26th June, 2025

To

The Manager - Listing,
BSE Limited,
Rotunda Building,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001
Scrip Code: 543276

The Manager - Listing,
National Stock Exchange of India Limited,
Exchange Plaza,
Bandra Kurla Complex,
Bandra (East),
Mumbai - 400 051
Stock Code: CRAFTSMAN

Dear Sir/Madam,

Sub: Submission of Annual Report for the financial year 2024-25 of the Company;

Pursuant to Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company for the financial year 2024-25 which is being sent through electronic mode to the Members.

The Annual Report and the Notice of the 39th Annual General Meeting are also uploaded on the website of the Company.

Kindly take the same into your records.

Thanking you.

Yours faithfully,
for CRAFTSMAN AUTOMATION LIMITED

Shainshad Aduvanni
Digitally signed by Shainshad Aduvanni
Date: 2025.06.26 17:41:32 +05'30'

Shainshad Aduvanni
Company Secretary & Compliance Officer

Encl: As above

Annual Report - 2025

Craftsman
AUTOMATION

ENGINEERING ADVANTAGE

Corporate Information

CRAFTSMAN AUTOMATION LIMITED

CIN: L28991TZ1986PLC001816

Website: www.craftsmanautomation.com

BOARD OF DIRECTORS

Mr. Srinivasan Ravi
Chairman and Managing Director (DIN: 01257716)

Mr. Ravi Gauthamram
Whole Time Director (DIN: 06789004)

Mr. Sundararaman Kalyanaraman
Independent Director (DIN: 01252878)

Mrs. Vijaya Sampath
Independent Director (DIN: 00641110)

Mr. Tamraparni Srinivasan Venkata Rajagopal
Independent Director (DIN: 07148250)

Mrs. Rajeswari Karthigeyan
Independent Director (DIN:10051618)

CHIEF FINANCIAL OFFICER: Mr. C.B.Chandrasekar

COMPANY SECRETARY AND COMPLIANCE OFFICER: Mr. Shainshad Aduvanni

STATUTORY AUDITORS: M/s. Sharp & Tannan, Chartered Accountants, Chennai

INTERNAL AUDITORS: M/s. Kumbhat and Co LLP, Chartered Accountants, Coimbatore

COST AUDITORS: M/s. S.Mahadevan & Co, Cost Accountants, Coimbatore

SECRETARIAL AUDITORS: M/s. KSR & Co Company Secretaries LLP, Company Secretaries, Coimbatore

COMMITTEES OF DIRECTORS

Audit Committee

- Mr. Tamraparni Srinivasan Venkata Rajagopal, Chairman
- Mr. Sundararaman Kalyanaraman, Member
- Mrs.Vijaya Sampath, Member
- Mrs.Rajeswari Karthigeyan, Member

Nomination and Remuneration Committee

- Mrs. Vijaya Sampath, Chairperson
- Mr. Sundararaman Kalyanaraman, Member
- Mr. Tamraparni Srinivasan Venkata Rajagopal, Member

Stakeholders Relationship Committee

- Mr. Sundararaman Kalyanaraman, Chairman
- Mr. Srinivasan Ravi, Member
- Mrs.Rajeswari Karthigeyan, Member

Risk Management Committee

- Mr. Srinivasan Ravi, Chairman
- Mr.Ravi Gauthamram, Member
- Mr. Sundararaman Kalyanaraman, Member
- Mr.C.B.Chandrasekar, Member

Corporate Social Responsibility Committee

- Mr. Srinivasan Ravi, Chairman
- Mr. Tamraparni Srinivasan Venkata Rajagopal, Member
- Mrs.Vijaya Sampath, Member

BANKERS AND LENDERS

- Axis Bank Limited
- Bajaj Finance Limited
- Export-Import Bank of India
- Federal Bank Limited
- HDFC Bank Limited
- IDBI Bank Limited
- Indian Bank
- Indian Overseas Bank
- Indusind Bank Limited
- International Finance Corporation
- Kotak Mahindra Bank Limited
- Mizhuo Bank
- RBL Bank Limited
- Shinhan Bank
- Standard Chartered Bank
- State Bank of India
- YES Bank Limited

REGISTERED OFFICE

123/4, Sangothipalayam Road, Arasur Post, Coimbatore – 641 407

CORPORATE OFFICE

Krishna Towers, 4th & 5th Floor, 1087, Avinashi Road, Coimbatore – 641 037

REGISTRAR AND SHARE TRANSFER AGENT

MUFG Intime India Private Limited
Surya 35, Mayflower Avenue,
Behind Senthil Nagar,
Sowripalayam Road, Coimbatore - 641028

Directors' Report

To

The Members,

The Directors are pleased to present the Thirty Ninth (39th) Annual Report of the Company together with the Audited Financial Statements (Standalone and Consolidated) for the financial year ended 31st March, 2025.

In compliance with the applicable provisions of the Companies Act, 2013, (including any statutory modification(s) or amendment(s) thereof, for time being in force) ("Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), this report covers the financial results and other developments during the financial year ended 31st March, 2025, in respect of Craftsman Automation Limited ("the Company").

1. FINANCIAL HIGHLIGHTS & STATE OF AFFAIRS:

1.1 The financial performance of the Company for the financial year ended 31st March, 2025 are summarized as below:

(₹ in Crores)

Particulars	Year ended		Year ended	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024
	Standalone		Consolidated	
Operating revenue	3,847.95	3,207.79	5,690.48	4,451.73
Other income	32.26	14.61	25.07	17.24
EBITDA	**588.58**	**656.17**	**858.78**	**896.92**
Less: Finance Cost	193.16	154.62	216.64	174.54
Less: Depreciation and Amortization	267.87	236.05	347.02	277.69
Less: Exceptional Expense	0.00	0.00	25.47	0.00
Profit before Tax (PBT)	**127.55**	**265.50**	**269.65**	**444.69**
Less: Provision for Tax (Net)	33.86	67.91	68.78	107.36
Profit after Tax for the year (PAT)	**93.69**	**197.59**	**200.87**	**337.33**
Other Equity opening balance	1,535.42	1,360.82	1,741.10	1,427.34
Add: Profit for the year	93.69	197.59	200.87	337.33
Add/(Less) Other Comprehensive Income /(Loss)	3.24	0.78	(3.04)	0.20
Add: Premium on shares issued	1,178.86	0.00	1,178.86	0.00
Add: On business combination	0.00	0.00	0.79	0.00
Less: Acquisition of minority interest	0.00	0.00	-250.00	0.00
Dividend paid on equity shares	-23.77	-23.77	-23.77	-23.77
Other Equity closing balance	2,787.44	1,535.42	2,844.81	1,741.10

Standalone Financial Results:

During the Financial Year (FY) 2024-25, the Company has achieved operating income of ₹3847.95 Crores as compared to ₹3207.79 Crores in FY 2023-24. The profit before tax for FY 2024-25 stood at ₹127.55 Crores compared to ₹265.50 Crores achieved in FY 2023-24. The profit after tax stood at ₹93.69 Crores for FY 2024-25 as compared to ₹197.59 Crores in FY 2023-24.

Consolidated Financial Results:

The Company's consolidated revenue for FY 2024-25 was ₹5690.48 Crores as compared to ₹4451.73 Crores in FY 2023-24. During the year under review, the consolidated profit after tax stood at ₹200.87 Crores as compared to ₹337.33 Crores in FY 2023-24.

The Consolidated Financial Statement includes Audited Financial Statements of Craftsman Europe B.V., Wholly

Owned Subsidiary ("WOS"), DR Axion India Private Limited (WOS), Sunbeam Lightweighting Solutions Private Limited (WOS) and Craftsman Germany GmbH (WOS), along with its subsidiaries i.e. Craftsman Fronberg Guss GmbH and Craftsman Fronberg Guss Immobelien GmbH (Step-down subsidiaries).

Material Changes affecting the Financial Positions of the Company during the year:

DR AXION INDIA PRIVATE LIMITED

The Board of Directors of the Company at their meeting held on 4th May, 2024 had approved the execution of a Share Purchase Agreement ("SPA") by and amongst, the Company, DR Axion India Private Limited ("DR Axion"), Daerim International Co Ltd ("Daerim") and DR Axion Co. Ltd, to acquire the remaining 24% of Equity Share Capital i.e., 2,70,83,884 Equity Shares of ₹10/- each of DR Axion a Material Subsidiary of the Company.

Subsequently, the Company completed the acquisition of the remaining 24% of the Equity stake in DR Axion on 29th June, 2024 for a consideration amount of ₹250,00,00,000 (Rupees Two Hundred and Fifty Crores Only). Consequently, DR Axion became a Wholly Owned Subsidiary of the Company w.e.f. 1st July, 2024.

SUNBEAM LIGHTWEIGHTING SOLUTIONS PRIVATE LIMITED

The Board of Directors of the Company at their meeting held on 5th August, 2024, had approved the execution of a Securities Subscription and Purchase Agreement ("SSPA") with Sunbeam Lightweighting Solutions Private Limited ("Sunbeam") and Kedaara Capital Fund II LLP ("Kedaara") for acquiring 100% of the legal and beneficial interest of the total securities of Sunbeam and subscription to 37,60,00,000 (Thirty Seven Crore Sixty Lakhs) Optionally Convertible Debentures ("OCDs"), each having a face value of ₹10.

As a preliminary step towards closing the acquisition, On 7th October, 2024, the Company had subscribed to 13,60,00,000 (Thirteen Crore Sixty Lakhs) OCDs of Sunbeam for a consideration of ₹136,00,00,000/- (Rupees One Hundred and Thirty-Six Crores Only) in accordance with the terms of the SSPA.

The Company acquired 100% of the legal and beneficial interest of the total securities of Sunbeam for a consideration amount of ₹1 (Rupees One). Consequently, Sunbeam became a Wholly Owned Subsidiary of Craftsman Automation Limited w.e.f. 9th October, 2024.

Further, on 10th October, 2024, the Company had subscribed to 24,00,00,000 (Twenty-Four Crore) OCDs of Sunbeam for a consideration of ₹240,00,00,000/- (Rupees Two Hundred and Forty Crores Only) in accordance with the terms of the SSPA and on 28th October, 2024, the Company had subscribed to 23,00,00,000 (Twenty-Three Crores) OCDs of Sunbeam for a consideration of ₹230,00,00,000/- (Rupees Two Hundred and Thirty Crores only).

CRAFTSMAN GERMANY GMBH:

The Company had acquired 100% of the share capital of Craftsman Germany GmbH, Germany, along with its subsidiary, Craftsman Fronberg Guss GmbH, Germany, on 22nd July, 2024. Consequently, Craftsman Germany GmbH became a Wholly Owned Subsidiary and Craftsman Fronberg Guss GmbH became a Stepdown Subsidiary of the Company with effect from 22nd July, 2024.

Further, on 1st October, 2024, Craftsman Fronberg Guss GmbH had acquired the assets of Fronberg Guss GmbH and Craftsman Germany GmbH had acquired 100% of the Equity stake of Craftsman Fronberg Guss Immobilien GmbH. Subsequently, Craftsman Fronberg Guss Immobilien GmbH became a Stepdown Subsidiary of the Company with effect from 1st October, 2024.

2. DIVIDEND:

For the financial year 2024-25, the Company has declared a Final Dividend of ₹5 on the Equity Shares of ₹5/- each with total outlay of ₹11.93 Crores.

The Board of Directors at their meeting held on 7th May, 2025, has recommended payment of ₹5 (Rupees Five) per Equity Share, being 100% on the face value of ₹5 each as final dividend for the financial year ended 31st March, 2025. The payment of dividend is subject to the approval of the shareholders at the 39th Annual General Meeting ("AGM") of the Company. The dividend, if approved by the members, would involve a cash outflow of ₹11.93 Crores. The dividend pay-out is in accordance with the dividend distribution policy of the Company.

In view of the changes made under the Income Tax Act, 1961, by the Finance Act, 2020, dividends paid or distributed by the Company shall be taxable in the hands of the shareholders. Your Company shall, accordingly, make the payment of the dividend after deduction of tax at source at appropriate rates applicable to resident and non-resident shareholders as the case may be.

Pursuant to the provisions of Regulation 43A of the Listing Regulations as amended from time to time, the Company has formulated Dividend Distribution Policy. The policy is available on the Company's website at https://www.craftsmanautomation.com/investors/wp-content/uploads/2022/08/14.CAL-Dividend-Distribution-Policy.pdf

3. **TRANSFER OF UNCLAIMED DIVIDEND TO THE INVESTOR EDUCATION AND PROTECTION FUND (IEPF):**

In accordance with the provisions of Sections 124 and 125 of the Act and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividend of a Company which remain unpaid or unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account shall be transferred by the Company to the Investor Education and Protection Fund ("IEPF").

In terms of the foregoing provisions of the Act, there is no dividend which remains outstanding or remain to be paid and required to be transferred to the IEPF by the Company during the financial year ended 31st March, 2025.

4. **SHARE CAPITAL:**

During the year under review, the Company has not altered/modified its authorised share capital and has not issued any Equity Shares with Differential Rights as to dividend, voting or otherwise. The Company has not issued any Sweat Equity Shares to its Directors or employees and also has not made any buy back of shares during the year under review.

The Paid-up Capital of the Company at the beginning of the financial year was ₹10,56,41,555 divided into 2,11,28,311 Equity Shares of ₹5/- each fully paid up.

Qualified Institutions Placement:

The Board of Directors of the Company at their meeting held on 27th April, 2024 had approved and recommended to the Shareholders of the Company for raising of funds up to ₹1200 Crores through Qualified Institutions Placement ("QIP"). Subsequently, the Shareholders of the Company approved the same at the 38th Annual General Meeting held on 27th May, 2024.

Accordingly, during the financial year, the Company had issued 27,27,272 Equity Shares of face value of ₹5 through QIP, raising a sum of ₹1200 Crores.

Hence, post the issue, the paid-up share capital of the Company was ₹11,92,77,915 divided into 2,38,55,583 Equity Shares of ₹5/- each.

5. **CHANGE IN REGISTERED OFFICE OF THE COMPANY**

During the year, there was no change in the registered office of the Company.

6. **RESERVES AND SURPLUS:**

The Company has not transferred any amount to the Reserves for the financial year ended 31st March, 2025.

7. **MANAGEMENT DISCUSSION & ANALYSIS REPORT:**

Pursuant to Regulation 34(2)(e) of the Listing Regulations, Management Discussion and Analysis Report forms part of this report as **Annexure - 1**.

8. **CORPORATE GOVERNANCE:**

Pursuant to Regulation 34(3) of the Listing Regulations, a report on Corporate Governance along with a Certificate from the Company Secretary in Practice confirming the compliance of the provisions of Corporate Governance forms an integral part of this Annual Report and are given in **Annexure - 2** and **Annexure - 3** respectively.

9. **CORPORATE SOCIAL RESPONSIBILITY (CSR):**

In accordance with the requirements of Section 135 of the Act and the Rules made there under, the Company has constituted a Corporate Social Responsibility (CSR) Committee and also formulated a Corporate Social Responsibility Policy (CSR Policy) which is available on the website of the Company at https://www.craftsmanautomation.com/investors/wp-content/uploads/2022/08/1.-CAL-Policy-on-Co rporate-Social-Responsibility-1.pdf.

An Annual Report on CSR activities of the Company during the financial year 2024-25 as required to be given under Section 135 of the Act read with Rule 8 of the Companies (CSR Policy) Rules, 2014 has been provided as an **Annexure – 4** to this Report.

