

INDEPENDENT AUDITOR'S REPORTTo The Members of **VARDHMAN APPLIANCES LIMITED****Report on the Audit of the Standalone Financial Statements****Opinion**

We have audited the Standalone Financial Statements of **VARDHMAN APPLIANCES LIMITED** ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2026, and the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Cash Flows, the Standalone Statement of Changes in Equity for the year then ended, notes to the standalone financial statements including a summary of material 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, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and its profit, total comprehensive income, its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibility 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 standalone 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 obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. 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. We have determined that there are no key audit matters to be communicated in our report.

Other Matters

The comparative financial information for the year ended March 31, 2025 and the transition date opening Standalone Balance Sheet as at April 01, 2024 prepared in accordance with Ind AS included in these standalone financial statements, are based on the previously issued statutory standalone financial statements for the years ended March 31, 2025 and March 31, 2024 respectively prepared in accordance with Accounting Standards prescribed under Section 133 of the Act, read with Companies (Accounting Standards) Rules, 2021 (as amended) which were audited by the predecessor auditor whose reports dated September 23, 2025 and September 04, 2024 respectively expressed unmodified opinion on those standalone financial statements, and have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have been audited by us. Our opinion is not modified in respect of this matter.



Information Other than the Standalone financial statements and Auditor's Report thereon

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Corporate Governance and Shareholders' information but does not include the standalone financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will 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 identified above, when it becomes available, and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the other information, if we conclude, that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Responsibilities of Management and Those Charged with Governance for the Standalone financial statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards prescribed under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of the Standalone financial statements

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



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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone 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 and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone 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.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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



Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - (a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (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 Standalone Statement of Profit and Loss including Other Comprehensive Income, Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - (e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note no. 32 to the standalone financial statements;
 - ii. The Company did not have any long-term derivative contracts. None of the long-term contracts require provision for material foreseeable losses, as required under the applicable law or accounting standards;
 - iii. There were no amounts that were required to be transferred to the Investor Education and Protection Fund by the Company. Therefore, question of delay in transferring of such sums does not arise.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the 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 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, no funds (which are material either individually or in the aggregate) have been





received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

- v. No dividend has been declared or paid during the year by the Company.
 - vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 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. 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 for record retention.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure B**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
3. In our opinion and as per information and explanations given to us, the managerial remuneration for the year ended March 31, 2026 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 of the Act.

For **PAWAN SHUBHAM & CO.**

Chartered Accountants

ICAI Firm's Registration Number: **011573C**


CA Pawan Kumar Agarwal
Partner

Membership number: **092345**

UDIN: **26092345FSHLNX6306**



Place: New Delhi

Date: September 04, 2026

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

Report on the Internal Financial Controls with reference to Standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Referred to in paragraph 1(f) of the Independent Auditors' Report of even date to the members of Vardhman Appliances Limited on the Standalone Financial Statements for the year ended March 31, 2026.

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

Management's Responsibility for Internal Financial Controls

The Company's Management and Board of Directors of the Company are responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on the internal 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 issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

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

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





Meaning of Internal Financial Controls with reference to Standalone financial statements

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

Inherent Limitations of Internal Financial Controls with reference to Standalone financial statements

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

Opinion

In our opinion, 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 system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2026, based on the criteria for internal control with reference to standalone financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting Issued by the ICAI.

For **PAWAN SHUBHAM & CO.**
Chartered Accountants

ICAI Firm's Registration Number: 011573C

CA Pawan Kumar Agarwal
Partner

Membership number: 092345

UDIN: 26092345FSHLNX6306



Place: New Delhi

Date: September 04, 2026

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 2 of the Independent Auditors' Report of even date to the members of Vardhman Appliances Limited on the Standalone Financial Statements as of and for the year ended March 31, 2026.

In terms of the information and explanation sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we report the following: -

- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment and relevant details of right of use assets.

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

(b) The Property, Plant and Equipment were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the Property, Plant and Equipment and right of use assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

(c) 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), as disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.

(d) The Company has not revalued any of its Property, Plant and Equipment (including right of use assets) or intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) The physical verification of inventory (excluding stocks with third parties & Goods in Transit) has been conducted at reasonable intervals by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. No discrepancies of 10% or more in aggregate for each class of inventory (including inventories lying with the parties) were noticed.

(b) During the year, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns/statements with such banks. However, the quarterly returns/statements submitted to the banks were prepared based on a cut-off date prior to the respective quarter-end dates and, accordingly, certain amounts reported therein were not in agreement with the books of account as at the respective quarter ends. The differences between the amounts as per the books of account and those reported in the quarterly statements, as reconciled by the management, are summarised below:



Particulars	As per books of account	As per returns submitted	Difference
Trade Receivable	1,662.66	1,572.22	90.44
Trade Payable	2,101.77	2,208.82	(107.05)
Inventories	1,297.24	1,341.02	(43.77)

The above differences primarily arise due to timing differences in recording of transactions and submission of stock statements to the banks, differences in the classification/aggregation of certain balances considered for reporting to the banks, and adjustments arising from the application of Ind AS.

- iii. (a) During the year, the Company has not provided any fresh guarantee or security in respect of loans or other borrowings availed by its wholly owned subsidiary, M/s Lazer India Private Limited. However, the guarantee provided in the earlier year in favour of Yes Bank Limited for the working capital facilities of ₹300 million availed by the subsidiary continues to remain outstanding as at the balance sheet date.
- (b) In our opinion and according to the information and explanations given to us, the guarantee provided and security created by the Company during the year are, prima facie, not prejudicial to the interest of the Company.
- (c) The Company has not granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, reporting under clause 3(iii)(c) of the Order is not applicable.
- (d) The Company has not granted any loans or advances in the nature of loans during the year. Accordingly, reporting under clause 3(iii)(d) of the Order is not applicable.
- (e) The Company has not granted any loan or advance in the nature of loan which has fallen due during the year and has been renewed or extended or in respect of which fresh loans have been granted to settle the overdue of existing loans. Accordingly, reporting under clause 3(iii)(e) of the Order is not applicable.
- (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment. Accordingly, reporting under clause 3(iii)(f) of the Order is not applicable.
- iv. The Company has not granted any loans, made investments or provided guarantees or securities that are covered under the provisions of sections 185 or 186 of the Companies Act, 2013, and hence reporting under clause 3(iv) of the Order is not applicable
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) According to the records of the Company and information and explanations given to us and the records of the Company examined by us, the Company has been regular in depositing the undisputed statutory dues including goods and service tax, provident fund, employees state insurance, income tax, sale tax, service tax, duty of customs, duty of excise, value added tax, Cess and other material statutory dues applicable to it with the appropriate authorities.



According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were in arrears as at March 31, 2026 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 on the basis of our examination of the records of the Company, the details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2026 on account of disputes are given below:

Name of the Statute	Nature of the Due	Amount (₹ In millions)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	0.03	AY 2020-21	CIT (Appeal)
Income Tax Act, 1961	Income Tax	0.67	AY 2023-24	CIT (Appeal)

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix.

- The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority
- According to the records of the Company examined by us and the information and explanation given to us, no term loans were taken by the company during the year, hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- 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.
- In our opinion and according to the information and explanations given by the management, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary company.
- The Company has not raised any loans during the year on the pledge of securities held in its associate company. The company has no subsidiary or joint venture during the year.

x.

- The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable
- According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable to the Company.



- xi.
- (a) No fraud by the Company and no material 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 up to the date of this report.
 - (c) No whistle-blower complaints were received by the Company during the year (and upto the date of this report) and hence reporting under clause 3(xi)(c) of the Order is not applicable.
- xii. According to the information and explanations given to us, the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv.
- (a) In our opinion the Company has an adequate 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 and till date.
- xv. During the year, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi.
- (a) In our opinion the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable to the Company.
 - (b) In our opinion there is no Core Investment within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016). Accordingly, reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. The Company has not incurred cash losses during the current and the immediately preceding financial year.
- xviii. There has been resignation of the statutory auditors during the year and based on the information and explanations given to us by the management and the response to our communication with the outgoing auditors, there have been no issues, objections or concerns raised by the outgoing auditors.





- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. The provisions of Section 135 of the Companies Act 2013 are applicable to the company.
- a. There is no unspent amount towards Corporate Social Responsibility on projects other than ongoing projects requiring transfer to a Fund specified in Schedule VII to the Companies Act in compliance with the second proviso to Section 135(5) of the Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable.
- b. An amount of Rs. 2.00 million remaining unspent under Section 135(5) of the Act in respect of an ongoing project has been transferred by the Company to the Unspent Corporate Social Responsibility Account within the period prescribed under Section 135(6) of the Act. Accordingly, the Company has complied with the requirements of clause 3(xx)(b) of the Order.

For **PAWAN SHUBHAM & CO.**
Chartered Accountants
ICAI Firm's Registration Number: 011573C

CA Pawan Kumar Agarwal
Partner
Membership number: 092345
UDIN: 26092345 FSH LNX6306



Place: New Delhi
Date: September 04, 2026

VARDHMAN APPLIANCES LIMITED
(CIN: U27509DL2023PLC418176)

STANDALONE BALANCE SHEET AS AT MARCH 31, 2026

(All amounts in ₹ millions except number of shares and per share data, unless otherwise stated)

Particulars	Notes	As at	As at	As at
		March 31, 2026	March 31, 2025	April 01, 2024
		Audited	Restated	Restated
I. ASSETS				
1 Non-current assets				
(a) Property, Plant and Equipment	3	418.94	414.83	373.72
(b) Right of Use Assets	4	163.05	184.55	122.04
(c) Intangible assets	5	0.08	0.05	0.10
(d) Financial Assets				
-i) Investment	6	116.36	116.36	-
-ii) Other Financial Assets	7	42.22	13.35	94.55
(e) Deferred tax assets (Net)	8	44.43	33.77	23.57
(f) Other non-current assets	9	170.28	0.87	0.87
Total non-current assets		955.36	763.78	614.85
2 Current assets				
(a) Inventories	10	1,297.24	960.31	747.46
(b) Financial Assets				
-i) Trade receivables	11	1,595.54	1,265.81	1,079.41
-ii) Cash and cash equivalents	12	138.04	330.99	136.60
-iii) Bank balances other than (ii) above	13	43.39	47.70	38.36
-iv) Other financial assets	7	12.02	9.37	3.95
(c) Other current assets	9	82.02	44.35	28.57
Total current assets		3,168.25	2,658.53	2,034.35
TOTAL ASSETS		4,123.61	3,422.31	2,649.20
II. EQUITY AND LIABILITIES				
1 Equity				
(a) Equity share capital	14	280.25	280.25	260.00
(b) Other Equity	15	752.20	542.20	142.15
Total equity		1,032.45	822.45	402.15
2 Non-current liabilities				
(a) Financial liabilities				
-i) Borrowings	16	47.87	32.90	40.80
-ii) Lease liabilities	17	200.25	211.31	142.70
-iii) Other Financial liabilities	18	15.73	9.34	5.35
(b) Provisions	19	48.32	41.78	33.53
Total non-current liabilities		312.17	295.33	222.38
3 Current liabilities				
(a) Financial liabilities				
-i) Borrowings	16	764.02	599.87	464.28
-ii) Lease liabilities	17	11.06	7.85	2.17
-iii) Trade payables	21			
A) total outstanding dues of micro and small enterprises		202.77	121.13	110.36
B) total outstanding dues of creditors other than micro and small enterprises		1,649.18	1,463.74	1,308.51
-iv) Other financial liabilities	18	46.06	44.94	94.70
(b) Other current liabilities	20	49.92	24.25	13.09
(c) Provisions	19	17.89	16.28	12.90
(d) Current tax liability (net)	22	38.09	26.47	18.66
Total current liabilities		2,778.99	2,304.53	2,024.67
TOTAL EQUITY AND LIABILITIES		4,123.61	3,422.31	2,649.20

Corporate information and summary of material accounting policies information
See accompanying Notes to the Financial Statements
The notes referred to above form an integral part of the standalone financial statements.

1 & 2
3 to 45

As per our report of even date attached

For **PAWAN SHUBHAM & CO.**
Chartered Accountants
ICAI Firm's Registration No: 011573C

CA Pawan Kumar Agarwal
Partner
Membership No. 092345



Place: New Delhi
Date: September 04, 2026

For and On behalf of the Board of Directors of
VARDHMAN APPLIANCES LIMITED

Parmod Kumar Jain
Managing Director
DIN: 00087133

Praveen Jain
Chief Financial Officer
M.No. 507944



Piyush Jain
Joint Managing Director
DIN: 03437549

Saurabh Kumar Mishra
Company Secretary
M.No. A54487

VARDHMAN APPLIANCES LIMITED
(CIN: U27509DL2023PLC418176)

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON MARCH 31, 2026
(All amounts in ₹ millions except number of shares and per share data, unless otherwise stated)

Particulars	Notes	For the year ended on March 31, 2026	For the year ended on March 31, 2025
		Audited	Restated
Income:			
I. Revenue from operations	23	7,891.54	7,656.20
II. Other income	24	43.92	30.63
III. Total Income (I + II)		7,935.46	7,686.83
Expenses:			
Cost of materials consumed	25	6,468.64	6,265.31
Changes in inventory of Finished goods, Traded Goods, Work-in-progress and By-Products	26	(229.91)	(151.21)
Employee benefit expense	27	498.57	448.94
Finance costs	28	127.83	118.10
Depreciation and amortisation expense	29	101.66	94.40
Other expenses	30	687.11	681.87
Total expenses		7,653.90	7,457.41
V. Profit / (Loss) before tax (III- IV)		281.56	229.42
VI. Tax expense	36		
Current tax		84.07	71.07
Deferred tax charge / (credit)		(11.76)	(10.40)
Earlier year taxes		3.31	1.69
Total tax expenses		75.62	62.36
VII. Profit / (Loss) for the year (V -VI)		205.94	167.06
VIII. Other Comprehensive Income			
--- Items not to be reclassified to profit & Loss		5.16	0.79
---Tax on above	36	(1.10)	(0.20)
Other Comprehensive Income for the year, net of tax		4.06	0.59
IX. Total Comprehensive Income for the year net of Tax (VII + VIII)		210.00	167.65
X. Earnings per equity share: (Face Value of Rs. 10 each)	31		
(1) Basic		7.35	6.09
(2) Diluted		7.35	6.09

Corporate information and summary of material accounting policies information
See accompanying Notes to the Financial Statements
The notes referred to above form an integral part of the standalone financial statements.

1 & 2
3 to 45

As per our report of even date attached

For PAWAN SHUBHAM & CO.
Chartered Accountants
ICAI Firm's Registration No: 011573C

CA Pawan Kumar Agarwal
Partner
Membership No. 092345



Place: New Delhi
Date: September 04, 2026

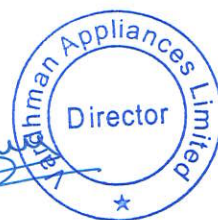
For and On behalf of the Board of Directors of
VARDHMAN APPLIANCES LIMITED

Parmod Kumar Jain
Managing Director
DIN: 00087133

Praveen Jain
Chief Financial Officer
M.No. 507944

Piyush Jain
Joint Managing Director
DIN: 03437549

Saurabh Kumar Mishra
Company Secretary
M.No. A54487



VARDHMAN APPLIANCES LIMITED
(CIN: U27509DL2023PLC418176)

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

(All amounts in ₹ millions except number of shares and per share data, unless otherwise stated)

Particulars	For the year ended on March 31, 2026	For the year ended on March 31, 2025
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax & Extraordinary items	281.56	229.42
Add: Non cash and Non operating items		
Depreciation and amortization expenses	101.66	94.40
Finance Costs	127.83	118.10
Provision for expected credit loss	4.24	0.08
Provision for warranty	0.81	3.26
Provision for Employee Benefits	15.54	11.29
Less: Non cash and Non operating items		
Interest on bank deposits	(16.83)	(13.11)
Profit from sale of property, plant and equipment	(0.39)	(1.08)
Operating Profit before Working Capital changes	514.42	442.36
Adjustments for: Movement in working capital		
(Increase)/Decrease in Inventories	(336.93)	(212.85)
(Increase)/Decrease in Trade receivables	(333.97)	(186.48)
(Increase)/Decrease in other financial and non-financial assets	(39.08)	(25.86)
Increase/(Decrease) in Trade Payables	267.08	166.00
Increase/(Decrease) in other financial and non-financial assets	23.74	26.67
Cash Generated from operations before extraordinary item and tax	95.26	209.84
Less: Taxes Paid	(75.75)	(64.95)
Net cash generated from/(used in) operating activities (A)	19.51	144.89
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment (including capital work-in-progress)	(249.19)	(150.97)
Proceeds from sale of property, plant and equipment	2.26	38.43
Interest income	14.06	12.78
(Purchase) / Redemption of fixed deposits	(23.03)	74.81
Acquisition of business under common control	-	(67.40)
Net cash generated from/(used in) investing activities (B)	(255.90)	(92.35)
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from long term debt	126.04	52.20
Repayment of long term debt	(110.28)	(58.16)
Proceeds / (repayment) of short term debt	163.36	133.65
Issue of capital (net of share issue expenses)	-	199.51
Common control adjustments	-	(63.22)
Repayment of lease liabilities	(28.34)	(22.00)
Finance Costs (including fair value measurements)	(107.34)	(100.13)
Net cash generated from/(used in) financing activities (C)	43.44	141.85
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)	(192.95)	194.39
Cash & Cash Equivalents as at beginning of year	330.99	136.60
Cash & Cash Equivalents as at end of year	138.04	330.99

Notes:

(A) Components of cash and cash equivalents:

Particulars	As at March 31, 2026	As at March 31, 2025
Balance with banks:		
In Current Accounts	80.41	325.85
Fixed deposits with maturity upto 3 months	42.36	-
Cash in Hand	15.27	5.14
Total cash and cash equivalents	138.04	330.99



VARDHMAN APPLIANCES LIMITED
(CIN: U27509DL2023PLC418176)

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

(All amounts in ₹ millions except number of shares and per share data, unless otherwise stated)

(B) Details of non-cash investing and financing activities

Particulars	As at	As at
	March 31, 2026	March 31, 2025
Acquisition of right-of-use assets	-	80.36

(C) Reconciliation between opening and closing balances in the Standalone Balance Sheet for liabilities arising from financing activities

Particulars	As at	As at
	March 31, 2026	March 31, 2025
1 Borrowings (Refer note 16)		
Opening balance	632.77	505.08
Interest	107.34	100.13
Non-cash changes	-	-
Cash flows	71.78	27.56
Closing balance	811.89	632.77
2 Lease Liabilities (Refer note 17)		
Opening balance	219.16	144.87
Interest	20.49	17.97
Non-cash changes*	-	78.32
Cash flows	(28.34)	(22.00)
Closing balance	211.31	219.16

* Non cash transactions include lease liabilities recognised for new leases.

