

During the year company has recognised the following amounts in the statement of profit and loss account. **(₹ in Lacs)**

PARTICULARS	31st March, 2026	31st March, 2025
Benefits (Contributed to)		
Provident Fund	**539.92**	494.36
Employee State Insurance	**56.87**	54.14
National Pension Scheme	**62.07**	62.25
Group Insurance Scheme/DLI Contribution	**12.07**	10.97
Total	**670.93**	621.72

ii) Defined benefits plan

Gratuity

The Company provides for gratuity, a defined benefit plan, covering eligible employees in accordance with the prevailing statutory regulations governing employee benefits. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.

Reconciliation of opening and closing balances of the present value of the defined benefit obligation : **(₹ in Lacs)**

PARTICULARS	31st March, 2026	31st March, 2025
Present Value of obligation as at the beginning of the year	**2501.03**	2473.98
Current service cost	**160.74**	181.74
Interest cost	**169.82**	153.44
Past service cost	–	–
Actuarial (gain)/loss	**(18.63)**	11.75
Benefit paid	**(303.64)**	(319.88)
Present value of obligation as at the end of the year	**2509.32**	2501.03

Amount recognized in the balance sheet: **(₹ in Lacs)**

PARTICULARS	31st March, 2026	31st March, 2025
Present value of defined benefit obligation	**2509.32**	2501.03
Fair value of plan assets	–	–
Net liability	**2509.32**	2501.03
Amounts shown in the balance sheet		
Current liabilities	**502.50**	430.83
Non–current liabilities	**2006.82**	2070.20
Net liability	**2509.32**	2501.03

Amount recognized in Profit and Loss: **(₹ in Lacs)**

PARTICULARS	31st March, 2026	31st March, 2025
Current service cost	**160.74**	181.74
Past service cost	–	–
Interest cost	**169.82**	153.44
Total amount recognized in Profit and Loss:	**330.56**	335.18

Others notes on Standalone Financial Statements

Amount recognized in other comprehensive income: (₹ in Lacs)

PARTICULARS	31st March, 2026	31st March, 2025
Actuarial (gain)/Loss on Obligation	**(18.63)**	11.75
Return on plan assets less interest on plan assets	–	–
Total Actuarial (Gain)/Loss recognised in other comprehensive income	**(18.63)**	11.75

Actuarial (Gain)/Loss on obligation consists: (₹ in Lacs)

PARTICULARS	31st March, 2026	31st March, 2025
Actuarial (gain)/loss arising from change in demographic assumption	–	–
Actuarial (gain)/loss arising from change in financial assumption	**(117.91)**	(95.77)
Actuarial (gain)/loss arising from change in experience adjustment on plan liabilities	**99.28**	107.52
Total Actuarial (Gain)/Loss on obligation	**(18.63)**	11.75

Information for funded plans with a defined benefit obligation less than plan assets: (₹ in Lacs)

PARTICULARS	31st March, 2026	31st March, 2025
Defined benefit obligation	**2509.32**	2501.03
Fair value of plan assets	–	–
Net Liability/(Assets)	**2509.32**	2501.03

Reconciliation of the present value of defined benefit obligation and the fair value of the plan assets: (₹ in Lacs)

PARTICULARS	31st March, 2026	31st March, 2025
Present value of obligation at year end	**2509.32**	2501.03
Fair value of plan assets at year end	–	–
Funded status excess of actual over estimated.	**(2509.32)**	(2501.03)
Assets/(Liabilities) recognized in the Balance Sheet	**(2509.32)**	(2501.03)

iii) Defined benefit obligation

a) Actuarial assumption

The following were the principal actuarial assumptions at the reporting date.

PARTICULARS	31st March, 2026	31st March, 2025
Discount rate*	**7.54%**	6.79%
Expected return on plan assets		
Gratuity	**NA**	NA
Leave encashment	**NA**	NA
Salary escalation rate**	**5.00% & 4.50%**	5.00% & 4.50%
Mortality rate inclusive of provision for disability	**100% of IALM (2012-14)**	

* The discount rate assumed is determined by reference to market yield at the balance sheet date on government bonds.

** The estimates of future salary increase considered in actuarial valuation, taking account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

b) Sensitivity analysis

Reasonable possible change at the reporting date to one of the relevant actuarial assumption, holding other assumption constant, would have affected the defined benefit obligation by the amount shown below.

PARTICULARS	31st March, 2026		31st March, 2025	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	**(73.62)**	**78.53**	(81.74)	87.23
Salary escalation rate (0.5% movement)	**79.02**	**(74.73)**	87.43	(82.51)

c) Expected Maturity analysis of the defined benefits plan in future years (₹ in Lacs)

Particulars	First Year	Second Years	Third to Fifth years	More than 5 Years
Gratuity	**502.51**	**182.22**	**540.50**	**1284.09**

d) Risk exposure

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow-

- Salary Increase- Actual salary increase will increase the plan's liability. Increase in salary increase rate assumption in future valuations which also increase the liability.
- Investment Risk – If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can affect the liability.
- Discount Rate : Reduction in discount rate in subsequent valuations can increase the plan's liability.
- Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can affect the liabilities.
  Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can affect liability.

iv) Long term employee benefit

Leave encashment

The company has a policy to pay leave encashment. Every employee is entitled to claim leave encashment after his/her retirement/termination which is calculated based upon no. of leaves earned. The company has a total provision for leave encashment as on 31st March, 2026 ₹ 422.04 Lacs and as on 31st March, 2025 ₹ 412.45 Lacs. Total expenses provided during the year 2025-26 is ₹ 108.06 Lacs and for the year 2024-25 ₹ 122.98 Lacs. Current Service cost of ₹ 59.74 Lacs for the year 2025-26 and ₹ 56.07 Lacs for the year 2024-25 based on actuarial valuation

Others notes on Standalone Financial Statements

Note No. 38 : Impact of New Labour Code

The Government of India, vide Notification dated November 21, 2025, has notified The Code on Wages, 2019, The Industrial Relations Code, 2020, The Code on Social Security, 2020, and The Occupational Safety, Health and Working Conditions Code, 2020 (collectively referred to as "The Labour Codes"), which consolidate and replace existing multiple labour legislations. In accordance with Ind AS 19 - Employee benefits, changes to employee benefit plans resulting from the new labour codes are treated as plan amendments, requiring immediate recognition of past service cost as expense in the statement of profit and loss. This approach is consistent with the guidance issued by The Institute of Chartered Accountants of India.

The incremental impact of these changes, assessed by the Company, on the basis of the information available, consistent with the guidance provided by the Institute of Chartered Accountants of India is NIL as at 31st March 2026 based on actuarial valuation. Once Central and State Rules are notified by the Government on all aspects of the Codes, the Company will evaluate resultant impact if any, on the measurement of employee benefits and would ensure appropriate accounting treatment.

Note No. 39 : Provision for warranty

Company has made a provision for warranty in respect of certain products carrying a warranty period of five years, based on management's best estimate, engineering assessments and initial product performance parameters, of the probable outflow of resources required to settle the obligation for repairs and replacement under the product warranty provided to customers.

PARTICULARS	31st March, 2026	31st March, 2025
Movement in provision for warranty:		
Opening balance	-	-
Add: Provision made during the year	1011.08	-
Less: Claims during the year	-	-
Less: Unused provision reversed during the year	-	-
Closing balance	**1011.08**	**-**

Note No. 40 : Operative Segment information as per IndAS -108

A. Primary segment reporting (by business segment)

The two identified segments are:

(i) Insulators

(ii) Terry Towels

(₹ in Lacs)

	31st March, 2026			31st March, 2025		
	Insulators	**Terry Towels**	**Total**	**Insulators**	**Terry Towels**	**Total**
1. Segment Revenue						
Revenue from operations	**66986.88**	**4926.73**	**71913.61**	44638.05	5687.11	50325.16
2. Segment results						
Profit before financial expenses	**10867.06**	**16.10**	**10883.16**	4881.99	61.93	4943.92
Less: financial expenses	**508.50**	**6.40**	**514.90**	410.51	4.06	414.57
Profit before tax	**10358.56**	**9.70**	**10368.26**	4471.48	57.87	4529.35
3. Capital employed						
Segment assets	**63002.55**	**12678.85**	**75681.40**	49433.55	10495.75	59929.30
Segment liabilities	**19928.24**	**841.26**	**20769.50**	12207.43	1118.44	13325.87
Capital employed	**43074.31**	**11837.59**	**54911.90**	37226.12	9377.31	46603.43

B. Secondary segment reporting (by geographical segment)

The analysis of geographical segment is based on geographical location of the customers, which is domestic and export.

Revenue by geographical market **(₹ in Lacs)**

	31st March, 2026			31st March, 2025		
	Insulators	**Terry Towels**	**Total**	**Insulators**	**Terry Towels**	**Total**
In India	**28486.38**	**3116.94**	**31603.32**	22032.81	4428.04	26460.85
Other than India	**38500.50**	**1809.79**	**40310.29**	22605.24	1259.07	23864.31
	66986.88	**4926.73**	**71913.61**	44638.05	5687.11	50325.16

Carrying amount of segment assets (Trade receivables)

	31st March, 2026			31st March, 2025		
	Insulators	**Terry Towels**	**Total**	**Insulators**	**Terry Towels**	**Total**
In India	**3556.55**	**265.54**	**3822.09**	5285.23	683.33	5968.56
Other than India	**10661.13**	**706.83**	**11367.96**	5522.24	706.83	6229.07
	14217.68	**972.37**	**15190.05**	10807.47	1390.16	12197.63

Note No. 41 : Related Party Disclosures as Per Ind AS 24

i) Name of related parties and description of relationship

a) Company which exercises significant influence

Modern Denim Limited

b) Subsidiary Company

Modern Composite Pvt. Ltd. - Wholly owned subsidiary

c) Joint Venture Firm

Shriji Designs MIL JV

Modern Insulators JV Akhandalamani Electricals & Construction

Others notes on Standalone Financial Statements

d) Key Management Personnel

Shri Sachin Ranka – Chairman & Managing Director
Shri Shreyans Ranka – Joint Managing Director
Shri P. Sridharan – Executive Director
Shri Animesh Banerjee – Executive Director

e) Relatives of the Key Management Personnel & their enterprises where transactions have taken place

Shubham Corporate Advisory Services Pvt. Ltd.
H.S. Ranka Foundation
Progressive Ladies Walfare Society
Smt. Smriti Ranka
Smt. Aditi Ranka

f) Independent Director/Non Executive Director

Shri S. K. Sharma – Independent Director
Smt. Meenu Sacheti – Independent Director
Shri Rahul Singhvi – Independent Director
Shri GV Kalpathy – Independent Director

ii) The following transactions were carried out with the related parties during the year : **(₹ in Lacs)**

Description of the nature of the transactions	Name	Volume of transactions		Balance Outstanding	
		Year ended 31st March, 2026	Year ended 31st March, 2025	As at 31st March, 2026	As at 31st March, 2025
a) Company which exercises significant influence					
Purchase of goods	Modern Denim Ltd.	**102.29**	47.20	–	–
Loans & advances given (net)	Modern Denim Ltd.	**135.00**	610.00	7119.00	6984.00
Sale of goods	Modern Denim Ltd.	**40.76**	49.58	–	–
Job charges received	Modern Denim Ltd.	–	2.07	–	–
Reimbursement of power expenses	Modern Denim Ltd.	**76.90**	180.05	–	–
Rent income	Modern Denim Ltd.	**35.40**	35.40	–	–
Reimbursement of expenses (others)	Modern Denim Ltd.	**0.85**	0.36	–	–
b) Subsidiary Company					
Loan and advances given (net)	Modern Composites Pvt. Ltd.	**1079.50**	843.50	1923.00	843.50
Reimbursement of power expenses	Modern Composites Pvt. Ltd.	**17.39**	6.68	–	–
Rent Income	Modern Composites Pvt. Ltd.	**14.16**	14.16	–	–
Sale of goods	Modern Composites Pvt. Ltd.	**34.72**	3.19	–	–
Reimbursement of exp.(other)/ Statutory payments	Modern Composites Pvt. Ltd.	**0.67**	58.40	–	–
c) Joint Venture					
Purchase of goods/services (net)	Shriji Designs MIL JV	**159.30**	66.67	–	–
Loans and advances given (net)	Shriji Designs MIL JV	**(98.22)**	(44.65)	**58.66**	156.88
Interest income	Shriji Designs MIL JV	**18.75**	24.04	**18.75**	21.63
Reimbursement of expenses (other)/Statutory payments	Shriji Designs MIL JV	–	4.24	–	–
Loans andadvances given (net)	Modern Insulators JV Akhanda-lamani Electricles & Construction	**0.06**	**0.05**	**0.06**	**0.05**
d) Key Managerial Personnel					
Remuneration*/consultancy	Shri Sachin Ranka	**149.15**	149.15	–	–
	Shri Shreyans Ranka	**59.24**	53.27	–	–
	Shri P.K. Gokhroo	–	50.95	–	–
	Shri Vikas Sharma	–	34.56	–	–
	Shri P. Sridharan	**39.00**	1.05	–	–
	Shri Animesh Banerjee	**84.36**	1.94	–	–
e) Relatives of the key managerial					
Rent paid					
	Shubham Corporate Advisory Services Pvt. Ltd.	**18.00**	18.00	–	–
	Smt. Smriti Ranka	**14.40**	14.40	–	–
Remuneration*	Smt. Aditi Ranka	**18.09**	18.09	–	–
Contribution towards CSR activities	H.S. Ranka Foundation	**56.25**	35.00	–	–
	Progressive Ladies Welfare Society	–	1.60	–	–
f) Independent Directors/Non Executive Directors					
Sitting fees paid to independent directors	Shri Rahul Singhvi	**0.86**	0.61	–	–
	Smt. Meenu Sacheti	**0.20**	0.12	–	–
	Shri G V Kalpathy	**0.20**	0.20	–	–

Others notes on Standalone Financial Statements

Terms and conditions:

Related party relationships are as identified by the management and relied upon by the auditor.

All the transactions with related parties were made on normal commercial terms and conditions and at market rates. The above transactions are as per the approval of audit committee.

Decision relating to remuneration to key management personnel were taken based on the recommendation of Nomination and Remuneration committee.

*Expenses towards gratuity and leave encashment are determined actuarially on overall company basis at the end of each year and accordingly have not been considered in remuneration.

Note No. 42 : Contingent Libilities

Contingent liabilities to the extent not provided for in respect of **(₹ in Lacs)**

PARTICULARS	31st March, 2026	31st March, 2025
Guarantees given by bankers on behalf of the company	**2092.36**	1649.98
Outstanding letters of credit	**23.88**	981.60
Disputed liabilities, not acknowledged as debts	**529.26**	528.56
Disputed Land Tax demand (Deposited under protest ₹ Nil Lacs, 31st March, 2025- ₹ 15.70 Lacs)	–	15.70
Disputed GST demand (Deposited under protest ₹ 23.62 Lacs, 31st March, 2025- ₹ 8.28 Lacs)	**143.22**	149.02
Doubtful advances to creditors	**14.79**	14.79
Disputed Stamp duty demand insert this line- Disputed certain labour cases against the company, Amount is unascertainable.	**195.48**	195.48
Corporate guarantee given to Punjab National Bank for loan to Modern Metalcast Pvt. Ltd.	**1235.00**	1235.00
Corporate guarantee given to Punjab National Bank for loan to Modern Composites Pvt. Ltd.	**1565.00**	1565.00

The Company, in respect of contingent liability, has assessed that it is not probable that outflow of economic resources will be required and hence not provided by the Company. There are no other contingent liability other than those reported herein above.

Note No. 43 : Capital Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 163.59 Lacs (net of advances ₹ 115.64 Lacs) 31st March, 2025- ₹ 27.69 Lacs. (net of advances ₹ 19.44 Lacs)

Note No. 44 : Capital Management

For the purpose of Company's Capital Management, capital includes issued equity share capital and other equity reserves attributable to equity holders. The primary objective of Company's Capital Management is to maximize shareholder's wealth. The company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of financial covenants.

The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholder. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investors, creditors and market confidence. The management and the Board of Directors monitors the return on capital. The Company may take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

Note No. 45 : Financial Risk Management

The Company's Financial Risk Management is an integral part of how to plan and execute its business strategies. The Company's financial risk management is set by the Managing Board. The Company's principal financial liabilities comprise loans and borrowings, trade payables and other payables. The main purpose of these financial liabilities is to finance the company's operations. The company's principal financial assets include trade & other receivables, investments, cash and short term deposits.

i) Credit risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers and other counter parties, taking into account financial conditions, current economic trends and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed based on such information.

Financial assets are written off when there are no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the statement of profit and loss.

The Company measures the expected credit loss of trade receivables based on historical trend and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. The Company provides loss allowance on trade receivables using life time expected credit loss and as per simplified approach.

The ageing of trade receivable is as below: **(₹ in Lacs)**

PARTICULARS	31st March, 2026	31st March, 2025
Not due	**12316.07**	10022.31
0-6 months	**2563.61**	1753.56
6 months to 12 months	**192.55**	123.69
1 year to 3 year	**96.63**	279.16
beyond 3 years	**163.96**	271.04
	15332.82	12449.76
Less: Allowance for bad and doubtful debts	**142.77**	252.13
Total	**15190.05**	12197.63

Financial assets are considered to be good quality and there is no significant increase in credit risk.

Others notes on Standalone Financial Statements

Movement in allowance for doubtful debts **(₹ in Lacs)**

PARTICULARS	31st March, 2026	31st March, 2025
Opening Balance	**252.13**	218.41
Allowances made	**(109.36)**	49.98
Allowance for bad and doubtful debts written back	–	(16.26)
Closing Balance	**142.77**	252.13

ii) Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts based on expected cash flows.

Maturity pattern of borrowings & other financial liabilities

As at 31st March, 2026 **(₹ in Lacs)**

Particulars	12 months or less	1-2 years	2-5 years	More than 5 years	Total
Borrowing	**2849.78**	–	**3165.15**	–	**6014.93**
Trade payable	**5313.60**	**51.72**	**83.38**	–	**5448.70**
Other financial liabilities	**2342.05**	–	–	–	**2342.05**
Total	**10505.43**	**51.72**	**3248.53**	–	**13805.68**

As at 31st March, 2025 **(₹ in Lacs)**

Particulars	12 months or less	1-2 years	2-5 years	More than 5 years	Total
Borrowing	1928.15	3.11	0.35	–	1931.61
Trade payable	3721.17	25.90	57.90	–	3804.97
Other financial liabilities	1732.48	–	–	–	1732.48
Total	7381.80	29.01	58.25	–	7469.06

iii) Market Risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

a) Foreign currency risk

The company operates internationally and portion of the business is transacted in several currencies and consequently the company is exposed to foreign exchange risk through its sales in overseas and purchase from overseas suppliers in various foreign currencies.

The company evaluate exchange rate exposure arising from foreign currency transaction and the company follow established risk management policies, including the use of derivative like foreign exchange forward contracts to hedge exposure to foreign risk.

Foreign currency derivatives and exposures not hedged

A. Foreign currency derivatives outstanding **(₹ in Lacs)**

Name of Instrument	As at 31st March, 2026		As at 31st March, 2025	
	Foreign Currency (EURO)	INR	Foreign Currency (EURO)	INR
Forward Contract	–	–	–	–

B. Foreign currency exposure not hedged

As at 31st March, 2026 **(Foreign currency in Lacs)**

	USD	EURO	GBP
Trade receivable	**111.39**	**3.13**	–
Trade payable	**4.90**	**0.78**	–

As at 31st March, 2025

	USD	EURO	GBP
Trade receivable	69.90	2.55	0.20
Trade payable	2.65	0.85	–

Foreign currency sensitivity

1% increase or decrease in foreign exchanges rates will have the following impact on profit before tax **(₹ in Lacs)**

Particulars	31st March, 2026		31st March, 2025	
	1% increase	1% decrease	1% increase	1% decrease
USD	**98.99**	**(98.99)**	57.30	(57.30)
EURO	**2.53**	**(2.53)**	1.55	(1.55)
GBP	–	–	0.23	(0.23)

Others notes on Standalone Financial Statements

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rate. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

Exposure to interest rate risk

PARTICULARS	31st March, 2026	31st March, 2025
Borrowings bearing floating rate of interest	**2846.49**	1919.50

Interest rate sensitivity

PARTICULARS	31st March, 2026	31st March, 2025
100 bps increase which decrease the profit before tax by	**(28.46)**	(19.20)
100 bps decrease which increase the profit before tax by	**28.46**	19.20

Interest rate sensitivity has been calculated assuming the borrowings outstanding at the reporting date have been outstanding for the entire reporting period.

Note No 46. Disclosure as per Ind AS-27, separate financial statement

The company had entered into Joint Venture Agreement with Shriji Designs by incorporating JV firm M/s Shriji Designs -MIL (JV) to participate in railways EPC tenders. The JV had been awarded tender for design, supply, erection, testing and commissioning of 25 KV OHE between sanwad-nimarkhedi NTPC siding of western railway. As per the joint venture working agreement entered with Shriji Designs, execution is entirely in the scope of MIL and company has to pay 2% fees to JV partner. Accordingly 100% profit/loss of JV is part of the company.

The company had also entered into Joint Venture Agreement with Akhandalamani Electricals & Construction by incorporating JV firm M/s Modern Insulators JV Akhandalamani Electrical & Construction to participate in discom tenders. As per the joint venture working agreement entered with Akhandalamani Electricals & Construction execution of contract , if any awarded to JV firm will be entirely in the scope of MIL and company will pay 1.50% commission of contract value to JV partner.