10. **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:**

There were no material changes and commitments affecting the financial position of the Company that have occurred between the end of financial year 2024-25, to which the Financial Statements relate and the date of signing of this report.

11. **RISK MANAGEMENT POLICY:**

Pursuant to Section 134(3)(n) of the Act and Regulation 17(9) of the Listing Regulations, the Company has formulated and adopted a Risk Management Policy. The Company has been consciously following a policy of risk mitigation by diversifying its products, services, markets and customers. The key risk of exposure to the cyclicality of the automobile business is being mitigated by increasing the share of the Industrial & Engineering segment.

The following are the major risk concerns:

Competition:

Some of the Company's business segments operates in a competitive environment and some of the Company's customers pursue a policy of maintaining more than one source for a product/service. The Company's senior management team closely monitors the market and devises various strategies to stay ahead of the competition.

Economy:

The economy is still susceptible to the challenging global economic environment of increased trade tensions, protectionism and slowdown. It is also constrained by fiscal profligacy, implementation delays, and a weak financial sector.

Automobile Industry:

The fortunes of the automobile industry are cyclical and the demand for vehicles are vulnerable to the interest rates and liquidity.

Risk Mitigation Measures:

As already mentioned, the Company adopts the policy of risk diversification by broadening its products, services, market and customer base. The Company, over the years, built a good design, engineering and product development team. This has enabled the Company to come out with new products and services and in the contract manufacturing space, the Company is able to position itself as a one-stop solution provider to its customers. In addition, the Company has steadily invested over the years to build up world-class manufacturing and testing facilities at Coimbatore and other plants. The state-of-the-art machines, continuous improvement in the production processes, constant upgradation of employee skill levels, backward integration to tool, die and fixture making and JIT deliveries have created a strong competitive advantage for the Company.

The Board has constituted Risk Management Committee under the Chairmanship of Mr. Srinivasan Ravi, which reviews the various risks faced by the Company and advises the Board on risk mitigation plans. Risk Management policy may be accessed on the Company's website at the link: https://www.craftsmanautomation.com/investors/wp-content/uploads/2022/08/4.-CAL-Risk-Manage ment-Policy.pdf

12. VIGIL MECHANISM / WHISTLE BLOWER POLICY FOR DIRECTORS AND EMPLOYEES:

The Company has formulated a comprehensive Whistle Blower Policy in line with the provisions of Section 177(9) and 177(10) of the Act and Regulation 22 of the Listing Regulations with a will to enable the stakeholders, including Directors and individual employees to freely communicate their concerns about illegal or unethical practices and to report genuine concerns to the Audit Committee of the Company.

The mechanism provides adequate safeguards against victimization of Directors or employees who avail the mechanism. The Whistle Blower Policy has been placed in the website of the Company at https://www.craftsmanautomation.com/investors/wp-content/uploads/2022/08/2.-CAL-WhistleBlow erPolicy.pdf

13. INFORMATION REQUIRED UNDER SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:

The Company has in place a policy on prevention, prohibition and redressal of Sexual Harassment at workplace in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Internal Committee has been setup to redress the complaints received on the sexual harassment. All employees of the Company are covered under this policy.

The details of complaints received and disposed off during the financial year 2024-25 are as follows:

S. No.	Particulars	Remarks
1	Number of complaints of sexual harassment received in the year	Nil
2	Number of complaints disposed off during the year	Nil
3	Number of cases pending for more than ninety days	Nil
4	Number of workshops or awareness programme against sexual harassment carried out	2
5	Nature of action taken by the employer or District Officer	Nil

14. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

During financial year 2024-25, all contracts/ arrangements/ transactions entered into by the Company with related parties were in the ordinary course of business and on an arm's length basis. In Compliance with Regulation 23 of the Listing Regulations, all the Related Party Transactions undertaken by the Company and its subsidiaries are placed before the Audit Committee for prior approval, as required under the Act and Listing Regulations. A statement of all Related Party Transactions of the Company and its subsidiaries is placed before the Audit Committee for its review on a quarterly basis.

The Company has not entered into material contracts or arrangements or transactions with related parties in accordance with Section 188 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014. There were no materially significant Related Party Transactions made by the Company during the financial year that would have required shareholders' approval under the Listing Regulations. Neither the Company has entered into transactions not at arm's length.

Accordingly, the Company has no material related party transactions or transactions not on arm's length requiring disclosure under Section 134(3)(h) of the Companies Act, 2013, in Form AOC-2 attached to this report as **Annexure - 5**. Members may refer to Note No. 3.5 to the Standalone Financial Statements, which sets out related party disclosures pursuant to IND AS-24.

The Company has adopted policy on Related Party Transactions and the same can be accessed on the Company's website at https://www.craftsmanautomation.com/investors/wp-content /uploads /2022 /08 /11.-CAL-RPT-Policy.pdf.

15. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE ACT:

Pursuant to Section 186 of the Act, disclosure on particulars relating to loans, advances, guarantees and investments are provided as part of the financial statements in notes to the Standalone Financial Statements.

16. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (NO. 31 OF 2016) DURING THE FINANCIAL YEAR:

No application was made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (No 31 of 2016) during the financial year 2024-25.

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

No one-time settlement was done with any Bank / Financial Institutions during the financial year under review.

18. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:

There were no significant/material orders passed by the regulators or courts or tribunals during the financial year 2024-25, impacting the going concern status and the Company's operations in the future.

19. ANNUAL RETURN:

Pursuant to Section 92(3) and 134(3)(a) of the Act, the Annual Return of the Company prepared in accordance with Section 92(1) of the Act read with Rule 11 of the Companies (Management and Administration) Rules, 2014 is placed on the website of the Company and is accessible at the weblink: https://www.craftsmanautomation.com/investors/annual-reports/.

20. CREDIT RATING:

During the year under review, CRISIL Ratings Limited, a credit rating agency registered with the Securities and Exchange Board of India, has reaffirmed the credit rating assigned to the long-term loan facilities as AA-/Stable and for the short-term loan facilities with A1+ vide letter dated 10th May, 2024 and 13th August, 2024.

21. DEPOSITS:

The Company has not accepted any deposits falling within the meaning of Section 73 or 74 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014, during the financial year and as such, no amount on account of principal or interest on deposits from public was outstanding as on 31st March, 2025.

22. AWARDS AND RECOGNITIONS:

The Company has always been singled out by its customers as a supplier partners known for its reliability and quality.

During the year, the Company has received the following awards:

Outstanding Quality Performance Award - 2024	Walvoil Fluid Power
Quality Performance Award - 2024	Ashok leyland
Supplier Excellence Recognition Award - 2024	Caterpillar Inc.
Appreciation & Best Supplier Award - 2024	MHI- Mitsubishi Heavy Industries Machinery Systems.
Excellent Supplier Award	RMGT
Appreciation for Excellent Support in Component Supply - 2024	Mahindra & Mahindra
Entrepreneur & Leadership Award - 2024	JCB

Outstanding Performance Scale Award–2024	CII
Best Supply Chain Management Automotive Division– Feb 2025	Mahindra & Mahindra
Iconic Brand of Coimbatore Award 2025	ICCI & The Advertising Club - Coimbatore

23. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE:

23.1 Details of Foreign Wholly Owned Subsidiary:

CRAFTSMAN EUROPE B.V., THE NETHERLANDS

During the year under review, Craftsman Europe B.V., Wholly Owned Subsidiary has posted a turnover of ₹13.20 Crores (€ 14.56 Lakhs) in financial year 2024-25 as against ₹20.00 Crores (€ 22.27 Lakhs) in the financial year 2023 - 24. The profit for the financial year 2024-25 amounted to ₹0.85 Crores as compared to ₹2.16 Crores in the financial year 2023-24.

CRAFTSMAN GERMANY GMBH, GERMANY

During the year under review, the Company had acquired 100% of the share capital of Craftsman Germany GmbH, Germany, along with its subsidiary, Craftsman Fronberg Guss GmbH, Germany, on 22nd July, 2024. Consequently, Craftsman Germany GmbH became a Wholly Owned Subsidiary and Craftsman Fronberg Guss GmbH became a Stepdown Subsidiary of the Company with effect from that date.

Further, on 1st October, 2024, Craftsman Fronberg Guss GmbH had acquired the assets of Fronberg Guss GmbH and commenced operations as a manufacturing entity engaged in producing cast iron components for stationary engines. On the same date, Craftsman Germany GmbH had acquired 100% of the Equity stake of Craftsman Fronberg Guss Immobilien GmbH, thereby making it a Stepdown Subsidiary of the Company with effect from 1st October, 2024.

Craftsman Germany GmbH, along with its subsidiaries, has posted a turnover of ₹130.54 Crores (€ 143.30 Lakhs) and the profit for the financial year 2024-25 amounted to ₹1.17 Crores.

23.2 Details of Indian Subsidiary:

DR AXION INDIA PRIVATE LIMITED:

During the year under review, the Company had acquired 24% of the remaining Equity Share Capital of DR Axion India Private Limited ("DR Axion"). Consequently, DR Axion became a Wholly Owned Subsidiary of the Company w.e.f. 1st July, 2024. DR Axion has posted a turnover of ₹1298.52 Crores for the financial year 2024-25 as against ₹1246.15 Crores in the financial year 2023-24. The profit for the financial year 2024-25 amounted to ₹127.12 Crores as compared to ₹136.89 Crores in the financial year 2023-24.

SUNBEAM LIGHT WEIGHTING SOLUTIONS PRIVATE LIMITED:

During the year under review, the Company had acquired 100% paid-up capital of Sunbeam Lightweighting Solutions Private Limited ("Sunbeam"). Accordingly, w.e.f. 9th October, 2024, Sunbeam became a Wholly Owned Subsidiary of the Company. Sunbeam has posted a turnover of ₹584.62 Crores and loss of ₹10.70 Crores from the date of acquisition till 31st March, 2025.

23.3 Details of Joint Venture Company:

CARL STAHL CRAFTSMAN ENTERPRISES PRIVATE LIMITED:

Carl Stahl Craftsman Enterprises Private Limited is an associate Company in which the Company is holding 30% of Equity Shares, posted a turnover of ₹78.36 Crores in financial year 2024-25 as against the ₹76.72 Crores in financial year 2023-24. The Profit for financial year 2024-25 was ₹3.33 Crores as against the profit of ₹2.82 Crores in financial year 2023-24.

Pursuant to Section 129(3) of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of the Company's Subsidiaries and Associate Company in Form No. AOC-1 is attached to this report as **Annexure – 6**.

24. CHANGE IN NATURE OF BUSINESS:

During the year under review, there has been no change in the Company's nature of business.

25. DIRECTORS:

The Board of the Company is duly constituted. None of the Directors of the Company are disqualified under the provisions of the Act or the Listing Regulations.

In accordance with the provisions of the Act and Articles of Association of the Company, Mr. Ravi Gauthamram (DIN: 06789004), Whole Time Director, retires by rotation and being eligible, offers himself for re-appointment at the ensuing Annual General Meeting (AGM). His re-appointment is placed for approval of the members and forms part of the notice of the 39th AGM. The information about the Director seeking his re-appointment as per Para 1.2.5 of Secretarial Standards on General Meetings and Regulation 36(3) of the Listing Regulations has been given in the notice convening the 39th AGM.

26. KEY MANAGERIAL PERSONNEL:

Pursuant to Section 2(51) and 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the following are the Key Managerial Personnel (KMP) of the Company:

i. Mr. Srinivasan Ravi, Chairman and Managing Director;
ii. Mr. Ravi Gauthamram, Whole Time Director;
iii. Mr. C.B.Chandrasekar, Chief Financial Officer;
iv. Mr. Thiyagaraj Damodharaswamy, Chief Operating Officer –Powertrain;
v. Mr. Shainshad Aduvanni, Company Secretary.

The remuneration and other details of these KMP for financial year 2024-25 are provided in the Annual Return, which is available on the website of the Company.

27. COMMITTEES:

As per the requirements of the Act and Listing Regulations, the following committees were constituted. The composition and the meeting of committees held during the year are as follows:

i. Audit Committee:

The Composition of the Audit Committee (AC):

1. Mr. Tamraparni Srinivasan Venkata Rajagopal, Independent Director (Chairman);
2. Mr. Sundararaman Kalyanaraman, Independent Director (Member);
3. Mrs. Vijaya Sampath, Independent Director (Member);
4. Mrs. Rajeswari Karthigeyan, Independent Director (Member).

During the financial year 2024-25, the AC met five times on 27th April, 2024, 24th July, 2024, 10th October, 2024, 23rd October, 2024 and 29th January, 2025.

ii. Nomination and Remuneration Committee:

The Composition of the Nomination and Remuneration Committee (NRC):

1. Mrs. Vijaya Sampath, Independent Director (Chairperson);
2. Mr. Sundararaman Kalyanaraman, Independent Director (Member);
3. Mr. Tamraparni Srinivasan Venkata Rajagopal, Independent Director (Member).

During the financial year 2024-25, the NRC met three times on 27th April, 2024, 24th July, 2024 and 29th January, 2025.

iii. Stakeholders Relationship Committee:

The Composition of the Stakeholders Relationship Committee (SRC):

1. Mr. Sundararaman Kalyanaraman, Independent Director (Chairman);
2. Mr. Srinivasan Ravi, Chairman and Managing Director (Member);
3. Mrs. Rajeswari Karthigeyan, Independent Director (Member).

During the financial year 2024-25, the SRC met once on 29th January, 2025.

iv. CSR Committee:

The Composition of the Corporate Social Responsibility (CSR) Committee:

1. Mr. Srinivasan Ravi, Chairman and Managing Director (Chairman);
2. Mr. Tamraparni Srinivasan Venkata Rajagopal, Independent Director (Member);
3. Mrs. Vijaya Sampath, Independent Director (Member).

During the financial year 2024-25, the CSR Committee met two times on 27th April, 2024 and 29th January, 2025.

v. Risk Management Committee:

The Composition of the Risk Management Committee (RMC):

1. Mr. Srinivasan Ravi, Chairman and Managing Director (Chairman);
2. Mr. Ravi Gauthamram, Whole Time Director (Member);
3. Mr. Sundararaman Kalyanaraman, Independent Director (Member);
4. Mr. C.B.Chandrasekar, Chief Financial Officer (Member);

During the financial year 2024-25, the RMC met two times on 27th August, 2024 and 20th March, 2025.

vi. Management Committee:

The Composition of the Management Committee:

1. Mr. Srinivasan Ravi, Chairman and Managing Director (Chairman);

2. Mr. Ravi Gauthamram, Whole Time Director (Member).

During the financial year 2024-25, no meeting of Management Committee was held.

vii. Fund Raising Committee:

The Board had constituted a Fund Raising Committee at their meeting held on 27th April, 2024 for facilitating fund raising with the following Members:

1. Mr. Srinivasan Ravi, Chairman and Managing Director (Chairman);
2. Mr. Ravi Gauthamram, Whole Time Director (Member).
3. Mr. Sundararaman Kalyanaraman, Independent Director (Member);

During the financial year 2024-25, the Fund Raising Committee met three times; once on 18th June, 2024, and twice on 21st June, 2024.

28. INTERNAL FINANCIAL CONTROLS:

A. Internal Financial Controls and their Adequacy

In terms of Section 134(5)(e) of the Act, the term Internal Financial Control means the policies and procedures adopted by a Company for ensuring orderly and efficient conduct of its business, including adherence to Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial information.