The above Standalone Statement of Cash Flows has been prepared under the 'indirect method' as set out in Ind AS 7, 'Statement of cash flows'.

Corporate information and summary of material accounting policies information

1 & 2

See accompanying Notes to the Financial Statements

3 to 45

The notes referred to above form an integral part of the standalone financial statements.

As per our report of even date attached

For PAWAN SHUBHAM & CO.

Chartered Accountants

ICAI Firm's Registration No: 011573C

CA Pawan Kumar Agarwal
Partner
Membership No. 092345



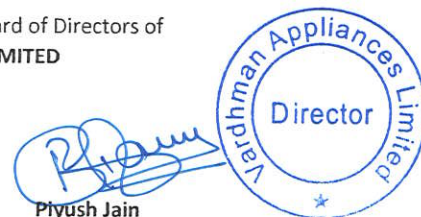
Place: New Delhi
Date: September 04, 2026

For and On behalf of the Board of Directors of

VARDHMAN APPLIANCES LIMITED

Parmod Kumar Jain
Managing Director
DIN: 00087133

Praveen Jain
Chief Financial Officer
M.No. 507944



Piyush Jain
Joint Managing Director
DIN: 03437549

Saurabh Kumar Mishra
Company Secretary
M.No. A54487

VARDHMAN APPLIANCES LIMITED
(CIN: U27509DL2023PLC418176)

STANDALONE STATEMENT OF CHANGES IN EQUITY AS AT MARCH 31, 2026

(All amounts in ₹ millions except number of shares and per share data, unless otherwise stated)

A. Equity Share Capital

Particulars	As at	As at	As at
	March 31, 2026	March 31, 2025	April 01, 2024
Balance at the beginning of the year	280.25	260.00	260.00
Changes in equity share capital during the year	-	20.25	-
Balance as at end of the year	280.25	280.25	260.00

B. Other Equity

Particulars	Reserve and Surplus			Other Comprehensive Income	Total
	Security Premium	Common control adjustment deficit account	Retained Earnings		
Balance as at April 01, 2024	-	-	110.70	-	110.70
Ind AS Adjustments (Refer note 45)	-	-	(36.02)	-	(36.02)
Common control adjustment (Refer note 44)	-	67.47	-	-	67.47
Restated Balance as at April 01, 2024	-	67.47	74.68	-	142.15
Securities Premium on allotment of Equity Shares during the year	306.12	-	-	-	306.12
Common control adjustment	-	(63.22)	-	-	(63.22)
Profit for the Year	-	-	167.06	-	167.06
Other Comprehensive Income for the Year	-	-	-	0.59	0.59
Share issue expenses	(10.50)	-	-	-	(10.50)
Balance as at March 31, 2025	295.62	4.25	241.74	0.59	542.20
Profit for the Year	-	-	205.94	-	205.94
Other Comprehensive Income for the Year	-	-	-	4.06	4.06
Balance as at March 31, 2026	295.62	4.25	447.68	4.65	752.20

Corporate information and summary of material accounting policies information 1 & 2

See accompanying Notes to the Financial Statements 3 to 45

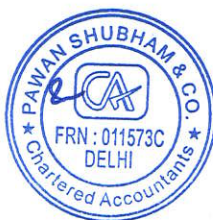
The notes referred to above form an integral part of the standalone financial statements.

As per our report of even date attached

For Pawan Shubham & Co.
Chartered Accountants
ICAI Firm's Registration No: 011573C

For and on behalf of Board of Directors of
VARDHMAN APPLIANCES LIMITED

CA Pawan Kumar Agarwal
Partner
Membership No. 092345



Parmod Kumar Jain
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Piyush Jain
Joint Managing Director
DIN: 03437549

Saurabh Kumar Mishra
Company Secretary
M.No. A54487

Place: New Delhi
Date: September 04, 2026

VARDHMAN APPLIANCES LIMITED
(CIN: U27509DL2023PLC418176)

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2026

(All amounts in ₹ millions except number of shares and per share data, unless otherwise stated)

Note 1 Company Overview

Vardhman Appliances Limited ("Company") having Corporate Identification Number ('CIN') U27509DL2023PLC418176 was incorporated on August 7, 2023, following the conversion of the erstwhile registered partnership firm, Vardhman Electrical Appliances (having PAN: AAAPV3196L). Pursuant to Section 366 of the Companies Act, 2013, all assets, liabilities, rights, obligations, and undertakings of the predecessor partnership firm vested in the Company on a going-concern basis. The Company is engaged in the manufacture, trading and sale of electrical home appliances and related products.

Note 2 Basis of preparation and Material accounting policies

A Basis of preparation of Standalone Financial Statements

i Basis of preparation

These Standalone Financial Statements of the Company have been prepared in accordance with accounting principles generally accepted in India, including Ind AS as prescribed under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended). For all periods upto and including the financial year ended March 31, 2025, the Company prepared its financial statements in accordance with accounting standards notified under Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

The Company prepared its standalone financial statements for the financial year ended March 31, 2026 in accordance with Ind AS for the first time. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company is provided in financial statements. (Refer note 45).

The Standalone Financial Statements were approved by the Board of Directors and authorised for issue on September 04, 2026.

ii Basis of measurement

These Standalone Financial Statements are prepared in accordance with Ind AS under the historical cost (i.e. on accrual basis), except for the following which have been measured at fair value:

1. Financial assets and liabilities required to be measured at fair value in accordance with Ind AS, if any, and
2. Defined benefit plans

iii Functional and presentation currency

These Standalone Financial Statements are presented in Indian Rupees (Rs.), which is also the Company's functional currency. All amount disclosed in these Financial Statements and notes have been rounded off to nearest millions as per the requirement of Schedule III, unless otherwise stated. Transactions and balances with values below the rounding off norm adopted by the Company have been reflected as "0.00" in the relevant notes to these Financial Statements.

iv Use of judgements, estimates and assumptions

Preparation of these Standalone Financial Statements require management to exercise judgment and make estimates and assumptions that affect the reported amounts of assets, liabilities, income, expenses, and disclosures of contingent liabilities. Actual results may differ from these estimates, and any revisions to accounting estimates are recognized in the period in which they arise.



VARDHMAN APPLIANCES LIMITED
(CIN: U27509DL2023PLC418176)

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2026

(All amounts in ₹ millions except number of shares and per share data, unless otherwise stated)

1. Significant management judgements

a. Recognition of deferred tax assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilised.

b. Evaluation of indicators for impairment of assets

The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

c. Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

d. Provisions and contingent liabilities

The Company estimates the provisions that have present obligations as a result of past events and it is probable that outflow of resources will be required to settle the obligations. These provisions are reviewed at the end of each reporting period and are adjusted to reflect the current best estimates. The Company uses significant judgements to assess contingent liabilities.

Contingent liabilities are recognised 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 or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent assets are neither recognised nor disclosed in the Standalone Financial Statements.

2. Significant management estimates

a. Impairment of financial assets

At each balance sheet date, based on historical default rates observed over expected life, existing market conditions as well as forward looking estimates, the management assesses the expected credit losses on outstanding receivables and advances. Further, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with industry and country in which the customer operates.

b. Defined benefit obligation (DBO)

Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.



VARDHMAN APPLIANCES LIMITED
(CIN: U27509DL2023PLC418176)

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2026

(All amounts in ₹ millions except number of shares and per share data, unless otherwise stated)

c. Useful lives of depreciable/amortisable assets

Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utilisation of assets.

d. Estimation of current tax expense and payable

Provision for current tax liabilities is dependent on the Company's estimate of the allowability or otherwise of expenses incurred and other debits to Statement Of Profit And Loss. Significant judgement is required to determine the amount of Provision for tax liabilities as it require judgements on the interpretation of tax legislation.

e. Impairment of non-financial assets

The Company assess at each reporting date whether there is any indication that non-financial assets may be impaired as per requirements of Ind AS 36: Impairment of Assets. If such indication exists, the Company estimates the recoverable amount of the asset. Where impairment testing was required, the recoverable amount was determined based on value in use, which involved estimating future cash flows and applying an appropriate discount rate.

f. Fair value measurement

Fair value measurement is applied to various financial and non-financial assets and liabilities in accordance with Ind AS 113: Fair Value Measurement. Management has exercised significant judgment in determining the fair value of assets and liabilities where observable market data is limited or unavailable that are mainly based on market conditions existing at the Balance Sheet date and in identifying the most appropriate estimate of fair value when a wide range of fair value measurements are possible.

g. Valuation of inventories

Inventories are valued at the lower of cost and net realizable value in accordance with Ind AS 2: Inventory. Cost is determined on a First-in-First-out (FIFO) method. Management has exercised judgment in assessing the net realizable value (NRV) of inventories, particularly in cases where there is evidence of obsolescence, slow-moving stock, or declining market prices.

v Current and non-current classification

Based on the time involved between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has identified twelve months as its operating cycle for determining current and non-current classification of assets and liabilities in the Financial Statement Of Assets And Liabilities.

vi Business combinations (common control business combinations)

Business combinations involving entities or businesses in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and where that control is not transitory are accounted for as per the pooling of interest method.

The pooling of interest method is considered to involve the following:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect fair values or recognize any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies.
- The financial information in respect of prior periods are restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information are restated only from that date.
- The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee.
- The identity of the reserves are preserved and appear in the financial information of the transferee in the same form in which they appeared in the financial information of the transferor.
- The difference, if any, between the consideration and the amount of share capital of the acquired entity is transferred to "Common control adjustment deficit account".



VARDHMAN APPLIANCES LIMITED
(CIN: U27509DL2023PLC418176)

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2026

(All amounts in ₹ millions except number of shares and per share data, unless otherwise stated)

vii Reclassification and Regrouping

For comparability across periods and entities, figures of the previous period have been regrouped or reclassified wherever necessary. Such regrouping or reclassification does not affect the profit after tax or equity, unless specifically disclosed otherwise.

B Material accounting policies

The Standalone financial statements have been prepared in accordance with the material accounting policies and measurement bases summarized below, and these policies have been applied consistently across all periods presented in the financial statements.

i Property, plant and equipment

Recognition and initial measurement

Property, plant and equipment are measured at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The cost of improvements to leasehold premises, if recognition criteria are met, have been capitalised and disclosed separately under leasehold improvement. All other repair and maintenance costs are recognised in Statement Of Profit And Loss. Cost of property, plant and equipment not ready for use as at the reporting date are disclosed as capital work-in-progress.

Transition to Ind AS

The cost of property, plant and equipment at April 01, 2024, the Company's date of transition to Ind AS, was determined with reference to its carrying value recognised as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

Subsequent measurement (depreciation method, useful lives and residual value)

Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on property, plant and equipment is provided on written down value method based on estimated useful life of the asset after considering the residual value as set out in Schedule II to the Act referred above. Depreciation is calculated on pro rata basis from the date on which the asset is ready for use or till the date the asset is sold or disposed.

The estimated useful lives of items of property, plant and equipment are as follows:

Asset Category	Useful Life
1. Buildings	5-30 years
2. Plant and equipments	5-15 years
3. Furniture and Fixtures	10 years
4. Vehicles	8-10 years
5. Computers	3 years
6. Office Equipments	5 years

Leasehold improvements are depreciated over the lease period on a straight line basis, commencing from the date the asset is available to the Company for its use.

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.



VARDHMAN APPLIANCES LIMITED
(CIN: U27509DL2023PLC418176)

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2026

(All amounts in ₹ millions except number of shares and per share data, unless otherwise stated)

De-recognition

An item of property, plant and equipment and any significant component initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the Statement Of Profit And Loss, when the asset is de-recognised.

Capital advances and Capital work in progress

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date is classified as capital advances under other non-current assets. The costs of property, plant, and equipment, which are not ready for their intended use on such date, are disclosed as capital work in progress. The capital work-in-progress is carried at cost, comprising direct cost, related incidental expenses, and attributable interest. No depreciation is charged on the capital work in progress until the asset is ready for the intended use.

ii Intangible assets

Recognition and initial measurement

Intangible assets that are acquired are recognised only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and the cost of assets can be measured reliably. The intangible assets are recorded at cost of acquisition including incidental costs related to acquisition and are carried at cost less accumulated amortisation and impairment losses, if any. Gain or losses arising from derecognition of an intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and are recognised in the Statement Of Profit And Loss when the asset is derecognised.

Amortisation

Amortisation on intangible assets is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the written down value method, and is included in 'depreciation and amortisation expenses' head in the Statement Of Profit And Loss.

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate. Amortisation has been computed based on the following useful lives:

Asset Category	Useful Life
1. Computer Softwares	3 years
2. Patents	5 years

iii Revenue recognition

Revenues are recognized at the amount of consideration that the Company expects to be entitled to in exchange for satisfying performance obligations, upon transfer of control to the customer. Revenue is measured at the transaction price allocated to each performance obligation, net of estimated incentives, returns, rebates, trade discounts, allowances, Goods and Services Tax (GST), sales tax, and other amounts collected on behalf of third parties. The Company applies the revenue recognition criteria separately to each component of a revenue transaction, in accordance with the terms of the contract and customary business practices.

Sale of goods

Revenue from the sale of products is recognized at the point in time when control of the goods is transferred to the customer. Revenue is measured at the transaction price specified in the contract, net of customer incentives, discounts, variable consideration, payments made to customers, and other similar charges. For contracts that include a right of return, revenue is recognized only to the extent that it is highly probable that a significant reversal of cumulative revenue will not occur. Expected returns are estimated based on historical data, and the amount of revenue recognized is adjusted accordingly.



VARDHMAN APPLIANCES LIMITED
(CIN: U27509DL2023PLC418176)

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2026

(All amounts in ₹ millions except number of shares and per share data, unless otherwise stated)

Income from services

In certain contracts, the Company provides carriage outward services, enabling customers to receive delivery of products to their specified locations during the contract period. Revenue from carriage outward services is recognized at point in time.

Interest income

Interest income is recognised on time proportion basis considering the amount outstanding and rate applicable. For all financial assets measured at amortised cost, interest income is recorded using the effective interest rate (EIR) i.e. the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial assets.

Provision for rebates and discounts

Provisions for rebates, discounts and other deductions are estimated and provided for in the year of sales and recorded as reduction of revenue. Provisions for such rebates and discounts are accrued and estimated based on historical average rate actually claimed over a period of time and current contract prices with customers.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration or is due from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

iv Leases

The Company as a lessee

The Company at the inception considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration.

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets. The Company considers lease payments of INR 1.80 million per annum as leases of low-value assets.

The Company enters into leasing arrangements for various assets. The assessment of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/purchase etc.

Right of use (ROU) assets

Recognition and initial measurement

At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

Subsequent measurement

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.



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Lease Liabilities

At lease commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

Short-term leases

The Company has elected to account for short-term leases using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in Statement Of Profit And Loss on a straight-line basis over the lease term.

v Impairment

a. Non - financial Assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets (other than deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or Cash generating units (CGUs). Goodwill arising from a business combination is allocated to CGUs or Group of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an individual asset or CGU is the greater of its value in use and its fair value less costs of disposal. Value in use is based on the estimated future cash flows, 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 or CGU. An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in the Statement Of Profit And Loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.