Accounting method used for consolidation purpose - Equity Method

Nature of Business- Railway EPC & Discom

The Company's share of assets, liabilities, income and expenses of Joint Venture is as follows:

As at 31st March, 2026 **(₹ in Lacs)**

Particulars	Assets	Liabilities	Income	Expenses	Profit / (Loss)
Shriji Designs MIL JV	**14.92**	**84.64**	**135.31**	**38.23**	**97.08**
Modern Insulators JV Akhandalamani Elec & Cons	**0.03**	**0.06**	**–**	**0.01**	**(0.01)**

As at 31st March, 2025 **(₹ in Lacs)**

Particulars	Assets	Liabilities	Income	Expenses	Profit / (Loss)
Shriji Designs MIL JV	14.72	181.52	56.66	24.74	31.92
Modern Insulators JV Akhandalamani Elec & Cons	0.03	0.05	–	0.02	(0.02)

Note No 47. Fair Value Measurement

i) Financial Instruments by category

As at 31st March, 2026 **(₹ in Lacs)**

Particulars	FVTPL	FVTOCI	Amortized Cost
Financial Assets:			
Investments			
– Equity Share	**11441.82**	**–**	**500.00**
– Preference Share	–	–	–
– National saving certificate	–	–	**0.01**
Trade receivables	–	–	**15190.05**
Cash and cash equivalents	–	–	**550.16**
Bank balances other than cash & cash equivalents	–	–	**1152.84**
Other non current financial assets	–	–	**1089.75**
Loans	–	–	**9119.47**
Other financial assets	–	–	**354.68**
Total financial assets	**11441.82**	**–**	**27956.96**
Financial Liability:			
Borrowings	–	–	**6014.93**
Trade payables	–	–	**5448.70**
Other financial liabilities	–	–	**2342.05**
Total financial liabilities	**–**	**–**	**13805.68**

Others notes on Standalone Financial Statements

As at 31st March, 2025 **(₹ in Lacs)**

Particulars	FVTPL	FVTOCI	Amortized Cost
Financial Assets:			
Investments			
– Equity Share	4616.30	–	500.00
– Preference Share	–	–	–
– National saving certificate	–	–	0.01
Trade receivables	–	–	12197.63
Cash and cash equivalents	–	–	363.64
Bank balances other than cash & cash equivalents	–	–	235.22
Other non current financial assets	–	–	1312.21
Loans	–	–	8006.06
Other financial assets	–	–	298.48
Total financial assets	4616.30	–	22913.25
Financial Liability:			
Borrowings	–	–	1931.61
Trade payables	–	–	3804.97
Other financial liabilities	–	–	1732.48
Total financial liabilities	–	–	7469.06

ii) Fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows:

Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Valuation process to determine fair value

Specific valuation technique is used to determine the fair value of the financial instruments which include:

-Investment in unquoted equity shares- Lowest level input that is significant to the fair value measurement is unobservable.

Financial instrument measured at fair value

As at 31st March 2026 **(₹ in Lacs)**

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Equity Instruments	**11441.82**	**–**	**500.00**	**11942.82**
Total	**11441.82**	**–**	**500.00**	**11941.82**

As at 31st March 2025 **(₹ in Lacs)**

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Equity Instruments	4616.30	–	500.00	5116.30
Total	4616.30	–	500.00	5116.30

Fair Value of Financial instrument measured at Amortised Cost

The carrying amount of short term borrowings, trade payables, trade receivables, cash & cash equivalents and other financial assets and liabilities are considered the same as their Fair values, due to their short term nature.

Note No 48. Corporate Social Responsibility (CSR) Expenditure

(i) As per section 135 of Companies Act, 2013 gross amount required to be spent by the company during the year 2025-26 - ₹ 71.04 Lacs (net off excess spent ₹ 0.10 lacs in previous years). (Year 2024-25 ₹ 52.84 Lacs)

(ii) Amount spent on on-going projects by the company as at 31st March, 2026- ₹ Nil Lacs (31st March-2025- ₹ Nil Lacs)

(iii) Amount spent on other than on-going projects **(₹ in Lacs)**

CSR Activities	As at 31st March, 2026			As at 31st March, 2025		
	In Cash	Yet to be paid in cash	Total	In Cash	Yet to be paid in cash	Total
i) Construction/Acquisition of any assets	–	–	–	–	–	–
ii) Purposes other than (i) above	**71.04**	**–**	**71.04**	52.86	–	52.86

For the year 2025-26 company does not propose to carry forward any amount spent beyond the statutory requirement.

Nature of CSR activities include promoting education, environmental sustainability and health care.

Others notes on Standalone Financial Statements

Note No. 49 : Loans & Advances

(i) Details of loan and advancees to promoters, directors, KMPs and related parties. **(₹ in Lacs)**

Type of borrower	As at 31st March, 2026		As at 31st March, 2025	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total loans and advance in the nature of loan	Amount of loan or advance in the nature of loan outstanding	Percentage to the total loans and advance in the nature of loan
Promoters	–	–	–	–
Directors	–	–	–	–
KMPs	–	–	–	–
Related Parties	**9119.47**	**100.00%**	8006.06	100.00%

(ii) The Company has granted interest free unsecured loan of ₹ 7119 Lacs (31st March, 2025- ₹ 6984 Lacs) (maximum amount outstanding at any time during the year ₹ 7414.00 Lacs; 31st March, 2025- ₹ 6984 lacs) to a Company covered in the register maintained under section 189 of the Companies Act, 2013 in view of proposed amalgamation under the provisions of Companies Act, 2013. Since the amount paid is in connection to proposed amalgamation, no terms have been specified for repayment of loan and interest. In view of likely advantage to the Company on such amalgamation, granting of such loan is not prejudicial to the interest of the Company.

(iii) The Company has granted unsecured loan ₹ 2000.47 lacs (31st March, 2025 ₹ 1022.06 lacs) to Joint Ventures and Subsidiary Company covered in the register maintained under section 189 of the Companies Act, 2013, which is payable on demand. The Company has received the amount demanded from the party and thus there is no default during the year. Interest on such loan has been paid / provided during the year except loan to 100% Subsidiary Company. The terms and conditions of grant of such loan are not, prejudicial to the interest of the Company.

Note No. 50 : Ageing of Trade Receivables

As on 31.03.2026 **(₹ in Lacs)**

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
(i) Trade receivables — considered good							
a. Undisputed	**12316.07**	**2559.82**	**192.25**	**47.42**	**15.23**	**60.36**	**15191.15**
b. Disputed	–	**3.79**	**0.30**	**33.98**	–	**103.60**	**141.67**
c. which have significant increase in credit risk	–	–	–	–	–	–	–
d. credit impaired	–	–	–	–	–	–	–
(ii) Trade Receivables- considered doubtful							
a. Undisputed	–	–	–	–	–	–	–
b. Disputed	–	–	–	–	–	–	–
c. which have significant increase in credit risk	–	–	–	–	–	–	–
d. credit impaired	–	–	–	–	–	–	–
Sub Total	**12316.07**	**2563.61**	**192.55**	**81.40**	**15.23**	**163.96**	**15332.82**
Less: Allowance for bad and doubtful trade recivables							**142.77**
Total							**15190.05**

As on 31.03.2025 **(₹ in Lacs)**

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
(i) Trade receivables — considered good							
a. Undisputed	10022.31	1753.56	123.69	202.68	34.61	67.33	12204.18
b. Disputed	–	–	–	41.87	–	203.71	245.58
c. which have significant increase in credit risk	–	–	–	–	–	–	–
d. credit impaired	–	–	–	–	–	–	–
(ii) Trade receivables- considered doubtful							
a. Undisputed	–	–	–	–	–	–	–
b. Disputed	–	–	–	–	–	–	–
c. which have significant increase in credit risk	–	–	–	–	–	–	–
d. credit impaired	–	–	–	–	–	–	–
Sub Total	10022.31	1753.56	123.69	244.55	34.61	271.04	12449.76
Less: Allowance for bad and doubtful trade recivables							252.13
Total							12197.63

Others notes on Standalone Financial Statements

Note No. 51 : Ageing of Trade Payables

As on 31.03.2026 **(₹ in Lacs)**

Outstanding for period from due date of payments	MSME trade payables		Other than MSME trade payables		Total	
	Disputed	Undisputed	Disputed	Undisputed	Disputed	Undisputed
Not Due	–	**484.79**	–	**2810.66**	–	**3295.45**
Outstanding less than 1 years	–	**58.20**	–	**1942.65**	–	**2000.85**
Outstanding between 1 year to 2 years	–	–	–	**51.72**	–	**51.72**
Outstanding between 2 years to 3 years	–	–	–	**23.35**	–	**23.35**
Outstanding More than 3 years	–	–	**17.30**	**60.03**	**17.30**	**60.03**
Total	–	**542.99**	**17.30**	**4888.41**	**17.30**	**5431.40**

As on 31.03.2025 **(₹ in Lacs)**

Outstanding for period from due date of payments	MSME trade payables		Other than MSME trade payables		Total	
	Disputed	Undisputed	Disputed	Undisputed	Disputed	Undisputed
Not Due	–	899.87	–	2191.97	–	3091.84
Outstanding less than 1 years	–	256.66	–	355.31	–	611.97
Outstanding between 1 year to 2 years	–	1.78	–	24.18	–	25.96
Outstanding between 2 years to 3 years	–	3.99	–	5.95	–	9.94
Outstanding More than 3 years	–	39.82	17.30	8.14	17.30	47.96
Total	–	**1202.12**	**17.30**	2585.55	**17.30**	3787.67

Note No. 52 : Ratio Analysis and its Elements

Ratio	Numerator description	Denominator description	As at 31st March, 2026	As at 31st March, 2025	% Variance	Reason for variance
Current Ratio	Current Assets	Current Liabilities	**4.02**	4.00	0.50%	Due to increase in debt
Debt equity ratio	Total Debt	Sharholder's Equity	**0.1095**	0.0414	164.28%	Due to increase in debt
Debt Service coverage ratio	Earning for Debt Service = Net Profit after taxes means reported amount of "Profit / (loss) for the period" and it does not include items of other comprehensive income. + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.	Debt service = Interest & Lease Payments + Principal Repayments	**196.45**	357.88	–45.11%	
Return on equity ratio	Net profit after taxes	Average Share-holders Equity	**0.163**	0.088	85.99%	Mainly due to higher profit after tax
Inventory Turnover Ratio	Cost of goods sold	Average inventory	**3.34**	3.01	10.92%	
Trade Receivable Turnover ratio	Revenue from Operations	Average Trade receivable	**5.25**	4.28	22.57%	
Trade Payable Turnover ratio	Total Purchases	Average Trade Payable	**8.85**	8.77	0.88%	
Net capital Turnover ratio	Revenue from Operations	Working Capital = Current Assets– Current Liabilities	**1.87**	1.89	–1.27%	
Net profit ratio	Net profit after Tax	Revenue from Operations	**0.115**	0.078	47.98%	Mainly due to higher profit after tax
Return on capital employed	Earnings before interest & Taxes	Capital Employed	**0.20**	0.11	86.82%	Mainly due to improvement in profitability during the year
Return on Investment	Interest Income on bank deposit + Income from sale of current investments and reinstatement current investments (FVTPL) + interest on loans	Average of bank deposit + current investments + loans given	**0.02**	0.06	–58.92%	Mainly due to lower returns from investments during the year

Others notes on Standalone Financial Statements

Note No. 53 : Reconciliation of Statements Filed with Bank for Borrowings Secured Against Current Assets

As at 31st March, 2026 **(₹ in Lacs)**

Quarter	Name of Bank	Particulars of Security Provider	Amount as per book of Accounts	Amount as reported in Quarterly Statement Provided to Bank	Difference in Amount	Reason for material Discripancies
June, 2025	Central Bank of India & Punjab National Bank	Stock	**11204.99**	**11117.61**	**87.38**	
		Debtors	**10143.94**	**10125.38**	**18.56**	
		Creditors	**3536.56**	**3818.20**	**(281.64)**	
September, 2025		Stock	**10470.06**	**10534.29**	**(64.23)**	
		Debtors	**13047.21**	**13276.08**	**(228.87)**	
		Creditors	**3533.01**	**4224.01**	**(691.00)**	
December, 2025		Stock	**10778.65**	**10694.88**	**83.77**	
		Debtors	**13774.82**	**13841.18**	**(66.36)**	
		Creditors	**3998.34**	**4860.62**	**(862.28)**	
March, 2026		Stock	**11312.71**	**11294.35**	**18.36**	
		Debtors	**14217.68**	**13710.54**	**507.14**	
		Creditors	**4879.82**	**5032.71**	**(152.89)**	

As at 31st March, 2025 **(₹ in Lacs)**

Quarter	Name of Bank	Particulars of Security Provider	Amount as per book of Accounts	Amount as reported in Quarterly Statement Provided to Bank	Difference in Amount	Reason for material Discripancies
June, 2024	Central Bank of India & Punjab National Bank	Stock	8967.50	8966.74	0.76	
		Debtors	9415.93	9418.60	(2.67)	
		Creditors	3047.84	3047.28	0.56	
September, 2024		Stock	9913.52	9913.51	0.01	
		Debtors	8268.91	8271.10	(2.19)	
		Creditors	3193.06	3193.06	–	
December, 2024		Stock	9979.36	9861.49	117.87	
		Debtors	8191.64	8193.33	(1.69)	
		Creditors	3287.08	3287.08	–	
March, 2025		Stock	9793.60	9169.84	623.76	
		Debtors	10807.47	10875.34	(67.87)	
		Creditors	3018.21	2754.75	263.46	

There are no material discrepencies in quaterly statement filed by the company with bank as compared to books of accounts.

Note No. 54 : Other Statutory Information

(i) The company do not have any Benami property, where any proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act 1988 as amended and rules made there under.

(ii) The company have entered into transactions with following companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.

Name of Party	Nature of Transactions	Balance Outstanding as on 31.03.2026	Balance Outstanding as on 31.03.2025	Relationship with the struck off Company, if any to be disclosed
Shree Siddhanth Cotex Pvt. Ltd.	Goods received	0.05	0.05	No Relationship

(iii) The company do not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

(iv) The company has not traded or invested in crypto currency or virtual currency during the financial year.

(v) The company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:

a. directly or indirectly lend to 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 on behalf of the ultimate beneficiaries.

(vi) The company has not received any fund from any other 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 to or invest in other persons or entities identified in any manner whatsoever by or on behalf of funding party (Ultimate beneficiaries) or

b. provide any guarantee ,security or the like on behalf of the ultimate beneficiaries.

(vii) The company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act,1961 such as ,search or survey or any other relevant provisions of the Income Tax Act,1961.

(viii) The Company has not been declared as willful defaulter by any bank or financial institution or other lenders in accordance with the guidelines issued by Reserve Bank of India.

Note No. 55 : The Company has a process whereby periodically all long term contracts (including derivative contract) are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law/accounting standards for material foreseeable losses on such long term contracts (including derivative contracts) has been made in the books of accounts.

Note No. 56 : The Company has used such accounting software for maintaining its books of accounts for the year ended 31 March 2026, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software and has not been tampered with at any time during the year and the audit trail have been preserved by the company as the statutory requirements, except one unit (separate segment) of the company where accounting software used for maintaining books of accounts for the year ended 31st March 2025 does not have a feature of recording audit trail (edit log) facility.

Note No 57 : The Financials Statements were approved for issue by the Board of Directors on 29th May, 2026.

Note No 58 : Figures for previous years have been regrouped/rearranged/restated wherever considered necessary to make them comparable with the figures for the current year.

As per our report of even date attached

For R B Verma & Associates
Chartered Accountants
Firm Registration No. 012650C

Rajesh Verma
Partner
Membership No. 404029

Place : Abu Road
Date : 29th May, 2026

For and on behalf of the Board of Directors

Sachin Ranka	– Chairman & Managing Director	(DIN : 00335534)
Shreyans Ranka	– Joint Managing Director	(DIN : 06470710)
P. Sridharan	– Whole Time Director	(DIN : 03100055)
Animesh Banerjee	– Whole Time Director	(DIN : 07905214)
S.K. Sharma	– Independent Director	(DIN : 01378040)
Rahul Singhvi	– Independent Director	(DIN : 08816920)
G.V. Kalpathy	– Independent Director	(DIN : 10512773)
Meenu Alok Sacheti	– Independent Director	(DIN : 02266703)
Alok Jain	– Chief Financial Officer	
Harshita Hetawal	– Company Secretary	

INDEPENDENT AUDITOR'S REPORT

To the members of Modern Insulators Limited

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

We have audited the accompanying Consolidated Financial Statements of Modern Insulators Limited (the 'Holding Company') and its one wholly owned subsidiary company (the Holding Company and its subsidiary together referred to as the 'Group') and its two joint ventures, which comprise the Consolidated Balance Sheet as at 31 March 2026, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the 'Consolidated Financial Statements').

In our opinion and to the best of our information and according to the explanations given to us and based on consideration of the reports of the other auditors on separate financial statements and on the other financial information of the joint ventures referred to in "Other Matters" section of our report, and except for the effect of the matters described in "Basis for Qualified Opinion" section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) specified under section 133 of the Act, of the consolidated state of affairs of the Group and its joint ventures as at 31 March 2026, their consolidated profit (including Other Comprehensive Income), their consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Qualified Opinion

The Hon'ble National Company Law Tribunal (NCLT), Jaipur Bench vide its order dated 22 January 2026 has disposed of the Holding Company's Petition No. CP(CAA) No.14/230-232/JPR/2022 in respect of the Scheme of Arrangement between Modern Insulators Limited and Modern Denim Limited and their respective shareholders and creditors (Scheme), with a liberty to the Holding Company to re-approach the Hon'ble NCLT after completion of pending regulatory and procedural requirements including obtaining NOC from stock exchange.

As informed by the management of Holding Company, based on legal advice, the Holding Company has re-submitted its application with the stock exchange for necessary NOC. In response, the stock exchange has raised certain queries, the compliance of which is under process. Upon completion of these regulatory requirements, in accordance with the Hon'ble NCLT order, the Holding Company will re-approach the Hon'ble NCLT for final approval of the Scheme. The management is hopeful that the Scheme will be approved by the Hon'ble NCLT.

Meanwhile, provision for taxation including interest to the extent of Rs.936.19 lacs for the year ended 31 March 2026 (previous year Rs.1915.17 lacs; upto the year Rs.12780.38 lacs) has not been made in accounts of Holding Company, in view of the proposed amalgamation under above mentioned Scheme under the provisions of Companies Act, 2013. (Refer note no.36)

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements" section of our report. We are independent of the Group and its joint ventures in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules made thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by other auditors in terms of their report referred to in "Other matters" section of our report, is sufficient and appropriate to provide a basis for our qualified opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment and based on the consideration of reports of the other auditors on separate financial statements and other financial information of the joint ventures, were of most significance in our audit of the consolidated financial statements for the year ended 31 March 2026. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion, on these matters.

In addition to what has been stated in the "Basis for Qualified Opinion" section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	How our audit addressed the Key Audit Matter
Measurement, presentation and disclosure of allowance for Expected Credit Losses (ECL) on trade receivables	**Our audit procedures included, but were not limited to the following:**
• As per Ind AS 109, the Holding Company is required to recognize allowance for ECL on trade receivables due to the credit risks associated with each individual trade receivable. • Management determines the allowance for ECL on trade receivables by reviewing customers ageing profile, historical loss adjusted to reflect current and estimated future economic conditions, credit history and suit filed cases for additional allowance. • The determination of allowance for ECL is subjective and requires management to make judgements and assumptions, hence it is considered to be a key audit matter. • Refer note no. 1, 1A, 8 and 44 to the standalone financial statements.	• Tested the effectiveness of Company's controls with respect to (i) development of methodology for allowance for expected credit losses, (ii) completeness and accuracy of the information used and (iii) computation of allowance for expected credit losses. • Tested sample of the data used in the model to the underlying accounting records. • Evaluated the ECL model calculations, agreeing the data inputs and checking the mathematical accuracy of the calculations. • Assessed the key inputs and assumptions used • Assessed whether the disclosures in the financial statements are adequate. • The result of our review was satisfactory.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

The Holding Company's Board of Directors and Management is responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the consolidated financial statements, standalone financial statements and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

Management's Responsibility for the Consolidated Financial Statements

The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors and Management is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated cash flows and consolidated changes in equity of the Group and its joint ventures in accordance with the accounting principles generally accepted in India, including the Ind AS prescribed under section 133 of the Act. The Holding Company's Board of Directors and Management is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation and presentation of consolidated financial statements.

Further in terms of the provisions of the Act, the respective Board of Directors and Management of the companies included in the Group and its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its joint ventures 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. These financial statements have been used for the purpose of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors and Management of the companies included in the Group and its joint ventures are responsible for assessing the ability of Group and its joint ventures, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless respective Board of Directors and Management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors and Management of the companies included in the Group and its joint ventures, are also responsible for overseeing the financial reporting process of companies included in the Group and its joint ventures.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing 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 Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company and its subsidiary company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of Board of Directors and Management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint ventures 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 upto the date of our auditor's report. However, future events or conditions may cause the Group and its joint ventures to cease to continue as a going concern.
- 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group and its joint ventures, to express an opinion on the financial statements. We are responsible for direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are independent auditors. For the other entities included in consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in consolidated financial statements of which we are independent auditors, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended 31 March 2026 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the annual financial statements / financial information of two joint ventures, consolidated in the financial statements, whose financial information (before eliminating intercompany balances/transactions) reflects total assets of Rs.14.95 lacs as at 31 March 2026, total revenue of Rs.135.31 lacs and net profit after tax Rs.97.07 lacs for the year ended as on 31 March 2026, as considered in the financial statements.

The annual financial statement / financial information of one joint venture has been audited by other auditors whose audit report has been furnished to us by the Holding Company's Board of Directors, and our opinion on consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this joint venture, and our report in terms of section 143(3) of the Act, in so far as it relates to the this joint venture, is based solely on the audit report of such other auditors. According to the information and explanations give to us by the Holding Company's Board of Directors and management, this financial statement of joint venture is not material to the Group.