Internal Control Over Financial Reporting (ICFR) remains an important component to foster confidence in a Company's financial reporting, and ultimately, streamlining the process to adopt best practices. Your Company, through Internal Audit Program, is regularly conducting test of effectiveness of various controls. The ineffective and unsatisfactory controls are reviewed and remedial actions are taken immediately. The internal audit plan is also aligned to the business objectives of the Company which is reviewed and approved by the Audit Committee. Further, the Audit Committee monitors the adequacy and effectiveness of your Company's internal control framework.

Adequate internal financial controls are in place which ensures the reliability of financial and operational information. The regulatory and statutory compliances are also ensured. The Oracle enterprise wide resource platform deployed in the Company enables the business processes and also ensures financial discipline and fosters accountability.

29. AUDITORS & AUDITORS REPORT:

A. Statutory Auditors

The Shareholders at their meeting held on 20th May, 2020 had appointed M/s. Sharp & Tannan, Chartered Accountants, A-Wing, 602, Anna Salai, Chennai – 600 006 (Firm Registration No: 003792S), as the Statutory Auditors of the Company for a second term term of 5 years from the conclusion of the 34th AGM (2020) till the conclusion of 39th AGM (2025).

The Board of Directors at their meeting held on 13th June, 2025, based on the recommendation of the Audit Committee, had approved and recommended to the Members, the re-appointment of M/s. Sharp & Tannan, Chartered Accountants as the Statutory Auditors of the Company a second term of 5 years from the conclusion of the 39th AGM till the conclusion of the 44th AGM (i.e., from the financial year 2025-26 to financial year 2029-30).

B. Statutory Audit Report

There are no qualifications, reservations or adverse remarks made by M/s. Sharp & Tannan, Statutory Auditors in their report for the financial year ended 31st March, 2025.

C. Internal Auditor

M/s. Kumbhat and Co LLP Chartered Accountants, Coimbatore, who are the Internal Auditors, have carried out internal audit for the financial year 2024-25. Their reports were reviewed by the Audit Committee.

D. Cost Auditor

During the financial year 2024-25, the Company was required to maintain cost records under the Companies (Cost Records and Audit) Rules, 2014. Accordingly, cost records have been maintained by the Company, which are being audited by M/s. S. Mahadevan & Co, Cost Accountants, Coimbatore (Firm Registration No. 000007).

In accordance with Section 148 of the Act, the Board of Directors of the Company at their meeting held on 13th June, 2025, on recommendation of the Audit Committee, has re-appointed M/s. S. Mahadevan & Co, Cost Accountants, Coimbatore, (Firm Registration No: 000007) as the Cost Auditors to conduct the Audit of the Cost Accounting Records maintained by the Company for the financial year 2025-26. M/s. S. Mahadevan & Co have confirmed that their appointment is within the limits of Section 141(3)(g) of the Act and has also certified that they are free from any disqualifications specified under Section 141(3) read with Section 148(5) of the Act.

As per the provisions of the Act, a resolution seeking Members' ratification for the remuneration payable to M/s. S. Mahadevan & Co, Cost Auditors for the financial year 2025-26 is included at item no 6. of the Notice convening the 39th AGM.

E. Secretarial Auditor and Secretarial Audit:

Pursuant to the Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors had appointed M/s. KSR & Co Company Secretaries LLP, (LLPIN: AAB-3259) Coimbatore as the Secretarial Auditors of the Company to undertake the Secretarial Audit of the Company for the financial year 2024-25.

The Secretarial Audit Report in Form MR-3 forms part of the Directors' Report as **Annexure – 7.1.** The report does not contain any qualification, reservation, adverse remark or disclaimer.

The Secretarial Audit Reports of DR Axion India Private Limited and Sunbeam Lightweighting Solutions Private Limited, ("the Wholly Owned Subsidiaries") in Form MR-3 are attached to this report as **Annexure - 7.2** and as **Annexure - 7.3.** The Secretarial Audit Report of the Wholly Owned Subsidiaries do not contain any qualification, reservation, adverse remark or disclaimer.

The Board of Directors at their meeting held on 13th June, 2025, based on the recommendation of the Audit Committee, had approved and recommended to the Members, the appointment of M/s. KSR & Co Company Secretaries LLP, (LLPIN: AAB-3259) Practicing Company Secretaries as the Secretarial Auditors of the Company for a term of 5 years from the financial year 2025-26 to financial year 2029-30.

F. Annual Secretarial Compliance Report

The Company has undertaken an audit for the financial year ended 31st March, 2025, for all applicable compliances as per Regulation 24A of the Listing Regulations and Circulars/Guidelines issued thereunder. The Annual Secretarial Compliance Report issued by M/s. KSR & Co Company Secretaries LLP, was submitted to the Stock Exchanges as per the Listing Regulations.

G. Reporting of Frauds by Auditors:

During the year under review, the Statutory Auditors, Internal Auditor, Cost Auditors and Secretarial Auditors have not reported any instance of fraud committed in the Company by its Officers or Employees to the Audit Committee under Section 143(12) of the Act and the rules made thereunder.

30. MEETINGS OF THE BOARD AND COMMITTEES:

During the financial year 2024-25, the Board of Directors had met Seven (7) times and the details of the meetings of the Board and its Committees are given in the Corporate Governance Report **(Annexure 2)**. The gap intervening between two meetings were within the time prescribed under the Act and Listing Regulations.

Details of attendance of meetings of the Board, its Committees and the Annual General Meeting/ Postal Ballot are included in the Report on Corporate Governance, which forms part of this Annual Report.

31. MEETING OF INDEPENDENT DIRECTORS:

In terms of requirements under Schedule IV of the Act and Regulation 25(3) of Listing Regulations, a separate meeting of the Independent Directors was held on 22nd October, 2024 and 20th March, 2025.

The Independent Directors at the meeting, inter alia, reviewed the following: -

- Performance of Non-Independent Directors and the Board as a whole.
- Performance of the Chairman of the Company, considering the views of Executive Directors and Non-Executive Directors.
- The quality, quantity and timeliness of the flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

32. DECLARATION BY INDEPENDENT DIRECTORS:

The Company has received declarations from each Independent Director of the Company under Section 149(7) of the Act and Regulation 25(8) of the Listing Regulations confirming compliance with the criteria of independence as stipulated under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and there has been no change in the circumstances which may affect their status as Independent Directors during the financial year 2024-25.

All Independent Directors of the Company have affirmed compliance with Schedule IV of the Act and the Company's Code of Conduct for Directors and Employees for the financial year 2024-25.

All the Independent Directors of the Company have registered themselves with the Indian Institute of Corporate Affairs ('IICA') towards the inclusion of their names in the data bank and they meet the requirements of the proficiency self-assessment test.

33. NON-EXECUTIVE DIRECTORS' COMPENSATION AND DISCLOSURES:

None of the Independent / Non-Executive Directors has any pecuniary relationship or transactions with the Company which, in the judgment of the Board, may affect the independence of the Directors.

34. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS:

The Company has adopted a familiarization programme for Independent Directors with an objective of making the Independent Directors of the Company accustomed with the business and operations of the Company through various structured orientation programme. The familiarization programme also intends to update the Directors on a regular basis on any significant changes therein so as to be in a position to take well-informed and timely decisions.

The details of the familiarization programme undertaken have been uploaded on the Company's website and the same is accessible at the web-link https:// www.Craftsmanautomation. Com /investors/corporate-governance/#2

35. PERFORMANCE EVALUATION OF THE BOARD AND ITS COMMITTEES:

Pursuant to the provisions of the Act, Listing Regulations and as per Guidance Note on Board Evaluation issued by SEBI on 5th January, 2017, the Board has carried out annual performance evaluation of its own performance, the Directors individually as well as evaluation of the working of its Committees at their meeting held on 29th January, 2025.

The Nomination and Remuneration Committee has defined the evaluation criteria for the performance evaluation of individual Directors, the Board and its Committees. The performance of the Board, its committees and individual Directors was evaluated by the Board after seeking inputs from all the respective Committee members and Directors.

36. DIRECTORS' APPOINTMENT AND REMUNERATION POLICY:

The Company has, on the recommendation of the Nomination & Remuneration Committee, framed and adopted a Nomination and Remuneration Policy in terms of the Section 178 of the Act with effect from 02nd July, 2018. The policy, inter alia lays down the principles relating to appointment, cessation, remuneration and evaluation of Directors, Key Managerial Personnel and Senior Management Personnel of the Company.

The Nomination & Remuneration Policy of the Company is available on the website of the Company at web-link https://www.craftsmanautomation.com/investors/wp-content/uploads /2022/08/3.-CAL-No mination-Remuneration-and-Board-Evaluation-Policy.pdf.

37. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:

The details as required under Section 197(12) of the Act and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in **Annexure – 8** of this Report.

In terms of provisions of Section 197(12) of the Act and Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing names of the employees drawing remuneration and other particulars, as prescribed in the said Rules forms part of this report. However, in terms of first proviso to Section 136(1) of the Act, the Annual Report, excluding the aforesaid information, is being sent to the members of the Company. The said information is available for inspection at the Registered Office of the Company during working hours and any member who is interested in obtaining these particulars may write to the Company Secretary of the Company.

During the year, the Company had no employee who was employed throughout the financial year or part thereof and was in receipt of remuneration, which in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the Managing Director or Whole-Time Director or Manager and holds by himself or along with his spouse and dependent children, not less than 2% of the Equity Shares of the Company.

38. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT:

Pursuant to Regulation 34(2)(f) of the Listing Regulations, the initiatives taken by the Company from an environmental, social and governance perspective for the financial year 2024-25 have been given in the Business Responsibility and Sustainability Report (BRSR) as per the format specified by SEBI Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated 12th July, 2023, which forms part of this report as **Annexure – 9**. The Company's ESG profile can be accessed through https :// www.craftsmanautomation.com/esg-profile.html.

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

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

A) Conservation of energy:

I Steps taken or impact on conservation of energy

a) The Company is replacing low Efficient Screw Air Compressor with new High Capacity and Efficient Air Compressors, which results in energy saving and reducing no of compressors.

b) The existing LED lamps are replaced with high coverage and high-efficiency LED lamps, due to which number of fitting are reduced.

c) 3 different capacity STPs converted into one single capacity STP

d) 90% of stabilizers were removed from the system by installing a standby capacity UPS system.

e) Screw Compressors were shifted to new high ventilated rooms as a result, Efficiency has improved.

f) The Company is in the process of using LNG instead of LPG for Melting Furnaces and PNG DG sets instead of Diesel Generator Set

g) A dedicated 33 KV feeder availed for Kothavadi for uninterrupted power and pure voltage, resulting in reduced diesel consumption because of very less power cuts.

h) 15 nos industrial fans replaced with 1 number energy efficient HVLS fan.

II Steps taken by the Company for utilizing an alternate source of energy

a) The Company is planning to purchase more volume of power from Third Party Wind and solar Energy.

b) In the Company's unit 3 plant located at Arasur, the Company is in the process of converting the incoming Government EB Power from 33KV HT Supply to 110KV EHT Supply for uninterrupted quality power, which will aid for energy savings.

c) The Company has installed a DC: 800KW/ AC 700KW Solar rooftop plant in Unit 3 plant, located at Coimbatore.

III Capital investment on energy conservation equipment's

a) Solar Roof Top Plant

b) HT to EHT Conversion Power Project

c) PNG Generator sets (Piped Natural Gas)

B) Technology Absorption:

The Company has effectively integrated and absorbed general technology in the area of UPS Cooling System, Generator by ordering PNG Generator sets instead of Diesel Generator sets and power consumption from 800Kw Roof Top Solar Power Plant.

The expenditure incurred on Research and Development

The Company has not incurred any expenditure on Research and Development.

C) Foreign Exchange earnings and Outgo:

Details of earnings accrued and expenditure incurred in foreign currency are as given below.

Foreign Exchange Earnings	₹196.42 Crores
Foreign Exchange Outgo	₹703.30 Crores

40. DIRECTORS' RESPONSIBILITY STATEMENT:

The Directors' Responsibility Statement referred to in Section 134(3)(c) of the Act shall state that:

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and profit of the Company for that period;

(c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) the Directors had prepared the annual accounts on a going concern basis;

(e) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

41. SECRETARIAL STANDARDS:

The Company is in compliance with the Secretarial Standards on Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

42. PROHIBITION OF INSIDER TRADING:

In terms of the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended ("PIT Regulations"), the Company has adopted the revised "Code of Conduct to Regulate, Monitor and Report Trading by Insiders" ("the Code"). The Code is applicable to all Directors, Designated persons and Connected Persons and their immediate relatives, who have access to Unpublished Price Sensitive Information relating to the Company.

The Company has also formulated a 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)' in compliance with the PIT Regulations.

The aforesaid Codes are posted on the Company's website and can be accessed by using web link at https://www.craftsmanautomation.com/investors/wp-content/uploads/2022/08/6.-CAL-Code-of-Con duct-under-SEBI-PIT.pdf and https://www.craftsmanautomation.com/investors/wp-content /uploads / 2022/08/7.-CAL-Code-of-Fair-Disclosure-of-UPSI.pdf

43. STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR:

In the opinion of Board of Directors of the Company, Independent Directors on the Board of Company hold highest standards of integrity and are highly qualified, recognized and respected individuals in their respective fields. It's an optimum mix of expertise (including financial expertise), leadership and professionalism.

44. CEO/CFO CERTIFICATION

As required under Regulation 17(8) of the Listing Regulations, the Managing Director and CFO of the Company have certified the accuracy of the Financial Statements and adequacy of Internal Control Systems for financial reporting for the financial year ended 31st March, 2025. The Certificate is given in **Annexure - 10**.

45. DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT:

The Code of Conduct of the Company aims at ensuring consistent standards of conduct and ethical business practices across the Company. This Code is available on the website of the Company at weblink https://www.craftsmanautomation.com/investors/wp-content/uploads/ 2022/08/10.-CAL-Code-of-Conduct-for-Directors-and-SM.pdf. Pursuant to the Listing Regulations, a confirmation from the Managing Director regarding compliance with the Code by all the Directors and Senior Management of the Company is given in **Annexure – 11**.

46. CAUTIONARY STATEMENT:

The Annual Report including those which relate to the Directors' Report, Management Discussion and Analysis Report may contain certain statements on the Company's intent expectations or forecasts that appear to be forward-looking within the meaning of applicable securities laws and regulations while actual outcomes may differ materially from what is expressed herein. The Company bears no obligations to update any such forward looking statement. Some of the factors that could affect the Company's performance could be the demand and supply for Company's product and services, changes in Government regulations, tax laws, forex volatility etc.

47. ACKNOWLEDGEMENTS:

The Directors take this opportunity to thank the Shareholders, Bankers and the Financial Institutions for their cooperation and support to the operations and look forward for their continued support in future. The Directors also thank all the customers, vendor partners, and other business associates for their continued support during the financial year. The Directors place on record their appreciation for the hard work put in by all employees of the Company.

For and on behalf of the Board of Directors

Srinivasan Ravi

Place: Coimbatore — Chairman and Managing Director

Date: 13th June, 2025 — DIN:01257716

MANAGEMENT DISCUSSION AND ANALYSIS

Pursuant to Schedule V to the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Management Discussion and Analysis Report covering business performance and outlook (within limits set by the Company's competitive position) is given below:

A. INDUSTRY STRUCTURE AND DEVELOPMENT

Global Economy

The International Monetary Fund (IMF) has adjusted its global economic outlook for 2025, projecting a growth rate of 2.8%, a downward revision from the earlier estimate of 3.3%. This change reflects escalating trade tensions, notably due to the U.S. administration's implementation of century-high tariffs, which have prompted retaliatory measures from major trading partners like China.