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b. Financial Assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables. As a practical expedient, the Company uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward-looking estimates. At regular intervals, the historically observed default rates are updated and changes in forward-looking estimates are analysed. The Company also assesses at each reporting date whether there is evidence of impairment for individual trade receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a material increase in the credit risk since initial recognition. If credit risk has not increased materially, twelve-month ECL is used to provide for impairment loss. However, if credit risk has increased materially, lifetime ECL is used. If in subsequent period, credit quality of the instrument improves such that there is no longer a material increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on twelve-month ECL.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original effective interest rate.

The Company recognises loss allowances for expected credit losses on financial assets recorded at amortised cost. At each reporting date the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is "credit-impaired" when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation;

The Company measures loss allowances at an amount of life time expected credit losses, except for the following ,which are measured as twelve month expected credit losses :-

- bank balances for which credit risk (i.e., the risk of default occurring over the expected life of the financial instruments) has not increased materially since initial recognition.

The Company considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held).

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

Presentation of allowance for ECL in the Financial Statement Of Assets And Liabilities

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.



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vi Employee benefits

a. Short term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits and are measured on undiscounted basis. These benefits include salaries and wages, bonus etc., which are to be paid in exchange for the employee services and are recognised as an expense in the Statement Of Profit And Loss in the period in which the employee renders the related service.

b. Defined contribution plan

The Company has a defined contribution plan namely provident fund. The contribution made by the Company in respect of this plan is charged to the Statement Of Profit And Loss in which the related service is performed.

c. Defined benefit plan

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. Under the defined benefit plan, the amount that an employee will receive on retirement is defined by reference to the employee's length of service and last drawn salary. The liability recognised in the statement of financial position for defined benefit plan is the present value of the Defined Benefit Obligation (DBO) at the reporting date. Management estimates the DBO annually with the assistance of independent actuaries. Actuarial gains/losses resulting from re-measurements of the liability/asset are included in other comprehensive income.

vii 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.

i. Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs. Subsequent measurement of financial assets and financial liabilities is described below:

a. Non-derivative financial assets

Subsequent measurement

Financial assets carried at amortised cost

A 'financial asset' is measured at the amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

Financial assets carried at Fair value through other comprehensive income (FVOCI)

The Company accounts for financial assets at FVOCI if the assets meet the following conditions:

- They are held under a business model whose objective it is "hold to collect" the associated cash flows and sell, and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Any gains or losses recognised in Other comprehensive income (OCI) will be recycled upon derecognition of the asset. However, there is an exception to this, which is an irrevocable option to present subsequent changes in the fair value of an investment in equity, in which case there is no recycling even at the time of derecognition, except for dividend income recognised in Statement Of Profit And Loss.



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Financial Assets at Fair value through profit or loss (FVTPL)

Financial assets held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at FVTPL. Further, irrespective of the business model used, financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL. Assets in this category are measured at fair value with gains or losses recognised in Statement Of Profit And Loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

De-recognition of financial assets

A financial asset is de-recognised when the contractual rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

b. Non-derivative financial liabilities

Subsequent measurement

Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognised 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 an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement Of Profit And Loss.

ii. Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

iii. Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Statement Of Profit And Loss if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

viii Fair value measurement

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: i) In the principal market for the asset or liability; or ii) In the absence of a principal market, in the most advantageous market for the asset or liability.



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The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest. A fair value measurement of a non-financial asset considers a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the Standalone Financial Statement Of Assets And Liabilities are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

For assets and liabilities that are recognised in the Standalone Financial Statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Involvement of external valuers is decided upon annually by the Company. At each reporting date, the Company analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the accounting policies. For this analysis, the Company verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

ix Investments

Subsidiaries

As per Ind AS 27, Control exists when the Company has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Investments in subsidiaries are carried at cost as per Ind AS 27.

Associates and Joint Ventures

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to net assets of joint venture. Joint control is contractually agreed sharing of control of an arrangement, which exists only when decisions about relevant activities require unanimous consent of parties sharing control.

An associate is an entity over which the Company has significant influence. Significant influence is power to participate in financial and operating policy decisions of investee but is not control or joint control over those policies.

Investment in joint ventures and associates are carried at cost as per Ind AS 27. Cost comprises price paid to acquire investment and directly attributable cost.

x Cash and cash equivalents

Cash and cash equivalents for the purposes of Statement Of Cash Flows comprise cash at bank and in hand, cheques in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.



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xi Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM"). Managing Director of the Company has been identified as the Chief Operating Decision Maker ("CODM") and evaluates the Company's performance and allocates resources based on analysis of the various performance indicators of the Company. The CODM reviews the operating results of the Company as a single operating segment. Accordingly, in terms of Ind AS 108 – Operating Segments, the Company has only one operating segment, which also constitutes the sole reportable segment. Since the Company operates in a single reportable segment, no separate segment performance disclosures are required. Refer note 34.

xii Earnings per share

Basic Earnings Per Share ("EPS") is computed by dividing the net profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit after income tax effect of interest and other financing costs associated with dilutive potential equity shares by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue and share split that have changed the number of equity shares outstanding, without a corresponding change in resources.

Dilutive potential equity shares are deemed converted as of the beginning of the year, unless issued at a later date. In computing diluted earnings per share, only potential equity shares that are dilutive and that either reduces earnings per share or increases loss per share are included. The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented in case of share splits.

xiii Borrowing costs

Borrowing costs attributable to the acquisition or construction of a qualifying asset are capitalised as part of the cost of the asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. Other borrowing costs are recognised as an expense in the period in which they are incurred. Borrowing cost includes exchange differences to the extent regarded as an adjustment to the borrowing costs, if any.

xiv Income Tax

Income tax expense comprises current tax and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

a. Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.



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b. Deferred Tax

Deferred tax is recognized on 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 are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax 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 on the same taxable entity. Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity.

xv Provisions, contingent liabilities and contingent assets

Provisions (other than employee benefits)

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Expected future operating losses are not provided for. Provisions for onerous contracts, i.e., contracts where the expected unavoidable costs of meeting obligations under a contract exceed the economic benefits expected to be received, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The contingent liability is not recognized in the books of accounts but its existence is disclosed in the Standalone Financial Statements.

Contingent assets

Contingent asset is not recognised in Standalone 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 recognized.

Provisions, contingent liabilities, and contingent assets are reviewed at each reporting date.

xvi Warranty

The estimated liability for product warranties is recorded when products are sold. These estimates are established using historical information on the nature, frequency and average cost of warranty claims and management estimates regarding possible future incidence based on corrective actions on product failures. The timing of outflows will vary as and when warranty claim will arise, being typically between 12 to 30 months.



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xvii Foreign currency transactions and translations

Foreign currency transactions are translated into the functional currency, by applying the exchange rates on the foreign currency amounts at the date of the transaction. Foreign currency monetary items outstanding at the balance sheet date are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction. Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the Special Purpose Standalone Statement of Profit and Loss in the year in which they arise.

xviii Exceptional items

Exceptional items refer to items of income or expense within the income statement from ordinary activities which are material and non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Company and to assist users of Standalone Financial Statements.

xix Events after reporting date:

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted in the Standalone Financial Statements of the reporting period. Otherwise, events after the balance sheet date of material size or nature are only disclosed.



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Note 3 Property, Plant and Equipment (PPE)

Particulars	Freehold land	Buildings	Plant and Equipments	Furniture and Fixtures	Vehicles	Computers	Office Equipments	Total
Gross Carrying Amount								
Deemed Cost as at April 01, 2024	45.88	39.42	143.17	12.63	14.81	0.28	3.16	259.35
Impact of business combination under common control (refer note 44)	-	1.13	87.80	14.53	5.34	0.66	4.91	114.37
Restated Balance as at April 01, 2024	45.88	40.55	230.97	27.16	20.15	0.94	8.07	373.72
Additions	-	0.75	130.43	11.70	6.85	0.80	4.39	154.92
Disposal / Adjustment	-	(1.13)	(25.05)	(3.04)	(6.25)	(0.35)	(2.68)	(38.50)
As at March 31, 2025	45.88	40.17	336.35	35.82	20.75	1.39	9.78	490.14
Additions	-	10.76	61.47	5.91	5.75	0.40	1.82	86.11
Disposal / Adjustment	-	-	(2.43)	(0.01)	-	-	-	(2.44)
As at March 31, 2026	45.88	50.93	395.39	41.72	26.50	1.79	11.60	573.81
Accumulated Depreciation								
As at April 01, 2024	-	-	-	-	-	-	-	-
Charged during the year	-	3.80	53.32	8.11	6.55	0.71	4.03	76.52
Disposal / Adjustment	-	(0.01)	(0.68)	(0.11)	(0.09)	(0.03)	(0.29)	(1.21)
As at March 31, 2025	-	3.79	52.64	8.00	6.46	0.68	3.74	75.31
Charged during the year	-	5.63	57.28	8.16	5.33	0.58	3.15	80.13
Disposal / Adjustment	-	-	(0.56)	(0.01)	-	-	-	(0.57)
As at March 31, 2026	-	9.42	109.36	16.15	11.79	1.26	6.89	154.87
Net Carrying Value								
As at April 01, 2024	45.88	40.55	230.97	27.16	20.15	0.94	8.07	373.72
As at March 31, 2025	45.88	36.38	283.71	27.82	14.29	0.71	6.04	414.83
As at March 31, 2026	45.88	41.51	286.03	25.57	14.71	0.53	4.71	418.94

Note:

(a) Refer note 16 for details of property, plant and equipment pledged as security against borrowings.



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Note 4 Right of Use Assets (ROU Assets)

Changes in the carrying value of Right of Use assets are as follows:

Particulars	Leasehold Building	Total
Gross Carrying Amount		
As at April 01, 2024	122.04	122.04
Additions	80.36	80.36
Disposal / Adjustment	-	-
As at March 31, 2025	202.40	202.40
Additions	-	-
Disposal / Adjustment	-	-
As at March 31, 2026	202.40	202.40
Accumulated Depreciation		
As at April 01, 2024	-	-
Charged during the year	17.85	17.85
Disposal / Adjustment	-	-
As at March 31, 2025	17.85	17.85
Charged during the year	21.50	21.50
Disposal / Adjustment	-	-
As at March 31, 2026	39.35	39.35
Net Carrying Value		
As at April 01, 2024	122.04	122.04
As at March 31, 2025	184.55	184.55
As at March 31, 2026	163.05	163.05

Notes:

- (a) Refer note 16 for details of property, plant and equipment pledged as security against borrowings.
(b) Refer note 17 & 33 for disclosures related to Leases.



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Note 5 Intangible Assets

Changes in the carrying value of Other Intangible Assets are as follows:

Particulars	Software	Patents	Total
Gross Carrying Amount			
Deemed Cost as at April 01, 2024	0.02	-	0.02
Impact of business combination under common control (refer note 44)	0.08	-	0.08
Restated Balance as at April 01, 2024	0.10	-	0.10
Additions	-	0.04	0.04
Disposal / Adjustment	(0.06)	-	(0.06)
As at March 31, 2025	0.04	0.04	0.08
Additions	0.06	-	0.06
Disposal / Adjustment	-	-	-
As at March 31, 2026	0.10	0.04	0.14
Accumulated Depreciation			
As at April 01, 2024	-	-	-
Charged during the year	0.03	-	0.03
Disposal / Adjustment	(0.00)	-	-
As at March 31, 2025	0.03	-	0.03
Charged during the year	0.03	-	0.03
Disposal / Adjustment	-	-	-
As at March 31, 2026	0.06	-	0.06
Net Carrying Value			
As at April 01, 2024	0.10	-	0.10
As at March 31, 2025	0.01	0.04	0.05
As at March 31, 2026	0.04	0.04	0.08



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Note 6 Investment

Particulars	As at	As at	As at
	March 31, 2026	March 31, 2025	April 01, 2024
Investment in Equity Share (At cost) (20,00,000 (March 31, 2025: 20,00,000) equity shares of Rs. 10 each fully paid in Lazer India Private Limited)	116.36	116.36	-
Total	116.36	116.36	-

Note 7 Other Financial Assets

NON-CURRENT

Particulars	As at	As at	As at
	March 31, 2026	March 31, 2025	April 01, 2024
Bank deposits (due for maturity after twelve months from the reporting date)*	28.05	0.71	84.85
Security Deposits	14.17	12.64	9.70
Total	42.22	13.35	94.55

Particulars	As at	As at	As at
	March 31, 2026	March 31, 2025	April 01, 2024
*Deposits under lien with Banks	20.40	-	9.97

CURRENT

Particulars	As at	As at	As at
	March 31, 2026	March 31, 2025	April 01, 2024
Interest Accrued on Bank deposits above (net of tds)	3.30	0.54	0.21
Advance given to Employees	5.34	5.25	2.01
Other financial assets	3.38	3.58	1.73
Total	12.02	9.37	3.95



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Note 8 Deferred Tax Assets / (Liability)

Particulars	As at	As at	As at
	March 31, 2026	March 31, 2025	April 01, 2024
Deferred Tax Asset :			
Temporary difference between book and tax balances of PPE and Intangible assets	8.11	3.87	-
Liabilities / provisions that are deducted for tax purposes when paid	25.02	20.90	17.86
Temporary differences between right-of-use assets and lease liabilities	12.60	9.20	5.75
Total Deferred Tax Asset (A)	45.73	33.97	23.61
Deferred Tax Liability :			
Defined benefit obligations	1.30	0.20	-
Temporary difference between book and tax balances of PPE and Intangible assets	-	-	0.04
Total Deferred Tax Liability (B)	1.30	0.20	0.04
Total Deferred Tax Asset / (Liability) (A-B)	44.43	33.77	23.57
Less: Deferred tax already recognised	33.77	23.57	-
Charge/(Credit) to statement of profit and loss account	(10.66)	(10.20)	-

Refer note 35 for movement of deferred tax assets and liabilities.

Note 9 Other Assets

NON-CURRENT

Particulars	As at	As at	As at
	March 31, 2026	March 31, 2025	April 01, 2024
Capital Advances	170.28	0.87	0.87
Total	170.28	0.87	0.87

CURRENT

Particulars	As at	As at	As at
	March 31, 2026	March 31, 2025	April 01, 2024
Balances with government authorities	4.54	2.12	1.84
Advance given to Suppliers	67.12	37.75	22.82
Other Assets*	4.62	-	-
Prepaid Expenses	5.74	4.48	3.91
Total	82.02	44.35	28.57

*Other Assets include IPO expenses



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Note 10 Inventories (valued at lower of cost and net realisable value)

Particulars	As at	As at	As at
	March 31, 2026	March 31, 2025	April 01, 2024
Raw Material	410.29	303.27	241.63
Work-in-process	745.10	558.16	352.10
Finished Goods	141.85	98.88	153.73
Total	1,297.24	960.31	747.46

Note 10.1 Refer note 16 for details of hypothecation.

Note 10.2 Details of inventory lying with job-workers:

Particulars	As at	As at	As at
	March 31, 2026	March 31, 2025	April 01, 2024
Raw Material	2.65	2.17	1.55
Total	2.65	2.17	1.55

Note 11 Trade Receivables

Particulars	As at	As at	As at
	March 31, 2026	March 31, 2025	April 01, 2024
Unsecured, Considered Good	1,600.26	1,266.29	1,079.81
Significant Increase in Credit Risk	22.00	22.00	22.00
Total Trade Receivables (Gross)	1,622.26	1,288.29	1,101.81
Less: Allowance for expected credit loss (ECL)	(26.72)	(22.48)	(22.40)
Total	1,595.54	1,265.81	1,079.41

Note 11.1 There are no unbilled receivables, hence the same is not disclosed in the ageing schedule.

Note 11.2 Trade Receivables Ageing Schedule

(A) As at March 31, 2026

Particulars	Outstanding for following periods from due date of payment					Total
	< 6 months	6 months -1	1-2 years	2-3 years	More than 3	
(i) Undisputed Trade receivables – considered good	1,567.83	27.03	0.49	0.19	4.72	1,600.26
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivable – which have significant increase in credit risk	-	-	-	-	22.00	22.00
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	1,567.83	27.03	0.49	0.19	26.72	1,622.26
Less: Allowance for ECL	-	-	(0.00)	(0.00)	(26.72)	(26.72)
Total	1,567.83	27.03	0.49	0.19	-	1,595.54



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(B) As at March 31, 2025

Particulars	Outstanding for following periods from due date of payment					Total
	< 6 months	6 months -1	1-2 years	2-3 years	More than 3	
(i) Undisputed Trade receivables – considered good	1,260.74	1.32	2.80	0.95	0.48	1,266.29
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivable – which have significant increase in credit risk	-	-	-	-	22.00	22.00
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
Total	1,260.74	1.32	2.80	0.95	22.48	1,288.29
Less: Allowance for ECL	-	-	(0.00)	(0.00)	(22.48)	(22.48)
Total	1,260.74	1.32	2.80	0.95	-	1,265.81

Note: The management has considered transaction date as the basis for determining the ageing of the trade receivables.