The annual financial statement / financial information of remaining one joint venture, out of two joint ventures, consolidated in the financial statements, whose financial information (before eliminating intercompany balances/transactions) reflects total assets of Rs.0.03 lacs as at 31 March 2026, total revenue of Rs.Nil and net loss after tax Rs.0.01 lacs for the year ended as on 31 March 2026, as considered in the financial statements, has not been audited. This annual financial statement is unaudited and has been furnished to us by the Holding Company's Board of Directors, and our opinion in so far as it relates to the amounts and disclosures included in respect of this joint venture, is based solely on such unaudited financial statements. According to the information and explanations give to us by the Holding Company's Board of Directors and management, this financial statement is not material to the Group.

Going concern assessment of Holding Company's 100% subsidiary Company - The subsidiary Company, Modern Composites Private limited (Company) has incurred a net loss of Rs 411.90 lacs during the year ended 31 March 2026, and as of that date, the accumulated losses of the subsidiary Company amounts to Rs.507.57 lacs, has completely eroded its share capital and reserves resulting in a negative net worth of Rs.7.57 lacs. The current liabilities of the subsidiary Company as at the same date exceed its current assets by Rs.1736.56 lacs. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the subsidiary Company's ability to continue as a going concern. The appropriateness of the assumption of going concern is critically dependent upon the subsidiary Company's ability to generate positive cash flows in future to meet its obligations. However, the financial statements of the subsidiary Company have been prepared on a going concern basis because the Holding Company, Modern Insulators Limited, which has substantial profits and financial resources, has issued a legally binding Letter of Support. Under this agreement, the Modern Insulators Limited has committed to provide continuous financial and operational support to the subsidiary Company to enable it to meet its liabilities as and when they fall due for atleast the next twelve months from the date of approval of these financial statements. Management is confident that with this support and projected operational improvements, the subsidiary Company will be able to realize its assets and discharge its liabilities in the normal course of the business. Accordingly, no adjustments have been made to the carrying value of assets and liabilities. (Refer note no.50)

Our report is not modified in respect of above matters.

Report on Other Legal and Regulatory Requirements

As required by section 143(3) of the Companies Act, 2013, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and the other financial information of the joint ventures, as noted in the "Other Matters" section of our report, we report, to the extent applicable, that:

a) We and the other auditors whose reports we have relied upon, have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

b) In our opinion, proper books of account as required by law relating to preparation of aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

d) Except for the effects of the matter described in the "Basis for Qualified Opinion" section, in our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act;

e) On the basis of written representations received from the directors of the Holding Company and its subsidiary company and taken on record by the Board of Directors of Holding Company, none of the directors of the Group companies are disqualified as on 31 March 2026, from being appointed as a director in terms of section 164(2) of the Act;

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company under the Act and the operating effectiveness of such controls, under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013, refer to our report in Annexure A;

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid / provided by the Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act. Further subsidiary company covered under the Act has not paid / provided for any managerial remuneration during the year.

h) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and other financial information of joint ventures:

i) The Group and its joint ventures has disclosed the impact of pending litigations on consolidated financial position in consolidated financial statements. (Refer note no. 42)

ii) The Group and its joint ventures has made provisions, as required under the applicable law and Ind AS for material foreseeable losses, if any, on long term contracts including derivative contracts. (Refer note no. 56)

iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary company.

iv) (a) The respective Board of Directors and Management of Holding Company and its subsidiary company have represented that, to the best of their knowledge and belief, as disclosed in note no. 55(v), no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The respective Board of Directors and Management of Holding Company and its subsidiary company have represented, that, to the best of their knowledge and belief, as disclosed in note no. 55(vi), no funds (which are material either individually or in the aggregate) have been received by the Group from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall, whether, directly or indirectly, lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the other auditor, nothing has come to our or other auditor's notice that has caused us or other auditor's to believe that the representations under sub clause (i) and (ii) of rule 11(e) as provided under sub clause (a) and (b) above, contain any material misstatement.

v) The Holding Company and its subsidiary company has not declared or paid any dividend during the year ended 31 March 2026.

vi) Based on our examination, which included test checks, except for the exception mentioned below, the Group has used accounting software for maintaining its books of accounts for the year ended 31 March 2026, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further during the course of our audit, we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Group as per the statutory requirements other than the exception mentioned below:

One unit (separate segment) of the Holding Company has used such accounting software for maintaining books of accounts for the year ended 31 March 2026, which does not have a feature of recording audit trail (edit log) facility and consequently we are unable to report whether the audit trail facility has been operated and maintained throughout the year for all relevant transactions recorded in the software or if the audit trail feature has been tampered with or the audit trail has been preserved by the unit as per the statutory requirements. (Refer note no. 57)

With respect to the matters specified in paragraph 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013, to be included in the auditor's report, and according to the information and explanations given to us, and based on CARO report issued by us for the Holding Company and subsidiary company included in the consolidated financial statements of the Holding Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For **R B Verma & Associates**
Chartered Accountants
Firm Registration No. 012650C

Rajesh Verma
Partner
Membership No. 404029
UDIN - 26404029WPQFOR1369

Place - Abu Road
Date - 29 May 2026

ANNEXURE A FORMING PART OF THE INDEPENDENT AUDITOR'S REPORT

Referred to in the report of even date of the Auditors to the members of Modern Insulators Limited on Consolidated Financial Statements

We have audited the internal financial controls with reference to consolidated financial statements of **Modern Insulators Limited** (the 'Holding Company') and its one wholly owned subsidiary company (the Holding Company and its subsidiary company together referred to as the 'Group') as of **31 March 2026** in conjunction with our audit of the consolidated financial statements of Modern Insulators Limited (the 'Holding Company') and its subsidiary company, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors and Management of Holding Company and its subsidiary company are responsible for establishing and maintaining internal financial controls based on the internal financial controls over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (the 'ICAI').

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (the 'Act').

Auditors' Responsibility for Internal Financial Controls

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of Holding Company and its subsidiary company based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial control with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of Holding Company and its subsidiary company, as aforesaid.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A Company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports, the Holding Company and its subsidiary company have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2026, based on the internal financial control over financial reporting criteria established by the Holding Company and its subsidiary company considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

For **R B Verma & Associates**
Chartered Accountants
Firm Registration No. 012650C

Rajesh Verma
Partner
Membership No. 404029
UDIN - 26404029WPQFOR1369

Place - Abu Road
Date - 29 May 2026

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2026

(₹ in Lacs)

Particulars	Note No.	As at 31st March, 2026	As at 31st March, 2025
ASSETS			
Non-current assets			
(a) Property, plant & equipment	2	**17753.73**	17148.97
(b) Capital work-in-progress	2	**52.51**	127.66
(c) Intangible assets	2	**15.11**	17.69
(d) Financial assets			
(i) Investments	3	**0.01**	0.01
(ii) Loans	4	**7119.00**	6984.00
(iii) Other financial assets	5	**1135.88**	1350.45
(e) Other non-current assets	6	**165.13**	50.26
Total Non-current assets		**26241.37**	**25679.04**
Current assets			
(a) Inventories	7	**15959.53**	12486.09
(b) Financial assets			
(i) Trade receivables	8	**15257.38**	12200.56
(ii) Cash and cash equivalents	9	**558.14**	494.23
(iii) Bank balance other than cash and cash equivalents	10	**1152.84**	235.22
(iv) Investments	11	**11441.82**	4616.30
(v) Loans	12	**–**	–
(vi) Other financial assets	13	**357.93**	299.15
(c) Other current assets	14	**5209.20**	4345.11
(d) Current tax assets (net)		**–**	–
Total Current assets		**49936.84**	**34676.66**
TOTAL ASSETS		**76178.21**	**60355.70**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	15	**4714.39**	4714.39
(b) Other equity	16	**49612.09**	41617.96
Equity attributable to owners		**54326.48**	46332.35
Non-controlling interest		**–**	–
Total Equity		**54326.48**	**46332.35**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	**3626.81**	465.21
(b) Provisions	18	**3333.28**	2377.85
(c) Deferred tax liabilities (Net)	19	**1575.46**	2085.79
(d) Other non-current liabilities	20	**11.22**	15.60
Total Non-current liabilities		**8546.77**	**4944.45**
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	21	**3190.02**	2055.71
(ii) Trade payables			
– Total outstanding dues of micro enterprises and small enterprises	22	**616.21**	489.72
– Total outstanding dues of creditors other than micro enterprises and small enterprises	22	**4973.62**	3321.43
(iii) Other financial liabilities	23	**2414.75**	1813.12
(b) Provisions	24	**616.97**	535.63
(c) Other current liabilities	25	**1230.31**	722.98
(d) Current tax liabilities (Net)	26	**263.08**	140.31
Total Current liabilities		**13304.96**	**9078.90**
TOTAL EQUITY AND LIABILITIES		**76178.21**	**60355.70**
Significant accounting policies	1		
Other notes on consolidated financial statements	35 to 59		

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date attached

For R B Verma & Associates
Chartered Accountants
Firm Registration No. 012650C

Rajesh Verma
Partner
Membership No. 404029

Place : Abu Road
Date : 29th May, 2026

For and on behalf of the Board of Directors

Sachin Ranka	– Chairman & Managing Director	(DIN : 00335534)
Shreyans Ranka	– Joint Managing Director	(DIN : 06470710)
P. Sridharan	– Whole Time Director	(DIN : 03100055)
Animesh Banerjee	– Whole Time Director	(DIN : 07905214)
S.K. Sharma	– Independent Director	(DIN : 01378040)
Rahul Singhvi	– Independent Director	(DIN : 08816920)
G.V. Kalpathy	– Independent Director	(DIN : 10512773)
Meenu Alok Sacheti	– Independent Director	(DIN : 02266703)
Alok Jain	– Chief Financial Officer	
Harshita Hetawal	– Company Secretary	

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2026

(₹ in Lacs)

Particulars	Note No.	Year ended 31st March, 2026	Year ended 31st March, 2025
Income			
Revenue from operations	27	**71983.62**	50327.17
Other income	28	**2188.24**	1207.40
Total Income		**74171.86**	51534.57
Expenses			
Cost of materials consumed	29	**20171.33**	16166.76
Purchase of stock-in-trade		**38.82**	55.08
Changes in inventories of finished goods, stock-in-trade & stock-in-process	30	**(176.63)**	(2200.77)
Employee benefits expense	31	**9075.28**	7975.11
Finance costs	32	**587.96**	429.10
Depreciation and amortization expense	2	**984.10**	873.36
Other expenses	33	**33407.30**	24447.06
Total Expenses		**64088.16**	47745.70
Profit before exceptional items and tax		**10083.70**	3788.87
Exceptional items (Interest on income tax refund)		–	692.23
Profit before tax		**10083.70**	4481.10
Tax Expense			
Current tax		**2618.53**	763.25
Deferred tax		**(513.13)**	(140.36)
Total tax expenses		**2105.40**	622.89
Profit for the year		**7978.30**	3858.21
Other comprehensive income			
Items that will not be reclassified to profit or loss :			
Actuarial gain/(loss) on defined benefit plan		**18.63**	(11.75)
Income tax relating to above		**(2.80)**	4.11
Total other comprehensive income for the year (net of tax)		**15.83**	(7.64)
Total comprehensive income for the year		**7994.13**	3850.57
Profit attributable to :			
Owners		**7978.30**	3858.21
Non-controlling interest		–	–
		7978.30	3858.21
Other Comprehensive income/(Loss) attributable to :			
Owners		**15.83**	(7.64)
Non-controlling interest		–	–
		15.83	(7.64)
Total Comprehensive income attributable to :			
Owners		**7994.13**	3850.57
Non-controlling interest		–	–
		7994.13	3850.57
Earnings per equity share (face value ₹ 10 per share)	34		
Basic (₹)		**16.92**	8.18
Diluted (₹)		**16.92**	8.18
Significant accounting policies	1		
Other notes on consolidated financial statements	35 to 59		

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date attached

For R B Verma & Associates
Chartered Accountants
Firm Registration No. 012650C

Rajesh Verma
Partner
Membership No. 404029

Place : Abu Road
Date : 29th May, 2026

For and on behalf of the Board of Directors

Sachin Ranka	– Chairman & Managing Director	(DIN : 00335534)
Shreyans Ranka	– Joint Managing Director	(DIN : 06470710)
P. Sridharan	– Whole Time Director	(DIN : 03100055)
Animesh Banerjee	– Whole Time Director	(DIN : 07905214)
S.K. Sharma	– Independent Director	(DIN : 01378040)
Rahul Singhvi	– Independent Director	(DIN : 08816920)
G.V. Kalpathy	– Independent Director	(DIN : 10512773)
Meenu Alok Sacheti	– Independent Director	(DIN : 02266703)
Alok Jain	– Chief Financial Officer	
Harshita Hetawal	– Company Secretary	

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2026

(₹ in Lacs)

PARTICULARS		Year ended 31st March, 2026		Year ended 31st March, 2025
A. Cash Flow from Operating Activities				
Profit before tax		**10083.70**		4481.10
Adjustments for:				
– Depreciation and amortisation expenses	**984.10**		873.36	
– Provisions	**1055.40**		27.66	
– Foreign exchange flucation (net)	**435.36**		2.87	
– Profit on disposal of property, plant and equipment (net)	**(4.46)**		9.81	
– Finance costs	**587.96**		429.10	
– Loss/(profit) on fair valuation of investment carried at FVTPL (net)	**174.98**		(58.53)	
– Interest income	**(329.94)**	**2903.40**	(849.73)	434.54
Operating profit before working capital changes		**12987.10**		4915.64
Adjustment for changes in working capital				
– Trade and other receivables	**(5255.03)**		622.54	
– Inventories	**(3473.44)**		(1922.13)	
– Other non-current assets	**(114.87)**		395.62	
– Trade and other payables	**2883.26**	**(5960.08)**	483.91	(420.06)
Cash from Operating Activities		**7027.02**		4495.58
Income taxes paid		**2358.84**		525.00
Net Cash from Operating Activities (A)		**4668.18**		3970.58
B. Cash Flow from Investing Activities				
– Proceeds from sale of property, plant and equipment	**546.00**		143.19	
– Purchase of property, plant and equipment (including capital work-in progress)	**(2052.67)**		(1867.97)	
– Loans and advances (given)/recived (net)	**(135.00)**		(565.88)	
– Interest income received	**329.94**		849.73	
– Investment in equity shares (net)	**(7000.49)**		(2676.77)	
Net Cash used in Investing Activities (B)		**(8312.22)**		(4117.70)
C. Cash Flow from Financing Activities				
– Proceeds /(Repayment) of non current borrowings (net)	**3156.24**		576.93	
– Proceeds /(Repayment) of current borrowings (net)	**1139.67**		29.99	
– Interest Paid	**(587.96)**		(429.10)	
Net cash from Financing Activities (C)		**3707.95**		177.82
Net increase/(decrease) in cash and cash equivalents (A+B+C)		**63.91**		30.70
Cash and cash equivalents at the beginning of the year		**494.23**		463.53
Cash and cash equivalents at the close of the year		**558.14**		494.23

Cash and Cash Equivalent includes:-

Particulars	**As at 31.03.2026**	**As at 31.03.2025**
Cash on hand	**24.40**	16.80
Balances with Banks		
– In current accounts	**533.74**	52.43
– In deposit accounts maturing upto 3 months	–	425.00
Total	**558.14**	494.23

The accompanying notes form an integral part of the consolidated financial statements.

Note: The above Statement of Cash Flow has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

As per our report of even date attached

For R B Verma & Associates
Chartered Accountants
Firm Registration No. 012650C

Rajesh Verma
Partner
Membership No. 404029

Place : Abu Road
Date : 29th May, 2026

For and on behalf of the Board of Directors

Sachin Ranka	– Chairman & Managing Director	(DIN : 00335534)
Shreyans Ranka	– Joint Managing Director	(DIN : 06470710)
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Meenu Alok Sacheti	– Independent Director	(DIN : 02266703)
Alok Jain	– Chief Financial Officer	
Harshita Hetawal	– Company Secretary	

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2026

A. Equity Share Capital

(₹ in Lacs)

As at 1st April, 2024	4714.39
Changes in equity share capital due to prior period errors	–
Restated balance at the beginning of the current reporting period	4714.39
Changes in equity share capital during the current year	–
As at 31st March, 2025	**4714.39**
As at 1st April, 2025	**4714.39**
Changes in equity share capital due to prior period errors	–
Restated balance at the beginning of the current reporting period	**4714.39**
Changes in equity share capital during the current year	–
As at 31st March, 2026	**4714.39**

B. Other Equity

(₹ in Lacs)

Particulars	Reserves and Surplus			Total
	Securities Premium Reserve	Capital Reserve	Retained Earnings	
Balance as at 1st April, 2024	2911.45	1285.87	33570.07	37767.39
Profit for the year	–	–	3858.21	3858.21
Other comprehensive income	–	–	(7.64)	(7.64)
Total Comprehensive Income for the year	–	–	3850.57	3850.57
Balance as at 31st March, 2025	2911.45	1285.87	37420.64	41617.96
Non Controlling Interest	–	–	–	–
Balance as at 31st March, 2025	2911.45	1285.87	37420.64	41617.96
Balance as at 1st April, 2025	**2911.45**	**1285.87**	**37420.64**	**41617.96**
Profit for the year	–	–	7978.30	**7978.30**
Other comprehensive income	–	–	15.83	**15.83**
Total Comprehensive Income for the year	–	–	7994.13	**7994.13**
Balance as at 31st March, 2026	**2911.45**	**1285.87**	**45414.77**	**49612.09**
Non Controlling Interest	–	–	–	–
Balance as at 31st March, 2026	**2911.45**	**1285.87**	**45414.77**	**49612.09**

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date attached

For R B Verma & Associates
Chartered Accountants
Firm Registration No. 012650C

Rajesh Verma
Partner
Membership No. 404029

Place : Abu Road
Date : 29th May, 2026

For and on behalf of the Board of Directors

Sachin Ranka	– Chairman & Managing Director	(DIN : 00335534)
Shreyans Ranka	– Joint Managing Director	(DIN : 06470710)
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G.V. Kalpathy	– Independent Director	(DIN : 10512773)
Meenu Alok Sacheti	– Independent Director	(DIN : 02266703)
Alok Jain	– Chief Financial Officer	
Harshita Hetawal	– Company Secretary	

Notes forming part of consolidated financial statements
Significant accounting policies

CORPORATE INFORMATION

Modern Insulators Limited (the 'Company or the Holding Company'), its subsidiary and joint venture (the Holding Company and its subsidiary and joint venture together referred to as the 'Group') engaged in the business of manufacturing insulators, terry towels and EPC projects.

Note no. 1: Significant Accounting Policies

(a) Basis of preparation

(i) The Financial Statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as specified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act. The accounting policies are applied consistently to all the periods in the Financial Statements.

(ii) The Financial Statements are prepared on accrual basis under the historical cost convention except (i) claims of customers & others which are accounted for as and when paid/settled and (ii) financial assets and liabilities (including derivatives instruments) that are measured at fair value as required by relevant Ind AS. The methods used to measure fair values are discussed in notes to financial statements.

(iii) The preparation of financial statements requires judgments, estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimated. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized. Major estimates are discussed in Note No. 1A.

(b) Functional and presentation currency

These financial statements are presented in Indian Rupees, which is the functional currency of the group and the currency of the primary economic environment in which the group operates.

(c) Principles of consolidation and equity accounting

(i) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group. The Group combines the financial statements of the Holding Company and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries are been changed where necessary to ensure consistency with the policies adopted by the Group. Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and consolidated balance sheet respectively.

(ii) Joint Ventures

Investments in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated balance sheet.

(iii) Equity Method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted there after to recognise the Group's share of the post-acquisition profits or losses of the investee in statement of profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment. When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity. Such further losses are disclosed as part of Current Liabilities. Unrealised gains on transactions between the Company and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

(d) Classification of assets and liabilities into current and non-current

The Group has ascertained its operating cycle as twelve months for the purpose of Current and Non-Current classification of its Assets and Liabilities. Classification is done in accordance with Schedule III Division II of the Companies Act, 2013.

For the purpose of Balance Sheet, an asset is classified as current when:

(i) It is expected to be realised or intended to be sold or consumed in the normal operating cycle; or

(ii) It is held primarily for the purpose of trading; or

(iii) It is expected to be realised within twelve months after the reporting period; or

(iv) 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 period.

All other assets are classified as non-current.

Similarly, a liability is classified as current when:

(i) It is expected to be settled in the normal operating cycle; or

(ii) It is held primarily for the purpose of trading; or

(iii) It is due to be settled within twelve months after the reporting period; or

(iv) The Group does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

(e) Property, plant & equipment (PPE)

Freehold land is carried at Cost. All other items of Property, plant and equipment (PPE) are stated at acquisition or construction cost less accumulated depreciation / amortisation and impairment loss. Cost comprises the purchase price and any directly attributable cost of bringing the asset to its location and working condition for its intended use, including relevant borrowing costs.

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

The cost of an item of PPE is recognised as an asset if, and only if, it is probable that the economic benefits associated with the item will flow to the Group in future periods and the cost of the item can be measured reliably. Expenditure incurred after the PPE have been put into operations, such as repairs and maintenance expenses are charged to the Statement of Profit and Loss during the period in which they are incurred.

Subsequent expenditure incurred after the PPE have been put into operations is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

Items such as spare parts, standby equipments and servicing equipments are recognised as PPE when it is held for use in the production or supply of goods or services or for administrative purpose and are expected to be used for more than one year. Otherwise such items are classified as inventory.

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising on the disposal or retirement of an item of PPE, is determined as the difference between the net sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

(f) Expenditure during construction period

Expenditure, net of income earned, during construction (including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) period is included under capital work-in-progress and the same is allocated to the respective PPE on the completion of construction. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under "Other Non Current Assets"

(g) Depreciation

Depreciation is the systematic allocation of the depreciable amount of PPE over its useful life and is provided on a straight-line basis over the useful lives as prescribed in Schedule II to the Act or as per technical evaluation. Leasehold lands are amortised over the lease term unless it is reasonably certain that the Group will obtain ownership by the end of lease term.