The global economic system under which most countries have operated for the last 80 years is being reset, ushering the world into a new era. Existing rules are challenged while new ones are yet to emerge. Since late January, a flurry of tariff announcements by the United States, which started with Canada, China, Mexico and critical sectors, culminated with near-universal levies on April 2. The US effective tariff rate surged past levels reached during the Great Depression, while counter-responses from major trading partners significantly pushed up the global rate.

Global Growth: The revised projection of 2.8% marks the slowest growth since 2020 and is significantly below the pre-pandemic average of 3.7%.

Inflation Trends: Global inflation is anticipated to decline to 4.2% in 2025 and further to 3.5% in 2026, with advanced economies returning to their inflation targets sooner than emerging markets.

Regional Outlooks:

- **United States:** Growth is expected to decelerate to 1.8% in 2025, down from 2.7% in 2024, influenced by trade policy uncertainties and reduced consumer demand.
- **China:** The economy is projected to grow at 4.0% in 2025, reflecting challenges in the housing market and reduced export demand.
- **India:** Growth remains robust at 6.2% in 2025, supported by strong domestic demand and structural reforms.

To counter slow economic growth and fiscal pressures, the IMF recommends policies that promote healthy aging, bridge gender disparities, and improve the alignment of migrants' skills with local labor market demands. Investments in infrastructure and human capital are also emphasized to bolster productivity and long-term growth.

Indian Economy

As of April 2025, the Reserve Bank of India (RBI) projects a real GDP growth rate of 6.5% for the fiscal year 2025–26 (FY25–26), revised downward from the earlier estimate of 6.7%. This adjustment reflects concerns over global trade tensions, particularly the imposition of reciprocal tariffs by the United States, which could impact India's export sector and overall economic momentum.

The RBI's outlook suggests that while domestic demand remains resilient, external factors such as global trade disruptions and geopolitical tensions could pose challenges to India's growth trajectory. The central bank emphasizes the importance of maintaining macroeconomic stability and implementing structural reforms to bolster the economy's potential.

Monetary Policy Measures

In response to easing inflation and to support economic growth amid global headwinds, the RBI's Monetary Policy Committee (MPC) reduced the policy repo rate by 50 basis points to 5.50% in June 2025. This marks the third consecutive rate cut, following a similar reduction in February & April. The MPC also shifted its policy stance from 'accommodative' to 'neutral', indicating that there is no strong bias for any rate action.

Automobile Industry in India

- According to Society of Indian Automobile Manufacturers (SIAM), Passenger vehicle sales reached a record 4.3 million units, marking a modest 2% year-on-year growth. This growth was primarily driven by robust demand for utility vehicles (UVs), which accounted for 65% of total PV sales, up from around 60% in the previous year.
- Two-wheeler sales experienced a strong recovery, contributing to the overall 7.3% domestic growth in the auto industry. Three-wheeler sales also showed positive momentum, supported by increased urban mobility needs.

- The commercial vehicle segment faced challenges, with sales remaining nearly flat. Factors such as financing constraints and global trade uncertainties impacted demand.
- The industry remains vigilant about global geopolitical tensions, evolving supply chain dynamics, and fluctuating commodity prices, which could impact future performance.

Automobile Industry Outlook

- Automobile industry's performance was driven by healthy demand, infrastructure investments, supportive Government policies, and continued emphasis on sustainable mobility. Sound economic policies and positive market sentiment helped in maintaining growth.

  a. Commercial Vehicle (CV)/ Medium & Heavy Commercial Vehicles (MHCV)

  - Commercial Vehicles experienced a slight de-growth of (-) 1.2% in FY 2024-25 compared to the previous year. However, the last quarter of FY 2024-25 posted a growth of 1.5%.
  - Though the overall trucks segment has witnessed a slight de-growth, but the requirement of freight movement has been suitably served with fleets migrating towards higher GVW vehicles. The expanding highways and expressway network is playing a crucial role in reducing logistics costs, enhancing regional connectivity, which is auguring well with the performance of this segment.
  - However, the infrastructure development has helped in driving sales of buses for inter-city travels and a focus on mass-mobility in intra-city routes has also helped this segment.

  b. Two-Wheeler (2W)

  - Two-Wheelers with sales of 19.6 million units registered a good growth momentum of 9.1% in FY 2024-25 over FY 2023-24.
  - Improved rural demand and resurgence in consumer confidence is helping the segment to recover.

  c. Passenger Vehicle (PV)

  - Passenger Vehicles also saw their highest ever exports in FY 2024-25 of 0.77 million units registering a growth of 14.6% as compared to FY 2023-24. Growth in exports have been driven by demand of global models being manufactured from India in markets of Latin America and Africa. Some companies have also commenced exporting to Developed markets.
  - Utility Vehicles (UVs) continued to drive growth, now contributing 65% of total PV sales compared to about 60% in FY 2023-24.
  - Three-Wheelers posted its highest ever sales in FY 2024-25 of 7.4 Lakh Units with a growth of 6.7% as compared to previous year, surpassing the previous peak of FY2019.
  - Growth is primarily driven by the demand of Passenger sub-segment.

Aluminium Market

Global Aluminium Casting Market reached approximately US$ 100 billion in 2024 and is expected to reach US$ 160 billion by 2034, growing with a CAGR of 5.7% during the forecast period 2025-2034.The aluminium casting market in India is forecasted to grow by USD 10.6 billion by 2029, accelerating at a CAGR of 11% during the forecast period.

The aluminium casting market is poised for continued growth, supported by advancements in casting technologies and the increasing demand for lightweight components across industries. The emphasis on sustainable and recyclable materials further bolsters the market's prospects.

The push for lightweight and fuel-efficient vehicles has amplified the demand for aluminium cast components. The automotive parts aluminium die casting segment in India is projected to register a CAGR of 8.8% during the forecast period.

Industrial & Engineering Market

As per the present estimates of the GOI, the Capital Goods industry contributes about 1.9% of GDP. The Heavy Engineering and Machine Tool sector (capital goods industry) consists of the following major sub-sectors: Dies, Moulds and Press Tools; Plastic Machinery; Earthmoving and Mining Machinery; Metallurgical Machinery; Textile Machinery; Process Plant Equipment; Printing Machinery; and Food Processing Machinery. The production of the capital goods sector has increased from Rs 2.30 Lakh Crores in 2014-15 to Rs.4.29 Lakh Crores in 2023-24.

Based on the recommendations of The National Capital Goods Policy, 2016, for increasing the budgetary allocation and scope of the Scheme on Enhancement of Competitiveness of Capital Goods, which included setting up of Centers of Excellence, Common Engineering Facility Centers, Integrated Industrial Infrastructure Park and Technology Acquisition Fund Programme. These recommendations were incorporated in Phase II of the scheme. The Union Budget for 2024–25 increased the overall capital expenditure allocation, which encompasses investments in the capital goods sector.

Storage Solutions Market

The Warehousing Development and Regulatory Authority (WDRA), under the Government of India, has recently undertaken several initiatives to enhance the warehousing sector, aiming to reduce logistics costs and improve storage infrastructure across the country which is currently stand at 14-18%, compared to the international benchmark of 8%.

Rising demand for automation in warehousing and supply chain management is driving the growth of the automatic storage and retrieval systems market in India, addressing major challenges like labour shortage, inefficiency, and rising operational costs.

The Automated Storage and Retrieval System (ASRS) Market size is projected to reach a CAGR of 6.6 % to 11.7 % between 2025 to 2030. Automated storage & retrieval systems are inventory management systems commonly used in manufacturing centres, distribution facilities, and warehouses.

B. OPPORTUNITIES AND THREATS

Opportunities

- The automotive industry's focus on reducing vehicle weight for better fuel efficiency and performance boosts the demand for aluminium components.
- Increasing demand for vehicles, especially in emerging markets, can lead to higher demand for powertrain components.
- Government initiatives and investments in infrastructure can lead to increased demand for industrial and engineering products.
- Expanding into new industrial sectors can reduce dependence on the automotive industry.
- Government initiatives in the warehouse industry offer good potential for the storage segment.

Threats

- Stricter emission norms and environmental regulations could impact the demand for conventional powertrain systems.
- The aluminium components market is competitive, with several players vying for market share.
- The industrial sector is sensitive to economic cycles, which can affect demand.

C. OUTLOOK

A relentless focus on cost management, fiscal prudence, value engineering and customer partnering has enabled the Company to record a creditable performance demonstrating its 'Engineering Advantage'.

The Company is confident that it can utilise future opportunities and face future challenges with agility in order to meet the shareholders' expectation of sustainable growth and profitability. The key focus areas are:

- Improve working capital efficiency.
- Optimize Capital Structure through Targeted Debt Reduction
- Maintain Robust EBITDA Margins through Operational Discipline
- Improve Profitability in Aluminium and Storage Solutions Businesses
- Diversify Revenue Streams by Growing Non-Automotive Portfolio
- Broaden Business Base through Strategic Diversification Initiatives

D. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The Highlights of the Company's performance is provided below:

- Turnover grown by 20% and stands at ₹3,84,795 Lakhs.
- PBT for the year stands at ₹12,755 Lakhs.
- PAT for the year stands at ₹9,369 Lakhs.
- EBITDA for the year stands at ₹58,858 Lakhs.

E. THE DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS

Particulars	Unit	FY 2024-25	FY 2023-24	% Change
Debtors Turnover	Times	7.92	8.30	(5%)
Inventory Turnover	Times	4.22	4.28	(1%)
Interest Coverage Ratio*	Times	3.05	4.24	(28%)
Current Ratio	Times	0.94	1.03	(9%)
Debt Equity Ratio*	Times	0.59	0.91	(35%)
Operating Profit Margin* (%)	%	8%	13%	(38%)
Net Profit Margin* (%)	%	3%	6%	(50%)
Return on Net Worth*	%	3 %	13%	(77%)

Ratios*	Reason for changes
Interest Coverage Ratio	Increase in interest cost.
Debt equity ratio & Return on Net Worth	Increase in Equity on account of QIP raised during the year.
Operating Profit Margin	One-time Expenses for Acquisitions, Initial losses on Greenfield Projects.
Net Profit Margin	

F. SEGMENT–WISE OR PRODUCT-WISE PERFORMANCE

Segment	FY 2024-25		FY 2023-24	
	Sales	EBIT	Sales	EBIT
	₹ Crs	%	₹ Crs	%
Powertrain	1,683	15%	1,558	19%
Aluminium Products	1160	10%	917	14%
Industrial & Engineering	838	2%	732	6%
Others	167	1%	-	-

Powertrain segment

- The Company continues to be a leading player in the precision machining of critical engine and transmission components, serving the M&HCV, tractor, passenger vehicle (PV), and off-highway segments. The company has built strong relationships with key OEMs, leveraging its technical capabilities and consistent quality.
- The Company is in the development of the new off-highway components facility, marking a significant step towards scaling up its presence in this high-potential segment.
- In a major strategic move during the current year, the company acquired assets of Fronberg Guss GmbH. The move brings not only capacity and capabilities, but also a skilled workforce and long-term customer relationships in Europe, which will play a crucial role in Craftsman's strategy to diversify geographically and climb the value chain in iron castings and engineered systems.

Aluminium Products segment

- Aluminium usage in the automotive sector is expected to grow steadily, driven by the structural trend of vehicle light weighting, a response to stringent emission norms and fuel efficiency standards. While India continues to trail developed markets in aluminium adoption,electrification, and global platform integration is expected to significantly increase aluminium content per vehicle in the coming years.
- The Aluminium Products segment has expanded its footprint with the strategic inclusion of DR Axion & Sunbeam, broadening the product portfolio and enhancing the Company's machining and casting capabilities. This move has provided synergies in operations and access to new customer segments, giving a strong impetus to consolidated growth.

Industrial & Engineering segment

- A substantial share of revenue in this segment comes the rapidly growing storage solutions business, as well as from the High End SubAssembly & Precision Component Manufacturing.
- The Company has successfully expanded beyond the e-commerce segment, securing large orders from pharma, automotive, and cold chain industries, thereby broadening its sectoral exposure and de-risking revenue streams.
- The Company has commenced its cast iron manufacturing operations with green energy and machine tool parts.

G. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company maintains adequate and effective internal control systems commensurate with its size and complexity. It also ensures that they are recorded in all material respects to permit preparation of financial statements in conformity with established accounting principles, along with the assets of the Company being adequately safeguarded against significant misuse or loss.

In the opinion of the Management, the Company has adequate internal audit and control systems to ensure that all transactions are authorized, recorded and reported correctly. An independent internal audit function is an important element of the Company's internal control systems. This is supplemented through an extensive internal audit programme and periodic review by the management and the Audit Committee. The internal control systems comprise extensive internal and statutory audits. The Corporate Governance practices instituted by the Company are discussed in detail in the chapter on Corporate Governance which forms part of the Annual Report.

H. RISKS AND CONCERNS

The Risk Management Committee maintains an active oversight of the risk and the effectiveness of the risk mitigation strategies and plans put in place by the Company.

Identified key risks of the Company includes Strategic Risk, Operational Risk, Environment, Safety and Governance (ESG) Risk and Information & Cyber Security Risk.

The Company has a robust risk mitigation plan to minimize identified risks through continuous monitoring and mitigating actions as may be required.

I. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING THE NUMBER OF PEOPLE EMPLOYED

Human Resource development continues to be our top-focused area. The emphasis was on reskilling and upskilling to enable the teams in navigating change and remaining compliant with evolving processes. Industrial Relations with employees remained cordial throughout the year under review.

As on 31st March 2025, the Company has employed 2893 permanent Employees and workmen.

CORPORATE GOVERNANCE REPORT

ANNEXURE-2

[Pursuant to Schedule V-Para C of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015].

The Directors present the Report on Corporate Governance of the Company for the financial year 2024-25. This report elucidates the systems and processes followed by the Company to ensure compliance of corporate governance requirements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") and the Companies Act, 2013 ("Act").

I. PHILOSOPHY OF THE COMPANY:

The Philosophy of the Company on Corporate Governance aims at the attainment of the highest levels of transparency, accountability and responsibility in all operations and all interactions with its Shareholders, Investors, Lenders, Employees, Government and other Stakeholders. The Company believes that all its operations and actions must serve the underlying goal of enhancing overall shareholder value, consistently over a sustained period of time.

II. BOARD OF DIRECTORS:

Composition of the Board

The Company has formulated a Policy on Board Diversity to have a competent and highly professional team of Board members. There are 6 (six) Directors on the Board of the Company having diverse experience and expertise in their respective areas. Two-thirds of the Board comprises of Independent Directors. The composition of the Board meets the criteria as prescribed in Listing Regulations and the Act.

As on 31st March, 2025, the Board members consist of 1 (One) Executive Chairman and Managing Director who is the Promoter of the Company, 1 (One) Whole Time Director and 4 (Four) Independent Directors, including 2 (Two) Non-Executive Women Independent Directors.

In terms of the provisions of the Act and the Listing Regulations, the Directors of the Company shall submit necessary disclosures regarding the positions held by them on the Board and/ or the Committees of other Companies with changes therein, if any, on a periodical basis. On the basis of such disclosures, it is confirmed that as on 31st March, 2025, none of the Directors on the Board hold Directorship position in more than 20 (Twenty) Companies [including 10 (Ten) Public Limited Companies and 7 (Seven) Listed Companies]; holds Executive Director position and serve as an Independent Director in more than 3 (Three) Listed Companies; and is a member of more than 10 (Ten) Committees (Audit Committee and the Stakeholders Relationship Committee) and/or Chairperson of more than 5 (Five) Committees (Audit Committee and the Stakeholders Relationship Committee) across all the Indian Public Limited Companies in which he/ she is a Director pursuant to Regulation 26 of the Listing Regulations.