Note 12 Cash and Cash Equivalents

Particulars	As at	As at	As at
	March 31, 2026	March 31, 2025	April 01, 2024
Balance with banks:			
In Current Accounts	80.41	325.85	135.65
Fixed deposits with maturity upto 3 months	42.36	-	0.17
Cash in Hand	15.27	5.14	0.78
Total	138.04	330.99	136.60

Note 13 Bank Balances other than Cash and Cash Equivalents

Particulars	As at	As at	As at
	March 31, 2026	March 31, 2025	April 01, 2024
Fixed Deposits with maturity of more than 3 months but less than 12 months*	43.39	47.70	38.36
Total	43.39	47.70	38.36

Particulars	As at	As at	As at
	March 31, 2026	March 31, 2025	April 01, 2024
*Deposits under lien with Banks	9.39	23.96	-



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Note 14 Equity Share Capital

Particulars	As at		As at		As at	
	March 31, 2026		March 31, 2025		April 01, 2024	
	Number	Amount	Number	Amount	Number	Amount
Authorised share capital						
Equity Shares of Rs. 10/- each^^	50,000,000	500.00	31,000,000	310.00	31,000,000	310.00
	50,000,000	500.00	31,000,000	310.00	31,000,000	310.00
Issued, Subscribed & Paid-up						
Equity Shares of Rs. 10/- each	28,025,000	280.25	28,025,121	280.25	26,000,000	260.00
	28,025,000	280.25	28,025,121	280.25	26,000,000	260.00

a) Reconciliation of number of equity shares outstanding at the beginning and at the end of the year:

Particulars	March 31, 2026		March 31, 2025	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	28,025,121	280.25	26,000,000	260.00
Add: Shares issued during the year^	-	-	2,025,121	20.25
Shares outstanding at the end of the year	28,025,121	280.25	28,025,121	280.25

^ During the year ended March 31, 2025, the Company allotted 2,025,121 equity shares of face value of ₹10 each at a premium of ₹151.16 per share by way of preferential allotment, aggregating to ₹326.37 million.

^^ Pursuant to approval of the shareholders at extra-ordinary general meeting (EGM) dated March 26, 2026, the Company has increased its authorised share capital by ₹190.00 million to ₹500.00 million divided into 50,000,000 equity shares of ₹10 each.

b) 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 event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company, after distribution of all preferential amount in proportion of their shareholding.

c) Details of shares in the Company held by each shareholder holding more than 5 percent shares:

Name of the shareholder	March 31, 2026		March 31, 2025	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Parmod Kumar Jain	5,344,404	19.07%	5,344,404	19.07%
Subodh Kumar Jain	2,137,762	7.63%	2,137,762	7.63%
Vinod Kumar Jain	4,275,523	15.26%	4,275,523	15.26%
Piyush Jain	4,275,523	15.26%	4,275,523	15.26%
Akhil Jain	4,275,523	15.26%	4,275,523	15.26%
Siddharth Jain	2,137,762	7.63%	2,137,762	7.63%
Sambhav Jain	2,137,762	7.63%	2,137,762	7.63%
Vineet Jain	2,137,762	7.63%	2,137,762	7.63%



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d) Promoter's Shareholding as at March 31, 2026 and percentage change in shareholding during the year as compared to previous year is as follow

Name of the Promoters	As at	% Change	As at
	March 31, 2026		March 31, 2025
Parmod Kumar Jain	19.07%	0.00%	19.07%
Subodh Kumar Jain	7.63%	0.00%	7.63%
Vinod Kumar Jain	15.26%	0.00%	15.26%
Piyush Jain	15.26%	0.00%	15.26%
Akhil Jain	15.26%	0.00%	15.26%
Siddharth Jain	7.63%	0.00%	7.63%
Sambhav Jain	7.63%	0.00%	7.63%
Vineet Jain	7.63%	0.00%	7.63%

e) The Company has not issued any shares for consideration other than cash or as bonus shares, nor any shares had been brought back during the year, except as follows:

The Company acquired 100% of the equity share capital of Lazer India Private Limited ("LIPL"). The acquisition was settled through the issue of 722,021 equity shares of the Company on a preferential basis for consideration other than cash.

f) No shares were bought back during the current year or since incorporation of the company.

g) No dividend has been declared during the year.



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Note 15 Other Equity

Particulars	As at	As at	As at
	March 31, 2026	March 31, 2025	April 01, 2024
Common control adjustment deficit account	4.25	4.25	67.47
Security Premium	295.62	295.62	-
Retained Earnings	447.68	241.74	74.68
Other Comprehensive Income	4.65	0.59	-
Total	752.20	542.20	142.15

(i) Common control adjustment deficit account:

This represents deficit arising on business combination pertaining to common control transaction. (Refer note 44)

Particulars	As at	As at
	March 31, 2026	March 31, 2025
Balance at the beginning of the year	4.25	67.47
Add: Recoverable from seller in respect of profits / (loss)	-	8.46
Less: Adjustment on account of net assets change	-	(71.68)
Balance at the end of the year	4.25	4.25

(ii) Security Premium:

Securities premium represents premium received on issue of shares. The amount is utilised in accordance with the provisions of the Companies Act, 2013.

Particulars	As at	As at
	March 31, 2026	March 31, 2025
Balance at the beginning of the year	295.62	-
Add: On allotment of Equity Shares	-	306.12
Less: Share Issue Expenses	-	(10.50)
Balance at the end of the year	295.62	295.62

(iii) Retained Earnings:

Retained earnings represent the accumulated profits of the Company.

Particulars	As at	As at
	March 31, 2026	March 31, 2025
Balance at the beginning of the year	241.74	74.68
Add: Transfer from share capital	205.94	167.06
Balance at the end of the year	447.68	241.74



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(iv) Other Comprehensive Income:

Other Components of Equity includes Other Comprehensive Income arising due to remeasurement of defined benefit obligation valued at fair value through Other Comprehensive Income.

Particulars	As at	As at
	March 31, 2026	March 31, 2025
Balance at the beginning of the year	0.59	-
Add: Remeasurement of defined benefit obligation (net of taxes)	4.06	0.59
Balance at the end of the year	4.65	0.59

Note 16 Borrowings

NON-CURRENT

Particulars	As at	As at	As at
	March 31, 2026	March 31, 2025	April 01, 2024
Secured			
Term Loans from banks	83.09	61.01	56.39
Term Loans from NBFC	-	-	4.85
Less: current maturity of long term borrowings	(35.22)	(28.70)	(26.76)
	47.87	32.31	34.48
Unsecured			
Term Loans from NBFC	0.52	6.84	12.57
Less: current maturity of long term borrowings	(0.52)	(6.25)	(6.25)
	-	0.59	6.32
Total	47.87	32.90	40.80

CURRENT

Particulars	As at	As at	As at
	March 31, 2026	March 31, 2025	April 01, 2024
Secured			
Current Maturity of term loans from banks and NBFC	35.22	28.70	26.76
Cash Credit & Working capital demand loan from Banks	270.27	222.22	116.19
Inland letter of credit & Standby letter of credit	123.15	25.22	47.86
Discounting Arrangements:			
-from Banks	119.98	102.49	89.87
Unsecured			
Discounting Arrangements:			
-from NBFC	214.88	214.99	177.35
Current Maturity of term loans from NBFC	0.52	6.25	6.25
Total	764.02	599.87	464.28



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Terms and Conditions

(i) Terms of repayment of term loans are stated below :

Lender	Nature	Rate of interest (ROI)	Term of installments	As at	As at
				March 31, 2026	March 31, 2025
Axis Bank Limited	Vehicle Loan	1 Year Marginal Cost of Funds Based Lending Rate (MCLR) 9.35% + Spread 1.70% = 11.05%	36 Months	5.09	7.92
ICICI Bank Limited	Vehicle Loan	Fixed @8.50%	36 Months	0.75	-
ICICI Bank Limited	Vehicle Loan	MCLR-6M is 8.80% and Spread is 0.10% = 8.90%	36 Months	1.00	-
Union Bank of India	Vehicle Loan	Floating @8.1%	36 Months	2.63	-
Yes Bank Limited	Vehicle Loan	Fixed @ 11.50%	36 Months	0.77	1.83
ICICI Bank Limited	Term Loan	MCLR Rate 1Yr-8.85% +.10% Spread Rate	36 Months	26.67	-
ICICI Bank Limited	Term Loan	Fixed 8.45%	36 Months	4.58	-
ICICI Bank Limited	Term Loan	Fixed 8.45%	60 Months	12.45	-
Yes Bank Limited	Term Loan	Pricing: 3% (spread/Markup) over and above the ARR. Currently Effective Rate of Interest(ROI) is 9.5% p.a - Floating	60 Months	-	1.78
Yes Bank Limited	Term Loan	Pricing: 3% (spread/Markup) over and above the ARR. Currently Effective Rate of Interest(ROI) is 8.5% p.a - Floating	30 Months	2.44	11.14
			57 Months	1.24	-
			36 Months	5.59	12.29
			45 Months	3.42	5.37
			48 Months	2.91	4.52
			60 Months	8.94	11.23
			55 Months	1.47	-
			42 Months	3.14	4.93
Oxyzo Financial Services Limited	Term Loans - NBFC	Floating @ 13.5%	24 Months	0.52	6.84
Total Term Loans				83.61	67.85
Less: Current Maturity				(35.74)	(34.95)
Total Non-current borrowings				47.87	32.90



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(ii) Nature of security :

- (A) Term loan and working capital facilities (including discounting arrangements) availed by Company from Yes bank Limited and ICICI bank Limited are secured by way of (i) exclusive charge by hypothecation over the Company's entire current assets and movable fixed assets, both present and future, and (ii) exclusive charge by way of equitable mortgage over immovable properties situated at Plot No. 118, Sector-53, Phase-V, HSIIDC Industrial Area, Kundli, Sonipat, Haryana – 131028. In addition, the loans are backed by unconditional and irrevocable personal guarantees of Mr. Parmod Kumar Jain, Mr. Subodh Kumar Jain, Mr. Vinod Kumar Jain, Mr. Piyush Jain, Mr. Akhil Jain, Mrs. Rekha Jain and Mr. Siddharth Jain, which shall remain valid for the tenure of the respective facilities. Further, M/s. Quality Industries has cross-collateralised its property situated at Plot 115, Sector-53, Phase-V, HSIIDC Industrial Area, Kundli, Sonipat, Haryana – 131028 for these facilities. Working capital facilities taken from banks carries varied rate of interest and ranges from 8% to 9.5% p.a.
- (B) Vehicle loans are secured by hypothecation of such vehicles.
- (C) Term loans and bill discounting facilities availed from NBFC, viz. Oxyzo Financial Services Limited and Tata Capital Limited are unsecured with no personal guarantee. Discounting facilities availed from Shriram Finance Limited and Bajaj Finance Limited are unsecured but carries personal guarantee of Mr. Parmod Kumar Jain, Subodh Kumar Jain, Vinod Kumar Jain, Piyush Jain and Akhil Jain. Rate of interest on these facilities ranges from 12% to 14% p.a.
- (D) During the year ended March 31, 2026, Company took short term loan from its group company, viz. Vardhman Home Appliances Limited amounting to ₹ 65.00 million and paid before March 31, 2026. Interest @8.25% p.a. is payable as at March 31, 2026.

Note 17 Lease liability

NON-CURRENT

Particulars	As at	As at	As at
	March 31, 2026	March 31, 2025	April 01, 2024
Lease liability	200.25	211.31	142.70
Total	200.25	211.31	142.70

CURRENT

Particulars	As at	As at	As at
	March 31, 2026	March 31, 2025	April 01, 2024
Lease liability	11.06	7.85	2.17
Total	11.06	7.85	2.17

Refer note 33 for disclosures related to leases.



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Note 18 Other Financial Liabilities

NON-CURRENT

Particulars	As at	As at	As at
	March 31, 2026	March 31, 2025	April 01, 2024
Capital Creditors	15.73	9.34	5.35
Total	15.73	9.34	5.35

CURRENT

Particulars	As at	As at	As at
	March 31, 2026	March 31, 2025	April 01, 2024
Employee benefits payable (including payable to related parties)	43.14	44.94	27.30
Consideration payable on account of business combination under common control (Refer note 44)	-	-	67.40
Other liabilities	0.88	-	-
Interest Accrued and Due			
---to Banks and NBFC	1.00	-	-
---to related parties	1.04	-	-
Total	46.06	44.94	94.70

Refer note 40 on Related Party Disclosures.

Note 19 Provisions

NON-CURRENT

Particulars	As at	As at	As at
	March 31, 2026	March 31, 2025	April 01, 2024
Gratuity**	48.32	41.78	33.53
Total	48.32	41.78	33.53

CURRENT

Particulars	As at	As at	As at
	March 31, 2026	March 31, 2025	April 01, 2024
Gratuity**	6.80	6.00	5.88
Provision for Warranty*	11.09	10.28	7.02
Total	17.89	16.28	12.90

*The Company provides warranties for its products undertaking to repair or replace the items that fail to perform satisfactorily during the warranty period. Provision represents the amount of the expected cost based on technical evaluation and past experience of meeting such obligations. It is expected that this expenditure will be incurred over the contractual warranty period.

**Refer note 37 for disclosure on Employee Benefits.



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Note 19.1 Movement of provisions

Particulars	As at	As at
	March 31, 2026	March 31, 2025
Gratuity		
At beginning of the year	47.78	39.41
Addition	10.38	10.50
Deletion	(3.04)	(2.13)
At end of the year	55.12	47.78
Warranty		
At beginning of the year	10.28	7.02
Addition	7.73	7.57
Deletion	(6.92)	(4.31)
At end of the year	11.09	10.28

Note 20 Other Liabilities

CURRENT

Particulars	As at	As at	As at
	March 31, 2026	March 31, 2025	April 01, 2024
Advance received from customers	19.06	0.41	3.49
Statutory dues payable*	30.86	23.84	9.60
Total	49.92	24.25	13.09

*Statutory dues payable mainly includes contribution to Provident Fund, Goods and Services tax (GST), Employee State Insurance, tax deducted at source (TDS), tax collected at source (TCS) etc.

Note 21 Trade Payables

Particulars	As at	As at	As at
	March 31, 2026	March 31, 2025	April 01, 2024
Outstanding dues of micro and small enterprises	202.77	121.13	110.36
Outstanding dues of creditors other than micro and small enterprises*	1,649.18	1,463.74	1,308.51
Total	1,851.95	1,584.87	1,418.87

*Refer note 40 on Related Party Disclosures.

Note 21.1 There are no unbilled dues, hence the same is not disclosed in the ageing schedule.



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Note 21.2 Trade Payables ageing schedule

(A) As at March 31, 2026

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3	Total
Undisputed dues of micro and small enterprises	202.77	-	-	-	202.77
Undisputed dues of creditors other than micro and small enterprises	1,581.10	7.87	56.24	3.97	1,649.18
Disputed dues of micro and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro and small enterprises	-	-	-	-	-
Total	1,783.87	7.87	56.24	3.97	1,851.95

(B) As at March 31, 2025

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3	Total
Undisputed dues of micro and small enterprises	121.13	-	-	-	121.13
Undisputed dues of creditors other than micro and small enterprises	1,402.25	57.52	3.97	-	1,463.74
Disputed dues of micro and small enterprises	-	-	-	-	-
Disputed dues of creditors other than micro and small enterprises	-	-	-	-	-
Total	1,523.38	57.52	3.97	-	1,584.87

Note: The management has considered transaction date as the basis for determining the ageing of the trade payables.



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Note 21.3 Information as required to be furnished as per Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)*

Particulars	As at	As at
	March 31, 2026	March 31, 2025
a) Amount remaining unpaid to supplier covered under MSMED Act at the end of the year		
-Principal	202.77	121.13
-Interest	-	-
-Total	202.77	121.13
b) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
c) The amount of interest due and payable for the period 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.	-	-
d) The amount of interest accrued and remaining unpaid at the end of the year.	-	-
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act.	-	-
f) The total dues of Micro and Small Enterprises which were outstanding for more than stipulated period.	-	-

*This information has been determined to the extent such parties have been identified on the basis of information available with the company. The Company has not recognised any provision towards interest, for any past paid creditors, under the MSMED Act, as the obligation, if any, is not presently ascertainable with reasonable certainty and no claims have been received from the respective vendors.

Note 22 Current tax liability (net)

Particulars	As at	As at	As at
	March 31, 2026	March 31, 2025	April 01, 2024
Income tax payable	38.09	26.47	18.66
Total	38.09	26.47	18.66

Refer note 36 for reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes.