Depreciable amount for PPE is the cost of PPE less its estimated residual value. The useful life of PPE is the period over which PPE is expected to be available for use by the Group or the number of production or similar units expected to be obtained from the asset by the Group.

In case of certain classes of PPE, the Group uses different useful lives than those prescribed in Schedule II to the Act. The useful lives have been assessed based on technical evaluation, taking into consideration the nature of the PPE and the estimated usage of the asset on the basis of management's best estimation of obtaining economic benefits from those classes of assets.

The useful life considered for calculation of depreciation / amortisation for various Asset class are as under:

S.No.	Asset class	Useful life
1.	Leasehold Assets	Lease period
2.	Factory Building	4-30 Years
3.	Non-factory building	4-60 Years
4.	Plant & Machinery	1-30 Years
5.	Furniture & Fixtures	2-10 Years
6.	Office equipments	0-5 Years
7.	Vehicles	2-10 Years

Based on technical evaluation, management believes that the useful life as given above best represent the period over which the management expects to use these assets.

Depreciation on additions is provided on a pro-rata basis from the date of installation or acquisition and in case of Projects from the date of commencement of commercial production.

Depreciation on deductions/disposals is provided on a pro-rata basis up to the date of deduction/disposal.

(h) Intangible assets and amortization

Internally generated intangible assets

Expenditure incurred on development is capitalized if such expenditure leads to creation of any intangible asset, otherwise, such expenditure is charged to the Statement of Profit and Loss. PPE procured for research and development activities are capitalised.

Intangible assets acquired separately

Intangible assets acquired separately are carried at cost less accumulated amortisation and accumulated impairment loss, if any. The Group determines the amortisation period as the period over which the future economic benefits will flow to the Group after taking into account all relevant facts and circumstances. The estimated useful life and amortisation method are reviewed periodically, with the effect of any changes in estimate being accounted for on a prospective basis.

An item of intangible asset is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising on the disposal or retirement of an item of intangible asset, is determined as the difference between the net sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

The useful life considered for calculation of depreciation / amortisation for various Asset class are as under:

Asset class	Useful life
Computer Software	1-3 Years

Based on technical evaluation, management believes that the useful life as given above best represent the period over which the management expects to use these assets.

Intangible asset having definite life are amortised on systematic basis over their useful life. If life of any intangible asset is indefinite then it is not amortised but tested for impairment loss at the end of each reporting date.

(i) Borrowing Costs

Borrowing costs that are directly attributable to the acquisition, construction, development or erection of a qualifying asset are capitalized as part of the cost of such asset till such time the asset is ready for its intended use and borrowing cost are being incurred. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred.

(j) Inventories

Inventories are valued at the lower of cost and net realisable value.

Raw material, stores and spare parts and packing materials are considered to be realisable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost. The cost is computed on weighted average basis.

Cost of finished goods and work-in-progress includes cost of conversion based on normal capacity and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Spare parts, other than those capitalised as PPE are carried as inventories.

The diminution in the value of obsolete, unserviceable and surplus stores & spares is ascertained after review and if found material, suitable provision is made/written down based on technical evaluation, its recoverable value and management's best estimate.

(k) Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks, cash in hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of change in value.

(l) Government grants

Government grants are recognized when there is reasonable assurance that the grant will be received and all associated conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognized as income on a systematic basis over the expected useful life of the related asset.

(m) Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligations. Provisions are reviewed at each reporting date and are adjusted to reflect the management's best estimate.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Claims against the Group where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

(n) Foreign currency transactions and translations

Transactions in foreign currencies, other than the Group's functional currency are recognised at the exchange rates prevailing at the dates of the transactions. At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated at the rate prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

Exchange differences on monetary items are recognised in the statement of profit and loss in the period in which these arise.

(o) Revenue recognition

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised goods or services to customers in an amount that reflects the consideration the Group expects to receive in exchange for those goods or services.

The Group satisfies a performance obligation and recognizes revenue over time, if one of the following criteria is met:

(i) The customer simultaneously receives and consumes the benefits provided by the Group's performance; or

(ii) The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or

(iii) The Group's performance does not create an asset with an alternative use to the Group and an entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions is not met, revenue is recognized at the point in time at which the performance obligation is satisfied.

If the Group has any contract wherein the period between transfer of the promised goods or services to the customer and payment by the customer exceeds one year, transaction price is adjusted for the time value of money.

(p) Other operating revenues / other income

(i) Income from services is recognized (net of GST as applicable) based on the services rendered in accordance with the terms of contracts.

(ii) For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument to the gross carrying amount of the financial asset.

(iii) Interest income for all financial instruments measured at fair value through other comprehensive income is recognized in the statement of profit and loss.

(iv) Dividend income is accounted for when the right to receive the income is established.

(v) Export incentives under various schemes are recognized in the year of export.

(q) Employee Benefits

Short term employee benefits

Short-term employee benefit obligations are recognized as an expense on accrual basis.

Defined contribution plans

Defined contribution plans are those plans in which an entity pays fixed contribution into separate entities and will have no legal or constructive obligation to pay further amounts. Provident fund and employee state insurance are defined contribution plans in which group pays a fixed contribution and will have no further obligation.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

Group pays Gratuity as per provisions of the Payment of Gratuity Act, 1972. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefits that employees have earned in return for their services in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognized past service costs and the fair value of any plan assets are deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Group's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a liability to the Group, the present value of liability is recognized as provision for employee benefit. Any actuarial gains or losses are recognized in Other Comprehensive Income in the period in which they arise.

Other long-term employee benefits

Benefits under the Group's leave encashment constitute other long term employee benefits.

The Group's net obligation in respect of leave encashment is the amount of future benefits that employees have earned in return for their service in the current and prior periods, that benefit is discounted to determine its present value and the fair value of any related assets is deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Group's obligations. The calculation is performed using the projected unit credit method. Any actuarial gains or losses are recognized in the Statement of profit and loss in the period in which they arise.

(r) Research and development expenditure

Revenue expenditure on research and development is charged as an expense in the year in which it is incurred under the respective heads of accounts. Expenditure which results in the creation of capital assets is capitalised and depreciation is provided on such assets as applicable.

(s) Income taxes

Income Tax expenses comprise current tax and deferred tax charge or credit.

Current Tax is measured on the basis of estimated taxable income for the current accounting period in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961 and other applicable tax laws.

Deferred tax is provided, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset, if there is a legally enforceable right to offset current tax liabilities and assets and they relate to income taxes levied by the same tax authority.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent it is no longer probable.

Income tax expenses relating to items recognised directly in equity or OCI is recognised in equity or OCI and not in the Statement Profit and Loss.

(t) Leases

Leases are classified as finance leases, when the terms of the lease, transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as Operating Leases.

Operating Lease: Lease rentals are charged or recognised in the statement of profit and loss on a straight-line basis over the lease term.

Finance Lease: Assets held under finance leases are recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease obligation. Finance charges are charged to the Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's policy on borrowing costs.

(u) Impairment of non-financial assets

At the end of each reporting period, the Group reviews the carrying amounts of non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(v) Impairment of financial assets

At the end of each reporting period, the Company applies the expected credit loss model for recognizing the impairment loss on financial assets including trade receivables. Expected credit loss is the difference between the contractual cash flows and the cash flows the entity expects to receive using effective interest rate.

Loss allowance for trade receivables is measured at an amount equal to lifetime expected credit losses. For other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses unless there is significant increase in the credit risk from initial recognition in which case those are measured at lifetime expected credit losses. Lifetime expected credit losses are expected credit losses that result from all possible defaults over the expected life of financial instrument. Lifetime expected credit losses are computed based on provision matrix which takes into account historical credit losses adjusted for forward looking information, suit filed cases and credit information of customers.

(w) Segment reporting

Identification of Segments

Operating Segments are identified based on monitoring of operating results by the Board of Directors separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss of the Group.

Operating Segments are identified based on the nature of products and services, the different risks and returns and the internal business reporting system.

Segment Policies

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group as a whole.

(x) Material prior period errors

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which the error occurred. If the error occurred before the earliest prior period presented, the opening balances of assets, liabilities and equity for the earliest prior period presented, are restated.

(y) Earnings Per Share (EPS)

The basic EPS is computed by dividing the profit after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted EPS, profit after tax for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(z) Fair value Measurement

The Group measures financial instruments, such as investments and derivatives at fair value at each reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability.

A fair value measurement of a non financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation technique that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Fair values are categorized into different levels in the hierarchy as under:

- **Level 1:** Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- **Level 2:** Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- **Level 3:** Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

(aa) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized when a Group becomes a party to the contractual provisions of the instruments.

i) Initial Recognition: Financial assets and Financial liabilities

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in statement of profit and loss.

ii) Classification and Subsequent Measurement: Financial Assets

The Groupclassifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

At amortised cost:

A financial asset shall be classified and measured at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, such financial assets are subsequently measured at amortised cost using expected interest rate (EIR) method. In case of financial assets at amortised costs, interest income, foreign exchange gain or loss and impairment are recognized in Statement of profit and loss.

At fair value through OCI:

A financial asset shall be classified and measured at fair value through OCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Where the Group has elected to present the fair value gain on equity instruments in other comprehensive income, there is no subsequent classification of fair value gain or losses to profit and loss account. Dividend from such instruments is recognized in profit and loss account as other income where right to receive is established.

At fair value through Profit or Loss:

A financial asset shall be classified and measured at fair value through profit or loss other than those measured at amortised cost or at fair value through OCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Impairment of financial assets:

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. In case of trade receivables, the Group follows the simplified approach permitted by Ind AS 109 - Financial Instruments for recognition of impairment loss allowance. The Group recognises a loss allowance for expected credit losses on financial asset. The Group's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time credit expected losses. The Group calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

Derecognition of financial assets:

The Group derecognises a financial asset when the contractual rights to receive the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises associated liabilities.

On derecognition of a financial asset, other than investments classified as FVOCI, in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

iii) Classification and Subsequent Measurement: Financial liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities'

Financial Liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL. Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Other Financial Liabilities:

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

Derecognition of Financial Liabilities:

The Group derecognises a financial liability when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms or the terms of an existing liability are substantially modified, such exchange or modification is treated as derecognition of the original liability and the recognition of a new financial liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

The difference between the carrying amount of financial liability derecognized and consideration paid and payable is recognized in the statement of profit and loss.

On derecognition of equity investments classified as FVOCI, accumulated gains or loss recognised in OCI is transferred to retained earnings.

(bb) Financial liabilities and equity instruments

- Classification as debt or equity

  Debt and equity instruments issued by the group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

- **Equity instruments**

  An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a group are recognised at the proceeds received.

(cc) Derivative financial instruments

The Group enters into derivative financial instruments viz. foreign exchange forward contracts to manage foreign exchange risks. The Group does not hold derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value on the date derivative contracts are entered into and are subsequently remeasured at their fair value at the end of each reporting period. The resulting gain or loss is recognised in statement of profit and loss.

Note no. 1A. Significant Accounting Judgements, Estimates and Assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities, the accompanying disclosures and the disclosure of contingent liabilities. Continuous evaluation is done on estimates and judgments based on historical experience and other factors, including expectation of future events that are believed to be reasonable. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates made in preparing Financial Statements:

(a) Useful life of Property, plant and equipment and intangible assets

The Group uses its technical expertise along with historical and industry trends for determining the economic life of an asset/ component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortized depreciable amount is charged over the remaining useful life of the assets.

(b) Post-employment benefit plans

Employees benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the inflation rate. The Group considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations.

(c) Expected credit losses on financial assets

The loss allowance on financial assets including trade receivables are based on assumption about the risk of default and expected timing of collection. The Company uses judgement in making these assumptions and selecting the inputs to the expected credit loss calculation based on Company's history of credit losses adjusted to reflect current and estimated future economic conditions, suit filed cases and credit information of customers at the end of each reporting period.

(d) Provisions and contingencies

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events requires best judgment by the management regarding the probability of exposure to potential loss. If circumstances change following unforeseeable developments, this likelihood could alter.

(e) Impairment of non-financial assets

The Group has used certain judgments and estimation to estimate future projection and discount rate to compute value in used of assets/cash generating units and to assess impairment.

(f) Revenue recognition

The Group recognised the revenue from contract with customers based on 5 steps model as per Ind AS- 115 which involve judgments relating to identification of contracts with customers, identification of distinct performance obligation, determination of transaction price with respect to identified performance obligation, appropriateness of the basis used to recognise revenue and when the control of goods and services are being transferred.

Notes forming part of Consolidated Financial Statements

Note No. 2 : PROPERTY, PLANT & EQUIPMENT, CAPITAL WORK IN PROGRESS AND INTANGIBLE ASSETS

As at 31st March 2026 **(₹ in Lacs)**

Particulars	Gross Block				Depreciation/Amortization				Net Block	
	As at 01.04.2025	Additions	Deductions/ Adjustments	As at 31.03.2026	As at 01.04.2025	Depreciation for the year	Deductions/ Adjustments	As at 31.03.2026	As at 31.03.2026	As at 31.03.2025
A. Property, Plant & Equipment										
Leasehold Land	**3644.49**	–	–	**3644.49**	**482.38**	**53.60**	–	**535.98**	**3108.51**	**3162.11**
Freehold Land	**3780.52**	–	–	**3780.52**	–	–	–	–	**3780.52**	**3780.52**
Building	**5021.88**	–	–	**5021.88**	**1427.25**	**169.12**	–	**1596.37**	**3425.51**	**3594.63**
Plant & Machinery	**11662.50**	**1942.87**	**870.07**	**12735.30**	**5340.00**	**674.80**	**340.84**	**5673.96**	**7061.34**	**6322.50**
Furniture & Fixtures	**236.20**	**53.71**	**3.12**	**286.79**	**130.19**	**19.95**	**1.37**	**148.77**	**138.02**	**106.01**
Office Equipments	**292.62**	**36.28**	–	**328.90**	**190.61**	**35.75**	–	**226.36**	**102.54**	**102.01**
Vehicles	**243.90**	**91.53**	**21.43**	**314.00**	**162.71**	**24.87**	**10.87**	**176.71**	**137.29**	**81.19**
Total (A)	**24882.11**	**2124.39**	**894.62**	**26111.88**	**7733.14**	**978.09**	**353.08**	**8358.15**	**17753.73**	**17148.97**
B. Intangible assets										
Computer Software	**142.76**	**3.43**	–	**146.19**	**125.07**	**6.01**	–	**131.08**	**15.11**	**17.69**
Total (B)	**142.76**	**3.43**	–	**146.19**	**125.07**	**6.01**	–	**131.08**	**15.11**	**17.69**
Total (A+B)	**25024.87**	**2127.82**	**894.62**	**26258.07**	**7858.21**	**984.10**	**353.08**	**8489.23**	**17768.84**	**17166.66**
Capital work-in-progress	**127.66**	**51.51**	**126.66**	**52.51**	–	–	–	–	**52.51**	**127.66**

As at 31st March 2025 **(₹ in Lacs)**

Particulars	Gross Block				Depreciation/Amortization				Net Block	
	As at 01.04.2024	Additions	Deductions/ Adjustments	As at 31.03.2025	As at 01.04.2024	Depreciation for the year	Deductions/ Adjustments	As at 31.03.2025	As at 31.03.2025	As at 31.03.2024
A. Property, Plant & Equipment										
Leasehold Land	3644.49	–	–	3644.49	428.78	53.60	–	482.38	3162.11	3215.71
Freehold Land	3780.52	–	–	3780.52	–	–	–	–	3780.52	3780.52
Building	4621.43	400.45	–	5021.88	1268.53	158.72	–	1427.25	3594.63	3352.90
Plant & Machinery	10510.07	1409.32	256.89	11662.50	4888.44	577.87	126.31	5340.00	6322.50	5621.63
Furniture & Fixtures	192.56	48.97	5.33	236.20	116.65	16.47	2.93	130.19	106.01	75.91
Office Equipments	234.01	59.54	0.93	292.62	158.20	33.29	0.88	190.61	102.01	75.81
Vehicles	271.45	3.25	30.80	243.90	145.67	27.87	10.83	162.71	81.19	125.78
Total (A)	23254.53	1921.53	293.95	24882.11	7006.27	867.82	140.95	7733.14	17148.97	16248.26
B. Intangible assets										
Computer Software	134.43	8.33	–	142.76	119.53	5.54	–	125.07	17.69	14.90
Total (B)	134.43	8.33	–	142.76	119.53	5.54	–	125.07	17.69	14.90
Total (A+B)	23388.96	1929.86	293.95	25024.87	7125.80	873.36	140.95	7858.21	17166.66	16263.16
Capital work-in-progress	189.55	127.66	189.55	127.66	–	–	–	–	127.66	189.55

2.1 Leasehold land classified as finance lease is recognised under property, plant and equity as substantially all the significant risk and rewards incidental to the ownership of the land under lease have been transferred to the company.

2.2 In accordance with the Indian accounting standard (Ind AS 36) Impairment of assets, management has during the year carried out exercise of identifying assets that may have been impaired. Based on review carried out by management no major impairment loss on property, plant and equipment provided during the year.

2.3 Title deeds of immovable property (other than lease hold land taken on lease by duly executed lease deed) are held in the name of the group or its division.

2.4 Capital Work In Progress Ageing Schedule **(₹ in Lakhs)**

Particulars	As on 31st March, 2026					As on 31st March, 2025				
	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Years	Total	Less than 1 Year	1-2 Year	2-3 Year	More than 3 Years	Total
Project in Progress	**51.51**	1.00	–	–	**52.51**	127.66	–	–	–	127.66
Projects temporary suspended	–	–	–	–	–	–	–	–	–	–

There is no project under Capital Work in Progress which is overdue in terms of timeliness or cost.

Notes forming part of Consolidated Financial Statements

Note No. 3 : NON CURRENT INVESTMENTS **(₹ in Lacs)**

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
Trade Investments (Unquoted)		
Investment in Govt. securities (carried at cost)		
National Saving Certificates	**0.01**	0.01
(Deposited with Govt. department)		
Total	**0.01**	0.01
3.1 Aggregate amount of unquoted investments	**0.01**	0.01
3.2 Aggregate amount of impairment in the value of investments	–	–

Note No. 4 : NON CURRENT LOANS **(₹ in Lacs)**

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
(Unsecured, considered good)		
Loans and advances to related party (net) (Refer note no. 41 and 51)	**7119.00**	6984.00
Total	**7119.00**	6984.00
Break-up:		
Loans considered good- Secured	–	–
Loans considered good- Unsecured	**7119.00**	6984.00
Loans which have significant increase in credit risk	–	–
Loans- credit impaired	–	–
Total	**7119.00**	6984.00
Less: Allowance for doubtful loans	–	–
Total Loans	**7119.00**	6984.00

4.1 Refer note no 51 for additional disclosure

Note No. 5 : OTHER NON CURRENT FINANCIAL ASSETS **(₹ in Lacs)**

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
(Unsecured, considered good)		
Fixed deposits with banks	**128.88**	349.85
Security deposits	**1007.00**	1000.60
Total	**1135.88**	1350.45

5.1 Fixed deposits are kept towards margin against limits availed from the banks.
5.2 Fixed deposits with banks are those having maturity period more than 12 months.
5.3 Security deposits includes balances with electricity board,etc. and have been given for business purpose.

Note No. 6 : OTHER NON CURRENT FINANCIAL ASSETS **(₹ in Lacs)**

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
Capital advances	**165.13**	50.26
Total	**165.13**	50.26

Note No. 7 : INVENTORIES **(₹ in Lacs)**

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
(Valued at lower of cost or net realisable value)		
Raw materials (Including in transit 31st March, 2026- ₹ 1699.43 Lacs; 31st March, 2025- ₹ 200.13 Lacs)	**5007.24**	2194.69
Stock in process	**3548.80**	3485.69
Finished stock	**5654.61**	5540.18
Stock-in-trade (Traded goods)	**13.78**	14.69
Fuel	**381.55**	93.11
Packing Material	**232.21**	256.61
Stores and spares (Including in transit 31st March, 2026- ₹ 103.51 Lacs; 31st March, 2025- ₹ 85.85 Lacs)	**1081.75**	861.53
EPC Material Stock	**39.59**	39.59
Total	**15959.53**	12486.09

7.1 Inventory write downs are accounted, considering the value of inventory ageing and net realisable value. Write downs of inventory during the year amounted to ₹ Nil Lacs (31st March, 2025- ₹ Nil Lacs). These write downs are recognised as an expense in the statement of Profit & Loss. The reversal on account of above during the year amounted to ₹ Nil Lacs (31st March, 2025- ₹ Nil Lacs).

Notes forming part of Consolidated Financial Statements

Note No. 8 : TRADE RECEIVABLES (₹ in Lacs)

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
Trade receivables	**15371.91**	12435.30
Trade receivables which have significant increase in credit risk	–	–
Trade receivables - Credit impaired	**28.24**	17.39
Less: Allowance for bad and doubtful trade receivables	**142.77**	252.13
Total receivables	**15257.38**	12200.56
Current portion	**15257.38**	12200.56
Non-current portion	–	–
Break up of security details:		
Secured, considered good	–	–
Unsecured, considered good	**15257.38**	12200.56
Doubtful	**142.77**	252.13
Total	**15400.15**	12452.69
Allowance for bad and doubtful trade receivables	**(142.77)**	(252.13)
Total trade receivables	**15257.38**	12200.56

8.1 Balance of trade receivables are subject to reconciliations, confirmation and consequential adjustment, if any.
8.2 Includes ₹ 141.67 Lacs (31st March-2025 ₹ 245.58 Lacs) under litigation for which adequate provision has been made.
8.3 Refer Note no. 52 for ageing of trade receivable.