As of 31st March, 2025, none of the Directors, except Mr. Sundararaman Kalyanaraman, have attained the age of seventy-five (75) years. The Shareholders of the Company had previously approved, through a Postal Ballot conducted on 13th April, 2023 with the requisite majority, the continuation of Mr. Sundararaman Kalyanaraman (DIN: 01252878) as an Independent Director from the date he attains the age of 75 years, i.e., from 25th March, 2025, until the expiry of his second term.

The Board is of the opinion that the Independent Directors fulfil conditions specified under the Listing Regulations and are Independent of the management of the Company.

Meetings and attendance

During the financial year 2024-25, 7 (Seven) Board Meetings were held on 27th April, 2024, 4th May, 2024, 24th June, 2024, 24th July, 2024, 5th August, 2024, 23rd October, 2024 and 29th January, 2025. The composition of the Board, attendance at the Board Meetings during the financial year ended on 31st March, 2025 and the last Annual General Meeting and also the number of other Directorships and Committee memberships are given below:

Sl. No	Name of Directors and Designation	Category of Directorship	Date of Appointment	Number of shares held in the Company	No. of Board Meetings attended (From 01.04.2024 to 31.03.2025 -Total Meetings held - 7)	Attendance at Last AGM (27.05.2024)	No. of other Directorships held in Listed Companies*	No. of Membership (M)/ Chairmanship (C) in other Board Committee(s)**	
								Member	Chairman
1.	Mr.Srinivasan Ravi, Chairman and Managing Director	Promoter, Executive Director	18-07-1986	1,05,00,000	7	Yes	1	1	0
2.	Mr.Ravi Gauthamram, Whole Time Director	Promoter Group, Executive Director	20-02-2014	200	7	Yes	1	0	0
3.	Mr.Sundararaman Kalyanaraman, Independent Director	Non-Executive Independent Director	24-05-2018	-	7	Yes	1	2	1
4.	Mrs.Vijaya Sampath, Independent Director	Non-Executive Independent Director	30-04-2018	500	7	Yes	7	7	1
5.	Mr.Tamraparni Srinivasan Venkata Rajagopal, Independent Director	Non-Executive Independent Director	19-03-2022	-	7	Yes	2	3	1
6.	Mrs. Rajeswari Karthigeyan, Independent Director	Non-Executive Independent Director	06-03-2023	-	7	Yes	2	4	1

*In accordance with Regulation 17A of the Listing Regulations, Directorship in listed entities only whose equity shares are listed on the Stock Exchange, including Craftsman Automation Limited is shown.

**In accordance with Regulation 26(1) of the Listing Regulations, 2015, Membership/Chairpersonship of only the Audit Committee and the Stakeholders' Relationship Committee in all Indian Public Limited Companies, including Craftsman Automation Limited, have been considered.

The names of the listed entities, including debt listed entities other than Craftsman Automation Limited in which Directors of the Company hold Directorship and category thereof, as at 31st March, 2025, are furnished below:

Sl. No.	Name of the Director	Name of the listed entity in which the Directorship is held	Category of Directorship
1.	Mrs. Vijaya Sampath	Safari Industries (India) Limited	Non-Executive Independent Director
		Varroc Engineering Limited	Non-Executive Independent Director
		Va Tech Wabag Limited	Non-Executive Independent Director
		Intellect Design Arena Limited	Non-Executive Independent Director
		Ingersoll Rand India Limited	Non-Executive Independent Director
		Mankind Pharma Limited	Non-Executive Independent Director
2.	Mr.Tamraparni Srinivasan Venkata Rajagopal	Veejay Lakshmi Machine Works Limited	Non-Executive Independent Director
3.	Mrs.Rajeswari Karthigeyan	Happy Forgings Limited	Non-Executive Independent Director
		Belstar Microfinance Limited	Non-Executive Independent Director

Disclosure of the relationship between the Directors inter-se:

Mr. Srinivasan Ravi, Chairman and Managing Director and Mr.Ravi Gauthamram, Whole Time Director, are related to each other. None of the other Directors are related.

Shareholding of Non-Executive Directors:

Details of shares held by the Non-Executive Directors of the Company are provided below:

Sl. No.	Name of the Non-Executive Director	No. of equity shares held in the Company	No. of convertible instruments held in the Company
1.	Mr.Sundararaman Kalyanaraman	Nil	No convertible instruments have been issued by the Company
2.	Mrs.Vijaya Sampath	500	
3.	Mr.Tamraparni Srinivasan Venkata Rajagopal	Nil	
4.	Mrs. Rajeswari Karthigeyan	Nil	

Familiarisation programmes:

The Company familiarises its Independent Directors with regard to their role, rights, responsibilities in the Company, nature of the Industry, the business models of the Company etc. and the details of the familiarisation programme are available on the website of the Company at https://www.craftsmanautomation.com/investors/corporate-governance/#2.

Certificate of Non-Disqualification of Directors from Practicing Company Secretary:

In terms of the Listing Regulations, 2015, KSR & Co Company Secretaries LLP, Practising Company Secretaries, has issued a Certificate that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Companies by the SEBI / Ministry of Corporate Affairs or any other statutory authority. The Certificate forms part of the Corporate Governance Report and is given in **Annexure –2A**.

Declaration of Independence

All the Independent Directors have submitted a declaration of Independence, stating that they meet the criteria of Independence provided under Section 149(6) of the Act, as amended, and Regulation 16(1)(b) and 25 of the Listing Regulations. The Independent Directors have also confirmed compliance with the provisions of Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended, relating to inclusion of their name in the databank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

Chart/Matrix Setting Out the Skills/Expertise/Competence of The Board of Directors:

A chart/ matrix setting out the core skills/ expertise/ competencies identified by the Board of Directors in the context of the Company's businesses and sectors as required for it to function effectively and those actually available with the Board along with skills/expertise / competence, possessed by the Board members, are given as below:

Mapping of the skills/expertise/competence actually available with the Board, along with the names of Directors are given below:

Skills/Expertise/Competence	Mr.Srinivasan Ravi	Mr.Ravi Gauthamram	Mr.Sundararaman Kalyanaraman	Mrs.Vijaya Sampath	Mr.Tamraparni Srinivasan Venkata Rajagopal	Mrs. Rajeswari Karthigeyan
Industry Knowledge/experience						
Industry experience	Yes	Yes	Yes	No	No	Yes
Knowledge of sector	Yes	Yes	Yes	No	Yes	Yes
Knowledge of broad public policy direction	Yes	Yes	Yes	Yes	Yes	Yes

Skills/Expertise/Competence	Mr.Srinivasan Ravi	Mr.Ravi Gauthamram	Mr.Sundararaman Kalyanaraman	Mrs.Vijaya Sampath	Mr.Tamraparni Srinivasan Venkata Rajagopal	Mrs. Rajeswari Karthigeyan
Understanding of government legislation/legislative process	Yes	Yes	Yes	Yes	Yes	Yes
Technical Skills/experience						
Accounting	Yes	Yes	Yes	Yes	Yes	Yes
Finance	Yes	Yes	Yes	Yes	Yes	Yes
Law	Yes	Yes	No	Yes	Yes	No
Marketing experience	Yes	Yes	Yes	No	No	No
Information Technology	Yes	Yes	Yes	No	No	Yes
Public relations	Yes	Yes	Yes	Yes	Yes	Yes
Experience in developing and implementing risk management systems	Yes	Yes	Yes	No	No	Yes
Human resources management	Yes	Yes	Yes	No	No	Yes
CEO/Senior management experience	Yes	Yes	Yes	Yes	No	Yes
Strategy development and implementation	Yes	Yes	Yes	Yes	Yes	Yes
Governance competencies						
Director	Yes	Yes	Yes	Yes	Yes	No
Financial Literacy	Yes	Yes	Yes	Yes	Yes	Yes
Strategic thinking/planning from a governance perspective	Yes	Yes	Yes	Yes	Yes	Yes
Executive performance management - management of the CEO	Yes	Yes	Yes	Yes	No	Yes
Governance related risk management experience	Yes	Yes	Yes	Yes	Yes	Yes
Compliance focus	Yes	Yes	Yes	Yes	Yes	Yes
Profile/reputation	Yes	Yes	Yes	Yes	Yes	Yes
Behavioural competencies						
Team Player/collaborative	Yes	Yes	Yes	Yes	Yes	Yes
Ability and willingness to challenge and probe	Yes	Yes	Yes	Yes	Yes	Yes
Common sense and sound judgement	Yes	Yes	Yes	Yes	Yes	Yes
Integrity and high ethical standards	Yes	Yes	Yes	Yes	Yes	Yes
Mentoring abilities	Yes	Yes	Yes	Yes	Yes	Yes
Interpersonal relations	Yes	Yes	Yes	Yes	Yes	Yes
Listening skills	Yes	Yes	Yes	Yes	Yes	Yes
Verbal communication skills	Yes	Yes	Yes	Yes	Yes	Yes
Understanding of effective decision-making processes	Yes	Yes	Yes	Yes	Yes	Yes
Willingness and ability to devote time and energy to the role	Yes	Yes	Yes	Yes	Yes	Yes

Independent Directors:

Independent Directors play a pivotal role in maintaining a transparent working environment in the Company. They provide a valuable outside perspective to the deliberations of the Board and contribute significantly to the decision-making process. They help the Company in improving corporate credibility and governance standards. They bring an element of objectivity to the board processes and deliberations.

As per Clause 7 of the Schedule IV of the Act (Code for Independent Directors) read with Regulation 25(3) of the Listing Regulations, 2015, separate meetings of Independent Directors of the Company without the attendance of Non-Independent Directors for the financial year 2024-25, were held on 22nd October, 2024 and 20th March, 2025.

The Composition and attendance of the Independent Directors' meeting are given below:

Sl. No.	Name of the Member	No. of Meetings held	No. of Meetings attended
1.	Mr.Sundararaman Kalyanaraman	2	2
2.	Mrs.Vijaya Sampath	2	2
3.	Mr.Tamraparni Srinivasan Venkata Rajagopal	2	2
4.	Mrs. Rajeswari Karthigeyan	2	2

III. AUDIT COMMITTEE:

The role and terms of reference of the Audit Committee cover the areas mentioned under Regulation 18(3) of the Listing Regulations and Section 177 of the Act, besides other terms as may be referred to by the Board of Directors from time to time.

During the financial year 2024-25, the Audit Committee met 5 (Five) times on 27th April, 2024, 24th July, 2024, 10th October, 2024, 23rd October, 2024 and 29th January, 2025.

The composition and attendance of Audit Committee meetings are given below:

Sl. No.	Name of the Member	Category	No. of Meetings held	No. of Meetings attended
1.	Mr.Tamraparni Srinivasan Venkata Rajagopal Non-Executive Independent Director	Chairman	5	5
2.	Mr. Sundararaman Kalyanaraman Non-Executive Independent Director	Member	5	5
3.	Mrs.Vijaya Sampath Non-Executive Independent Director	Member	5	5
4.	Mrs. Rajeswari Karthigeyan Non-Executive Independent Director	Member	5	5

The Company Secretary is the Secretary to the Audit Committee.

There has been no instance where the Board has not accepted any recommendation of the Audit Committee.

IV. NOMINATION AND REMUNERATION COMMITTEE:

The role and terms of reference of the Nomination and Remuneration Committee cover the areas mentioned under Regulation 19(4) of the Listing Regulations and Section 178 of the Act read with Rules framed thereunder.

During the financial year 2024-25, the Nomination and Remuneration Committee met 3 (Three) times on 27th April, 2024, 24th July, 2024 and 29th January, 2025.

The composition and attendance of Nomination and Remuneration Committee meetings are given below:

Sl. No.	Name of the Member	Category	No. of Meetings held	No. of Meetings attended
1.	Mrs.Vijaya Sampath Non-Executive Independent Director	Chairperson	3	3
2.	Mr.Sundararaman Kalyanaraman Non-Executive Independent Director	Member	3	3
3.	Mr.Tamraparni Srinivasan Venkata Rajagopal Non-Executive Independent Director	Member	3	3

The Company Secretary is the Secretary to the Nomination and Remuneration Committee.

Performance evaluation criteria for Independent Directors:

In terms of Section 178 of the Act and Regulation 19 read with Schedule II to the Listing Regulations, the Nomination and Remuneration Committee has laid down the criteria for performance evaluation of the Board as a whole, its Committees and individual Directors. Based thereon, the evaluation was carried out by the Board.

The criteria for performance evaluation form part of the Nomination and Remuneration Policy of the Company, which is placed on the Company's website at www.craftsmanautomation.com.

V. STAKEHOLDERS RELATIONSHIP COMMITTEE:

In compliance with Section 178(5) of the Act and Regulation 20 read with Part D of Schedule II of the Listing Regulations, the Committee has been formed to specifically focus on the services to shareholders/ investors.

During the financial year 2024-25, the Stakeholders Relationship Committee met once on 29th January, 2025.

The composition and attendance at Stakeholders Relationship Committee meetings are given below:

Sl. No.	Name of the Member	Category	No. of Meetings held	No. of Meetings attended
1.	Mr.Sundararaman Kalyanaraman Non-Executive Independent Director	Chairman	1	1
2.	Mr.Srinivasan Ravi Chairman and Managing Director	Member	1	1
3.	Mrs. Rajeswari Karthigeyan Non-Executive Independent Director	Member	1	1

The Company Secretary is the Secretary to the Stakeholders Relationship Committee.

The number of complaints received, disposed of and pending during the year are as under:

Sl.No.	Particulars	No. of Complaints
1.	Pending at the beginning of the year	NIL
2.	Complaints Received during the year	3
3.	Disposed of during the year	3
4.	Remaining unresolved at the end of the year	NIL

All the complaints have been resolved to the satisfaction of the complainants.

V.(A) RISK MANAGEMENT COMMITTEE:

As required under Regulation 21 of the Listing Regulations, the Risk Management Committee has been constituted with a majority of the Board of Directors, One Independent Director and One KMP as its members. The Committee was constituted on 5th May, 2021.

The role and terms of reference of the Risk Management Committee cover the areas mentioned under Regulation 21 of the Listing Regulations, 2015 and provisions of the Act read with Rules framed thereunder.

The Risk Management Committee monitors, reviews the risk management plan of the Company and performs such other functions as mandated by the Board of Directors.

During the financial year 2024-25, the Risk Management Committee met 2 (Two) times on 27th August, 2024 and 20th March, 2025.

The composition and attendance at the Risk Management Committee meetings are given below:

Sl. No.	Name of the Member	Category	No. of Meetings held	No. of Meetings attended
1.	Mr.Srinivasan Ravi Executive Director	Chairman	2	2
2.	Mr. Ravi Gauthamram Executive Director	Member	2	2
3.	Mr.Sundararaman Kalyanaraman Non-Executive Independent Director	Member	2	2
4.	Mr.C.B.Chandrasekar Chief Financial Officer	Member	2	2

V. (B) SENIOR MANAGEMENT

The following personnel are the Senior Management of the Company, including the changes therein since the close of the previous financial year:

Sl.No	Name of the Senior Management Personnel (SMP)
1.	Mr. Srivardhan Krishnakumar
2.	Mr. Manisekaran. A
3.	Mr. M.Sampath Kumar
4.	Mr. Ravi Shankar. V
5.	Mr. Mohanakrishnan. R
6.	Mr. Deepak Bhoi
7.	Mr. V Kumaravel
8.	Mr.Shakti Choube*
9.	Mr.Ajay Battu**

* The Board of Directors of the Company at their meeting held on 27th April, 2024 had appointed Mr. Shakti Choube as SMP of the Company.