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Note 23 Revenue from operations

Particulars	For the year ended on March 31, 2026	For the year ended on March 31, 2025
Sale of Products:		
Manufactured goods	7,805.16	7,557.37
(A)	7,805.16	7,557.37
Services Rendered:		
Other operating revenue	2.17	5.38
(B)	2.17	5.38
Other Revenue:		
Sale of scrap	84.21	93.45
(C)	84.21	93.45
Total		
(A+B+C)	7,891.54	7,656.20

Note 23.1 Reconciliation of revenue recognized with Contract Price

Particulars	For the year ended on March 31, 2026	For the year ended on March 31, 2025
Revenue as per contracted price	8,077.72	7,769.51
Sales Reversal pending transfer of control as per Ind AS 115	4.42	4.41
Sales returns	(176.94)	(107.19)
Rebate and discount	(13.66)	(10.53)
Revenue from operations	7,891.54	7,656.20

Note 23.2 Disaggregation of revenue from contracts with customers

Particulars	For the year ended on March 31, 2026	For the year ended on March 31, 2025
Based on geographies		
Within India	7,891.54	7,656.20
Outside India	-	-
Total	7,891.54	7,656.20
Based on timing of transfer of goods and services		
recognised at point in time	7,891.54	7,656.20
recognised over time	-	-
Total	7,891.54	7,656.20



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Note 24 Other Income

Particulars	For the year ended on	For the year ended on
	March 31, 2026	March 31, 2025
Interest on:		
- Bank deposits	16.83	13.11
- Customers	23.02	15.46
- Financial assets / liabilities measured at amortised cost	0.16	0.08
Gain on sale of property, plant and equipments	0.39	1.08
Miscellaneous Income	3.52	0.90
Total	43.92	30.63

Note 25 Cost of raw material consumed

Particulars	For the year ended on	For the year ended on
	March 31, 2026	March 31, 2025
Opening Stock	303.27	241.63
Purchase of raw materials (including direct expenses)	6,575.66	6,326.95
	6,878.93	6,568.58
Closing Stock	(410.29)	(303.27)
Total	6,468.64	6,265.31

Note 26 Changes in Inventory of Finished Goods, Traded Goods and Work-in-progress

Particulars	For the year ended on	For the year ended on
	March 31, 2026	March 31, 2025
Opening Inventories		
- Finished Goods	98.88	153.73
- Work-in-progress	558.16	352.10
	657.04	505.83
Closing Inventories		
- Finished Goods	141.85	98.88
- Work-in-progress	745.10	558.16
	886.95	657.04
(Increase)/Decrease in stocks (A-B)	(229.91)	(151.21)



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Note 27 Employee benefit expense

Particulars	For the year ended on	For the year ended on
	March 31, 2026	March 31, 2025
Salaries, Wages and Incentives	457.52	414.18
Contribution to Provident & Other Funds	18.41	17.80
Provision for Long term employees benefits	15.54	11.29
Staff Welfare	7.10	5.67
Total	498.57	448.94

Refer note 40 for Related Party Disclosures.

Refer note 37 for disclosure on Employee Benefits.

Note 28 Finance Cost

Particulars	For the year ended on	For the year ended on
	March 31, 2026	March 31, 2025
Interest expenses on:		
- term loans	6.30	6.44
- Cash credit and working capital demand loan	9.89	9.88
- Lease Liabilities	20.49	17.97
- Others*	88.69	82.36
Bank Charges	2.46	1.45
Total	127.83	118.10

* includes interest on customer bills discounting, vendor bill discounting, etc.

*Refer note 40 for Related Party Disclosures.

Note 29 Depreciation and Amortisation Expenses

Particulars	For the year ended on	For the year ended on
	March 31, 2026	March 31, 2025
Depreciation on Property, Plant and Equipment and Intangible Assets	80.16	76.55
Depreciation on Right of use Assets	21.50	17.85
Total	101.66	94.40



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Note 30 Other Expenses

Particulars	For the year ended on	For the year ended on
	March 31, 2026	March 31, 2025
Job work and other assembly expenses	329.61	293.87
Power, Fuel & Water	70.91	71.92
Packing & Forwarding Expenses	117.74	145.48
Rent expense*	35.20	35.14
Advertisement and Business promotion expense	1.53	5.68
Commission Expenses	2.06	-
Repair & Maintenance	46.14	51.64
Repair & Maintenance - vehicle	3.46	2.81
Rates, taxes and license fees	11.71	0.82
Tours, Transportation & Conveyance	6.07	6.78
Telephone, Postage & Internet Expenses	1.56	1.37
Auditor's Remuneration (Refer note 30.1)	0.40	0.41
Legal and Professional Expenses	23.61	33.64
Donation	2.44	0.67
Warranty	0.81	3.26
Expected credit loss (ECL)	4.24	0.08
Membership and subscription	1.82	2.08
Printing & Stationery	1.00	1.47
Insurance Expenses	4.65	2.85
Security charges	10.31	9.39
Corporate Social Responsibility (CSR) (Refer note 30.2)	4.00	2.92
Miscellaneous Expenses	7.84	9.59
Total	687.11	681.87

*Refer note 40 for Related Party Disclosures.

Note 30.1 Auditor's Remuneration (excluding applicable Tax):

Particulars	For the year ended on	For the year ended on
	March 31, 2026	March 31, 2025
A) Statutory audit fees (including limited review fees)	0.40	0.41
Total	0.40	0.41



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Note 30.2 Details of expenditure on corporate social responsibility (CSR)

Particulars	For the year ended on	For the year ended on
	March 31, 2026	March 31, 2025
(i) Gross amount required to be spent by the Company during the period / year as per provisions of section 135 of the Companies Act, 2013 i.e. 2% of average net profits for last three financial years, calculated as per section 198 of the Companies Act, 2013.	4.00	2.92
(ii) Gross amount spent by the Company during the period / year:		
i. Construction/Acquisition of assets	-	-
ii. PM Cares Fund-Covid 19 Relief	-	-
iii. On purpose other than above	2.00	2.92
(iii) Shortfall/(Excess) for the year	2.00	(0.00)
(iv) Total of previous shortfall	Nil	-
(v) Previous years shortfall spent during the year	NA	NA
(vi) Reason for shortfall	Ongoing projects*	NA
(vii) Nature of Activities	1) Eradication of hunger, poverty, malnutrition & Promoting Education. 2) Promoting Health Care Activities	1) Environment Sustainability, eradicating hunger & empowering women etc. 2) Protection of National Heritage, art and culture including restoration of buildings and sites of historical
(viii) CSR Activities with related parties	Nil	Nil
(ix) Movement of CSR Provisions		
Opening Provision	-	-
Created during the year	4.00	2.92
Utilized during the year	(2.00)	(2.92)
Closing Provision*	2.00	-

*Note: The unspent CSR amount of ₹2.00 million pertaining to an ongoing project has been transferred to a separate "Unspent Corporate Social Responsibility Account" on April 30, 2026, in accordance with Section 135(6) of the Companies Act, 2013. Subsequently, the aforesaid project has been discontinued and is no longer being pursued. Accordingly, the amount lying in the Unspent Corporate Social Responsibility Account is proposed to be utilised towards another eligible ongoing CSR project, in accordance with the Company's CSR Policy and the applicable provisions of the Companies Act, 2013 and the rules made thereunder.



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Note 31 Earnings Per Share (EPS)

(A) Earnings Per Share (EPS)

Particulars	For the year ended on	For the year ended on
	March 31, 2026	March 31, 2025
Profit after Tax	205.94	167.06
Basic Earnings Per Share*	7.35	6.09
Diluted Earnings Per Share*	7.35	6.09
Nominal value of equity shares	10.00	10.00

(B) Weighted Average Number of Equity Shares Used as Denominator*:

Particulars	For the year ended on	For the year ended on
	March 31, 2026	March 31, 2025
Number of equity shares at the beginning of the year*	28,025,121	26,000,000
Add: Weighted average number of shares issued during the year	-	1,436,997
Weighted average number of Equity shares for Basic EPS	28,025,121	27,436,997
Add: Dilutive number of shares	-	-
Weighted average number of Equity shares for Diluted EPS	28,025,121	27,436,997

*Refer note 14 on Equity Share Capital.



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Note 32 Contingent Liabilities and commitments:

Particulars	As at	As at
	March 31, 2026	March 31, 2025
a) Claims against the company not acknowledged as Debts		
---Direct tax litigations		
---Other litigations	0.70	0.67
b) Guarantees	62.74	1.52
c) Unutilized Letter of Credits	9.37	9.37
d) Commitments	73.51	71.44
Estimated amount of contracts remaining to be executed on capital account and not provided for:		
---Plant and Equipments		
	11.35	3.00
Total	157.67	86.00

Note:

The Company is subject to claim petitions filed under the Employee's Compensation Act, 1923 in relation to a road accident resulting in one death and one injury. The claimants have alleged an employer-employee relationship and occurrence during the course of employment, which the Company has denied and is contesting. The matters are pending adjudication before the competent authority. Based on legal advice, no provision has been recognised and the financial impact, if any, is not ascertainable.

Note 33 Disclosures as required under Ind-AS 116 "Leases":

(A) Maturity analysis of lease liabilities (contractual undiscounted cash flows) on unconditional basis:

Particulars	As at	As at
	March 31, 2026	March 31, 2025
Upto one year*		
After one year but not more than five years	30.67	28.34
More than five years	150.56	138.90
	127.07	169.40

*The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

(B) Amounts recognised in Statement of profit and loss:

Particulars	As at	As at
	March 31, 2026	March 31, 2025
Depreciation on ROU assets	21.50	17.85
Interest on lease liabilities	20.49	17.97
Lease payments not recognised as liability in 'Other Expenses':		
----Expenses relating to short-term leases	29.34	27.49
----Expenses relating to leases of low-value assets	5.86	7.65

(C) Amounts recognised in Statement of cash flows:

Particulars	As at	As at
	March 31, 2026	March 31, 2025
Total cash outflow for leases	28.34	22.00



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Note 34 Segment Reporting

Disclosure as per Indian Accounting Standard (Ind AS) 108 "Operating Segments"

The Company is engaged exclusively in the business of manufacturing and supplying electrical appliances and related components, operating as an integrated Original Equipment Manufacturer (OEM) / Original Design Manufacturer (ODM) platform. Managing Director of the Company has been identified as the Chief Operating Decision Maker ('CODM') and evaluates the Company's performance and allocates resources based on analysis of the various performance indicators of the Company as a single unit. The management reviews the operating results of the Company as a single operating segment.

Accordingly, in terms of Ind AS 108 – Operating Segments, the Company has only one operating segment, which also constitutes the sole reportable segment. Since the Company operates in a single reportable segment, no separate segment performance disclosures are required. However, entity-wide disclosures as required under Ind AS 108 are provided below:

Information about Geographical Segment:

Secondary Segment Information	For the year ended on	For the year ended on
	March 31, 2026	March 31, 2025
Domestic		
Export	7,891.54	7,656.20
Total Revenue from operations	7,891.54	7,656.20

Information about major customers : Major customers having revenue exceeding 10% of total revenues

Customers	For the year ended on March 31, 2026		For the year ended on March 31, 2025	
	Amount	%	Amount	%
Usha International Limited	2,468.33	31.28%	2,299.37	30.03%
Havells India Limited	1,513.25	19.18%	1,699.30	22.20%
Lazer India Pvt. Ltd.	956.55	12.12%	1,045.44	13.65%

Note 35 Movement in Deferred Tax Assets / (Liability)

(A) Movement in Deferred Tax Assets

Particulars	Temporary difference between book and tax balances of PPE and Intangible assets	Liabilities / provisions that are deducted for tax purposes when paid	Temporary differences between right-of-use assets and lease liabilities	Total Deferred Tax Assets
As at April 01, 2024	-	17.86	5.75	23.61
----Profit & Loss	3.87	3.04	3.45	10.36
----Other Comprehensive income	-	-	-	-
As at March 31, 2025	3.87	20.90	9.20	33.97
----Profit & Loss	4.24	4.12	3.40	11.76
----Other Comprehensive income	-	-	-	-
As at March 31, 2026	8.11	25.02	12.60	45.73



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(B) Movement in Deferred Tax Liability

Particulars	Temporary difference between book and tax balances of PPE and Intangible assets	Defined benefit obligations	Total Deferred Tax Liability
As at April 01, 2024	0.04	-	0.04
----Profit & Loss	(0.04)	-	(0.04)
----Other Comprehensive income	-	0.20	0.20
As at March 31, 2025	-	0.20	0.20
----Profit & Loss	-	-	-
----Other Comprehensive income	-	1.10	1.10
As at March 31, 2026	-	1.30	1.30

Note 36 Tax Expense

A. The major components of Income tax expense

Particulars	As at March 31, 2026	As at March 31, 2025
Profit and Loss		
Current income tax charge	84.07	71.07
Earlier year taxes	3.31	1.69
(A)	87.38	72.76
Deferred tax		
	(11.76)	(10.40)
(B)	(11.76)	(10.40)
Total tax expense reported in the statement of profit or loss	(A + B) 75.62	62.36
Other Comprehensive Income (OCI)		
Net (loss)/gain on re-measurements of defined benefit plans	(1.10)	(0.20)
Income tax charged to OCI	(1.10)	(0.20)

B. A reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarized below:

Particulars	As at March 31, 2026	As at March 31, 2025
Accounting Profit (Profit / (loss) before tax)	281.56	229.42
Enacted tax rates in India	25.17%	25.17%
Computed expected tax expense	70.86	57.74
Under/Over provision of Income Tax Expense	3.31	1.69
Tax Effect of non-deductible expenses	1.45	2.93
Total Current Income tax expense	75.62	62.36

The applicable Indian corporate statutory tax rate is 25.168%.



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Note 37 Disclosure for Employees Benefits

The company has a defined benefit gratuity plan as employees long term benefits. The present value of obligation is determined based on actuarial valuation using the projected unit method, which recognizes each period of service as giving rise to additional unit of employee benefit Entitlement and measures each unit separately to build up the final obligation.

Particulars	As at	As at
	March 31, 2026	March 31, 2025
1 Change in benefit obligation		
a) Present value of obligation as at the beginning of the period	47.78	17.03
b) Acquisition adjustment	-	22.38
c) Interest cost	3.34	2.85
d) Past service cost	3.38	-
e) Current service cost	8.82	8.44
f) Settlement / Curtailment cost/(Credit)	-	-
g) Benefits paid	(3.04)	(2.13)
h) Actuarial (gain)/loss on obligation	(5.16)	(0.79)
i) Present value of obligation as at the end of period	55.12	47.78
2 Change in plan assets :		
a) Fair value of plan assets at the beginning of the period	-	-
b) Actual return on plan assets	-	-
c) Employer contributions	-	-
d) Benefits paid	-	-
e) Fair value of plan assets at the end of the period	-	-
3 Actuarial gain / loss recognized		
a) Actuarial (Gain)/Loss on arising from Change in Demographic	-	-
b) Actuarial (Gain)/Loss on arising from Change in Financial Assumption	(3.81)	1.04
c) Actuarial (Gain)/Loss on arising from Experience Adjustment	(1.35)	(1.83)
4 Expense recognized in the statement of profit and loss		
a) Current service cost	8.82	8.44
b) Past service cost	3.38	-
c) Interest cost	3.34	2.85
d) Settlement / Curtailment cost / (credit)	-	-
e) Net actuarial (gain) / loss recognized in the period	-	-
f) Expenses recognized in the statement of profit & losses	15.54	11.29
5 Expense recognized in the Other Comprehensive income (OCI)		
a) Actuarial gain / (loss) for the year on PBO	5.16	0.79
b) Actuarial gain /(loss) for the year on Asset	-	-
c) Unrecognized actuarial gain/(loss) for the year	-	-
6 Sensitivity Analysis of the defined benefit obligation.		
a) Impact of the change in discount rate		
Present Value of Obligation at the end of the period	55.12	47.78
Impact due to increase of 0.50%	(2.38)	(2.32)
Impact due to decrease of 0.50 %	2.59	2.53
b) Impact of the change in salary increase		
Present Value of Obligation at the end of the period	55.12	47.78
Impact due to increase of 0.50%	2.45	2.52
Impact due to decrease of 0.50 %	(2.30)	(2.33)



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Particulars		As at March 31, 2026	As at March 31, 2025
7	Actuarial Assumptions:		
a)	Mortality Rate	100% of IALM (2012-14)	100% of IALM (2012-14)
b)	Discount rate	7.78%	6.99%
c)	Expected rate of return on plan assets	0.00%	0.00%
d)	Rate of escalation in salary per annum	7.00%	7.00%
e)	Retirement Age	58	58
f)	Employee turnover up to 30 years	5.00%	5.00%
g)	Above 30 years but up to 44 years	3.00%	3.00%
h)	Above 44 years	2.00%	2.00%

The estimates of future salary increase considered in actuarial valuation take into account the inflation, seniority, promotion and other relevant factors such as demand in the employment market and supply.