Note No. 9 : CASH AND CASH EQUIVALENTS (₹ in Lacs)

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
Cash on Hand	**24.40**	16.80
Balances with Banks		
In Current accounts	**533.74**	52.43
In Deposit accounts (Maturity upto 3 months)	–	425.00
Total	**558.14**	494.23

9.1 Balance in deposit accounts are kept towards margin against limits availed from the banks.

Note No. 10 : BANK BALANCE OTHER THAN CASH AND CASH EQUIVALENTS (₹ in Lacs)

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
Bank deposits (Maturity more than 3 months but less than 12 months)	**1152.84**	235.22
Total	**1152.84**	235.22

10.1 Bank deposits are kept towards margin against limits availed from the banks.

Note No. 11 : CURRENT INVESTMENTS (₹ in Lacs)

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
Investment in Equity Instruments (Quoted)		
(Carried at FVTPL)		
Centrum Capital Limited, Nil (31st March, 2025 -566000) Equity Shares of ₹ 1/- each fully paid up	-	132.16
HDFC Life Insurance Company Limited, Nil (31st March, 2025 -35000) Equity Shares of ₹ 10/- each fully paid up	-	239.99
Swiggy Limited 138800 (31st March, 2025 -138800) Equity Shares of ₹ 10/- each fully paid up	360.67	458.32
Honasa Consumer Limited Nil (31st March, 2025 -5460) Equity Shares of ₹ 10/- each fully paid up	-	12.66
Carborundum Universal Ltd. Nil (31st March, 2025 -691) Equity Shares of ₹ 1/- each fully paid up	-	7.01
Finolex Industries Ltd Nil (31st March, 2025 -3179) Equity Shares of ₹ 2/- each fully paid up	-	5.72
ICICI Bank Ltd. Nil (31st March, 2025 -1053) Equity Shares of ₹ 2/- each fully paid up	-	14.20
ICICI Lombard General Insurance Company Limited Nil (31st March, 2025 -620) Equity Shares of ₹ 10/- each fully paid up	-	11.12
HDFC Bank Ltd Nil (31st March, 2025 -916) Equity Shares of ₹ 1/- each fully paid up	-	16.75
Relaxo Footwears Limited Nil (31st March, 2025 -1197) Equity Shares of ₹ 1/- each fully paid up	-	4.87
Divis Laboratories Ltd. Nil (31st March, 2025 -183) Equity Shares of ₹ 2/- each fully paid up	-	10.57
Aether Industries Ltd. Nil (31st March, 2025 -1190) Equity Shares of ₹ 10/- each fully paid up	-	9.89
Sona Blw Precision Forgings Ltd Nil (31st March, 2025 -1245) Equity Shares of ₹ 10/- each fully paid up	-	5.74
Hawkins Cooker Ltd. Nil (31st March, 2025 -151) Equity Shares of ₹ 10/- each fully paid up	-	10.89
Neogen Chemicals Ltd. Nil (31st March, 2025 -746) Equity Shares of ₹ 10/- each fully paid up	-	11.51

Notes forming part of Consolidated Financial Statements

(₹ in Lacs)

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
Gokaldas Exports Ltd. Nil (31st March, 2025 -1211) Equity Shares of ₹ 5/- each fully paid up	-	9.76
Chemplast Sanmar Limited Nil (31st March, 2025 -1787) Equity Shares of ₹ 5/- each fully paid up	-	7.77
Ganesha Ecosphere Limited Nil (31st March, 2025 -769) Equity Shares of ₹ 10/- each fully paid up	-	11.97
EIH Limited Nil (31st March, 2025 -2155) Equity Shares of ₹ 2/- each fully paid up	-	7.62
Dodla Dairy Ltd Nil (31st March, 2025 -881) Equity Shares of ₹ 10/- each fully paid up	-	10.19
Wendt India Ltd Nil (31st March, 2025 -49) Equity Shares of ₹ 10/- each fully paid up	-	4.34
SBFC Finance Limited Nil (31st March, 2025 -8814) Equity Shares of ₹ 10/- each fully paid up	-	7.78
Honeywell Automation India Ltd. Nil (31st March, 2025 -28) Equity Shares of ₹ 10/- each fully paid up	-	9.43
Vardhman Textiles Ltd 6634 (31st March, 2025 -6210) Equity Shares of ₹ 2/- each fully paid up	34.74	24.54
Nippon Life India Asset Management Limited Nil (31st March, 2025 -4726) Equity Shares of ₹ 10/- each fully paid up	-	27.34
Jindal Stainless Ltd 4320 (31st March, 2025 -5252) Equity Shares of ₹ 2/- each fully paid up	30.71	30.55
CSB BANK LIMITED Nil (31st March, 2025 -6011) Equity Shares of ₹ 10/- each fully paid up	-	18.17
Sarda Energy and Minerals Ltd 8568 (31st March, 2025 -10368) Equity Shares of ₹ 1/- each fully paid up	43.75	53.28
Arvind SmartSpaces Limited 2434 (31st March, 2025 -2434) Equity Shares of ₹ 10/- each fully paid up	12.23	17.18
Godawari Power and Ispat Ltd 13115 (31st March, 2025 -14275) Equity Shares of ₹ 5/- each fully paid up	35.25	25.71
Rolex Rings Limited 12830 (31st March, 2025 -1283) Equity Shares of ₹ 10/- each fully paid up	14.24	16.41
Karur Vysya Bank Ltd 10783 (31st March, 2025 -12581) Equity Shares of ₹ 2/- each fully paid up	31.21	26.32
Usha Martin Ltd 8278 (31st March, 2025 -8979) Equity Shares of ₹ 1/- each fully paid up	32.40	30.29
Sobha Developers Ltd Nil (31st March, 2025 -1823) Equity Shares of ₹ 10/- each fully paid up	-	22.33
Ceat Ltd 790 (31st March, 2025 -879) Equity Shares of ₹ 10/- each fully paid up	25.62	25.31
Coromandel International Ltd Nil (31st March, 2025 -993) Equity Shares of ₹ 1/- each fully paid up	-	19.68
Kalpataru Projects International Limited 2443 (31st March, 2025 -2667) Equity Shares of ₹ 2/- each fully paid up	25.84	25.99
Kewal Kiran Clothing Limited 3047 (31st March, 2025 -3022) Equity Shares of ₹ 10/- each fully paid up	12.70	13.91
Equitas Small Finance Bank Limited Nil (31st March, 2025 -30532) Equity Shares of ₹ 10/- each fully paid up	-	16.79
Motherson Sumi Wiring India Limited 64353 (31st March, 2025 -42902) Equity Shares of ₹ 1/- each fully paid up	23.75	22.36
AIA Engineering Ltd 620 (31st March, 2025 -462) Equity Shares of ₹ 2/- each fully paid up	22.55	15.48
K.P.R. Mill Limited 2481 (31st March, 2025 -2194) Equity Shares of ₹ 1/- each fully paid up	20.58	19.89
Gujarat Alkalies & Chemicals Ltd Nil (31st March, 2025 -2383) Equity Shares of ₹ 10/- each fully paid up	-	13.80
Harsha Engineers International Limited 2685 (31st March, 2025 -2685) Equity Shares of ₹ 10/- each fully paid up	8.44	9.98
GHCL Ltd 4496 (31st March, 2025 -3370) Equity Shares of ₹ 10/- each fully paid up	19.02	20.72
MEDPLUS HEALTH SERVICES LIMITED 3398 (31st March, 2025 -3244) Equity Shares of ₹ 2/- each fully paid up	28.54	24.65
Brigade Enterprises Ltd 2610 (31st March, 2025 -1019) Equity Shares of ₹ 10/- each fully paid up	16.98	9.95
GE Vernova T&D India Ltd Nil (31st March, 2025 -1709) Equity Shares of ₹ 2/- each fully paid up	-	26.64
Mahindra Holidays and Resorts India Limited Nil (31st March, 2025 -4019) Equity Shares of ₹ 1/- each fully paid up	-	11.45
Aurobindo Pharma ltd. Nil (31st March, 2025 -1375) Equity Shares of ₹ 1/- each fully paid up	-	15.96
Kirloskar ferrous indus ltd. Nil (31st March, 2025 -3061) Equity Shares of ₹ 1/- each fully paid up	-	14.39
Indian Bank Nil (31st March, 2025 -7995) Equity Shares of ₹ 1/- each fully paid up	-	43.28
Rategain travel technologies limited 4710 (31st March, 2025 -2457) Equity Shares of ₹ 1/- each fully paid up	20.64	10.93
Aarti Industries limited 4819 (31st March, 2025 -3821) Equity Shares of ₹ 1/- each fully paid up	19.23	14.93
Dalmia Bharat Limited Nil (31st March, 2025 -644) Equity Shares of ₹ 1/- each fully paid up	-	11.73

Notes forming part of Consolidated Financial Statements

(₹ in Lacs)

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
Graphite India Ltd 3286 (31st March, 2025 -1872) Equity Shares of ₹ 1/- each fully paid up	20.26	8.95
Indian Energy Exchange Limited 15725 (31st March, 2025 -6046) Equity Shares of ₹ 1/- each fully paid up	18.04	10.63
Gujarat State Fertilizers & Chemicals Limited 10823 (31st March, 2025 -10005) Equity Shares of ₹ 1/- each fully paid up	15.07	17.74
Gujarat Narmada Valley Fertilizers & Chemicals Ltd 4836 (31st March, 2025 -4301) Equity Shares of ₹ 1/- each fully paid up	17.72	21.35
Balrampur Chini Mills Ltd 3754 (31st March, 2025 -3754) Equity Shares of ₹ 1/- each fully paid up	18.66	20.55
Kotak mahindra bank ltd. 598 (31st March, 2025) Equity Shares of ₹ 1/- each fully paid up	-	12.98
FSN E-Commerce Ventures Limited 11419 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	26.83	-
Honasa Consumer Limited 8951 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	26.70	-
Black Buck Limited 4212 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	24.30	-
Sobha Ltd 2003 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	23.78	-
National Aluminium Company Ltd 5614 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	21.68	-
Arvind Ltd 5786 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	19.60	-
Indiamart Intermesh Limited 982 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	19.50	-
Angel One Limited 8180 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	18.61	-
360 One Wam Limited 1746 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	16.58	-
GE Vernova T&D India Limited 445 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	16.20	-
VRL Logistics Limited 5455 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	12.76	-
Swiggy Ltd 4652 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	12.10	-
Indo Count Industries Limited 3943 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	9.84	-
India Cements Ltd 2767 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	9.51	-
UTI Asset Management Company Limited 986 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	9.24	-
Mahindra Holidays and Resorts India Ltd 4019 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	9.09	-
WeWork India Management Limited 1555 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	7.08	-
HDB Financials Limited 21000 (31st March, 2025 -Nil) Equity Shares of ₹ 10/- each fully paid up	117.61	-
Biocon Ltd 19421 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	70.09	-
Timken India Ltd. 1401 (31st March, 2025- Nil) Equity Shares of ₹ 1/- each fully paid up	45.19	-
Kalpataru Projects International Ltd 3925 (31st March, 2025 -Nil) Equity Shares of ₹ 2/- each fully paid up	41.51	-
Bharat Heavy Electricals Ltd 16023 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	39.34	-
KEI Industries Ltd 885 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	35.74	-
Larsen and Toubro Ltd 1015 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	35.57	-
Aurobindo Pharma Ltd 2323 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	30.30	-
Laurus Labs Limited 3028 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	30.06	-
Pricol Ltd 5651 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	29.04	-
Wpil Ltd 8379 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	28.98	-
INNOVA CAPTAB LIMITED 4125 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	28.46	-
Garware Hi-Tech Films Ltd 803 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	27.16	-
PCBL LTD. 10581 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	25.60	-
BOROSIL Limited 11185 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	24.44	-
Tata Motors Limited 6097 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	24.07	-

Notes forming part of Consolidated Financial Statements

(₹ in Lacs)

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
Tech Mahindra Ltd 1729 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	23.93	-
Cyient Ltd 3154 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	23.74	-
R Systems International Limited 9436 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	22.06	-
Jammu Kashmir Bank Ltd 13943 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	15.34	-
Intellect Design Arena Ltd 2552 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	15.27	-
LTIM Limited 376 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	15.09	-
Man Industries India Ltd 4651 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	14.81	-
Ask Automotive Limited 2489 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	11.07	-
M & B Engineering Limited 4301 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	9.74	-
Bandhan Bank Ltd 3108 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	4.39	-
Delhivery Limited 746 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	3.11	-
K.P.R.Mill Ltd 192 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	1.59	-
Syngene International Ltd 15 (31st March, 2025 -Nil) Equity Shares of ₹ 1/- each fully paid up	0.06	-
Sub Total (Quoted)	**2128.40**	1792.40
Investment in Equity Instruments (Unquoted) **(Carried at Cost)**		
HDB Financials Limited Nil (31st March, 2025 -21000) Equity Shares of ₹ 10/- each fully paid up	–	153.30
National Stock Exchange of India 145000 (31st March, 2025 -150000) Equity Shares of ₹ 1/- each fully paid up	**1025.00**	1187.50
Sub Total (Unquoted)	**1025.00**	1340.80
Investment in Mutual Funds (Quoted) **(Carried at FVTPL)**		
Avendus Structured credit fund lll 6120 (31st March, 2025 -Nil) unit @ ₹ 101294/- each fully paid up	**6199.20**	–
Edelweiss /Nuvama Crossover Opportunities Fund 2024022.330 (31st March, 2025-1800212.906) units @ ₹8.3916/- fully paid up	**160.45**	151.07
360 One special opportunities fund 7480526.76 (31st March, 2025-4874756.262) units @ ₹12.5712/- fully paid up	**878.53**	612.82
Sohum India opportunities fund 6259896.04 (31st March, 2025-4400341.42) units @ ₹16.3442/- fully paid up	**1050.24**	719.20
Nippon India ETF NIL (31st March, 2025 -0.677) Units of ₹ 1000/- each fully paid up	–	0.01
	8288.42	1483.10
Total (Quoted & Unquoted Investment)	**11441.82**	4616.30
11.1 Aggregate amount of quoted & unquoted investments (At cost)	**12002.26**	5001.77
11.2 Aggregate amount of impairement in the value of investment	**560.45**	385.47

Note No. 12 : CURRENT LOANS

(₹ in Lacs)

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
(Unsecured, considered good)		
Loans to related party (net)	–	–
Total –	–	
Break-up:		
Loans considered good- Secured	–	–
Loans considered good- Unsecured	–	–
Loans which have significant increase in credit risk	–	–
Loans- credit impaired	–	–
Total –	–	
Less: Allowance for bad and doubtful loans	–	–
Total Loans	–	–

Notes forming part of Consolidated Financial Statements

12.1 Disclosure as per the requirements of Section 186 of the Companies Act, 2013.

Name of the Company	Terms of Loan	Maximum balance outstanding during the year		Amount Outstanding	
		As at 31st March, 2026	As at 31st March, 2025	As at 31st March, 2026	As at 31st March, 2025
Modern Insulators JV Akhandalamani Elec & Cons	– Payable on demand – Interest rate- 12% p.a.	**0.06**	0.05	**0.06**	0.05
Shriji Designs MIL JV	– Payable on demand – Interest rate- 12% p.a.	**186.33**	224.32	**77.41**	178.51
Modern Composites Pvt. Ltd. (100% Subsidiary Company)	– Payable on demand – Interest Free	**1923.00**	843.50	**1923.00**	843.50

12.2 Loans to subsidiary company and joint ventures have been given for their normal business requirement and the same have been utilised for that purpose only.

12.3 Refer note no. 51 for additional disclosure.

Note No. 13 : OTHER CURRENT FINANCIAL ASSETS (₹ in Lacs)

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
(Unsecured, considered good)		
Advances to employees	**32.69**	31.93
Deposits	**30.76**	24.42
Export benefits receivables	**202.55**	163.71
Accrued interest	**85.86**	66.89
Others	**6.07**	12.20
Total	**357.93**	299.15

Note No. 14 : OTHER CURRENT ASSETS (₹ in Lacs)

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
(Unsecired, considered goods)		
Prepaid expenses	**154.99**	120.01
Advances to suppliers for goods & services	**3432.88**	2730.62
Balance with Govt. authorities	**1266.81**	1122.96
Tax deducted at source	**13.89**	6.75
Preliminary Expenses	**0.10**	0.14
Others	**340.53**	364.63
(Unsecured, considered doubtful)		
Balance with Govt. authorities	–	15.70
Less Allowance for doubtful deposit	–	(15.70)
Total	**5209.20**	**4345.11**

14.1 Advances to suppliers for goods & services include advances against purchases & services, which are receivable in kind in next 12 Months & are for business purpose.

Note No. 15 : EQUITY SHARE CAPITAL (₹ in Lacs)

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
Authorised		
9,00,00,000 (31st March, 2025 - 9,00,00,000) Equity shares of ₹ 10/- each	**9000.00**	9000.00
5,00,000 (31st March, 2025 - 5,00,000) Preference shares of ₹ 100/- each	**500.00**	500.00
Total	**9500.00**	9500.00
Issued, subscribed and paid-up		
4,71,43,900 (31st March, 2025 - 4,71,43,900) Equity shares of ₹ 10/- each fully paid-up	**4714.39**	4714.39
Total	**4714.39**	4714.39

15.1 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year :-

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	Number of Shares	₹ in Lacs	Number of Shares	₹ in Lacs
Balance as at the beginning of the year	**47143900**	**4714.39**	47143900	4714.39
Add : Issued during the year	–	–	–	–
Balance as at the end of the year	**47143900**	**4714.39**	47143900	4714.39

15.2 Terms/rights attached to equity shares

The holding company has only one class of equity shares having a par value of ₹ 10/- per share. Each Holder of equity shares is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the residual assets of the company after distribution of preferential amount, in proportion to their shareholding.

15.3 Details of shareholders holding more than 5% of shares of the company:-

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	No. of Shares	% of Shareholding	No. of Shares	% of Shareholding
Vijay Beneficiary Trust	**16495731**	**34.99**	16495731	34.99
Jay Beneficiary Trust	**6530886**	**13.85**	6530886	13.85
Pride Mercantiles Pvt. Ltd.	**5343453**	**11.33**	5343453	11.33

Notes forming part of Consolidated Financial Statements

15.4 Details of shareholding of promoters and promotors group companies/trust.

As at 31st March, 2026

Promoter Name	No. of shares as at 01.04.2025	Change during the year	No. of shares as at 31.03.2026	% of Total Shares as at 31.03.2026	% change during the year
Pride Mercantiles Pvt. Ltd.	**5343453**	–	**5343453**	**11.33**	–
Jay Beneficiary Trust (Through trustee Sachin Ranka)	**6530886**	–	**6530886**	**13.85**	–
Vijay Beneficiary Trust (Through trustee Sachin Ranka)	**16495731**	–	**16495731**	**34.99**	–
Sachin Ranka	**500**	–	**500**	**0.00**	–
Shreyans Ranka	**500**	–	**500**	**0.00**	–
Smriti Ranka	**500**	–	**500**	**0.00**	–
Suvrat Ranka	**500**	–	**500**	**0.00**	–
Kakunda Investment Pvt. Ltd.	**9807**	**(9807)**	–	–	**(0.02)**
Total	**28381877**	–	**28372070**	**60.18**	**(0.02)**

As at 31st March, 2025

Promoter Name	No. of shares as at 01.04.2024	Change during the year	No. of shares as at 31.03.2025	% of Total Shares as at 31.03.2025	% change during the year
Pride Mercantiles Pvt. Ltd.	5343453	–	5343453	11.33	–
Jay Beneficiary Trust (Through trustee Sachin Ranka)	6530886	–	6530886	13.85	–
Vijay Beneficiary Trust (Through trustee Sachin Ranka)	16495731	–	16495731	34.99	–
Sachin Ranka	500	–	500	0.00	–
Shreyans Ranka	500	–	500	0.00	–
Smriti Ranka	500	–	500	0.00	–
Suvrat Ranka	500	–	500	0.00	–
Kakunda Investment Pvt. Ltd.	9807	–	9807	0.02	–
Total	**28381877**	–	**28381877**	**60.20**	–

Note No. 16 : OTHER EQUITY **(₹ in Lacs)**

Particulars	Reserves and Surplus			Total
	Securities Premium Reserve	Capital Reserve	Retained Earnings	
Balance as at 1st April, 2024	2911.45	1285.87	33570.07	37767.39
Profit for the year	–	–	3858.21	3858.21
Other comprehensive income	–	–	(7.64)	(7.64)
Balance as at 31st March, 2025	2911.45	1285.87	37420.64	41617.96
Non-controlling interest	–	–	–	–
Balance as at 31st March, 2025	**2911.45**	**1285.87**	**37420.64**	**41617.96**
Balance as at 1st April, 2025	**2911.45**	**1285.87**	**37420.64**	**41617.96**
Profit for the year	–	–	**7978.30**	**7978.30**
Other comprehensive income	–	–	**15.83**	**15.83**
Balance as at 31st March, 2026	**2911.45**	**1285.87**	**45414.77**	**49612.09**
Non-controlling interest	–	–	–	–
Balance as at 31st March, 2026	**2911.45**	**1285.87**	**45414.77**	**49612.09**

16.1 The description of the nature and purpose of each reserve within equity is as follows:

A. Capital Reserve: Capital Reserve was created mainly on amalgamation of Modern Terry Towel Ltd. (MTTL) with the Company. This reserve will be utilised in accordance with the provisions of the Act.

B. Securities Premium Reserve: Securities premium reserve was created due to premium on issue of shares. This reserve will be utilised in accordance with the provisions of the Act.