** The Board of Directors of the Company at their meeting held on 24th July, 2024, had appointed Mr. Ajay Battu as SMP of the Company, subject to his joining. Further, Mr. Ajay Battu joined the Company on 9th October, 2024.

VI. REMUNERATION OF DIRECTORS:

Pecuniary Relationship of Non-Executive Directors

The Company has no pecuniary relationship or transaction with its Non-Executive and Independent Directors other than payment of sitting fees to them for attending Board and Committee meetings and commission as approved by Members and the Board for their invaluable services to the Company.

i. Non-Executive Directors:

The Non-Executive Director(s) of the Company are remunerated in two ways viz., sitting fees and commission. Sitting fees is paid to the Non-Executive Directors for attending the meetings of the Board of Directors at the rate of ₹60,000/- per meeting and Committees of the Board of Directors and other meetings Board of Directors at the rate of ₹35,000/- per meeting.

In addition to the sitting fees, Commission, as approved by the Shareholders at the 36th Annual General Meeting held on 17th June, 2022 amounting to maximum of ₹20,00,000 per annum per Non-Executive Director from the financial year 2023-24 subject to the total annual commission exclusive of applicable GST thereon, if any, to all the Non- Executive Directors shall not exceed 1% of the net profit of the Company during any financial year calculated in accordance with the provisions of the Act.

Criteria for making payments to Non-Executive Directors:

The criteria of making payments to Non-Executive Directors are as per the Nomination and Remuneration Policy of the Company and the same is available at the web link: https://www.craftsmanautomation.com/investors/.

ii. Executive Directors:

The 2 (Two) Executive Directors (Chairman and Managing Director and Whole-time Director) are paid remuneration as decided by the Board of Directors on the recommendation of the Nomination and Remuneration Committee of the Board, with the approval of the Shareholders and other necessary approvals.

iii. Details of remuneration paid to the Directors for the year ended 31st March, 2025.

(₹ In Lakhs)

S. No	Name of Directors and Designation	Category of Directorship	Salary	Commission	Sitting Fees	Others	Total
1.	Mr.Srinivasan Ravi, Chairman and Managing Director	Promoter, Executive Director	593	-	-	-	593
2.	Mr.Ravi Gauthamram, Whole Time Director	Promoter Group Executive Director	101	87	-	4	192
3.	Mr.Sundararaman Kalyanaraman, Independent Director	Non-Executive Independent Director	-	20	9	-	29
4.	Mrs.Vijaya Sampath, Independent Director	Non-Executive Independent Director	-	20	7	-	27
5.	Mr.Tamraparni Srinivasan Venkata Rajagopal, Independent Director	Non-Executive Independent Director	-	20	7	-	27
6.	Mrs. Rajeswari Karthigeyan, Independent Director	Non-Executive Independent Director	-	20	6	-	26

- There are no stock options available/ issued to any Non-Executive Directors of the Company.
- The Company has not granted any stock options to the Directors and hence, it does not form part of the remuneration package payable to any Director. During the year, the Company did not advance any loans to any Director.

iv. Details of Service contracts, notice period, severance fees etc

Name	Service Contracts	Notice period and severance fees	Stock Option details
Mr. Srinivasan Ravi	NIL	NIL	NIL
Mr. Ravi Gauthamram	NIL	NIL	NIL

VII. GENERAL BODY MEETINGS:

Details of the Annual General Meeting(s) (AGM) of the Company held during the preceding three years are tabulated below:

Year	Type	Location	Date	Time	Special Resolutions passed in the AGM by the Shareholders
2022	AGM	Through Video Conference / Other Audio-Visual Means.	17.06.2022	4.00 P.M	To consider the appointment of Mr. Tamraparni Srinivasan Venkata Rajagopal (DIN: 07148250) as an Independent Director of the Company.
2023	AGM	Through Video Conference / Other Audio-Visual Means.	26.06.2023	4.00 P.M	To approve the amendment of the Articles of Association of the Company;
2024	AGM	Through Video Conference / Other Audio-Visual Means.	27.05.2024	4.00 P.M	Approval for raising of capital by way of further public issue, debt issue, preferential allotment, rights issue, ADRs, private placement, qualified institutions placement ("QIP"), or any other method in accordance with the provisions of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time ("SEBI ICDR Regulations"), and other applicable law, to such investors that may be permitted to invest in such issuance of securities, or any combination thereof, for an amount not exceeding ₹1200 Crores.

The Extra Ordinary General Meetings held during the financial year 2024-25: NIL

Postal Ballot:

a) The details of the special resolution passed through the postal ballot and the voting pattern during the last year are as under:

S. No	Particulars	Date of passing the resolution	% of votes in favour	% of votes against	Result
1.	Re-appointment of Mrs. Vijaya Sampath (DIN: 00641110) as an Independent Director of the Company;	13th April, 2023	98.05	1.95	Passed with Requisite Majority
2.	Re-appointment of Mr. Sundararaman Kalyanaraman (DIN: 01252878) as an Independent Director of the Company;	13th April, 2023	98.19	1.81	Passed with Requisite Majority
3.	Appointment of Mrs. Rajeswari Karthigeyan (DIN: 10051618) as an Independent Director of the Company.	13th April, 2023	100	0	Passed with Requisite Majority

b) The details of special resolution passed through postal ballot and voting pattern during the financial year are as under:

No special resolution was required to be put through postal ballot during the financial year 2024-25.

c) Person who conducted the postal ballot exercise:

No special resolution was passed through postal ballot.

d) Procedure for Postal Ballot:

No resolution was put through postal ballot during the financial year 2024-25.

VIII. MEANS OF COMMUNICATION:

The quarterly and annual financial results were published in the leading English newspaper "The Hindu Business Line" and the Tamil newspaper "Dinamani". The said results are promptly furnished to the Stock Exchanges for display on their respective websites and are also displayed on the Company's website.

IX. GENERAL SHAREHOLDER INFORMATION:

a)	**Date, Time and Venue of the Annual General Meeting**	21st July, 2025, 4.00 P.M. IST & through Video Conferencing (VC) / Other Audio-Visual Means (OAVM)
b)	**Financial year 1st April, 2025 to 31st March, 2026**	**Will be published on or before (tentative and subject to change):**
	Result for Quarter ending 30th June, 2025	On or before 14th August, 2025
	Result for Quarter ending 30th September, 2025	On or before 14th November, 2025
	Result for Quarter ending 31st December, 2025	On or before 14th February, 2026
	Result for Quarter ending 31st March, 2026	On or before 30th May, 2026
c)	**Dividend Record Date**	Monday, 14th July, 2025
	Book Closure Date	Tuesday, 15th July, 2025 to Monday, 21st July, 2025
	Dividend payment date	Will be paid within 30 days from the date of approval at the 39th AGM.

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

a) The Equity Shares of the Company are listed on the following Stock Exchanges:

i) BSE Limited, P.J. Towers, Dalal Street, Fort, Mumbai - 400 001.

ii) National Stock Exchange of India Limited, Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051.

b) The Company has paid the requisite Listing Fees to BSE Limited and National Stock Exchange of India Limited, where the equity shares of the Company are listed.

e) There was no suspension from trading in equity shares of the Company during the financial year 2024-25.

Stock Code BSE: 543276
NSE: CRAFTSMAN
ISIN: INE00L001017

i) **Registrar to the issue and share transfer agents**

The Company has appointed MUFG Intime India Private Limited (formerly known as Link Intime India Private Limited) as Registrar and Share Transfer Agent ("RTA"). The Shareholders / Investors / Depository Participants are requested to send all their documents and communications pertaining to both physical and demat shares to the RTA at the following address:

MUFG Intime India Private Limited
Surya 35, Mayflower Avenue,
Behind Senthil Nagar,
Sowripalayam Road,
Coimbatore – 641 28.
Tel: 0422- 2314792
Email id: coimbatore@in.mpms.mufg.com

j) **Share transfer system**

In terms of the Listing Regulations, securities of Listed Companies can only be transferred in dematerialized form with effect from 1st April, 2019. In view of the same, the entire share capital of the Company is in dematerialised form. The shares can be transferred by shareholders through their Depository Participants.

k) Distribution of shareholding as on 31st March, 2025:

S.No	No. of Shares held	No. of Shareholders	% of Shareholders	No. of Shares held	% of Shareholding
1.	Up to 500	73249	99.28	1140110	4.78
2.	501 to 1000	205	0.28	145255	0.61
3.	1001 to 2000	101	0.14	142255	0.60
4.	2001 to 3000	34	0.05	85706	0.36
5.	3001 to 4000	18	0.02	63066	0.26
6.	4001 to 5000	13	0.02	57070	0.24
7.	5001 to 10000	36	0.05	266644	1.12
8.	10001 and above	123	0.17	21955477	92.03
9.	TOTAL	73779	100.00	23855583	100.00

l) **Dematerialization of shares and liquidity**

As on 31st March, 2025, 100% of the Equity Shares of the Company are in dematerialized form.

m) **Outstanding Global Depository Receipts ("GDR") or American Depository Receipts ("ADR") or warrants or any convertible instruments, conversion date and likely impact on Equity Shares as on 31st March, 2025:**

The Company has no outstanding GDR / ADR / Warrants or any Convertible Instruments.

n) **Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:**

i) Risk management policy of the listed entity with respect to commodities, including through hedging: The Company does not have any significant exposure to commodity price risk.

ii) Exposure of the Company to commodity and commodity risks faced by the entity throughout the year:

a) Total exposure of the Listed Entity to commodities in INR: Nil.

b) Exposure of the Listed Entity to various commodities:

Commodity Name	Exposure in INR towards the particular commodity	Exposure in Quantity terms towards the particular commodity	% of such exposure hedged through commodity derivatives				Total
			Domestic market		International market		
			OTC	Exchange	OTC	Exchange	
NA	NA	NA	NA	NA	NA	NA	NA

o) **Plant locations:**

S.No	Unit/plant/factory	Location
1.	Coimbatore, Unit - 2	E – 43, SIDCO Industrial Estate, Kurichi, Coimbatore – 641021, Tamil Nadu.
2.	Coimbatore, Unit - 3	123/4, Sangothipalayam Road, Arasur Post, Coimbatore – 641407, Tamil Nadu.
3.	Coimbatore, Unit - 3	126/2A, Sangothipalayam Road, Arasur Post, Coimbatore – 641407, Tamil Nadu.
4.	Sriperumbudur, Unit -1	L-3, SIPCOT Industrial Park, Phase-II, Sriperumbudur – 602105, Kancheepuram District, Tamil Nadu.
5.	Sriperumbudur, Unit - 2	Plot No. K-28 & S.F. No. 136/8,9 &10 SIPCOT Industrial Park, Mambakkam Village, Sriperumbudur (Tk), Kancheepuram District - 602 106, Tamil Nadu.
6	Pune, Unit – 2	Gat No 137, Hissa No 2, Sanaswadi Village, Taluka-Shirur Pune – 412 208, Maharashtra.
7.	Pune, Unit – 3	Gat No 941, Hissa No 1 & 942, Hissa No 1, Village-Sanaswadi,Taluk-Shirur, Dist.-Pune-412 208, Maharashtra.
8.	Pune, Unit – 4	Gat No. 58, Pimple Jagtap,Shirur Taluk, Pune, Maharashtra, 412208.
9.	Pune, Unit -5	Gat No. 683/1, Pune – Nagar Highway, Koregaon Bhima Shirur Taluk, Pune - 412 216, Maharashtra.
10.	Pithampur, Unit - 1	8 D&E, Sector-1, Mhow-Neemuch Road, Pithampur, Dist. Dhar-454775, Madhya Pradesh.
11.	Jamshedpur, Unit - 1	M3 (P) Large Sector, Adityapur Industrial Area, Srirampur, Gamharia (PO), Seraikela-Kharswan Jamshedpur-108, Jharkhand.
12.	Faridabad, Unit - 1	Plot No 214, Sector-58, Ballabgarh, Faridabad – 121 004, Haryana
13.	Faridabad, Unit - 2	Plot No. 75 to 79 & 94 To 98, Sector-59, Phase-II, Ballabgarh, Faridabad, Haryana, 121004.
14.	Bangalore, Unit - 1	Plot No. 15-B2, Survey No. 123, 10th Cross, 1st phase, Jigani Village, Jigani Hobli, Anekal Taluk, Bengaluru - 560 105, Karnataka.
15.	Bangalore, Unit - 2	Plot No-282/1-A (Part - III),Bommasandra- Jigani Link Road, Industrial Area, Rajapura Village, Jigani Hobli Anekal Taluk, Bangalore – 562105,Karnataka.
16.	Bangalore, Unit – 3	Plot No. 15-B2, Survey No. 123, 10th Cross, 1st phase, Jigani Village, Jigani Hobli, Anekal Taluk, Bengaluru - 560 105, Karnataka
17.	Kothavadi, Unit 1	SF.No. 77/1, 77/2, 80/1,Kothavadi Village, Kinathukadavu Taluk, Coimbatore - 642 109, Tamil Nadu.
18	Bhiwadi Unit - 1	Plot No. SP4-131, RIICO Industrial Area - Salarpur Tehsil Tapukara, Khairthal - Tijara - 301018, Rajasthan.
	Upcoming Units: 3	
1.	Nagpur	Maharashtra
2.	Faridabad Unit – 3	Kila No. 5,6,7/1 & 7/2, Block F, Sector -57 Faridabad Industrial Town, Faridabad - 121 004.
3.	Shoolagiri	Hosur

p) **Address for correspondence**

The Corporate Office:
Mr. Shainshad Aduvanni
Company Secretary & Compliance Officer
Krishna Towers, 4th Floor, 1087,
Avinashi Road, Coimbatore – 641037
CIN: L28991TZ1986PLC001816
Website: https://www.craftsmanautomation.com/
Email id: investor@craftsmanautomation.com

q) **Credit Ratings:**

During the finanical year 2024-25, CRISIL Ratings Limited, a credit rating agency registered with the Securities and Exchange Board of India has reaffirmed the credit rating assigned to the long-term loan facilities as AA-/Stable and for the short-term loan facilities as A1+ vide letters dated 10th May, 2024 and 13th August, 2024.