Note 38 Disclosure of Ratios

Particulars	Numerator	Denominator	March 31, 2026	March 31, 2025	% Variance	Reason for change if change more than 25%
Net Profit Ratio (in %)	Profit after taxes	Net sales	2.61%	2.18%	19.60%	NA
Return on Investment (in %)	Interest Income	Average investments	20.75%	15.26%	35.95%	Percentage increase due to lower average investments as on closing financials date.
Return on capital employed (in %)	Earning before Interest and taxes	Capital Employed	22.20%	23.88%	(7.05%)	NA
Return on equity (in %)	Profit after Tax	Average Shareholder Equity Funds	22.20%	27.28%	(18.62%)	NA
Net capital turnover ratio (in times)	Net sales	Working capital	20.27	21.63	(6.26%)	NA
Debt service coverage ratio (in times)	Earning Available for debt service	Debt Service	1.54	1.75	(12.34%)	NA
Debt- equity ratio (in times)	Debt	Equity	0.79	0.77	2.21%	NA
Current Ratio (in times)	Current Assets	Current Liabilities	1.14	1.15	(1.17%)	NA
Inventory turnover ratio (in times)	Net sales	Average inventory	6.99	8.97	(22.03%)	NA
Trade receivables turnover ratio (in times)	Net Credit Sale	Average Account Receivable	5.52	6.53	(15.52%)	NA
Trade Payable turnover ratio (in times)	Net Credit Purchase	Average Account Payable	3.83	4.21	(9.17%)	NA



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Note 39 Additional Regulatory Information

- (A) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (B) The Company do not have any transactions with companies struck off under section 248 of the Companies Act, 2013.
- (C) The Company do not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.
- (D) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (E) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in other person or entities ("ultimate beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries. The Company has not received any funds from any persons or entities, including foreign entities ("Funding Parties"), with the understanding that the Company shall lend or invest in other persons or entities identified by or on behalf of the Funding Party or provide any guarantee, security or the like from to or on behalf of the Ultimate Beneficiaries.
- (F) The Company has not entered into any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).



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Note 40 Related Party Disclosures

The information given below is only in respect of the transactions entered into by the company or any outstanding, during the year with the related parties.

(A) Names of the Related parties and description of relationship

S.No.	Relationship	Name
1	Key Managerial Personnel (KMP)	Parmod Kumar Jain (Managing Director) Subodh Kumar Jain (Director), upto January 19, 2026 Vinod Kumar Jain (Director), upto January 19, 2026 Piyush Jain (Joint Managing Director) Akhil Jain (Director), upto January 19, 2026 Sambhav Jain (Director) Vineet Jain (Director) Siddharth Jain (Director) Mamraj Agarwal (Independent Director) Apeksha Lodha (Independent Director) Mukesh Gupta (Independent Director w.e.f. January 20, 2026) Pradyumna Narendranath Poddar (Independent Director w.e.f. January 20, 2026) Suresh Jain (Independent Director w.e.f. March 26, 2026) Praveen Jain (Chief Financial Officer) Saurabh Kumar Mishra (Company Secretary)
2	Relatives of KMP	Hem Chand Jain (Father of Parmod Kumar Jain) (Deceased on December 25, 2024) Anima Jain (Wife of Parmod Kumar Jain) Subodh Kumar Jain (Father of Siddharth Jain), from January 20, 2026 Vinod Kumar Jain (Father of Sambhav Jain), from January 20, 2026 Anita Jain (Wife of Subodh Kumar Jain) Rekha Jain (Wife of Vinod Kumar Jain) Achicka Jain (Wife of Piyush Jain) Ayushi Jain (Wife of Siddharth Jain) Aayushi Jain (Wife of Sambhav Jain) Ashima Gupta (Wife of Vineet Jain)
3	Wholly owned subsidiary	Lazer India Private Limited (w.e.f. 28 September 2024)
4	Other entities under significant influence of KMP and promoters	Quality Industries Vardhman Home Appliances Limited Singhania & Co. (Apeksha Lodha is a partner) Hem Chand Jain HUF Parmod Kumar Jain HUF Subodh Kumar Jain HUF



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(B) Transactions during the year with the Related Parties

Particulars	For the year ended on	For the year ended on
	March 31, 2026	31 March 2025
a) Managerial Remuneration Expense		
Key Managerial Personnel		
Parmod Kumar Jain (Managing Director)	15.60	14.90
Subodh Kumar Jain (Director), upto January 19, 2026	8.83	10.30
Vinod Kumar Jain (Director), upto January 19, 2026	8.65	10.30
Piyush Jain (Joint Managing Director)	9.60	9.20
Siddharth Jain (Director)	3.60	3.45
Sambhav Jain (Director)	3.60	3.30
Vineet Jain (Director)	3.60	3.30
Praveen Jain (Chief Financial Officer)	5.86	5.86
Saurabh Kumar Mishra (Company Secretary)	1.69	1.18
Relatives of KMP and Directors		
Vinod Kumar Jain (Father of Sambhav Jain), from January 20, 2026	2.15	-
Subodh Kumar Jain (Father of Siddharth Jain), from January 20, 2026	2.15	-
Rekha Jain (Wife of Vinod Kumar Jain)	2.40	2.20
Anima Jain (Wife of Parmod Kumar Jain)	3.00	2.75
Achicka Jain (Wife of Piyush Jain)	2.40	2.30
Ayushi Jain (Wife of Siddharth Jain)	1.80	1.65
Aayushi Jain (Wife of Sambhav Jain)	1.80	1.65
Ashima Gupta (Wife of Vineet Jain)	1.80	1.65
	78.53	73.99
b) Rent Expense		
Key Managerial Personnel		
Parmod Kumar Jain (Managing Director)	1.08	1.08
Subodh Kumar Jain (Director), upto January 19, 2026,	0.22	0.45
Vinod Kumar Jain (Director), upto January 19, 2026,	0.22	0.21
Relatives of KMP and Directors		
Vinod Kumar Jain (Father of Sambhav Jain), from January 20, 2026	0.05	-
Subodh Kumar Jain (Father of Siddharth Jain), from January 20, 2026	0.05	-
Anima Jain (Wife of Parmod Kumar Jain)	-	0.15
Hem Chand Jain (Father of Parmod Kumar Jain)	-	0.15
Rekha Jain (Wife of Vinod Kumar Jain)	-	0.39
Other entities under significant influence of KMP and promoters		
Quality Industries*	23.38	15.84
Subodh Kumar Jain HUF	-	0.15
Hem Chand Jain HUF	-	0.24
<i>*includes undiscounted cash flows pertaining to Leases accounted as per Ind AS 116</i>		
	25.00	18.66



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(All amounts in ₹ millions except number of shares and per share data, unless otherwise stated)

Particulars	For the year ended on March 31, 2026	For the year ended on 31 March 2025
c) Interest Expense		
Other entities under significant influence of KMP, Directors and Promoters		
Vardhman Home Appliances Limited	1.16	-
	1.16	-
d) Director Sitting fees		
Mamraj Agarwal (Independent Director)	0.17	0.12
Apeksha Lodha (Independent Director)	0.23	-
Mukesh Gupta (Independent Director w.e.f. January 20, 2026)	0.03	-
Pradyumna Narendranath Poddar (Independent Director w.e.f. January 20, 2026)	0.02	-
	0.45	0.12
e) Revenue from operations (including scrap sale and other operating revenue)		
Key Managerial Personnel (KMP) and Directors		
Parmod Kumar Jain (Managing Director)	0.17	0.16
Subodh Kumar Jain (Director), upto January 19, 2026	0.08	0.30
Vinod Kumar Jain (Director), upto January 19, 2026	0.18	0.31
Piyush Jain (Joint Managing Director)	0.06	0.30
Vineet Jain (Director)	-	0.09
Siddharth Jain (Director)	-	0.12
Relatives of KMP and Directors		
Subodh Kumar Jain (Father of Siddharth Jain), from January 20, 2026	0.02	-
Vinod Kumar Jain (Father of Sambhav Jain), from January 20, 2026	0.02	-
Other entities under significant influence of KMP,		
Quality Industries	-	-
Vardhman Home Appliances Limited	4.41	32.21
	1.07	-
	6.01	33.49
Wholly owned subsidiary		
Lazer India Private Limited	956.55	1,023.32
	956.55	1,023.32
f) Purchase of Raw Material and Fixed Asset		
Other entities under significant influence of KMP, Directors and Promoters		
Quality Industries	285.18	254.08
Vardhman Home Appliances Limited	1.14	-
	286.32	254.08
g) Other expenses		
Other entities under significant influence of KMP, Directors and Promoters		
Singhania & Co. (Apeksha Lodha is a partner)	1.43	1.51
Quality Industries	18.85	-
Wholly owned subsidiary		
Lazer India Private Limited	19.04	20.43
	39.32	21.94



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Particulars	For the year ended on March 31, 2026	For the year ended on 31 March 2025
h) Sale of Fixed Asset		
Other entities under significant influence of KMP, Directors and Promoters Quality Industries	0.21	0.95
	0.21	0.95
i) Amount paid under business combination		
Other entities under significant influence of KMP, Directors and Promoters Vardhman Home Appliances Limited	-	67.40
	-	67.40
j) Issue of Equity shares under business combination (including security premium)		
Parmod Kumar Jain (Managing Director)	-	23.27
Subodh Kumar Jain (Director), upto January 19, 2026	-	9.31
Vinod Kumar Jain (Director), upto January 19, 2026	-	18.62
Piyush Jain (Joint Managing Director)	-	18.62
Siddharth Jain (Director)	-	18.62
Akhil Jain (Director)	-	9.31
Sambhav Jain (Director)	-	9.31
Vineet Jain (Director)	-	9.31
	-	116.37
k) Loan received		
Other entities under significant influence of KMP, Directors and Promoters Vardhman Home Appliances Limited	65.00	-
	65.00	-
l) Loan repaid		
Other entities under significant influence of KMP, Directors and Promoters Vardhman Home Appliances Limited	65.00	-
	65.00	-
m) Other Income		
Wholly owned subsidiary Lazer India Private Limited	3.20	0.79
	3.20	0.79



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(C) Year end balances

Particulars	As at	As at
	March 31, 2026	31 March 2025
1) Trade payables/(Advances given)		
Quality Industries	(7.70)	6.56
	(7.70)	6.56
2) Remuneration payable (including bonus, incentives, etc.)		
Key Managerial Personnel (KMP) and Directors		
Parmod Kumar Jain (Managing Director)	1.45	1.52
Subodh Kumar Jain (Director), upto January 19, 2026	-	2.61
Vinod Kumar Jain (Director), upto January 19, 2026	-	0.52
Piyush Jain (Joint Managing Director)	2.91	1.79
Siddharth Jain (Director)	0.07	0.63
Sambhav Jain (Director)	0.12	-
Vineet Jain (Director)	0.23	0.87
Praveen Jain (Chief Financial Officer)	0.37	0.34
Saurabh Kumar Mishra (Company Secretary)	0.12	0.10
Relatives of KMP and Directors		
Subodh Kumar Jain (Father of Siddharth Jain), from January 20, 2026	0.89	-
Vinod Kumar Jain (Father of Sambhav Jain), from January 20, 2026	0.27	-
Rekha Jain (Wife of Vinod Kumar Jain)	0.05	0.56
Anima Jain (Wife of Parmod Kumar Jain)	0.18	1.05
Achicka Jain (Wife of Piyush Jain)	-	0.05
Ayushi Jain (Wife of Siddharth Jain)	0.89	0.97
Aayushi Jain (Wife of Sambhav Jain)	0.19	0.78
Ashima Gupta (Wife of Vineet Jain)	1.06	0.72
	8.80	12.51
3) Rent Payable		
Key Managerial Personnel (KMP) and Directors		
Parmod Kumar Jain (Managing Director)	0.32	0.72
Subodh Kumar Jain (Director), upto January 19, 2026	0.04	0.21
Vinod Kumar Jain (Director), upto January 19, 2026	0.04	0.21
	-	-
Relatives of KMP and Directors		
Subodh Kumar Jain (Father of Siddharth Jain), from January 20, 2026	-	-
Vinod Kumar Jain (Father of Sambhav Jain), from January 20, 2026	0.05	-
	0.05	-
	0.50	1.14
4) Interest Payable		
Other entities under significant influence of KMP, Directors and Promoters		
Vardhman Home Appliances Limited	1.04	-
	1.04	-



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Particulars	As at	As at
	March 31, 2026	31 March 2025
5) Investment		
Wholly owned subsidiary		
Lazer India Private Limited	116.36	116.36
	116.36	116.36
6) Trade Receivable		
Wholly owned subsidiary		
Lazer India Private Limited	493.83	456.58
	493.83	456.58
7) Director Sitting fees payable		
Key Managerial Personnel (KMP) and Directors		
Mamraj Agarwal (Independent Director)	0.07	-
Apeksha Lodha (Independent Director)	0.11	-
Mukesh Gupta (Independent Director w.e.f. January 20, 2026)	0.03	-
Pradyumna Narendranath Poddar (Independent Director w.e.f. January 20, 2026)	0.02	-
	0.23	-



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Note 41 Fair Value Measurements

i) The carrying amounts and fair values of financial instruments by category are as follows:

Particulars	Note	As at		As at	
		March 31, 2026		March 31, 2025	
		Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets					
At amortised cost					
Investment	6	116.36	116.36	116.36	116.36
Trade receivable	11	1,595.54	1,595.54	1,265.81	1,265.81
Cash and Cash Equivalents and other bank balances	12 & 13	181.43	181.43	378.69	378.69
Other Financial Assets	7	54.24	54.24	22.72	22.72
Total		1,947.57	1,947.57	1,783.58	1,783.58
Financial Liability					
At amortised cost					
Borrowings including short term	16	811.89	811.89	632.77	632.77
Lease liabilities including short term	17	211.31	211.31	219.16	219.16
Trade payables	21	1,851.95	1,851.95	1,584.87	1,584.87
Other financial liabilities	18	61.79	61.79	54.28	54.28
Total		2,936.94	2,936.94	2,491.08	2,491.08

a. Financial assets

Carrying amount of Trade Receivables, other financial assets and Cash & Cash Equivalent approximate their carrying amount largely due to the short-term nature of these instruments. Non-current financial assets mainly consists of investments and Bank and security deposits and their carrying value approximate their fair value.

b. Financial liabilities

Trade payables and other financial liabilities: Fair values of trade payables and other financial liabilities are measured at carrying value, as most of them are settled within a short period, so their fair values are assumed to be almost equal to the carrying values. Lease liabilities: The fair value of obligations is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. Non-current borrowings charges interest at market rate and their fair value approximates its carrying value. Non-current financial liabilities mainly consists of security deposits, capital creditors and their carrying value approximate their fair value.

ii) Fair value hierarchy

The fair value of financial instruments as referred to above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities [Level 1 measurements] and lowest priority to unobservable inputs [Level 3 measurements].

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: Inputs for the assets and liabilities that are not based on observable market data (unobservable inputs)

There are no financial assets and liabilities measured at fair value other than their carrying value, therefore fair value hierarchy of above identified financial instruments is at Level 3. There were no transfers between Level 1, 2 and 3 during the period/year ended March 31, 2026 and March 31, 2025



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NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2026*(All amounts in ₹ millions except number of shares and per share data, unless otherwise stated)***Note 42 Financial Risk Management Objectives And Policies**

The Company's principal financial liabilities comprise borrowings, lease liabilities, trade payables and other financial liabilities. The principal financial assets include trade receivables, cash and cash equivalents, bank balances and other financial assets.

The Company's activities expose it to a variety of financial risks, including credit risk, liquidity risk and market risk. The Company's overall risk management framework seeks to minimise potential adverse effects of these risks on the Company's financial performance. The Company does not use derivative financial instruments for speculative purposes.

The Board of Directors has overall responsibility for establishing and overseeing the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

The Company's overall risk management procedures to minimise potential adverse effects of financial market on the Company are as follows:

(A) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk arises principally from trade receivables, bank balances and other financial assets.

Cash and cash equivalents and bank balances are placed with banks and financial institutions having high credit ratings, thereby limiting the exposure to credit risk. None of the other financial assets of the Company result in material concentration of credit risk.

Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Company evaluates the creditworthiness of its customers based on factors such as financial position, past experience and market information, and sets credit limits accordingly. Outstanding customer balances are monitored on an ongoing basis. Trade receivables are subject to impairment assessment in accordance with Ind AS 109 – Financial Instruments. The Company applies the simplified approach under Ind AS 109 for measurement of expected credit losses on trade receivables, which requires recognition of lifetime expected credit losses. The expected credit loss is computed using a provision matrix based on historical default rates, adjusted for forward-looking information and current economic conditions.