Note No. 17 : NON CURRENT BORROWINGS **(₹ in Lacs)**

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
Secured Term Loans		
From Banks	**526.81**	465.21
From Others	**3100.00**	-
Total	**3626.81**	465.21

17.1 Term loans from banks are secured against hypothecation of the specific vehicles.

17.2 Term loans from banks (for vehicles) are repayable as per various payment schedules. Last installment due in Feb. 2031. Rate of Interest varies from 7.55 to 8.75%. p.a.(31st March,2025 7.4% to 9.05% p.a.)

17.3 Term loans from others is secured by way of pledge / lien over units of Avendus Structured Credit Fund III held by the Company.

17.4 Term loan from others carries interest at 11.50% p.a. and is repayable in a single installment on or before 24th August 2029.

17.5 Breakup of amount due within 12 months (current) and after 12 months (non-current) is as under:

Particulars	As at 31st March, 2026		As at 31st March, 2025	
	Non-Current	Current*	Non-Current	Current*
From Banks	**526.81**	**130.85**	465.21	136.21
From Others	**3100.00**	–	–	–
Sub Total	**3626.81**	**130.85**	465.21	136.21

* Considered in Current Borrowings (Note no. 21).

Notes forming part of Consolidated Financial Statements

Note No. 18 : NON CURRENT PROVISIONS (₹ in Lacs)

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
Provision for Employee Benefits (Refer note no. 37)		
For Gratuity	**2010.02**	2070.20
For Leave encashment	**312.18**	307.65
Total	**2322.20**	2377.85
Provision for warranty (Refer note no. 39)		
For Warranty	**1011.08**	-
	1011.08	-
	3333.28	2377.85

Note No. 19 : DEFERRED TAX LIABILITES (NET) (₹ in Lacs)

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
Deferred Tax Liability in relation to: (Refer note no. 35)		
Property, plant and equipment and intangible assets	**2515.38**	3328.86
Deferred Tax Asset in relation to:		
Provisions	**773.43**	1065.17
Receivables and advances	**35.93**	88.10
Financial assets	**130.56**	89.80
Net Deferred Tax Liability	**1575.46**	2085.79

Note No. 20 : OTHER NON CURRENT LIABILITIES (₹ in Lacs)

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
Other non current liabilities	**11.22**	15.60
Total	**11.22**	15.60

Note No. 21 : CURRENT BORROWINGS (₹ in Lacs)

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
Secured		
Bank borrowings for working capital	**3059.17**	1919.50
Current maturities of non-current borrowings	**130.85**	136.21
Total	**3190.02**	2055.71

21.1 Bank borrowings for working capital are repayable on demand.

21.2 Bank borrowings for working capital are secured by hypothecation of stocks, book debts and first charge on fixed assets of Insulator Division and are personally guaranteed by two of the directors.

21.3 Refer note no. 17 for non-current borrowings.

21.4 Refer note no. 54 for deviation in quarterly returns and statements of current assets filed by the company with banks.

Note No. 22 : TRADE PAYABLES (₹ in Lacs)

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
Outstanding dues of micro enterprises and small enterprises	**616.21**	489.72
Outstanding dues of creditors other than micro enterprises and small enterprises	**4973.62**	3321.43
Total	**5589.83**	3811.15

22.1 Balances of trade payables are subject to reconciliation, confirmation and consequential adjustments, if any.

22.2 **Dues to Micro, Small and Medium Enterprises.**

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). The disclosures pursuant to the said MSMED Act are as follows:

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
a. The Principal amount remaining unpaid to any supplier at the end of the year	**616.21**	489.72
b. Interest due remaining unpaid to any supplier at the end of the year	**6.40**	4.06
c. Amount of interest paid by the Company in terms of section 16 of MSMED Act	–	–
d. Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	**3.90**	3.86
e. Amount of interest accrued and remaining unpaid at the end of accounting year	**2.50**	0.20
f. The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance of a deductible expenditure under section 23 of MSMED Act, 2006	**6.40**	4.06

Disclosure of payable to vendors as defined under the “Micro, Small and Medium Enterprise Development Act, 2006” is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the company and has being relied upon by the auditors.

22.3 Refer note no. 53 for ageing of trade payable.

Notes forming part of Consolidated Financial Statements

Note No. 23 : OTHER CURRENT FINANCIAL LIABILITIES (₹ in Lacs)

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
Sundry deposits	**78.68**	75.90
Payable towards capital goods	**64.19**	85.93
Other payables	**2271.88**	1651.29
Total	**2414.75**	1813.12

23.1 Other payables include employees dues and liability for expenses etc.

Note No. 24 : CURRENT PROVISIONS (₹ in Lacs)

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
Provision for Employee Benefits (Refer note no. 37)		
For Gratuity	**502.51**	430.83
For Leave encashment	**114.46**	104.80
Total	**616.97**	535.63

Note No. 25 : OTHER CURRENT LIABILITIES (₹ in Lacs)

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
Advances received from customers	**1087.79**	599.18
Statutory dues	**142.52**	123.80
Total	**1230.31**	722.98

Note No. 26 : CURRENT INCOME TAX ASSETS/LIABILITIES (Net) (₹ in Lacs)

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
Income tax liability (Refer note no. 35) (Net of advance tax paid ₹ 2300 Lacs and TDS/TCS receivable ₹ 136.92 Lacs)	**263.08**	140.31
Total	**263.08**	140.31

Note No. 27 : REVENUE FROM OPERATIONS (₹ in Lacs)

PARTICULARS	Year Ended 31st March, 2026	Year Ended 31st March, 2025
Sale of products	**70331.77**	49237.18
Sale of services	**230.52**	165.59
Sale of traded goods	**38.82**	43.21
Other operating revenues	**1382.51**	881.19
Total	**71983.62**	50327.17
27.1 Particulars of sale of products		
Insulators & metal fitting	**65665.45**	43668.35
EPC OHE Project	**-**	85.52
Towels & fabric	**4625.32**	5448.87
Yarn & waste	**41.00**	34.44
	70331.77	49237.18
27.2 Particulars of sale of services		
Job work Income	**-**	1.97
Path lab testing charges	**230.52**	163.62
	230.52	165.59
27.3 Particulars of traded goods		
Yarn	**38.82**	40.52
Advance ceramics / Sanitaryware items	**-**	2.69
	38.82	43.21
27.4 Particulars of other operating revenue		
Export incentives	**1105.57**	678.61
Scrap sales	**276.94**	202.58
	1382.51	881.19
27.5 Reconciliation of sale of products		
Revenue from contract with customer	**70574.92**	49411.63
Adjustment made to contract price on account of		
(a) Discounts / rebates / incentives	**(10.27)**	(1.37)
(b) Sales return	**(232.88)**	(173.08)
	70331.77	49237.18

Notes forming part of Consolidated Financial Statements

Note No. 28 : OTHER INCOME (₹ in Lacs)

PARTICULARS	Year Ended 31st March, 2026	Year Ended 31st March, 2025
Foreign exchange fluctuation (net)	**1212.82**	282.64
Interest income	**329.94**	157.50
Profit on sale of investment (net realized gain)	**60.43**	79.84
Dividend received	**65.05**	42.47
Rent received	**48.00**	48.00
Miscellaneous income	**472.00**	596.95
Total	**2188.24**	1207.40

Note No. 29 : COST OF MATERIALS CONSUMED (₹ in Lacs)

PARTICULARS	Year Ended 31st March, 2026	Year Ended 31st March, 2025
Raw materials at the beginning of the year	**2234.28**	2682.04
Add : Purchases	**22983.88**	15719.00
Less : Raw materials at the end of the year	**5046.83**	2234.28
Cost of materials consumed	**20171.33**	16166.76

Note No. 30 : CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK IN TRADE & STOCK IN PROCESS (₹ in Lacs)

PARTICULARS	Year Ended 31st March, 2026	Year Ended 31st March, 2025
Inventories at the beginning of the year		
Finished goods	**5540.18**	3964.37
Stock-in-trade	**14.69**	1.77
Stock in process	**3485.69**	2873.65
	9040.56	6839.79
Inventories at the end of the year		
Finished goods	**5654.61**	5540.18
Stock-in-trade	**13.78**	14.69
Stock in process	**3548.80**	3485.69
	9217.19	9040.56
Total changes in inventories	**(176.63)**	(2200.77)

Note No. 31 : EMPLOYEE BENEFITS EXPENSE (₹ in Lacs)

PARTICULARS	Year Ended 31st March, 2026	Year Ended 31st March, 2025
Salaries, wages, gratuity, bonus and allowances	**8281.12**	7252.16
Contribution to provident fund and other Funds (Refer note no. 37)	**676.85**	622.70
Staff & labour welfare	**117.31**	100.25
Total	**9075.28**	7975.11

Note No. 32 : FINANCE COSTS (₹ in Lacs)

PARTICULARS	Year Ended 31st March, 2026	Year Ended 31st March, 2025
Interest expenses	**416.41**	277.03
Other borrowing cost	**171.55**	152.07
Total	**587.96**	429.10

Notes forming part of Consolidated Financial Statements

Note No. 33 : OTHER EXPENSES **(₹ in Lacs)**

PARTICULARS	Year Ended 31st March, 2026	Year Ended 31st March, 2025
Manufacturing Expenses		
Power consumption (net)	**3892.71**	3386.14
Fuel consumption	**9989.96**	6550.03
Stores and spares consumption	**4835.93**	4011.55
Packing	**2910.79**	2457.83
Job Charges	**1472.79**	1346.74
Making up Expenses	**187.92**	134.41
Repairs and Maintenance:		
Plant and Machinery	**1739.10**	1280.39
Buildings	**863.35**	821.26
Others	**129.74**	76.13
Other expenses	**673.78**	528.76
	26696.07	20593.24
Administrative Expenses		
Rent	**117.52**	97.36
Insurance	**86.97**	67.31
Rates and taxes	**39.70**	97.23
Travelling and conveyance	**579.78**	481.92
Legal and professional expenses	**824.08**	699.91
Telecommunication expenses	**10.97**	9.42
Directors fees (Refer note no. 41)	**1.26**	0.93
Corporate social responsibility (CSR) activities (Refer note no. 47)	**71.04**	52.86
Payment to Auditors		
for Audit fee	**5.75**	4.75
for Limited review	**2.00**	2.00
for Tax audit fee	**1.60**	1.60
for Expenses	**0.96**	1.04
(Profit)/loss on sale of property, plant and equipment (net)	**(4.46)**	9.81
Other expenses	**587.32**	547.93
	2324.49	2074.07
Selling Expenses		
Commission, rebates etc	**708.03**	130.17
Provision for Warranty (Refer note no. 39)	**1011.08**	–
Carriage outward (net)	**1460.30**	1269.61
Provision for doubtful debts	**(109.35)**	33.72
Bad debts	**240.37**	7.45
Sales promotion and advertisement	**95.39**	112.17
Insulators testing charges	**144.48**	285.06
Other expenses	**84.00**	72.04
	3634.30	1910.22
Other Expenses		
Lease rent on land	**0.07**	0.07
Liabilities and sundry balances written back (net)	**10.04**	(91.68)
Loss/(gain) on fair valuation of investment carried at FVTPL (net)	**174.98**	(58.53)
Property, plant & equipment discared/written off	**507.52**	–
Brokerage and commission on shares	**59.83**	19.67
	752.44	(130.47)
Total	**33407.30**	24447.06

Notes forming part of Consolidated Financial Statements

Note No. 34 : Earnings Per Share **(₹ in Lacs)**

PARTICULARS	Unit	Year Ended 31st March, 2026	Year Ended 31st March, 2025
Net profit for the year attributable to equity shareholders (Basic & diluted earnings per share)	₹ In Lacs	**7978.30**	3858.21
Weighted average number of equity shares outstanding	Nos.	**47143900**	47143900
Nominal value per share	₹	**10**	10
Earnings Per Share:			
– Basic	₹	**16.92**	8.18
– Diluted	₹	**16.92**	8.18

Note No. 35 : Income Tax

i) Tax expense recognised in Consolidated Statement of Profit and Loss **(₹ in Lacs)**

PARTICULARS		31st March, 2026	31st March, 2025
(a)	**Statement of Profit and Loss**		
	Current tax for the year	**2618.53**	763.25
	Deferred tax for the year	**(513.13)**	(140.36)
	Income tax expense recognised in Statement of Profit and Loss	**2105.40**	622.89
(b)	**Other Comprehensive Income**		
	Income tax on actuarial gain/loss on defined benefit plan	**(2.80)**	4.11
	Income tax charged to Other comprehensive income	**(2.80)**	4.11

ii) Reconciliation of effective tax rate **(₹ in Lacs)**

PARTICULARS	31st March, 2026	31st March, 2025
Profit before tax	**10083.70**	4481.10
Enacted tax rate in India	**25.168%**	34.944%
Current tax expenses on profit before tax at the enacted income tax rate in India	**2537.87**	1565.88
Tax effect of		
Expenses disallowed under Income Tax Act, 1961	**159.68**	31.77
Unused tax losses and tax offsets not recognised as deferred tax assets in subsidiary (net)	**65.57)**	13.47
Difference on tax rates	**(548.05)**	13.96
Capital (gain)/loss (differential tax rate)	**4.00**	(6.82)
Income set off from brought forward losses pursuant to proposed amalgamation	**(176.11)**	(1039.62)
Others	**62.44**	44.25
Total tax expenses in the consolidated statement of profit and loss account	**2105.40**	622.89
Effective Tax Rate	**20.88**	13.90

iii) The movement in deferred tax assets and liabilities

During the year ended 31st March, 2026 **(₹ in Lacs)**

PARTICULARS	As at 1st April, 2025	Recognised in Profit and Loss	Recognised in OCI	As at 31st March, 2026
Property, plant and equipment and intangible assets	**3328.86**	**(813.48)**	**–**	**2515.38**
Provisions	**(1065.17)**	**288.94**	**2.80**	**(773.43)**
Receivables and advances	**(88.10)**	**52.17**	**–**	**(35.93)**
Financial assets	**(89.80)**	**(40.76)**	**–**	**(130.56)**
Net Deferred Tax Liability	**2085.79**	**(513.13)**	**2.80**	**1575.46**

During the year ended 31st March, 2026 **(₹ in Lacs)**

PARTICULARS	As at 1st April, 2024	Recognised in Profit and Loss	Recognised in OCI	As at 31st March, 2025
Property, plant & equipment and tangible assets	3405.30	(76.44)	–	3328.86
Provisions	(1052.12)	(8.94)	(4.11)	(1065.17)
Receivables and advances	(19.49)	(68.61)	–	(88.10)
Financial assets	(103.43)	13.63		(89.80)
Net Deferred Tax Liability	**2230.26**	**(140.36)**	**(4.11)**	2085.79

(iv) Holding Company has claimed the losses pertaining to Modern Denim Limited in its income tax return from AY 2017-18, with which the holding company has proposed amalgamation. Income Tax Department has completed assessment for Assessment Year 2017-18 and 2018-19 and has disallowed such losses claimed pursuant to proposed amalgamation pending approval from concerned authorities. However, the Holding Company has filed appeal against the said order before CIT (Appeals). CIT(A) in his order has held that effect of the scheme of amalgamation will be allowed by the AO as and when the scheme is approved by the competent authority.

(v) During the year, the company has opted for concessional tax regime under section 115BAA of the Income Tax Act 1961 and consequently restated the deferred tax assets/liabilities on account of change in tax rates

Note No. 36

The Hon'ble National Company Law Tribunal (NCLT), Jaipur Bench vide its order dated 22 January 2026 has disposed of the Holding Company's Petition No. CP(CAA) No.14/230-232/ JPR/ 2022 in respect of the Scheme of Arrangement between Modern Insulators Limited and Modem Denim Limited and their respective shareholders and creditors (Scheme), with a liberty to the holding company to re-approach the Hon'ble NCLT after completion of pending regulatory and procedural requirements including NOC from stock exchange.

As informed by the management of holding company, based on legal advice, the Holding Company has re-submitted its application with the stock exchange for

Notes forming part of Consolidated Financial Statements

necessary NOC. In response, the stock exchange has raised certain queries, the compliance of which is under process. Upon completion of these regulatory requirements, in accordance with the Hon'ble NCLT order, the holding company will re-approach the Hon'ble NCLT for final approval of the Scheme. The management is hopeful that the Scheme will be approved by the Hon'ble NCLT.

Meanwhile, provision for taxation including interest to the extent of Rs.244.69 lacs and Rs.936.19 lacs for the quarter and year ended 31 March 2026 (previous year Rs.1915.17 Lacs; upto the year Rs.12780.38 lacs) has not been made in accounts of holding company, in view of the proposed amalgamation under above mentioned Scheme under the provisions of Companies Act, 2013.

Note No. 37 : Employee Benefit Disclosure as per Ind As-19
(As per actuarial valuation as on 31st March-2026 and 31st March-2025)
i) Defined contribution plan
During the year company has recognised the following amounts in the statement of profit and loss account. **(₹ in Lacs)**

PARTICULARS	2025-26	2024-25
Benefits (Contributed to)		
Provident Fund	**545.45**	495.34
Employee State Insurance	**57.26**	54.14
National Pension Scheme	**62.07**	62.25
Group Insurance Scheme/DLI Contribution	**12.07**	10.97
Total	**676.85**	622.70

ii) Defined benefits plan
Gratuity

The Company provides for gratuity, a defined benefit plan, covering eligible employees in accordance with the prevailing statutory regulations governing employee benefits. . Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/ termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.

Reconciliation of opening and closing balances of the present value of the defined benefit obligation : **(₹ in Lacs)**

PARTICULARS	31st March, 2026	31st March, 2025
Present Value of obligation as at the beginning of the year	**2501.03**	2473.98
Current service cost	**162.84**	181.74
Interest cost	**169.82**	153.44
Past service cost	**1.11**	–
Actuarial (gain)/loss	**(18.63)**	11.75
Benefit paid	**(303.64)**	(319.88)
Present value of obligation as at the end of the year	**2512.53**	2501.03

Amount recognized in the Consolidated Balance Sheet: **(₹ in Lacs)**

PARTICULARS	31st March, 2026	31st March, 2025
Present value of defined benefit obligation	**2512.53**	2501.03
Fair value of plan assets	**–**	–
Net liability	**2512.53**	2501.03
Amounts shown in the consolidated balance sheet		
Current liabilities	**502.51**	430.83
Non–current liabilities	**2010.02**	2070.20
Net liability	**2512.53**	2501.03

Amount recognized in Consolidated Profit and Loss: **(₹ in Lacs)**

PARTICULARS	31st March, 2026	31st March, 2025
Current service cost	**162.84**	181.74
Past service cost	**1.11**	–
Interest cost	**169.82**	153.44
Total amount recognized in Consolidated Profit and Loss:	**333.77**	335.18

Amount recognized in other comprehensive income: **(₹ in Lacs)**

PARTICULARS	31st March, 2026	31st March, 2025
Actuarial (gain)/loss on obligation	**(18.63)**	11.75
Return on plan assets less interest on plan assets	**–**	–
Total Actuarial (Gain)/Loss recognised in other comprehensive income	**(18.63)**	11.75

Actuarial (Gain)/Loss on obligation consists: **(₹ in Lacs)**

PARTICULARS	31st March, 2026	31st March, 2025
Actuarial (gain)/loss arising from change in demographic assumption	**–**	–
Actuarial (gain)/loss arising from change in financial assumption	**(117.91)**	(95.77)
Actuarial (gain)/loss arising from change in experience adjustment on plan liabilities	**99.28**	107.52
Total Actuarial (Gain)/Loss on obligation	**(18.63)**	11.75

Information for funded plans with a defined benefit obligation less than plan assets: **(₹ in Lacs)**

PARTICULARS	31st March, 2026	31st March, 2025
Defined benefit obligation	**2512.53**	2501.03
Fair value of plan assets	**–**	–
Net Liability/(Assets)	**2512.53**	2501.03

Notes forming part of Consolidated Financial Statements

Reconciliation of the present value of defined benefit obligation and the fair value of the plan assets: (₹ in Lacs)

PARTICULARS	31st March, 2026	31st March, 2025
Present value of obligation at year end	**2512.53**	2501.03
Fair value of plan assets at year end	–	–
Funded status excess of actual over estimated.	**(2512.53)**	(2501.03)
Assets/(Liabilities) recognized in the Balance Sheet	**(2512.53)**	(2501.03)

iii) Defined benefit obligation

a) Actuarial assumption

The following were the principal actuarial assumptions at the reporting date.

PARTICULARS	31st March, 2026	31st March, 2025
Discount rate*	**7.54%**	6.79%
Expected return on plan assets		
Gratuity	**NA**	NA
Leave encashment	**NA**	NA
Salary escalation rate**	**5.00% & 4.50%**	5.00% & 4.50%
Mortality rate inclusive of provision for disability	**100% of IALM (2012-14)**	

* The discount rate assumed is determined by reference to market yield at the balance sheet date on government bonds.

** The estimates of future salary increase considered in actuarial valuation, taking account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

b) Sensitivity analysis

Reasonable possible change at the reporting date to one of the relevant actuarial assumption, holding other assumption constant, would have affected the defined benefit obligation by the amount shown below.

PARTICULARS	31st March, 2026		31st March, 2025	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(73.62)	78.53	(81.74)	87.23
Salary escalation rate (0.5% movement)	79.02	(74.73)	87.43	(82.51)

c) Expected Maturity analysis of the defined benefits plan in future years (₹ in Lacs)

Particulars	First Year	Second Years	Third to Fifth years	More than 5 Years
Gratuity	502.52	182.23	540.64	1287.14

d) Risk exposure

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow -

- Salary Increase- Actual salary increase will increase the plan's liability. Increase in salary increase rate assumption in future valuations which also increase the liability.
- Investment Risk – If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can affect the liability.
- Discount Rate : Reduction in discount rate in subsequent valuations can increase the plan's liability.
- Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can affect the liabilities.
- Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can affect liability.

iv) Long term employee benefit

Leave encashment

The company has a policy to pay leave encashment. Every employee is entitled to claim leave encashment after his/her retirement/termination which is calculated based upon no. of leaves earned. The company has a total provision for leave encashment as on 31st March, 2026 ₹ 426.64 Lacs and as on 31st March, 2025 ₹ 412.45 Lacs. Total expenses provided during the year 2025-26 is ₹ 108.06 Lacs and for the year 2024-25 ₹ 122.98 Lacs. Current Service cost of ₹ 62.88 Lacs for the year 2025-26 and ₹ 56.07 Lacs for the year 2024-25 based on actuarial valuation.