X. OTHER DISCLOSURES:

- There were no materially significant related party transactions that would have a potential conflict with the interests of the Company at large. Details of related party transactions are given in note number 3.5 of the Standalone Financial Statements of the Annual Report.
- BSE and NSE have issued a notice dated 21st November, 2022, levying a fine for non-compliance with respect to the composition of the Risk Management Committee based on the Corporate Governance Report under Regulation 21(2) of the Listing Regulations for the quarter ended September 2022. The Company had filed its reply and made waiver application on 30th November 2022, stating that the Company has not violated such Regulation. Accepting the submission made by the Company, the NSE has reversed the fines levied on 5th April, 2023 and BSE has reversed the fines levied on 22nd May, 2024. Other than the above, no penalty or strictures have been imposed on the Company by any Stock Exchange or Securities and Exchange Board of India or any Statutory Authority on any matter related to capital markets during the last three years.
- A Whistle Blower Policy is adopted by the Company, the whistle blower mechanism is in place and no personnel has been denied access to the Audit Committee.
- All the mandatory requirements have been duly complied with and certain discretionary disclosure requirements were undertaken.
- The Policy of the Company relating to the determination of Material Subsidiaries is available at the website of the Company at the web link: https://www.craftsmanautomation.com/investors/policies.
- The policy of the Company relating to Related Party Transactions is available at the website of the Company at the web link: https://www.craftsmanautomation.com/investors/policies.
- The Company does not have any significant exposure to commodity price risk. Hence, the Company is not undertaking any commodity hedging activities.
- The Company has raised ₹1200 Crores through Qualified Institutions Placement (QIP) and alloted 27,27,272 Equity Shares of ₹5 each, as specified under Regulation 32(7A) of the Listing Regulations. The QIP proceeds have been fully utilized for the objects for which the funds have been raised, and there was no deviation in the utilization of such funds.
- A Certificate from the Company Secretary in Practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Companies by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority has been obtained and is annexed to this report.
- During the year under review, the recommendations made by the different Committees have been accepted by the Board of Directors and there were no instances where the Board of Directors had not accepted any recommendation of the Committees.

- The Company has paid a sum of ₹187 Lakhs as fees on a consolidated basis to the Statutory Auditors and all entities in the network firm/entity of which the Statutory Auditors are a part for the services rendered by them including services in relation to QIP.
- As per the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has constituted an Internal Complaints Committee. The status of complaints received during the year is as follows:

Sl.No.	Particulars	No. of Complaints
1.	Number of complaints filed during the financial year	Nil
2.	Number of complaints disposed of during the financial year	Nil
3.	Number of complaints pending as on the end of the financial year	Nil

- Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/Companies in which Directors are interested by name and amount': None
- **Details of Material Subsidiary of the Listed Entity**

Sl No	Name of the Material Subsidiary	Date of Incorporation	Place of Incorporation	Name of the Statutory Auditors	Date of Appointment of the Statutory Auditors
1	DR Axion India Private Limited	27th December, 2006	No.7, Othappai Village, Uthukkottai Taluk, Thiruvallur, Tamilnadu – 602023.	PKF Sridhar & Santhanam LLP, Chartered Accountants, Chennai.	26th May, 2023
2	Sunbeam Lightweighting Solutions Private Limited	4th December, 2017	38/6 KM Stone, Delhi Jaipur Highway, Narsingpur, Gurgaon, Haryana, India, 122001	Sharp & Tannan, Chartered Accountants, Chennai.	16th October, 2024

- Disclosure of certain types of agreements binding listed entities: There are no agreements that require disclosure under Clause 5A of paragraph A of Part A of Schedule III of the Listing Regulations.

XI. All the requirements of the corporate governance report of sub-paragraphs (2) to (10) Para C of Schedule V of the Listing Regulations have been duly complied with.

XII. Adoption of discretionary requirements specified in Part E of Schedule II of the Listing Regulations:

Sl. No	Requirements specified in Part E of Schedule II	Adoption by the Company
1.	**The Board:** i) A non-executive chairperson may be entitled to maintain a Chairperson's office at the listed entity's expense and also be allowed reimbursement of expenses incurred in the performance of their duties. ii) The listed entities ranked from 1001 to 2000 as per the list prepared by recognized stock exchanges in terms of sub-regulation (2) of regulation 3 shall endeavour to have at least one woman independent Director on their board of Directors	The Chairperson of the Company is Executive. Hence, this is not applicable. The Company is ranked under Top 500 as per the list prepared by recognized Stock Exchanges. There are 2 (Two) Women Independent Director on the Board of the Company.

2.	**Shareholder Rights:** A half-yearly declaration of financial performance, including a summary of the significant events in the last six months, may be sent to each household of shareholders.	As the quarterly and half-yearly financial performance, along with significant events, are published in the newspapers and are also posted on the website of the Company, the same are not being sent separately to the Shareholders.
3.	**Modified opinion(s) in audit report:** The listed entity may move towards a regime of financial statements with an unmodified audit opinion	The Statutory Auditors of the Company have issued an Audit Report on Audited Financial Results for the year ended 31st March, 2025, with an unmodified opinion. A declaration has been submitted to the Stock Exchanges as per Regulation 33(3)(d) of the Listing Regulations.
4.	**Separate posts of Chairperson and the Managing Director or the Chief Executive Officer** The listed entity may appoint separate persons to the post of the Chairperson and the Managing Director or the Chief Executive Officer, such that the Chairperson shall – (a) be a non-executive Director; and (b) not be related to the Managing Director or the Chief Executive Officer as per the definition of the term "relative" defined under the Companies Act, 2013.	The separate post of Chairperson and Managing Director is not mandatory as per the SEBI(Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2022.
5.	**Reporting of the Internal Auditor:** The Internal auditor may report directly to the Audit Committee.	The Internal Auditors of the Company report directly to the Audit Committee.
6.	**Independent Directors:** The independent Directors of the top 2000 listed entities, as per market capitalization, shall endeavour to hold at least two meetings in a financial year, without the presence of non-independent Directors and members of the management and all the independent Directors shall endeavour to be present at such meetings	The Independent Directors of the Company have met 2 (Two) times during the financial year on 22nd October, 2024 and 20th March, 2025.
7.	**Risk Management:** Listed entities ranked from 1001 to 2000 in the list prepared by recognized stock exchanges in terms of sub-regulation (2) of regulation 3 may constitute a risk management committee with the composition, roles and responsibilities specified in Regulation 21.	The Company has formed a Risk Management Committee pursuant to Regulation 21 of the Listing Regulations.

XIII. The Disclosures of the Compliance with Corporate Governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of Sub-Regulation (2) of Regulation 46 of the Listing Regulations are as follows:

Regulation	Particulars of Regulation	Compliance Status (Yes/No)
17	Board of Directors	Yes
17A	Maximum Number of Directorships	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	Yes

22	Vigil Mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirements with respect to subsidiary of listed entity	Yes
24A	Secretarial Audit and Secretarial Compliance Report	Yes
25	Obligations with respect to Independent Directors	Yes
26	Obligation with respect to Employees including Senior Management, Key Managerial Personnel, Directors and Promoters	Yes
27	Other Corporate Governance requirements	Yes
46(2)(b) to (i)	Website	Yes

For and on behalf of the Board of Directors

Srinivasan Ravi
Chairman and Managing Director
DIN:01257716

Place : Coimbatore
Date : 13th June, 2025

ANNEXURE -2A

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To
The Members,
Craftsman Automation Limited,
123/4, Sangothipalayam Road,
Arasur Post, Coimbatore – 641 407

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Craftsman Automation Limited** having **CIN L28991TZ1986PLC001816** and having its registered office at 123/4, Sangothipalayam Road, Arasur Post, Coimbatore – 641 407 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V- Para C Sub-clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March 2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs

Sl. No.	Name of the director	DIN	Date of appointment/ re-appointment in the Company
1	Mr.Srinivasan Ravi	01257716	18.07.1986/01.10.2021
2	Mr.Ravi Gauthamram	06789004	20.02.2014/01.10.2021
3	Mrs.Vijaya Sampath	00641110	30.04.2018/30.04.2023
4	Mr.Sundararaman Kalyana Raman	01252878	24.05.2018/24.05.2023
5	Mr.Tamraparni Srinivasan Venkatarajagopal	07148250	19.03.2022/19.03.2022
6	Mrs Rajeswari Karthigeyan	10051618	06.03.2023/06.03.2023

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

For KSR & Co Company Secretaries LLP

Dr. C. V. Madhusudhanan
Partner
(FCS: 5367; CP: 4408)
UDIN: F005367G000292115
PR No: 2635/2022

Date: 7th May, 2025
Place: Coimbatore

ANNEXURE -3

CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To
The Members,
Craftsman Automation Limited,
123/4, Sangothipalayam Road,
Arasur Post, Coimbatore – 641 407

We have examined documents, books, papers, minutes, forms and returns filed and other records maintained by the Company and all the relevant records for certifying the compliance of conditions of Corporate Governance by **Craftsman Automation Limited (CIN: L28991TZ1986PLC001816)** (the Company) for the year ended 31st March, 2025, as stipulated in Regulation 34 (3) read with Para E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Management's Responsibility

The compliance of conditions of Corporate Governance is the responsibility of the management. The management along with the Board of Directors are responsible in implementation and maintenance of internal control and procedures to ensure compliance with conditions of corporate governance as stated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015.

Our Responsibility

Our examination was limited to implementation of the conditions thereof and adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Our Opinion

In our opinion and on the basis of our examination of the records produced, explanations and information furnished, we certify that the Company has complied with the conditions of Corporate Governance as specified in regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Listing Regulations, as applicable.

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

For KSR & Co Company Secretaries LLP

Dr.C.V.Madhusudhanan
Partner
FCS: 5367; CP: 4408
UDIN: F005367G000292148
PR No: 2635/2022

Date: 7th May, 2025
Place: Coimbatore

ANNEXURE - 4

Annual Report on Corporate Social Responsibility (CSR) Activities

(as per annexure attached to the Companies (Corporate Social Responsibility Policy) Rules, 2014)

1. **Brief outline on CSR Policy of the Company:**

Craftsman Automation Limited ("the Company") as a corporate citizen and enterprise, believes that businesses are built around a strong social background and inclusive growth and it is a bounden duty of the business to support society voluntarily by helping to improve the quality of living. The Company aims to do its business in a responsible manner and develop a sustainable business model. As a matter of minimum requirement, the Company would do its business in accordance with the laws that apply from time to time and adhere to applicable rules, regulations, policies and procedures.

The Company believes that the creation of large societal capital is as important as wealth creation for its stakeholders. In order to achieve the same, every business entity must carry on its business in a responsible manner.

The Company may undertake CSR activities of the following nature and may undertake any other CSR activities as may be approved by the CSR Committee from time to time, as are falling under Schedule VII of the Companies Act, 2013

i. **Promotion of Health care:** The Company may undertake projects or programs or activities aimed at improving the health and hygiene of the socially or economically weaker sections, families Below Poverty Line ("BPL") by providing free or subsidized medicine, clinical laboratory facilities, free or concessional treatments at hospitals, providing medical equipments, setting up of medical and diagnostic camps, free medical insurance for a group of people or families in the BPL category, projects or programs aimed at eradicating poverty or malnutrition of women and children, pain and palliative care etc.

ii. **Old Age homes /Day Care facilities for senior Citizens:** The Company may undertake projects, programs or activities for the protection of elderly citizens by establishing, funding or otherwise supporting old age homes and day care facilities, including medical aid, food and accommodation.

iii. **Promotion of Education:** The Company may undertake projects, programs or activities aimed at the promotion of elementary to professional education and to support the students belonging to weaker sections of the society including SC/ST/OBCs by way of setting up schools, colleges, coaching centers, providing libraries, text books and other study materials, vocational training centers and centers for physically challenged students, providing endowments or other forms of recognitions to successful candidates pursuing recognized examinations, scholarships or other forms of merit cum means assistance etc.

iv. **Sanitation:** The Company may undertake construction of public toilets, toilets in government run schools and other places and promote sanitation in public places, rural areas including garbage clearing and disposal.

Apart from the above thrust areas, the Company may undertake the following CSR Activities too depending upon needs:

i. Improving the livelihood, employability and income generation of the communities around units of Craftsman;

ii. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water;

iii. Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;

iv. Measures for the benefit of armed forces veterans, war widows and their dependents;

v. Training to promote rural sports, nationally recognized sports, Paralympics sports and Olympic sport;

vi. Contribution to Prime Minister's National Relief Fund or any other fund set up by the Central Government for Socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;

vii. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;

viii. Rural development projects;

ix. Slum area development;

x. Contribution to disaster management, including relief, rehabilitation and reconstruction activities;

xi. Contribution to incubators or research and development projects in the field of science, technology, engineering and medicine, funded by the Central Government or State Government or Public Sector Undertaking or any agency of the Central Government or State Government; and Contribution to public funded Universities; Indian Institute of Technology (IITs); National Laboratories and autonomous bodies established under Department of Atomic Energy (DAE); Department of Biotechnology (DBT); Department of Science and Technology (DST); Department of Pharmaceuticals; Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH); Ministry of Electronics and Information Technology and other bodies, namely Defense Research and Development Organisation (DRDO); Indian Council of Agricultural Research (ICAR); Indian Council of Medical Research (ICMR) and Council of Scientific and Industrial Research (CSIR), engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation in the Committee	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the FY 2024-25	Number of meetings of CSR Committee attended during the FY 2024-25
1.	Srinivasan Ravi	Chairman	Chairman and Managing Director	2	2
2.	Tamraparni Srinivasan Venkata Rajagopal	Member	Independent Director	2	2
3.	Vijaya Sampath	Member	Independent Director	2	2

3.	Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company.	CSR Composition: https://www.craftsmanautomation.com/investors/board-of-directors/#5 CSR Policy: https://www.craftsmanautomation.com/investors/wp-content/uploads/2024/04/1.-CAL-Policy-on-Corporate-Social-Responsibility-1.pdf CSR Projects : https://www.craftsmanautomation.com/investors/wpcontent/uploads/2024/09/CAL-CSR-Activities-for-the-FY-2024-25-FINAL.pdf
4.	Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.	Not Applicable

5.	(a) Average net profit of the Company as per section 135(5)	₹28,582.94 Lakhs
	(b) Two percent of average net profit of the Company as per section 135(5)	₹571.65 Lakhs
	(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years	NIL
	(d) Amount required to be set off for the financial year, if any	₹11.58 Lakhs
	(e) Total CSR obligation for the financial year (b + c – d).	₹560.07 Lakhs

6.	(a) Amount spent on CSR Projects:	₹576.09 Lakhs
	(i) Ongoing Project	NIL
	(ii) Other than Ongoing Project	As below

(a)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No)	Location of the project.		Amount spent for the project (₹ in Lakhs)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency.	
				State	District			Name	CSR registration number
1.	Fixing up of hand wash basin facilities at various Government Schools	Promotion of Education	Yes	Tamil Nadu	Coimbatore	5.00	Yes	Nil	
2.	Construction of dining hall, yoga hall at Government High School in Kovilpalayam village	Promotion of Education	Yes	Tamil Nadu	Coimbatore	14.03	Yes	Nil	
3.	Fixing up of solar street lamp under the rural development project in Kothavadi village	Rural development projects	Yes	Tamil Nadu	Coimbatore	10.96	Yes	Nil	
4.	Distribution of notebooks and other educational materials at Government Middle School, Mambakkam	Promotion of Education	Yes	Tamil Nadu	Chennai	2.22	Yes	Nil	
5.	Setting up of smart classrooms at Government Middle School, Mambakkam	Promotion of Education	Yes	Tamil Nadu	Chennai	4.74	Yes	Nil	
6.	Providing drinking water facility to the Government School, Pithampur	Promotion of Education	Yes	Madhya Pradesh	Dhar	2.37	Yes	Nil	
7.	Providing drinking water facilities to the old age people of Narmada Sewa Samiti in Pithampur	Healthcare and Sanitation	Yes	Madhya Pradesh	Dhar		Yes	Nil	
8.	Laying of pipeline for drinking water facility at Pothiyampalayam	Rural development projects	Yes	Tamil Nadu	Coimbatore	20.73	Yes	Nil	
9.	Construction of Community Hall, Upperbera Village, Kalikapur Panchayat	Rural development projects	Yes	Jharkhand	Jamshedpur	8.29	Yes	Nil	
10.	Slab boundary wall with gate arrangements at Uttkramit Middle school, Murkum, Yashpur Panchayat	Promotion of Education	Yes	Jharkhand	Jamshedpur	6.65	Yes	Nil	