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables:

Ageing Schedule as at March 31, 2026

Particulars	Outstanding for following periods from due date of payment					
	< 6 months	6 months -1	1-2 years	2-3 years	More than 3	Total
(i) Gross carrying amount-trade receivables	1,567.83	27.03	0.49	0.19	26.72	1,622.26
(ii) Expected loss rate	0.00%	0.00%	0.05%	0.03%	100.00%	1.65%
(iii) Expected credit loss- trade receivables	-	-	(0.00)	(0.00)	(26.72)	(26.72)
(iv) Carrying amount of trade receivables (net of impairment)	1,567.83	27.03	0.49	0.19	-	1,595.54



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Ageing Schedule as at March 31, 2025

Particulars	Outstanding for following periods from due date of payment					Total
	< 6 months	6 months -1	1-2 years	2-3 years	More than 3	
(i) Gross carrying amount-trade receivables	1,260.74	1.32	2.80	0.95	22.48	1,288.29
(ii) Expected loss rate	0.00%	0.00%	0.05%	0.03%	100.00%	1.74%
(iii) Expected credit loss- trade receivables	-	-	(0.00)	(0.00)	(22.48)	(22.48)
(iv) Carrying amount of trade receivables (net of impairment)	1,260.74	1.32	2.80	0.95	-	1,265.81

The following table shows the movement in lifetime ECL that has been recognised for trade receivables in accordance with the simplified approach set out in Ind AS 109:

Change in allowance measured using the life time expected credit loss model	As at	
	March 31,	March 31, 2025
As at beginning of year	22.48	22.40
Addition during the year	4.24	0.08
Utilized during the year	-	-
As at end of year	26.72	22.48

Trade Receivables are written off when there is no reasonable expectation of recovery, such as debtor failing to engage in the repayment plan with the Company.

(B) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when they fall due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Liquidity risk is managed through monitoring of cash flows, maintaining adequate cash and bank balances, and availability of committed credit facilities, if any. The Company prepares periodic cash flow forecasts to ensure that it has sufficient funds to meet its operational and financial commitments.

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.



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Maturity analysis as on March 31, 2026

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3	Total
Borrowings	764.02	24.20	14.07	9.60	811.89
Lease liabilities	30.67	33.21	35.98	208.44	308.30
Trade payable (including micro and small enterprise)	1,851.95	-	-	-	1,851.95
Other financial liabilities	46.06	15.73	-	-	61.79
Financial Liabilities	2,692.70	73.14	50.05	218.04	3,033.93

Maturity analysis as on March 31, 2025

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3	Total
Borrowings	599.87	20.19	8.33	4.38	632.77
Lease liabilities	28.34	30.67	33.21	244.42	336.64
Trade payable (including micro and small enterprise)	1,584.87	-	-	-	1,584.87
Other financial liabilities	44.94	9.34	-	-	54.28
Financial Liabilities	2,258.02	60.20	41.54	248.80	2,608.56

The Company has a strong focus on liquidity and maintains a robust cash position to ensure adequate cover for responding to potential short-term market dislocation. Cash generated through operating activities remains the primary source for liquidity along with undrawn borrowing facilities and levels of cash and cash equivalents.

(C) Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates or other market variables will affect the Company's income or the value of its financial instruments. Based on the nature of financial assets and liabilities held by the Company, market risk primarily comprises interest rate risk and foreign currency risk.

1) Interest Rate Risk: Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's borrowing comprises of working capital loan and term loans which carries variable rate of interest. The Company regularly reviews interest rates to mitigate the risks associated with interest rate fluctuations.

Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	As at	
	March 31,	March 31, 2025
Fixed rate borrowings	18.54	151.47
Variable rate borrowings	793.35	481.30
Total borrowings	811.89	632.77



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A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased / decreased equity and profit or loss by amounts shown below. This analysis assumes that all other variables remain constant. This calculation also assumes that the change occurs at the reporting date and has been calculated based on risk exposures outstanding as at that date.

Particulars	Profit or loss		Equity, net of taxes	
	1% increase	1% decrease	1% increase	1% decrease
March 31, 2026	(7.93)	7.93	(5.94)	5.94
March 31, 2025	(4.81)	4.81	(3.60)	3.60

2) **Foreign Currency Risk:** The foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. The functional currency of the Company is Indian Rupees and its revenue is generated predominantly from operations in India.

The summary quantitative data about the Company's exposure to currency risk as reported to the management is as follows:

Particulars	Currency	March 31, 2026		March 31, 2025	
		Amount in foreign	Amount in INR	Amount in foreign	Amount in INR
Payables	USD	1,938,590.00	176.13	1,040,800.62	87.12
Payables	CNY	-	-	101,740.50	1.20
Total exposure			176.13		88.32

Particulars	Currency	March 31, 2026		March 31, 2025	
		Amount in foreign	Amount in INR	Amount in foreign	Amount in INR
Receivables	USD	224,723.06	21.31	-	-
Total exposure			21.31		-

Sensitivity analysis

A reasonably possible 5% strengthening (weakening) of the foreign currency against all other currencies as at Reporting date would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Particulars	Profit or loss		Equity, net of taxes	
	5% increase	5% decrease	5% increase	5% decrease
March 31, 2026	(7.74)	7.74	(5.79)	5.79
March 31, 2025	(4.42)	4.42	(3.30)	3.30

3) **Equity price risk:** Equity price risk arises from fluctuations in market prices of investments. The Company does not hold any investments in quoted equity instruments and, accordingly, is not exposed to this risk.



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(All amounts in ₹ millions except number of shares and per share data, unless otherwise stated)

Note 43 CAPITAL MANAGEMENT

Capital management is driven by Company's policy to maintain a sound capital base to support the continued development of its business. The Management and Board of Directors seeks to maintain a prudent balance between different components of Company's capital. Management monitors capital structure and net debt at individual currency level. Net debt is defined as current and non-current borrowings less cash and cash equivalents and other bank balances.

The capital structure is governed by policies approved by the Board of Directors and monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

Particulars	As at	
	March 31, 2026	March 31, 2025
Borrowings including current maturities and short term borrowings	811.89	632.77
Less: Cash & Cash Equivalents and other bank balances	(181.43)	(378.69)
Net Debt (A)	630.46	254.08
Equity	280.25	280.25
Other equity	752.20	542.20
Total Equity Capital (B)	1,032.45	822.45
Capital and Net Debt (C=A+B)	1,662.91	1,076.53
Gearing Ratio (%) (A/C*100)	37.91%	23.60%



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VARDHMAN APPLIANCES LIMITED
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NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2026
(All amounts in ₹ millions except number of shares and per share data, unless otherwise stated)

Note 44 Business Combinations - Appendix C to Ind AS 103

Note 44(a) Acquisition of business of VARDHMAN HOME APPLIANCES LIMITED

Pursuant to a Asset Sale Agreement ("ASA") executed on February 01, 2024, a business undertaking of VARDHMAN HOME APPLIANCES LIMITED ("Seller"), a company incorporated under Companies Act, was transferred to the Company on a going-concern basis w.e.f September 30, 2024 for a purchase consideration of Rs. 67.40 million. The transfer comprised substantially all assets, liabilities, employees, contracts and operational processes necessary to carry on the said business.

The promoters of the Company collectively exercised control over both the Company and Seller prior to April 01, 2024, and such control was substantive and not transitory. Accordingly, the said transfer qualifies as a business combination under common control as defined in Appendix C to Indian Accounting Standard (Ind AS) 103, Business Combinations.

In accordance with the requirements of Appendix C to Ind AS 103, the transaction has been accounted for using the Pooling of Interests Method.

Under this method:

- The assets and liabilities of Seller have been recognised by the Company at their respective carrying amounts as appearing in the books of Seller;
- No goodwill has been recognised on account of the said transfer;
- Any difference between the consideration paid and the net assets acquired has been adjusted in equity under "Common Control Adjustment Deficit Account";
- The financial information has been presented as if the business of Seller had always been part of the Company.

(A) The details for net assets acquired and consideration payable

Particulars	Amount
Net assets acquired (as on April 01, 2024)	138.53
Purchase consideration payable	(67.40)
Amount transferred to equity under Common Control Adjustment Deficit Account as on April 01, 2024	71.13

(B) Adjustments to Common Control Adjustment Deficit Account

Particulars	Amount
Balance as at March 31, 2024	71.13
Recoverable from seller in respect of profits for financial year 2024-25	8.46
Adjustment on account of net assets change in financial year 2024-25	(71.68)
Balance as at March 31, 2025	7.91



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NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2026
(All amounts in ₹ millions except number of shares and per share data, unless otherwise stated)

(C) Balances of business undertaking of VARDHMAN HOME APPLIANCES LIMITED included in the balances of the Company

	Particulars	As at March 31, 2024
I.	ASSETS	
1	Non-current assets	
	(a) Property, Plant and Equipment	32.55
	(b) Intangible assets	0.06
	Total non-current assets	32.61
2	Current assets	
	(a) Inventories	78.90
	(b) Financial Assets	
	-i) Trade receivable	76.47
	-ii) Other Financial Assets	0.73
	(c) Other current assets	3.58
	Total current assets	159.68
	TOTAL ASSETS	192.29
II.	EQUITY AND LIABILITIES	
1	Equity	
	(a) Other Equity	138.53
	Total Equity	138.53
2	Non-current liabilities	
	(a) Financial Liabilities	
	i) Borrowings	7.20
	ii) Other Financial liabilities	0.07
	(b) Provisions	7.82
	Total Non-current liabilities	15.09
3	Current liabilities	
	(a) Financial Liabilities	
	i) Borrowings	3.40
	ii) Trade payables	
	A) total outstanding dues of micro enterprises and small enterprises	0.13
	B) total outstanding dues of creditors other than micro and small enterprises	26.80
	iii) Other financial liabilities	5.37
	(b) Other current liabilities	0.62
	(c) Provisions	2.35
	Total current liabilities	38.67
	TOTAL EQUITY AND LIABILITIES	192.29



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NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2026
(All amounts in ₹ millions except number of shares and per share data, unless otherwise stated)

(D) Restated balances of Profit / loss included in the balances of the Company

Particulars	For the period ended September 30, 2024
Income:	
I. Revenue from operations	168.25
II. Other income	1.12
III. Total Income (I + II)	169.37
Expenses:	
Cost of materials consumed	86.84
Changes in inventory of Finished goods, Traded Goods, Work-in-progress and By-Products	71.38
Employees benefits expense	3.33
Finance costs	4.55
Depreciation and amortisation expense	0.93
Other expenses	10.82
Total expenses	177.85
V. Profit / (Loss) before tax (III- IV)	(8.48)
VI. Tax expense	
Current tax	-
Deferred tax charge / (credit)	-
Total tax expenses	-
VII. Profit / (Loss) for the year (V -VI)	(8.48)
VIII. Other Comprehensive Income	
--- Items not to be reclassified to profit & Loss	-
---Tax on above	-
Other Comprehensive Income for the year net of Tax	-
IX. Total Comprehensive Income for the year net of Tax (VII + VIII)	(8.48)



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NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2026

(All amounts in ₹ millions except number of shares and per share data, unless otherwise stated)

Note 44(b) Acquisition of business of Quality Industries

Pursuant to a Business Transfer Agreement ("BTA") executed on February 01, 2024, the business undertaking of Quality Industries ("Seller"), a partnership firm, was transferred to the Company on a going-concern basis w.e.f April 01, 2024 on slump sale basis (as defined under section 2(42C) of the Income Tax Act, 1961) for a lump sum purchase consideration of Rs. 10 million. The transfer comprised substantially all assets, liabilities, employees, contracts and operational processes necessary to carry on the said business.

The promoters of the Company collectively exercised control over both the Company and Quality Industries prior to April 01, 2024, and such control was substantive and not transitory. Accordingly, the said transfer qualifies as a business combination under common control as defined in Appendix C to Indian Accounting Standard (Ind AS) 103, Business Combinations.

In accordance with the requirements of Appendix C to Ind AS 103, the transaction has been accounted for using the Pooling of Interests Method

Under this method:

- The assets and liabilities of Quality Industries have been recognised by the Company at their respective carrying amounts as appearing in the books of Quality Industries;
- No goodwill has been recognised on account of the said transfer;
- Any difference between the consideration paid and the net assets acquired has been adjusted in equity under "Common Control Adjustment Deficit Account".

(A) The details for net assets acquired and consideration payable

Particulars	Amount
Net assets acquired (as on April 01, 2024)	
Purchase consideration payable	6.34
Amount transferred to equity under Common Control Adjustment Deficit Account as on April 01, 2024	(10.00)
	(3.66)

(B) Adjustments to Common Control Adjustment Deficit Account

Particulars	Amount
Balance as at March 31, 2024	
Recoverable from seller in respect of profits for financial year 2024-25	(3.66)
Adjustment on account of net assets change in financial year 2024-25	-
Balance as at March 31, 2025	-
	(3.66)



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VARDHMAN APPLIANCES LIMITED
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NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2026
(All amounts in ₹ millions except number of shares and per share data, unless otherwise stated)

(C) Balances of Quality Industries included in the balances of the Company

Particulars		As at March 31, 2024
		Restated
I. ASSETS		
1 Non-current assets		
(a) Property, Plant and Equipment		81.82
(b) Intangible assets		0.01
(c) Financial Assets		
-i) Other Financial Assets		0.73
Total non-current assets		82.56
2 Current assets		
(a) Inventory		148.20
(b) Financial Assets		
-i) Trade receivable		580.67
(c) Other current assets		7.81
Total current assets		736.68
TOTAL ASSETS		819.24
II. EQUITY AND LIABILITIES		
1 Equity		
(a) Other Equity		6.34
Total Equity		6.34
2 Non-current liabilities		
(a) Financial Liabilities		
i) Borrowings		0.47
ii) Other Financial liabilities		0.23
(b) Provisions		11.88
Total Non-current liabilities		12.58
3 Current liabilities		
(a) Financial Liabilities		
i) Borrowings		175.29
ii) Trade payables		
A) total outstanding dues of micro enterprises and small enterprises		30.19
B) total outstanding dues of creditors other than micro and small enterprises		587.68
iii) Other financial liabilities		3.89
(b) Other current liabilities		2.93
(c) Provisions		0.34
Total current liabilities		800.32
TOTAL EQUITY AND LIABILITIES		819.24



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Note 45 First-time adoption of Ind-AS

These Financial Statements for the year ended March 31, 2026 are the first financial statements which has been prepared in accordance with Indian Accounting Standards ("Ind AS"). For the years ended and upto March 31, 2025, the Company prepared its financial information in accordance with the accounting standards notified under Section 133 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 ("Indian GAAP" or "IGAAP" or "Previous GAAP").

Accordingly, the Company has prepared these financial statements in accordance with Ind AS applicable for the year ended on March 31, 2026, together with the comparative financial information as at and for the year ended March 31, 2025. In preparing these financial statements, the Company's opening balance sheet has been prepared as at April 01, 2024, being the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the financial statements as at and for the year ended March 31, 2025, including the balance sheet as at March 31, 2024.