Note No. 38 : Impact of New Labour Code

The Government of India, vide Notification dated November 21, 2025, has notified The Code on Wages, 2019, The Industrial Relations Code, 2020, The Code on Social Security, 2020, and The Occupational Safety, Health and Working Conditions Code, 2020 (collectively referred to as "The Labour Codes"), which consolidate and replace existing multiple labour legislations. In accordance with Ind AS 19 - Employee benefits, changes to employee benefit plans resulting from the new labour codes are treated as plan amendments, requiring immediate recognition of past service cost as expense in the statement of profit and loss. This approach is consistent with the guidance issued by The Institute of Chartered Accountants of India.

The incremental impact of these changes, assessed by the Company, on the basis of the information available, consistent with the guidance provided by the Institute of Chartered Accountants of India is NIL as at 31st March 2026 based on actuarial valuation. Once Central and State Rules are notified by the Government on all aspects of the Codes, the Company will evaluate resultant impact if any, on the measurement of employee benefits and would ensure appropriate accounting treatment.

Note No. 39 : Provision for warranty

Company has made a provision for warranty in respect of certain products carrying a warranty period of five years, based on management's best estimate, engineering assessments and initial product performance parameters, of the probable outflow of resources required to settle the obligation for repairs and replacement under the product warranty provided to customers.

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(₹ in Lacs)

PARTICULARS	As at 31st March, 2026	As at 31st March, 2025
Movement in provision for Warranty:		
Opening balance	–	–
Add: Provision made during the year	1011.08	–
Less: Claims during the year	–	–
Less: Unused provision reversed during the year	–	–
Closing balance	**1011.08**	**–**

Note No. 40 : Operative Segment information as per Ind AS -108

A. Primary segment reporting (by business segment)

The two identified segments are:

(i) Insulators

(ii) Terry Towels

(iii) Others

	31st March, 2026				31st March, 2025			
	Insulators	Terry Towels	Others	Total	Insulators	Terry Towels	Others	Total
1. Segment Revenue								
Revenue from operations	**66986.88**	**4926.73**	**70.01**	**71983.62**	44635.65	5687.11	4.41	50327.17
2. Segment results								
Profit before financial expenses	**10867.06**	**16.10**	**(211.50)**	**10671.66**	4899.75	61.93	(51.48)	4910.20
Less: financial expenses	**508.50**	**6.40**	**73.06**	**587.96**	410.51	4.06	14.53	429.10
Profit before tax	**10358.56**	**9.70**	**(284.56)**	**10083.70**	4489.24	57.87	(66.01)	4481.10
3. Capital employed								
Segment assets	**60493.98**	**12678.85**	**3005.38**	**76178.21**	47902.90	10495.75	1957.05	60355.70
Segment liabilities	**17927.77**	**841.26**	**3082.70**	**21851.73**	12207.43	1118.44	697.48	14023.35
Capital employed	**42566.21**	**11837.59**	**(77.32)**	**54326.48**	35695.47	9377.31	1259.57	46332.35

B. Secondary segment reporting (by geographical segment)

The analysis of geographical segment is based on geographical location of the customers, which is domestic and export.

Revenue by geographical market (₹ in Lacs)

	31st March, 2026				31st March, 2025			
	Insulators	Terry Towels	Others	Total	Insulators	Terry Towels	Others	Total
In India	**28486.38**	**3116.94**	**63.07**	**31666.39**	22030.41	4428.04	4.41	26462.86
Other than India	**38500.50**	**1809.79**	**6.94**	**40317.23**	22605.24	1259.07	-	23864.31
	66986.88	**4926.73**	**70.01**	**71983.62**	44635.65	5687.11	4.41	50327.17

Carrying amount of segment assets (Trade receivables)

	31st March, 2026				31st March, 2025			
	Insulators	Terry Towels	Others	Total	Insulators	Terry Towels	Others	Total
In India	**3556.55**	**265.54**	**57.71**	**3879.80**	5285.23	683.33	2.93	5971.49
Other than India	**10661.13**	**706.83**	**9.62**	**11377.58**	5522.24	706.83	-	6229.07
	14217.68	**972.37**	**67.33**	**15257.38**	10807.47	1390.16	2.93	12200.56

Note No. 41 : Related Party Disclosures as per Ind AS 24

i) Name of related parties and description of relationship

a) Company which exercises significant influence

Modern Denim Limited

b) Subsidiary Company

Modern Composites Pvt. Ltd. - Wholly owned subsidiary

c) Joint Venture Firm

Shriji Designs MIL JV

Modern Insulators JV Akhandalamani Electricals & Construction

d) Key Management Personnel

Shri Sachin Ranka – Chairman & Managing Director

Shri Shreyans Ranka – Joint Managing Director

Shri P. Sridharan – Executive Director

Shri Animesh Banerjee – Executive Director

Notes forming part of Consolidated Financial Statements

e) **Relatives of the Key Management Personnel & their enterprises where transactions have taken place**
Shubham Corporate Advisory Services Pvt. Ltd.
H.S. Ranka Foundation
Progressive Ladies Welfare Society
Smt. Smriti Ranka
Smt. Aditi Ranka

f) **Independent Director/Non Executive Director**
Shri Rahul Singhvi – Independent Director
Shri S. K. Sharma – Independent Director
Smt. Meenu Sacheti – Independent Director
Shri G.V. Kalpathy – Independent Director

ii) The following transactions were carried out with the related parties during the year : **(₹ in Lacs)**

Description of the nature of the transactions	Name	Volume of transactions		Balance Outstanding	
		Year ended 31st March, 2026	Year ended 31st March, 2025	As at 31st March, 2026	As at 31st March, 2025
a) Company which exercises significant influence					
Purchase of goods	Modern Denim Ltd.	**102.29**	47.20	–	–
Loans & advances given (net)	Modern Denim Ltd.	**135.00**	610.00	**7119.00**	6984.00
Sale of goods	Modern Denim Ltd.	**40.76**	49.58	–	–
Job charges received	Modern Denim Ltd.	–	2.07	–	–
Reimbursement of power expenses	Modern Denim Ltd.	**76.90**	180.05	–	–
Rent Income	Modern Denim Ltd.	**35.40**	35.40	–	–
Reimbursement of expenses (others)	Modern Denim Ltd.	**0.85**	0.36	–	–
b) Subsidiary Company					
Loan and advances given (net)	Modern Composites Pvt. Ltd.	**1079.50**	843.50	**1923.00**	843.50
Reimbursement of power expenses	Modern Composites Pvt. Ltd.	**17.39**	6.68	–	–
Rent Income	Modern Composites Pvt. Ltd.	**14.16**	14.16	–	–
Sale of goods	Modern Composites Pvt. Ltd.	**34.72**	3.19	–	–
Reimbursement of exp. (other)/ Statutory payments	Modern Composites Pvt. Ltd.	**0.67**	58.40	–	–
c) Joint Venture					
Purchase of goods,services & reimbursement	Shriji Designs MIL JV	**159.30**	66.67	–	–
Loans and advances given (net)	Shriji Designs MIL JV	**(98.22)**	(44.65)	**58.66**	156.88
Interest income	Shriji Designs MIL JV	**18.75**	24.04	**18.75**	21.63
Reimbarsement of exp. (other)/Statutory payments	Shriji Designs MIL JV	–	4.24	–	–
Loan and advances given (net)	Modern Insulators JV Akhandal-amani Electricals & Construction	**0.06**	0.05	**0.06**	0.05
d) Key Managerial Personnel					
Remuneration*	Shri Sachin Ranka	**149.15**	149.15	–	–
	Shri P.K.Gokhroo	–	50.95	–	–
	Shri Vikas Sharma	–	34.56	–	–
	Shri Shreyans Ranka	**59.24**	53.27	–	–
	Shri P. Sridharan	**39.00**	1.05	–	–
	Shri Animesh Banerjee	**84.36**	1.94	–	–
e) Relatives of the key managerial personnel & their enterprises					
Rent paid	Shubham Corporate Advisory Services Pvt. Ltd.	**18.00**	18.00	–	–
	Smt. Smriti Ranka	**14.40**	14.40	–	–
Remuneration*	Smt. Aditi Ranka	**18.09**	18.09		
Contribution towards CSR activities	H.S. Ranka Foundation	**56.25**	35.00	–	–
	Progressive Ladies Welfare Society	–	1.60	–	–
f) Independent Directors/Non Executive Directors					
Sitting fees paid to independent directors	Shri Rahul Singhvi	**0.86**	0.61	–	–
	Smt. Meenu Sacheti	**0.20**	0.12	–	–
	Shri G.V. Kalpathy	**0.20**	**0.20**	–	–

Terms and conditions:
Related party relationships are as identified by the management and relied upon by the auditor.
All the transactions with related parties were made on normal commercial terms and conditions and at market rates. The above transactions are as per the approval of audit committee.
Decision relating to remuneration to key management personnel were taken based on the recommendation of Nomination and Remuneration committee.
*Expenses towards gratuity and leave encashment are determined actuarially on overall company basis at the end of each year and accordingly have not been considered in remuneration.

Other notes on Consolidated Financial Statements

Note No. 42 : Contingent Liabilities

Contingent liabilities to the extent not provided for in respect of **(₹ in Lacs)**

PARTICULARS	31st March, 2026	31st March, 2025
Guarantees given by bankers on behalf of the company	**2092.36**	1649.98
Outstanding letters of credit	**23.88**	981.60
Disputed liabilities, not acknowledged as debts	**529.26**	528.56
Disputed Land Tax demand (Deposited under protest ₹ Nil Lacs, 31st March, 2025- ₹ 15.70 Lacs)	**-**	15.70
Disputed GST demand (Deposited under protest ₹ 23.62 Lacs, 31st March, 2025- ₹ 8.28 Lacs)	**143.22**	149.02
Doubtful advances to creditors	**14.79**	14.79
Disputed stamp duty demand	**195.48**	195.48
Disputed certain labour cases against the Company; amount unascertainable	-	-
Corporate guarantee given to Punjab National Bank for loan to Modern Metalcast Pvt. Ltd.	**1235.00**	1235.00
Corporate guarantee given to Punjab National Bank for loan to Modern Composites Pvt. Ltd.	**1565.00**	1565.00

The Group, in respect of contingent liability, has assessed that it is not probable that outflow of economic resources will be required and hence not provided by the Group. There are no other contingent liability other than those reported herein above.

Note No. 43 : Capital Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 687.40 Lacs (net of advances ₹ 451.34 Lacs) 31st March, 2025- ₹ 926.74 Lacs (net of advances ₹ 336.48 Lacs)

Note No. 44 : Capital Management

For the purpose of Group's Capital Management, capital includes issued equity share capital and other equity reserves attributable to equity holders. The primary objective of Group's Capital Management is to maximize shareholder's wealth. The group manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of financial covenants.

The Group manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholder. The capital structure of the Group is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investors, creditors and market confidence. The management and the Board of Directors monitors the return on capital. The Group may take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

Note No. 45 : Financial Risk Management

The Group's Financial Risk Management is an integral part of how to plan and execute its business strategies. The Group's financial risk management is set by the Managing Board. The Group's principal financial liabilities comprise loans and borrowings, trade payables and other payables. The main purpose of these financial liabilities is to finance the group's operations. The group's principal financial assets include trade & other receivables, investments, cash and short term deposits.

i) Credit risk

Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Group periodically assesses the financial reliability of customers and other counter parties, taking into account financial conditions, current economic trends and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed based on such information.

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the statement of profit and loss.

The Group measures the expected credit loss of trade receivables based on historical trend and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. The Group provides loss allowance on trade receivables using life time expected credit loss and as per simplified approach.

The Ageing of trade receivables is as below: **(₹ in Lacs)**

PARTICULARS	31st March, 2026	31st March, 2025
Not due	**12381.12**	**10024.65**
0-6 months	**2563.61**	**1753.56**
6 months to 12 months	**192.55**	**124.28**
1 year to 3 year	**98.91**	**279.16**
beyond 3 years	**163.96**	**271.04**
	15400.15	**12452.69**
Less: Allowance for bad and doubtful debts	**142.77**	**252.13**
Total	**15257.38**	**12200.56**

Financial assets are considered to be good quality and there is no significant increase in credit risk.

Notes forming part of Consolidated Financial Statements

Movement in allowance for doubtful debts (₹ in Lacs)

PARTICULARS	31st March, 2026	31st March, 2025
Opening Balance	**252.13**	218.41
Allowances made	**(109.36)**	49.98
Allowances for bad and doubtful debts written back	–	(16.26)
Closing Balance	**142.77**	252.13

ii) Liquidity Risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at a reasonable price. The Group's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Group's net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturity pattern of borrowings & other financial liabilities

As at 31st March, 2026 (₹ in Lacs)

Particulars	12 months or less	1-2 years	2-5 years	More than 5 years	Total
Borrowing	**3651.68**	**–**	**3165.15**	**–**	**6816.83**
Trade payable	**5437.43**	**51.72**	**100.68**	**–**	**5589.83**
Other financial liabilities	**2414.75**	**–**	**–**	**–**	**2414.75**
Total	**11503.86**	**51.72**	**3265.83**	**–**	**14821.41**

As at 31st March, 2025 (₹ in Lacs)

Particulars	12 months or less	1-2 years	2-5 years	More than 5 years	Total
Borrowing	2517.46	3.11	0.35	–	2520.92
Trade payable	3727.29	25.96	57.90	–	3811.15
Other financial liabilities	1813.12	–	–	–	1813.12
Total	8057.87	29.07	58.25	–	8145.19

iii) Market Risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

a) Foreign currency risk

The group operates internationally and portion of the business is transacted in several currencies and consequently the group is exposed to foreign exchange risk through its sales in overseas and purchase from overseas suppliers in various foreign currencies.

The group evaluate exchange rate exposure arising from foreign currency transaction and the group follow established risk management policies, including the use of derivative like foreign exchange forward contracts to hedge exposure to foreign risk.

Foreign currency derivatives and exposures not hedged

A. Foreign currency derivatives outstanding **(in Lacs)**

Name of Instrument	As at 31st March, 2026		As at 31st March, 2025	
	INR	Foreign Currency (EURO)	INR	Foreign Currency (EURO)
Forward Contract	–	–	–	–

B. Foreign currency exposure not hedged

As at 31st March, 2026 **(Foreign currency in Lacs)**

	USD	EURO	GBP
Trade receivable	**69.93**	**2.55**	**0.20**
Trade payable	**3.18**	**0.91**	**–**

As at 31st March, 2025

	USD	EURO	GBP
Trade receivable	69.93	2.55	0.03
Trade payable	3.18	0.91	–

Foreign currency sensitivity

1% increase or decrease in foreign exchanges rates will have the following impact on profit before tax (₹ in Lacs)

Particulars	2025-26		2024-25	
	1% increase	1% decrease	1% increase	1% decrease
USD	**98.73**	**(98.73)**	56.87	(56.87)
EURO	**2.53**	**(2.53)**	(4.45)	4.45
GBP	–	–	0.23	(0.23)

Notes forming part of Consolidated Financial Statements

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rate. In order to optimize the Group's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

Exposure to interest rate risk

PARTICULARS	31st March, 2026	31st March, 2025
Borrowings bearing floating rate of interest	**3059.17**	1919.50

Interest rate sensitivity

PARTICULARS	2025-26	2024-25
100 bps increase which decrease the profit before tax by	**(30.59)**	(19.20)
100 bps decrease which increase the profit before tax by	**30.59**	19.20

Interest rate sensitivity has been calculated assuming the borrowings outstanding at the reporting date have been outstanding for the entire reporting period.

Note No 46. Fair value measurement

i) Financial Instruments by category

As at 31st March, 2026 **(₹ in Lacs)**

Particulars	FVTPL	FVTOCI	Amortized Cost
Financial Assets :			
Investments			
– Equity Share	**11441.82**	–	–
– Preference Share	–	–	–
– National saving certificate	–	–	**0.01**
Trade receivables	–	–	**15257.38**
Cash and cash equivalents	–	–	**558.14**
Bank balances other than cash and cash equivalents	–	–	**1152.84**
Other non current financial assets	–	–	**1135.88**
Loans	–	–	**7119.00**
Other financial assets	–	–	**357.93**
Total financial assets	**11441.82**	–	**25581.18**
Financial Liability:			
Borrowings	–	–	**6816.83**
Trade payables	–	–	**5589.83**
Other financial liabilities	–	–	**2414.75**
Total financial liabilities	–	–	**14821.41**

As at 31st March, 2025 **(₹ in Lacs)**

Particulars	FVTPL	FVTOCI	Amortized Cost
Financial Assets :			
Investments			
– Equity Share	4616.30	–	–
– Preference Share	–	–	–
– National saving certificate	–	–	0.01
Trade receivables	–	–	12200.56
Cash and cash equivalents	–	–	494.23
Bank balances other than cash and cash equivalents	–	–	235.22
Other non current financial assets	–	–	1350.45
Loans	–	–	6984.00
Other financial assets	–	–	299.15
Total financial assets	4616.30	–	21563.62
Financial Liability:			
Borrowings	–	–	2520.92
Trade payables	–	–	3811.15
Other financial liabilities	–	–	1813.12
Total financial liabilities	–	–	8145.19

Notes forming part of Consolidated Financial Statements

ii) Fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows:

Level 1- Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

Valuation process to determine fair value

Specific valuation technique is used to determine the fair value of the financial instruments which include:

-Investment in unquoted equity shares- Lowest level input that is significant to the fair value measurement is unobservable.

Financial instrument measured at fair value

As at 31st March 2026 **(₹ in Lacs)**

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Equity Instruments	**11441.82**	–	–	**11441.82**
Total	**11441.82**	**–**	**–**	**11441.82**

As at 31st March 2025 **(₹ in Lacs)**

Particulars	Level 1	Level 2	Level 3	Total
Financial Assets				
Equity Instruments	4616.30	–	–	4616.30
Total	4616.30	–	–	4616.30

Fair Value of Financial instrument measured at Amortised Cost

The carrying amount of short term borrowings, trade payables, trade receivables, cash & cash equivalents and other financial assets and liabilities are considered to be the same as their Fair values, due to their short term nature.

Note No 47. Corporate Social Responsibility (CSR) expenditure

(i) As per section 135 of Companies Act, 2013 gross amount required to be spent by the Company during the year 2025-26 - ₹ 71.04 Lacs (net off excess spent ₹ 0.10 lacs in previous years) (Year 2024-25- ₹ 52.84 Lacs)

(ii) Amount spent on on-going projects by the company as at 31st March, 2026– ₹ Nil Lacs (31st March-2025- ₹ Nil Lacs)

(iii) Amount spent on other on-going projects **(₹ in Lacs)**

CSR Activities	As at 31st March, 2026			As at 31st March, 2025		
	In Cash	Yet to be paid	Total	In Cash	Yet to be paid	Total
i) Construction/Acquisition of any assets	–	–	–	–	–	–
ii) Purposes other than (i) above	**71.04**	–	**71.04**	52.86	–	52.86

For the year 2025-26 company does not propose to carry forward any amount spent beyond the statutory requirement.

Nature of CSR activities include promoting education, environmental sustainability and health care.

Note No. 48 : Interest in other entities

(i) The Consolidated Financial Statements present the Consolidated Accounts of Modern Insulators Limited with its following subsidiary and joint ventures:

A. Subsidiary

Name	Country	Activities	Proportion of ownership of interest	
			As on 31st March, 2026	As on 31st March, 2025
Modern Composites Pvt. Ltd.	Indian	Insulators manufacturing	100%	100%

B. Joint Ventures

The company had entered into Joint Venture Agreement with Shriji Designs by incorporating JV firm M/s Shriji Designs -MIL (JV) to participate in railways EPC tenders. The JV had been awarded tender for design, supply, erection, testing and commissioning of 25 KV OHE between sanwad-nimarkhedi NTPC siding of western railway. As per the joint venture working agreement entered with Shriji Designs, execution is entirely in the scope of MIL and company has to pay 2% fees to JV partner. Accordingly 100% profit/loss of JV is part of the company.

The company had also entered into Joint Venture Agreement with Akhandalamani Electricals & Construction by incorporating JV firm M/s Modern Insulators JV Akhandalamani Electrical & Construction to participate in discom tenders. As per the joint venture working agreement entered with Akhandalamani Electricals & Construction execution of contract , if any awarded to JV firm will be entirely in the scope of MIL and company will pay 1.50% commission of contract value to JV partner.