(A) The effect of such restatement on Other Equity is described as below:

Particulars	As at	As at
	March 31, 2025	April 01, 2024
Other Equity as per published audited figures	602.17	110.70
Adjustments		
-----Additional depreciation on property, plant and equipment and intangible assets	0.06	-
-----Gain on sale of property, plant and equipment	0.01	-
-----Provision for expected credit losses	(22.48)	(22.40)
-----Provision for warranty expense	(10.28)	(7.02)
-----Sales reversal profit impact	(18.99)	(23.42)
-----Adjustments/ Depreciation on Right Of Use (ROU) Assets	(40.67)	(22.82)
-----Interest expense on lease liabilities	(17.97)	-
-----Interest income on financial assets	0.08	-
-----Rent reversal on recognition of Right Of Use (ROU) Assets	22.00	-
-----Preliminary expenses adjustment	(2.65)	(3.32)
-----Inventory adjustments	17.27	21.28
-----Recognition of deferred tax (including effects of above restatements)	17.86	21.68
Other Equity after Ind as adjustments	546.41	74.68
-----Common control adjustment	(4.21)	(77.40)
-----Impact from business combinations (Refer note 44)	-	144.87
Other Equity as per restated	542.20	142.15
	(A+B)	

(B) The effect of such restatement on Statement Of Profit And Loss is described as below:

Particulars	As at
	March 31, 2025
Profit after tax as per published audited figures	195.46
Adjustments	
-----Additional depreciation on property, plant and equipment and intangible assets	0.06
-----Gain on sale of property, plant and equipment	0.01
-----Gratuity expense booked	(0.79)
-----Provision for expected credit losses	(0.08)
-----Provision for warranty expense	(3.26)
-----Sales reversal profit impact	4.43
-----Adjustments/ Depreciation on Right Of Use (ROU) Assets	(17.85)
-----Interest expense on lease liabilities	(17.97)
-----Interest income on financial assets	0.08
-----Rent reversal on recognition of Right Of Use (ROU) Assets	22.00
-----Preliminary expenses adjustment	0.67
-----Inventory adjustments	(4.01)
-----Income tax adjustment	0.39
-----Recognition of deferred tax (including effects of above restatements)	(3.61)
-----Impact from business combinations (Refer note 44)	(8.47)
Profit after tax as restated	167.06
Other Comprehensive income as per published audited figures	-
Adjustments	
-----Gratuity expense booked	0.79
-----Recognition of deferred tax (including effects of above restatements)	(0.20)
-----Impact from business combinations (Refer note 44)	-
Other Comprehensive income as restated	0.59
Total Comprehensive income as restated (A+B)	167.65



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(C) The effect of such restatement on Statement of Assets and Liabilities

C1. The effect of such restatement as at March 31, 2024 is described as below:

Particulars	Explanatory notes	As at April 01, 2024	Business Combinations	Eliminations	Ind AS adjustments	Regroupings / Reclassifications	As at April 01, 2024
		(Previous GAAP)	(Refer note 44)				Restated
I. ASSETS							
1 Non-current assets							
(a) Property, Plant and Equipment	A6	259.35	114.37	-	-	-	373.72
(b) Right of Use Assets	A2	-	-	-	122.04	-	122.04
(c) Intangible assets	A6	0.02	0.07	-	-	0.01	0.10
(d) Financial Assets							
-i) Investment		-	-	-	-	-	-
-ii) Other Financial Assets		0.87	0.73	-	(3.32)	96.27	94.55
(e) Deferred Tax Assets (Net)	A7	1.89	-	-	21.68	-	23.57
(f) Other non current assets		13.40	-	-	-	(12.53)	0.87
(A)		275.53	115.17	-	140.40	83.75	614.85
2 Current assets							
(a) Inventory	A4	499.08	227.10	-	21.28	-	747.46
(b) Financial Assets							
-i) Trade receivable	A3	509.58	657.14	(45.50)	(45.81)	4.00	1,079.41
-ii) Cash and Cash Equivalents		260.00	-	-	-	(123.40)	136.60
-iii) Bank Balances Other than (ii) Above		-	-	-	-	38.36	38.36
-iv) Other Financial Assets		52.41	0.73	-	(10.00)	(39.19)	3.95
(c) Other current assets		-	11.39	-	-	17.18	28.57
(B)		1,321.07	896.36	(45.50)	(34.53)	(103.05)	2,034.35
Total (A+B)		1,596.60	1,011.53	(45.50)	105.87	(19.30)	2,649.20
II. EQUITY AND LIABILITIES							
1 Shareholders' funds							
(a) Equity share capital		260.00	-	-	-	-	260.00
(b) Other Equity		110.70	144.87	-	(113.42)	-	142.15
(A)		370.70	144.87	-	(113.42)	-	402.15
2 Non current liabilities							
(a) Financial Liabilities							
-i) Borrowings	A2	26.80	7.67	-	-	6.33	40.80
-ii) Lease liabilities		-	-	-	142.70	-	142.70
-iii) Other Financial liabilities		-	0.30	-	-	5.05	5.35
(b) Provisions	A5	13.83	19.70	-	-	-	33.53
(B)		40.63	27.67	-	142.70	11.38	222.38
3 Current liabilities							
(a) Financial Liabilities							
-i) Borrowings	A2	291.92	178.69	-	-	(6.33)	464.28
-ii) Lease liabilities		-	-	-	2.17	-	2.17
-iii) Trade payables		-	-	-	-	-	-
A) total outstanding dues of micro enterprises and small enterprises		80.04	30.32	-	-	-	110.36
B) total outstanding dues of creditors other than micro enterprises and small enterprises		740.58	614.48	(45.50)	-	(1.05)	1,308.51
-iv) Other financial liabilities		-	9.26	-	67.40	18.04	94.70
(b) Other current liabilities		34.29	3.55	-	-	(24.75)	13.09
(c) Provisions	A5	38.44	2.69	-	7.02	(35.25)	12.90
(d) Current tax liability (net)		-	-	-	-	18.66	18.66
(C)		1,185.27	838.99	(45.50)	76.59	(30.68)	2,024.67
Total (A+B+C)		1,596.60	1,011.53	(45.50)	105.87	(19.30)	2,649.20



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C2. The effect of such restatement as at March 31, 2025 is described as below:

Particulars	Explanatory notes	As at	Business	Eliminations	Ind AS adjustments	Regroupings / Reclassifications	As at
		March 31, 2025 (Previous GAAP)	Combinations (Refer note 44)				March 31, 2025 Restated
I. ASSETS							
1 Non-current assets							
(a) Property, Plant and Equipment	A6	414.74	-	-	0.07	0.02	414.83
(b) Right of Use Assets	A2	-	-	-	184.55	-	184.55
(c) Intangible assets	A6	4.27	-	-	(4.21)	(0.01)	0.05
(d) Financial Assets		-	-	-	-	-	-
-i) Investment		116.36	-	-	-	-	116.36
-ii) Other Financial Assets		0.87	-	-	(1.96)	14.44	13.35
(e) Deferred Tax Assets (Net)	A7	15.91	-	-	17.88	(0.02)	33.77
(f) Other non current assets		17.26	-	-	(2.65)	(13.74)	0.87
(A)		569.41	-	-	193.68	0.69	763.78
2 Current assets							
(a) Inventory	A4	943.04	-	-	17.27	-	960.31
(b) Financial Assets		-	-	-	-	-	-
-i) Trade receivable	A3	1,307.29	-	-	(41.48)	-	1,265.81
-ii) Cash and Cash Equivalents		381.79	-	-	-	(50.80)	330.99
-iii) Bank Balances Other than (ii) Above		-	-	-	-	47.70	47.70
-iv) Other Financial Assets		43.00	-	-	-	(33.63)	9.37
(c) Other current assets		52.93	-	-	-	(8.58)	44.35
(B)		2,728.05	-	-	(24.21)	(45.31)	2,658.53
Total (A+B)		3,297.46	-	-	169.47	(44.62)	3,422.31
II. EQUITY AND LIABILITIES							
1 Shareholders' funds							
(a) Equity share capital		280.25	-	-	-	-	280.25
(b) Other Equity		602.17	-	-	(59.97)	-	542.20
(A)		882.42	-	-	(59.97)	-	822.45
2 Non current liabilities							
(a) Financial Liabilities							
-i) Borrowings		99.38	-	-	-	(66.48)	32.90
-ii) Lease liabilities	A2	-	-	-	211.31	-	211.31
-iii) Other Financial liabilities		-	-	-	-	9.34	9.34
(b) Provisions	A5	41.79	-	-	-	(0.01)	41.78
(B)		141.17	-	-	211.31	(57.15)	295.33
3 Current liabilities							
(a) Financial Liabilities							
-i) Borrowings		533.39	-	-	-	66.48	599.87
-ii) Lease liabilities	A2	-	-	-	7.85	-	7.85
-iii) Trade payables		-	-	-	-	-	-
A) total outstanding dues of micro enterprises and small enterprises		121.29	-	-	-	(0.16)	121.13
B) total outstanding dues of creditors other than micro enterprises and small enterprises		1,468.18	-	-	-	(4.44)	1,463.74
-iv) Other financial liabilities		-	-	-	-	44.94	44.94
(b) Other current liabilities		79.94	-	-	-	(55.69)	24.25
(c) Provisions	A5	71.07	-	-	10.28	(65.07)	16.28
(d) Current tax liability (net)		-	-	-	-	26.47	26.47
(C)		2,273.87	-	-	18.13	12.53	2,304.53
Total (A+B+C)		3,297.46	-	-	169.47	(44.62)	3,422.31



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(D) The effect of such restatement on Statement of Profit and Loss

D1. The effect of such restatement on Statement of Profit and Loss for the period ended on March 31, 2025

Particulars	Explanatory notes	As at March 31, 2025 (Previous GAAP)	Business Combinations (Refer note 44)	Eliminations	Ind AS adjustments	Regroupings / Reclassifications	As at March 31, 2025 Restated
I. Income:							
Revenue from operations	A4	7,826.30	168.25	(135.97)	4.43	(206.81)	7,656.20
II. Other income		39.23	1.12	-	0.09	(9.81)	30.63
III. Total Income (I + II)		7,865.53	169.37	(135.97)	4.52	(216.62)	7,686.83
IV. Expenses:							
Cost of materials consumed		6,800.28	86.84	(135.97)	-	(485.84)	6,265.31
Changes in inventory of Traded Goods	A4	(226.60)	71.38	-	4.01	-	(151.21)
Employees benefits expense		444.82	3.33	-	0.79	-	448.94
Finance costs		95.58	4.55	-	17.97	-	118.10
Depreciation and amortisation expense	A6	75.69	0.93	-	17.78	-	94.40
Other expenses		421.18	10.82	-	(19.35)	269.22	681.87
Total expenses		7,610.95	177.85	(135.97)	21.20	(216.62)	7,457.41
V. Profit / (Loss) before tax and exceptional items (III- IV)		254.58	(8.48)	-	(16.68)	-	229.42
VI. Exceptional Items		-	-	-	-	-	-
VII. Profit / (Loss) before tax (V+VI)		254.58	(8.48)	-	(16.68)	-	229.42
VIII. Tax expense							
Current tax		71.07	-	-	-	-	71.07
Deferred tax charge / (credit)	A7	(14.03)	-	-	3.63	-	(10.40)
Earlier year taxes		2.08	-	-	(0.39)	-	1.69
Total tax expenses		59.12	-	-	3.24	-	62.36
IX. Profit / (Loss) for the year (VII -VIII)		195.46	(8.48)	-	(19.92)	-	167.06
X. Other Comprehensive Income							
--- Items not to be reclassified to profit & Loss	A8	-	-	-	0.79	-	0.79
---Tax on above		-	-	-	(0.20)	-	(0.20)
Other Comprehensive Income for the year net of Tax		-	-	-	0.59	-	0.59
XI. Total Comprehensive Income for the year net of Tax (IX + X)		195.46	(8.48)	-	(19.33)	-	167.65
XII. Earnings per equity share: (Face Value of Rs. 10 each)							
(1) Basic		7.12	(0.31)	-	(0.73)	-	6.09
(2) Diluted		7.12	(0.31)	-	(0.73)	-	6.09

(E) The effect of such restatement on Statement of Cash flows

Particulars	As at March 31, 2025 (Previous GAAP)	Ind AS adjustments	As at March 31, 2025 Restated
I. Net Cash Flows from operating activities	(73.97)	218.86	144.89
II. Net Cash Flows from investing activities	(222.22)	129.87	(92.35)
III. Net Cash Flows from financing activities	417.98	(276.13)	141.85
IV. Net increase/(decrease) in cash and cash equivalents	121.79	72.60	194.39
V. Cash and Cash equivalents as at April 01, 2024	260.00	(123.40)	136.60
VI. Cash and Cash equivalents as at March 31, 2025	381.79	(50.80)	330.99



VARDHMAN APPLIANCES LIMITED
(CIN: U27509DL2023PLC418176)

NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2026

(All amounts in ₹ millions except number of shares and per share data, unless otherwise stated)

(F) Notes on first time adoption of Ind AS

I Exemptions availed on first time adoption of Ind AS

Ind AS - 101 allows first-time adopters certain exemptions and certain optional exemptions from the retrospective application of certain requirements under Ind AS. The company has applied the following optional exemptions and mandatory exceptions :

1.1 Optional exemptions

(a) Deemed cost for property, plant and equipment and intangible asset

On transition to IND AS, the Company has elected to continue with the carrying value of all its property, plant and equipment and Intangible Assets recognized as at April 01, 2024 measured as per the previous GAAP and use the carrying value as the deemed cost of property, plant and equipment and Intangible Assets.

1.2 Mandatory Exceptions on first-time adoption of Ind AS

(a) Estimates

On assessment of the estimates made under the previous GAAP financial statements, the company has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence of an error in those estimates. However, estimates that were required under Ind AS but not required under previous GAAP are made by the company for the relevant reporting dates reflecting conditions existing as at that date. Key estimates considered in preparation of financial statements that were not required under the previous GAAP are listed below : - Impairment of Financial Assets based on the expected Credit loss model.

(b) De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of entity's choice provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognized as a result of past transactions was obtained at the time of initially accounting for those transactions.

(c) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as at the date of transition. Further, the standard permits measurement of financial assets accounted at amortized cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable. Accordingly, the company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of financial assets accounted at amortized cost has been done retrospectively except where the same is impracticable. There are no items of financial asset and liabilities which are required to be de recognised as per Ind AS 109.

(d) Remeasurement of post-employment benefit obligations

Under Ind AS, Remeasurement i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognized in other comprehensive income instead of profit and loss. Under the previous GAAP, this remeasurement was forming part of the profit and loss for the year.

(e) Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit and loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit and loss but in other comprehensive income under "Statement of Profit and Loss (including other comprehensive income)" includes re-measurements of defined benefit plans and their corresponding income tax effects. The concept of other comprehensive income did not exist under previous GAAP.



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II Explanatory notes for Ind AS adjustments

A1 Business Combination under Common Control

The Company has accounted for the business combination involving entities under common control in accordance with Appendix C of Ind AS 103 – Business Combinations. Under this method, the assets and liabilities of the transferor entities are recognised by the transferee entity at their existing carrying amounts as appearing in their respective financial statements immediately prior to the combination, without recognising any new goodwill or fair value adjustments. Accordingly, the difference between the consideration transferred and the carrying value of the net assets acquired has been recognised in equity as "Common Control Adjustment Deficit Account". The financial information has been restated as if the business combinations have occurred from the beginning of the earliest period presented, since the entities were under common control throughout the reporting periods presented. Consequently, the assets, liabilities, income and expenses of the transferred business have been included in the Restated Financial Information for all the periods presented.

A2 Lease accounting

Under the Indian GAAP, lease rentals related to operating lease were accounted as expense in the statement of profit and loss. Under Ind AS, lease liability and right of use ('ROU') is recorded at present value of future contractual rent payment on initial date of lease. Subsequently, finance cost is accrued on lease liability and lease payments are recorded by way of reduction in lease liability. ROU is depreciated over lease term on straight line method. Applied the short-term leases exemptions to leases with lease term that ends within 12 months at the date of initial application.

A3 Provision of expected credit loss on financial assets

In accordance with Ind AS 109 Financial Instruments, the company has recognized an Expected Credit Loss (ECL) provision on financial assets measured at amortized cost, including trade receivables, for the first time. The ECL provision has been determined using the simplified approach for trade receivables and the general approach for other financial assets. The adjustment related to the creation of this provision has been recognized in retained earnings as of the date of transition, as required under Ind AS 101 First-time Adoption of Indian Accounting Standards.

A4 Reversal of revenue and corresponding impact on inventory

Under the previous GAAP, revenue was recognised upon the transfer of rights and obligations to the customer. In accordance with Ind AS 115, revenue is recognised only when the related performance obligations are satisfied. Since certain performance obligations remained unsatisfied as at the reporting date, the revenue previously recognised has been reversed to align with the requirements of Ind AS 115.

A5 Provision for Warranty

Under the Indian GAAP, warranty expenses were recognized as incurred. Upon transition to Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets, the Company has recognized a provision for expected warranty obligations in respect of products sold up to the balance sheet date. The resulting adjustment has been recognized in retained earnings as at the date of transition in accordance with Ind AS 101 – First-time Adoption of Indian Accounting Standards.

A6 Depreciation adjustments

The Company reviewed and recomputed depreciation on certain items of property, plant and equipment due to minor computational errors in the depreciation calculations under the Previous GAAP. Accordingly, the depreciation and accumulated depreciation balances were recomputed, and the resultant adjustment has been recognised in the respective financial year.

A7 Deferred Tax Adjustments

Under Previous GAAP, deferred taxes were recognized for the tax effect of timing differences between accounting profit and taxable profit for the year using the income statement approach. Under Ind AS, deferred taxes are recognized using the balance sheet for future tax consequences of temporary differences between the carrying value of assets and liabilities and their respective tax bases. The above difference, together with the consequential tax impact of the other Ind AS transitional adjustments lead to temporary differences. Deferred tax adjustments are recognized in correlation to the underlying transaction either in retained earnings or through statement of profit and loss or other comprehensive income.



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NOTES FORMING PART OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2026

(All amounts in ₹ millions except number of shares and per share data, unless otherwise stated)

A8 Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit and loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit and loss but in Other Comprehensive Income under "RESTATED STATEMENT OF PROFIT AND LOSS" includes re-measurements of defined benefit plans and their corresponding income tax effects. The concept of other comprehensive income did not exist under previous GAAP.

A9 Regrouping / reclassification

Appropriate adjustments have been made in the financial statement, wherever required, by a reclassification / regrouping of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the Ind AS presentation requirements.

As per our report of even date attached

For PAWAN SHUBHAM & CO.

Chartered Accountants

ICAI Firm's Registration No: 011573C



CA Pawan Kumar Agarwal
Partner
Membership No. 092345



For and On behalf of the Board of Directors of

VARDHMAN APPLIANCES LIMITED



Parmod Kumar Jain
Managing Director
DIN: 00087133



Piyush Jain
Joint Managing Director
DIN: 03437549



Praveen Jain
Chief Financial Office
M.No. 507944



Saurabh Kumar Mishra
Company Secretary
M.No. A54487

Place: New Delhi
Date: September 04, 2026