Notes forming part of Consolidated Financial Statements

(ii) Summarised performance of Subsidiary and Joint Ventures **(₹ in Lacs)**

	Subsidiary		Joint Ventures			
	Modern Composites Pvt. Ltd.		MIL-Akhandalamani(JV)		Shriji Designs MIL JV	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
Revenue from operations	99.43	4.41	-	-	135.00	56.50
Profit/(Loss) before tax	(382.12)	(78.50)	(0.01)	(0.02)	97.08	31.92
Tax Expense	29.78	15.27	-	-	-	-
Profit/(Loss) after tax	(411.90)	(93.77)	(0.01)	(0.02)	97.08	31.92
Other Comprehensive Income	-	-	-	-	-	-
Total Comprehensive Income	(411.90)	(93.77)	(0.01)	(0.02)	97.08	31.92
Depreciation and amortisation	98.16	21.76	-	-	0.08	0.09
Interest income	3.82	9.65	-	-	0.31	0.03
Interest expense	73.06	14.53	-	-	18.75	24.04

(iii) Reconciliation of net assets considered for consolidated financial statements to net assets as per financial statement of Subsidiary and Joint Joint Ventures

	Subsidiary		Joint Ventures			
	Modern Composites Pvt. Ltd.		MIL-Akhandalamani(JV)		Shriji Designs MIL JV	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
Net assets as per entity's financial statement	(7.57)	404.33	(0.02)	(0.02)	(69.72)	(166.80)
Add/(less): Consolidation adjustment						
- Loan/Investment/other eliminating item	1914.90	834.91	0.05	0.05	77.41	178.51
Net assets as per entity's consolidated financial statement	1907.33	1239.24	0.03	0.03	7.69	11.71

(iv) Reconciliation of profit and loss/other comprehensive income (OCI) considered for consolidated financial statements to profit and loss/ OCI as per financial statements of Subsidiary and Joint Ventures

	Subsidiary		Joint Ventures			
	Modern Composites Pvt. Ltd.		MIL-Akhandalamani(JV)		Shriji Designs MIL JV	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
Profit/(Loss) as per entity's financial statement	(78.50)	(78.50)	(0.01)	(0.02)	97.08	31.92
Add/(less): Consolidation adjustment	13.05	13.05	-	-	(77.91)	(32.46)
Profit/(Loss) as per entity's consolidated financial statement	(65.45)	(65.45)	(0.01)	(0.02)	19.17	(0.54)

Note No. 49 : Disclosure mandated by Schedule III of Companies Act 2013, by way of additional information, refer below:

As at 31 st March 2026 **(₹ in Lacs)**

Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit/(loss) after tax		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amount	As a % of consoli-dated profit	Amount	As a % of other com-prehensive income	Amount	As a % of other com-prehensive income	Amount
Parent:								
– Modern Insulators Limited	100.14	54911.90	103.95	8292.64	**100.00**	15.83	103.94	**8308.47**
Subsidiary:								
– Modern Composites Pvt. Ltd.	(0.01)	(7.57)	(5.16)	(411.90)	–	–	(5.15)	**(411.90)**
Joint Venture								
– MIL Akhandalamani JV	–	(0.02)	–	(0.01)	–	–	–	**(0.01)**
– Shriji Designs MIL JV	(0.13)	(69.72)	1.22	97.08	–	–	1.21	**97.08**
– SEC MIL JV	–	–	–	–	–	–	–	–
Sub total	**100.00**	**54834.59**	**100.00**	**7977.81**	**100.00**	**15.83**	**100.00**	**7993.64**
Inter company elimination	–	(508.11)	–	0.49	–	–	–	**0.49**
Total	**100.00**	**54326.48**	**100.00**	**7978.30**	**100.00**	**15.83**	**100.00**	**7994.13**
Non controlling interests in subsidiary	–	–	–	–	–	–	–	–
Grand Total	**100.00**	**54326.48**	**100.00**	**7978.30**	**100.00**	**15.83**	**100.00**	**7994.13**

Notes forming part of Consolidated Financial Statements

As at 31 st March 2025 **(₹ in Lacs)**

Name of the entity	Net Assets i.e. total assets minus total liabilities		Share in profit/(loss) after tax		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated net assets	Amount	As a % of consoli-dated profit	Amount	As a % of other com-prehensive income	Amount	As a % of other com-prehensive income	Amount
Parent:								
– Modern Insulators Limited	99.49	46603.43	101.60	3921.73	100.00	(7.64)	101.61	3914.09
Subsidiary:								
– Modern Composites Pvt. Ltd.	0.86	404.33	(2.43)	(93.77)	–	–	(2.43)	(93.77)
Joint Venture								
– MIL-Akhandalamani JV	–	(0.02)	–	(0.02)	–	–	–	(0.02)
– Shriji Designs MIL JV	(0.36)	(166.80)	0.83	31.92	–	–	0.83	31.92
Sub total	100.00	46840.94	100.00	3859.86	100.00	(7.64)	100.00	3852.22
Inter company elimination	–	(508.59)	–	(1.65)	–	–	–	(1.65)
Total	100.00	46332.35	100.00	3858.21	100.00	(7.64)	100.00	3850.57
Non controlling interests in subsidiary	–	–	–	–	–	–	–	–
Grand Total	100.00	46332.35	100.00	3858.21	100.00	(7.64)	100.00	3850.57

Note No 50. Going concern assessment of 100% subsidiary company

The subsidiary company, Modern Composites Pvt. Ltd has incurred a net loss of Rs 411.90 lacs during the year ended 31 March 2026, and as of that date, the accumulated losses of the subsidiary Company amounts to Rs 507.57 Lacs, has completely eroded its share capital and reserves resulting in a negative net worth of Rs 7.57 lacs. The current liabilities of the subsidiary company as at the same date exceed its current assets by Rs 1736.56 lacs. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the subsidiary company's ability to continue as a going concern. The appropriateness of the assumption of going concern is critically depend upon the Company's ability to generate positive cash flows in future to meet its obligations.

However, the financial statements of subsidiary company have been prepared on a going concern basis because the Holding Company, Modern Insulators Limited, has substantial profit and financial resources, has issued a legally binding Letter of Support, Under this agreement, the Modern Insulators Limited has committed to provide continuous financial and operational support to the Company to enable it to meet its liabilities as and when they fall due for atleast the next twelve months from the date of approval of these financial statements.

Management is confident that with this support and projected operational improvements, the subsidiary Company will be able to realize its assets and discharge its liabilities in the normal course of business. Accordingly, no adjustments have been made to the carrying value of assets and liabilities.

Note No. 51 : Loans & Advances

(i) Details of loan and advances to promoters, directors, KMPs and related parties. **(₹ in Lacs)**

Type of borrower	As at 31st March, 2026		As at 31st March, 2025	
	Amount of loan or advance in the nature of loan outstanding	Percentage to the total loans and advance in the nature of loan	Amount of loan or advance in the nature of loan outstanding	Percentage to the total loans and advance in the nature of loan
Promoters	–	–	–	–
Directors	–	–	–	–
KMPs	–	–	–	–
Related Party	**7119.00**	**100.00%**	6984.00	100.00%

(ii) The Group has granted interest free unsecured loan of ₹ 7119 Lacs (31st March, 2025- ₹ 6984 Lacs) (maximum amount outstanding at any time during the year ₹ 7414.00 Lacs; 31st March, 2025- ₹ 6984 lacs) to a Company covered in the register maintained under section 189 of the Companies Act, 2013 in view of proposed amalgamation under the provisions of Companies Act, 2013. Since the amount paid is in connection to proposed amalgamation, no terms have been specified for repayment of loan and interest. In view of likely advantage to the Company on such amalgamation, granting of such loan is not prejudicial to the interest of the Company

(iii) The Group has granted unsecured loan ₹ 2000.47 lacs (31st March, 2025- ₹ 1022.06 lacs) to Joint Venture and Subsidiary Company covered in the register maintained under section 189 of the Companies Act, 2013, for their normal business requirements and the same has been utilized for that purpose which is payable on demand. The Group has received the amount demanded from the party and thus there is no default during the year. Interest on such loan has been paid / provided during the year except loan to Subsidiary Company. The terms and conditions of grant of such loan are not, prejudicial to the interest of the Group.

Note No. 52 : Ageing of trade receivable

As on 31.03.2026 **(₹ in Lacs)**

Particulars	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Trade receivables – considered good							
a. Undisputed	**12381.12**	**2559.82**	**192.25**	**49.70**	**15.23**	**60.36**	**15258.48**
b. Disputed	–	**3.79**	**0.30**	**33.98**	–	**103.60**	**141.67**
c. which have significant increase in credit risk	–	–	–	–	–	–	–
d. credit impaired	–	–	–	–	–	–	–
(ii) Trade Receivables- considered doubtful							
a. Undisputed	–	–	–	–	–	–	–
b. Disputed	–	–	–	–	–	–	–
c. which have significant increase in credit risk	–	–	–	–	–	–	–
d. credit impaired	–	–	–	–	–	–	–
Sub Total	**12381.12**	**2563.61**	**192.55**	**83.68**	**15.23**	**163.96**	**15400.15**
Less: Allowance for bad and doubtful trade receivables							**142.77**
Total							**15257.38**

Notes forming part of Consolidated Financial Statements

As on 31.03.2025 (₹ in Lacs)

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More than 3 years	
(i) Trade receivables – considered good							
a. Undisputed	**10024.65**	**1753.56**	**124.28**	**202.68**	**34.61**	**67.33**	**12207.11**
b. Disputed	–	–	–	**41.87**	–	**203.71**	**245.58**
c. which have significant increase in credit risk	–	–	–	–	–	–	–
d. credit impaired	–	–	–	–	–	–	–
(ii) Trade Receivables- considered doubtful							
a. Undisputed	–	–	–	–	–	–	–
b. Disputed	–	–	–	–	–	–	–
c. which have significant increase in credit risk	–	–	–	–	–	–	–
d. credit impaired	–	–	–	–	–	–	–
Sub Total	**10024.65**	**1753.56**	**124.28**	**244.55**	**34.61**	**271.04**	**12452.69**
Less: Allowance for bad and doubtful trade receivables							**252.13**
Total							**12200.56**

Note No. 53: Ageing of trade payable

As on 31.03.2026 (₹ in Lacs)

Outstanding for period from due date of payments	MSME trade payables		Other than MSME trade Payable		Total	
	Disputed	Undisputed	Disputed	Undisputed	Disputed	Undisputed
Not Due	–	556.41	–	2878.05	–	**3434.46**
Outstanding less than 1 years	–	59.80	–	1943.17	–	**2002.97**
Outstanding between 1 year to 2 years	–	–	–	51.72	–	**51.72**
Outstanding between 2 years to 3 years	–	–	–	23.35	–	**23.35**
Outstanding More than 3 years	–	–	17.30	60.03	17.30	**60.03**
Total	**–**	**616.21**	**17.30**	**4956.32**	**17.30**	**5572.53**

As on 31.03.2025 (₹ in Lacs)

Outstanding for period from due date of payments	MSME trade payables		Other than MSME trade Payable		Total	
	Disputed	Undisputed	Disputed	Undisputed	Disputed	Undisputed
Not Due	–	901.61	–	2194.17	–	3095.78
Outstanding less than 1 years	–	256.66	–	357.55	–	614.21
Outstanding between 1 year to 2 years	–	1.78	–	24.18	–	25.96
Outstanding between 2 years to 3 years	–	3.99	–	5.95	–	9.94
Outstanding More than 3 years	–	39.82	17.30	8.14	17.30	47.96
Total	**–**	**1203.86**	**17.30**	**2589.99**	**17.30**	3793.85

Note No. 54: Reconciliation of statements filed with to bank for borrowings secured against current assets

As at 31st March, 2026 (₹ in Lacs)

Quarter	Name of Bank	Particulars of Security Provided	Amount as per books of Accounts	Amounts as reported in Quarterly Statement provided to bank	Difference in Amount	Reason for material Discrepancies
June, 2025	Central Bank of India & Punjab National Bank	Stock	11204.99	11117.61	87.38	
		Debtors	10143.94	10125.38	18.56	
		Creditors	3536.56	3818.20	(281.64)	
September, 2025		Stock	10470.06	10534.29	(64.23)	
		Debtors	13047.21	13276.08	(228.87)	
		Creditors	3533.01	4224.01	(691.00)	
December, 2025		Stock	10778.65	10694.88	83.77	
		Debtors	13774.82	13841.18	(66.36)	
		Creditors	3998.34	4860.62	(862.28)	
March, 2026		Stock	11727.90	11719.76	8.14	
		Debtors	14285.01	13776.24	508.77	
		Creditors	5020.60	5167.41	(146.81)	

Notes forming part of Consolidated Financial Statements

There are no material discrepancies in quarterly statement submitted as compare to books of accounts.

As at 31st March, 2025 **(₹ in Lacs)**

Quarter	**Name of Bank**	**Particulars of Security Provided**	**Amount as per books of Accounts**	**Amounts as reported in Quarterly Statement provided to bank**	**Difference in Amount**	**Reason for material Discrepancies**
June, 2024	Central Bank of India & Punjab National Bank	Stock Debtors Creditors	8967.50 9415.93 3047.84	8966.74 9418.60 3047.28	0.76 (2.67) 0.56	
September, 2024		Stock Debtors Creditors	9913.52 8268.91 3193.06	9913.51 8271.10 3193.06	0.01 (2.19) -	
December, 2024		Stock Debtors Creditors	9979.36 8191.64 3287.08	9861.49 8193.33 3287.08	117.87 (1.69) -	
March, 2025		Stock Debtors Creditors	9793.60 10807.47 3018.21	9169.84 10875.34 2754.75	623.76 (67.87) 263.46	

There are no material discrepencies in quaterly statement filed by the company with bank as compared to books of accounts.

Note No. 55 : Other Statutory Information

(i) The group do not have any Benami property ,where any proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition)Act 1988 as amended and rules made there under.

(ii) The group have entered into transactions with following companies struck off under section 248 of Companies Act,2013 or section 560 of Companies Act,1956.

Name of Party	Nature of Transactions	Balance Outstanding as on 31.03.2026	Balance Outstanding as on 31.03.2025	Relationship with the struck off Company,if any to be disclosed
Shree Siddhanth Cotex Pvt. Ltd.	Goods	0.05	0.05	

(iii) The group do not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

(iv) The group has not traded or invested in crypto currency or virtual currency during the financial year.

(v) The group has not advanced or loaned or invested funds to any other person(s) or entity(ies) ,including foreign entities (intermediaries) with the understanding that the intermediary shall:

a.directly or indirectly lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group (Ultimate beneficiaries) or

b. provide any guarantee ,security or the like on behalf of the ultimate beneficiaries.

(vi) The group has not received any fund from any other person(s) or entity(ies) ,including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the group shall:

a.directly or indirectly lend to or invest in other persons or entities identified in any manner whatsoever by or on behalf of funding party (Ultimate beneficiaries) or

b. provide any guarantee ,security or the like on behalf of the ultimate beneficiaries.

(vii) The group has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act,1961 such as ,search or survey or any other relevant provisions of the Income Tax Act,1961.

(viii) The group has not been declared as willful defaulter by any bank or financial institution or other lenders in accordance with the guidelines issued by Reserve Bank of India.

Note No. 56: The Group has a process whereby periodically all long term contracts (including derivative contract) are assessed for material foreseeable losses. At the year end, the Group has reviewed and ensured that adequate provision as required under any law/accounting standards for material foreseeable losses on such long term contracts (including derivative contracts) has been made in the books of accounts.

Note No. 57. The group has used such accounting software for maintaining its books of accounts for the year ended 31 March 2026, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software and has not been tampered with at any time during the year and the audit trail have been preserved by the group as per the statutory requirements except one unit (separate segment) of the group where accounting software used for maintaining books of accounts for the year ended 31st March 2026 does not have a feature of recording audit trail (edit log) facility.

Note No. 58. The Financials Statements were approved for issue by the Board of Directors on 29th May, 2026.

Note No 59. Figures for previous years have been regrouped/rearranged/restated wherever considered necessary to make them comparable with the figures for the current year.

As per our report of even date attached

For R B Verma & Associates
Chartered Accountants
Firm Registration No. 012650C

Rajesh Verma
Partner
Membership No. 404029

Place : Abu Road
Date : 29th May, 2026

For and on behalf of the Board of Directors

Sachin Ranka	– Chairman & Managing Director	(DIN : 00335534)
Shreyans Ranka	– Joint Managing Director	(DIN : 06470710)
P. Sridharan	– Whole Time Director	(DIN : 03100055)
Animesh Banerjee	– Whole Time Director	(DIN : 07905214)
S.K. Sharma	– Independent Director	(DIN : 01378040)
Rahul Singhvi	– Independent Director	(DIN : 08816920)
G.V. Kalpathy	– Independent Director	(DIN : 10512773)
Meenu Alok Sacheti	– Independent Director	(DIN : 02266703)
Alok Jain	– Chief Financial Officer	
Harshita Hetawal	– Company Secretary	

NOTES

MODERN INSULATORS LIMITED

Registered Office : Talheti, Village Karoli, Teh. Abu Road, Dist. Sirohi - 307510
Phone : 02974-228044 E-mail : compliance@moderninsulators.com
CIN : L31300RJ1982PLC002460

ATTENDANCE SLIP

(To be handed over at the entrance of the Meeting hall)

41st Annual General Meeting-30th September, 2026

I hereby record my presence at the FORTY-FIRST ANNUAL GENERAL MEETING of the Company held at Registered Office of the Company at Talheti, Village Karoli, Teh. Abu Road, Dist. Sirohi - 307510 (Rajasthan) on Wednesday the 30th September, 2026 at 11:00 A.M.

Full Name of Member (IN BLOCK LETTERS) ....

Folio No./ Client ID ....D.P. ID .... No. of Shares held ....

Full Name of Proxy (IN BLOCK LETTERS) ....

Member's/Proxy's Signature ....

NOTE : ADMISSION WILL BE STRICTLY PERMITTED FOR SHAREHOLDERS/VALID PROXY HOLDERS ONLY.

NOTES

MODERN INSULATORS LIMITED

Registered Office : Talheti, Village Karoli, Teh. Abu Road, Dist. Sirohi - 307510
Phone : 02974-228044 E-mail : compliance@moderninsulators.com
CIN : L31300RJ1982PLC002460

PROXY FORM

Name of the member(s) : ....

Registered Address : ....

E-mail ID : .... Folio No./Client Id : ....

DP ID : ....

I/We, being the members(s) of .... Shares of the Modern Insulators Limited, hereby appoint.

1. Name : .... Address : ....

Email ID : .... Signature : ...., or failing him

2. Name : .... Address : ....

Email Id : .... Signature : ...., or failing him

3. Name : .... Address : ....

E mail Id : .... Signature : ....

as may/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 41st Annual General Meeting of the Company, to be held on Wednesday, the 30th September, 2026 at 11:00 A.M. at Talheti, Village Karoli, Teh. Abu Road, Dist. Sirohi - 307510 and at any adjournment thereof in respect of such resolutions as are indicated below :

Resolution No.

1 .... 2 .... 3 .... 4 ....

Signed this .... day of .... 2026.

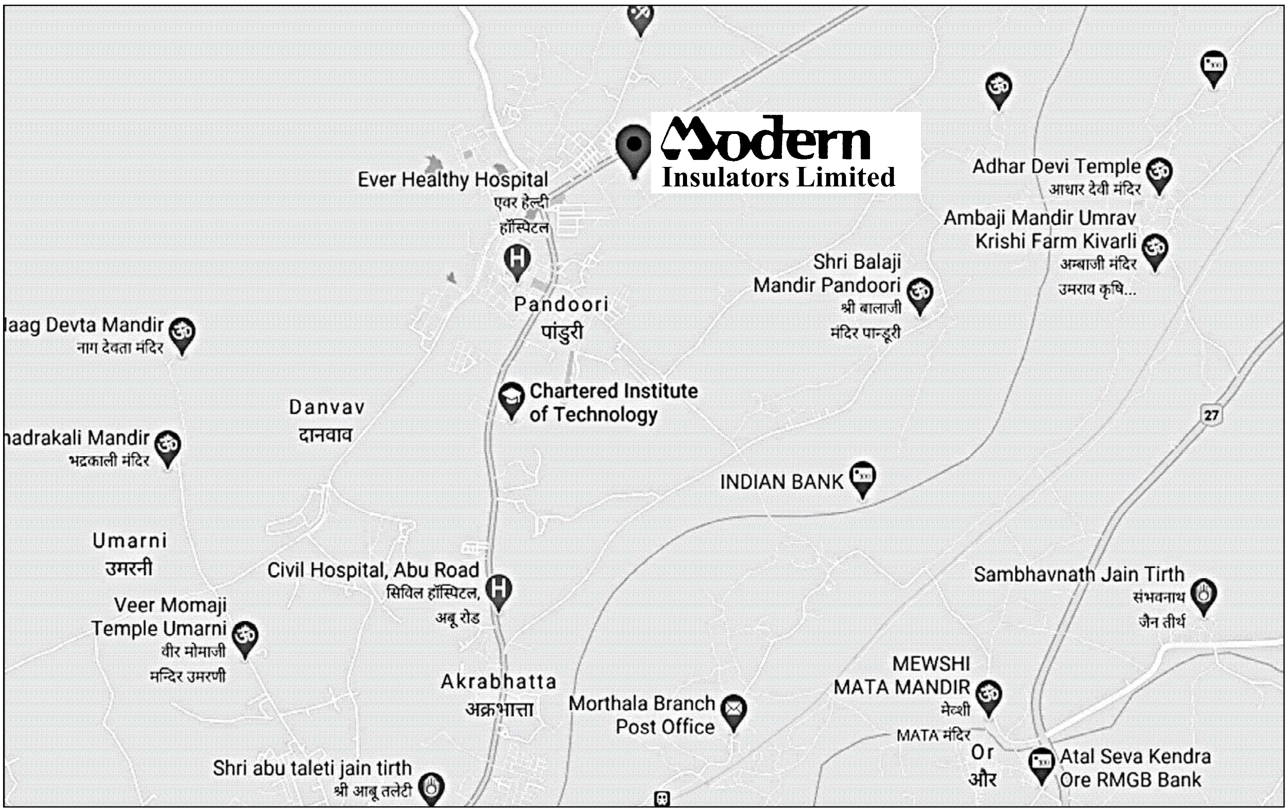
Signature of Shareholder : ....

Signature of Proxy Holder(s) : ....

Affix
Re 1/-
Revenue
Stamp

Note : This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company at Talheti, Village Karoli, Teh. Abu Road, Dist. Sirohi - 307510 not less than FORTY EIGHT HOURS before the commencement of the meeting.

Route Map to the venue of AGM



Book Post
(Printed Matter)

If undelivered please return to :

Modern Insulators Limited
Talheti, Village Karoli
Teh. Abu Road, Dist. Sirohi - 307510
(Rajasthan)