(a)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No)	Location of the project.		Amount spent for the project (₹ in Lakhs)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency.	
				State	District			Name	CSR registration number
11.	Distribution of Notebooks to the students of Maharaja Sayajirao Gaikwad Vidyalaya, Pimple Jagtap	Promotion of Education	Yes	Jharkhand	Jamshedpur	0.35	Yes	Nil	
12.	Tribal people's house repair and alteration work at Thamaraikulam village, Kothavadi	Tribal Welfare	Yes	Tamil Nadu	Coimbatore	7.31	Yes	Nil	
13.	Conducting Eye camp in Gamharia	Healthcare and Sanitation	Yes	Jharkhand	Jamshedpur	11.42	Yes	Nil	
14.	Providing benches & desks and uniform to Government Middle School, Jigani	Promotion of Education	Yes	Karnataka	Bengaluru	8.29	Yes	Nil	
15.	Supply of groceries, medicines for old age women, abandoned women, mentally retarded and physically & visually challenged persons of Universal Peace Foundation	Healthcare and Sanitation	Yes	Tamil Nadu	Coimbatore	7.50	Yes	Nil	
16.	Deep Bore well and water facility for the people of Sangothipalayam village	Rural development projects	Yes	Tamil Nadu	Coimbatore	1.59	Yes	Nil	
17.	Plantation of trees, fencing, drip irrigation under environmental sustainability in Pothiyampalayam village	Environmental Sustainability	Yes	Tamil Nadu	Coimbatore	13.22	Yes	Nil	
18.	**A.** Two toilets for boys and two toilets for girls with complete fittings at Uttkramit Middle school, Gamharia **B.** Deep Bore well and tap facilities with overhead tank, drinking water facilities at Uttkramit Middle school, Gamharia	Promotion of Education	Yes	Jharkhand	Jamshedpur	7.60	Yes	Nil	

(a)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No)	Location of the project.		Amount spent for the project (₹ in Lakhs)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency.	
				State	District			Name	CSR registration number
19.	Construction of water canal in Sangothipalayam village	Rural development projects	Yes	Tamil Nadu	Coimbatore	41.10	Yes		Nil
20.	Construction of classrooms at first floor in Govt. School in Kothavadi village	Promotion of Education	Yes	Tamil Nadu	Coimbatore	27.03	Yes		Nil
21.	Construction of over head tank with 60000 ltr capacity at Chettiakkapalayam village in Kinathukadavu	Rural development projects	Yes	Tamil Nadu	Coimbatore	34.94	Yes		Nil
22.	Cost for laying road project at Kothavadi	Rural development projects	Yes	Tamil Nadu	Coimbatore	11.58	Yes		Nil
23.	Construction of class room at Sanaswadi Zilla Parishad Prathamik School in Pune	Promotion of Education	Yes	Maharashtra	Pune	62.50	Yes		Nil
24.	Construction of class room and providing desk & bench and other electrical works at Govt. Hr.Sec. School, Arasur	Promotion of Education	Yes	Tamil Nadu	Coimbatore	72.01	Yes		Nil
25.	Boundary wall construction & providing desks & benches and other electrical works at Panchayat Union Middle School, Kothavadi	Promotion of Education	Yes	Tamil Nadu	Coimbatore	16.33	Yes		Nil
26.	Setting up of AI based vision system comprising cameras, lens, lighting & fixtures and infrastructure at Ramakrishna Engineering College	Promotion of Education	Yes	Tamil Nadu	Coimbatore	8.00	Yes		Nil
27.	Providing books to the Arasur Library	Promotion of Education	Yes	Tamil Nadu	Coimbatore	3.00	Yes		Nil
28.	Water Distribution system Automation undertaken at Mooperipalayam village	Rural development projects	Yes	Tamil Nadu	Coimbatore	31.86	Yes		Nil

(a)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No)	Location of the project.		Amount spent for the project (₹ in Lakhs)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency.	
				State	District			Name	CSR registration number
29.	Provision of Digital Board with all accessories and inverter at Uttkramit Middle School, Murkum	Promotion of Education	Yes	Jharkhand	Jamshedpur	2.38	Yes	Nil	
30.	Revival of the tank, Supply channel & Bund strengthening of Annamalai and Rangasamuthiram lake in Kariyampalayam & Paduvampalli villages	Environmental Sustainability	Yes	Tamil Nadu	Coimbatore	26.90	Yes	Nil	
31.	Providing medical equipment to Annur Govt. Hospital	Healthcare and Sanitation	Yes	Tamil Nadu	Chennai	70.36	Yes	Nil	
32.	Construction of over head tank with 60000 ltr capacity at Kurunallipalayam village in Kinathukadavu	Rural development projects	Yes	Tamil Nadu	Coimbatore	35.81	Yes	Nil	
		Total				**576.09**			

(b) Amount spent in Administrative Overheads: NIL

(c) Amount spent on Impact Assessment, if applicable: NIL

(d) Total amount spent for the Financial Year [(a)+(b) +(c)]: ₹576.09 Lakhs

(e) **CSR amount spent or unspent for the Financial Year:**

Total Amount Spent for the Financial Year (in Lakhs)	Amount Unspent (₹ in Lakhs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹576.09	NIL				

(f) Excess amount for set off, if any

Sl. No.	Particular	Amount (₹ in Lakhs)
(i)	Two percent of average net profit of the Company as per section 135(5)*	560.07
(ii)	Total amount spent for the Financial Year	576.09
(iii)	Excess amount spent for the financial year ((ii)-(i))	16.01
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years ((iii)-(iv))	16.01

*As per point 5(e)

7. Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under section 135 (6) (₹ in Lakhs)	Balance amount in unspent CSR amount under section 135(6) (₹ in Lakhs)	Amount spent in the Financial Year (₹ in Lakhs)	Amount transferred to a fund as specified under Schedule VII as per section 135(5), if any		Amount remaining to be spent in succeeding financial years (₹ in Lakh)	Deficiency, if any
					Amount (₹ in Lakhs)	Date of transfer		
1	2021-22	NIL						
2	2022-23	NIL						
3	2023-24	NIL						
	TOTAL	**NIL**						

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the financial year: Yes

Asset-wise details

Sl. No	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent (₹ in Lakhs)	Details of entity/ Authority/ beneficiary of the registered owner		
					6		
1	2	3	4	5	CSR Registration Number, if applicable	Name	Registered address
1.	Construction of class room and providing desk & bench and other electrical works at the Govt. Higher Secondary School, Arasur, Coimbatore.	641407	17-03-2025	72,00,918	NA	Govt. Higher Secondary School, Arasur, Coimbatore	
2.	Construction of classroom at Sanaswadi Zilla Parishad Prathamik School, Vasewadi Taluk, Sanaswadi, Pune.	412208	10-03-2025	62,50,504	NA	Sanaswadi Zilla Parishad Prathamik School, Vasewadi Taluk, Sanaswadi, Pune	

Sl. No	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent (₹ in Lakhs)	Details of entity/ Authority/ beneficiary of the registered owner		
					6		
1	2	3	4	5	CSR Registration Number, if applicable	Name	Registered address
3.	Construction of a Water canal in Sangothipalayam village, Arasur (Po), Coimbatore.	641407	27-01-2025	41,10,400	NA	Sangothipalayam village, Arasur (Po), Coimbatore.	
4.	Construction of overhead tank with 60000 ltr capacity at Kurunallipalayam Panchayat, Kinathukadavu union, Coimbatore.	641202	29-03-2025	35,80,835	NA	Kurunallipalayam Panchayat, Kinathukadavu union, Coimbatore	
5.	Construction of overhead tank with 60000 ltr capacity at Chettiakkapalayam Panchayat, Negamam, Kinathukadavu Union, Coimbatore	642120	28-03-2025	34,93,781	NA	Chettiakkapalayam Panchayat, Negamam, Kinathukadavu Union, Coimbatore	
6.	Construction of classrooms at first floor in Panchayat Union Middle School, Kothavadi, Kinathukadavu	642109	03-02-2025	27,02,539	NA	Panchayat Union Middle School, Kothavadi, Kinathukadavu	
7.	Boundary wall construction, providing desks & benches and other electrical works at Panchayat Union Middle School, Kothavadi, Kinathukadavu	642109	17-03-2025	16,32,872	NA	Panchayat Union Middle School, Kothavadi, Kinathukadavu	
8.	Construction of dining hall, yoga hall at Govt. Higher Secondary School, Sarcarsamakulam, Kovilpalayam, Coimbatore	641 107	14-08-2024	14,02,959	NA	Govt. Higher Secondary School, Sarcarsamakulam, Kovilpalayam, Coimbatore	
9.	Construction of Community Hall in Uperbera Village, Gamharia, Jamshedpur	832108	09-11-2024	8,28,911	NA	Uperbera Village, Gamharia, Jamshedpur	
10.	A. Two toilets for boys and two toilets for girls with complete fittings B. Deep Bore well and tap facilities with overhead tank, drinking water facilities at - Utkramit Middle School, Gamharia Block, Seraikela Kharsawan District.	832108	13-01-2025	7,59,975	NA	Utkramit Middle School, Gamharia Block, Seraikela Kharsawan District.	

Sl. No	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent (₹ in Lakhs)	Details of entity/ Authority/ beneficiary of the registered owner		
					6		
1	2	3	4	5	CSR Registration Number, if applicable	Name	Registered address
11.	Slab boundary wall with gate arrangements at Utkramit Middle School, Murkum, Yaspur Panchayat, Gamharia Block, Seraikela Kharsawan District	832108	06-01-2025	6,65,491	NA	Utkramit Middle School, Murkum, Yaspur Panchayat, Gamharia Block, Seraikela Kharsawan District	
12.	Deep Bore well and water facility for the people of Sangothipalayam village, Arasur (Po), Coimbatore	641407	05-01-2025	1,59,300	NA	Sangothipalayam village, Arasur (Po), Coimbatore	

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable

The CSR Committee of the Board of Directors acknowledges the responsibility for the implementation and monitoring the CSR Policy and accordingly state that the same is in compliance with CSR objectives and Policy of the Company and the Company has complied with all the requirements in this regard

Date: 13th June, 2025
Place: Coimbatore

Srinivasan Ravi
Chairman of CSR Committee
DIN:01257716

ANNEXURE – 5

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013, including certain arm's length transactions under the third proviso thereto.

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

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Not Applicable
b)	Nature of contracts/arrangements/transactions	
c)	Duration of the contracts/arrangements/transactions	
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions'	
f)	Date(s) of approval by the Board	
g)	Amount paid as advances, if any:	
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

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

The Company did not have any material related party transactions during the Financial Year 2024-25. All related party transactions were entered by the Company in the ordinary course of business, on an arm's length basis and were not material in nature.

Sl. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Not Applicable
b)	Nature of Relationship	
c)	Nature of contracts/arrangements/transactions	
d)	Duration of the contracts/ arrangements/transactions	
e)	Salient terms of the contracts or arrangements or transactions, including the value, if any	
f)	Date of approval by the Audit Committee/ Board	
g)	Amount paid as advances, if any	

For and on behalf of the Board of Directors

Srinivasan Ravi
Chairman and Managing Director
DIN:01257716

Place : Coimbatore
Date : 13th June, 2025

ANNEXURE - 6

Form AOC-1

(Pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of Subsidiaries or Associate Companies or Joint Ventures

Part - A Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹ in Lakhs)

Sl. No	Particulars	1	2	3	4	5	6
1	Name of the subsidiary	Craftsman Europe B.V	Craftsman Germany GmbH	Craftsman Fronberg Guss GmbH (Subsidiary of Craftsman Germany GmbH)	Craftsman Fronberg Guss Immobilien GmbH (Subsidiary of Craftsman Germany GmbH)	DR Axion India Private Limited	Sunbeam Lightweighting Solutions Private Limited
2	The date since when the subsidiary was acquired/ incorporated	03.06.2008	Incorporated on 29.02.2024 Acquired on 22.07.2024	Incorporated on 29.02.2024 Acquired on 22.07.2024	Incorporated on 20.02.2006 Acquired on 01.10.2024	Incorporated on 27.12.2006 Acquired 76% on 01.02.2023 and remaining 24% on 29.06.2024	Incorporated on 04.12.2017 Acquired on 09.10.2024
3	Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	Not Applicable					
4	Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	EURO (Exchange Rate as on 31.03.2025 ₹92.3246 per EUR)	EURO (Exchange Rate as on 31.03.2025 ₹92.3246 per EUR)	EURO (Exchange Rate as on 31.03.2025 ₹92.3246 per EUR)	EURO (Exchange Rate as on 31.03.2025 ₹92.3246 per EUR)	Not Applicable	Not Applicable
5	Share Capital	2,264	15,362	5,249	537	11,285	98,853
6	Reserves and Surplus	460	-182	-54	5,448	39,849	(88,110)
7	Total Assets	3,059	15,677	11,466	5,936	73,297	88,570
8	Total Liabilities	335	219	6,211	174	22,163	77,827
9	Investments	Nil	11,102	Nil	Nil	22	9
10	Turnover	1,320	-	13,055	-	1,29,852	58,462
11	Profit before taxation	105	419	104	-222	17,069	(3,171)
12	Provision for taxation	20	140	44	-	4,357	(1,070)

Sl. No	Particulars	1	2	3	4	5	6
13	Profit after taxation	85	279	61	-222	12,712	(2,101)
14	Proposed Dividend	-				-	-
15	Extent of shareholding (in percentage)	100%	100%	100%	100%	100%*	100%

Note :

1. Names of subsidiaries which are yet to commence operations: Nil

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

*w.e.f 1st July, 2024

For and on behalf of the Board of Directors

Srinivasan Ravi
Chairman and Managing Director
DIN:01257716

Place : Coimbatore
Date : 13th June, 2025

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

Part "B" Associates and Joint Ventures

Sl No	Name of Associates/Joint Ventures	Carl Stahl Craftsman Enterprises Private Limited
1	Latest audited Balance Sheet Date	31.03.2025
2	Date on which the Associate/ Joint Venture was associated or acquired	22.06.2007
3	Shares of Associate / Joint Ventures held by the Company on the year-end	
4	i. No. of shares	6,00,000
	ii. Amount of Investment in Associates / Joint Venture	₹60 Lakhs
	iii. Extent of Holding (in %)	30%
5	Description of how there is a significant influence	Joint Venture - Associate Company
6	Reason why the Associate/ Joint Venture is not consolidated	Not Applicable
7	Net worth attributable to shareholding as per the latest audited Balance Sheet	₹466 Lakhs
8	Profit /Loss for the year	
	i. Considered in Consolidation	₹100 Lakhs
	ii. Not Considered in Consolidation	₹233 Lakhs

For and on behalf of the Board of Directors

Srinivasan Ravi
Chairman and Managing Director
DIN:01257716

Place : Coimbatore
Date : 13th June, 2025

ANNEXURE - 7.1

SECRETARIAL AUDIT REPORT

[Pursuant to Section 204(1) of the Companies Act, 2013 read with
Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]
For the Financial Year ended 31st March, 2025

KSR/CBE/C-67/112/2025-26

To
The Members,
Craftsman Automation Limited
123/4, Sangothipalayam Road,
Arasur Post, Coimbatore – 641 407.

Our Secretarial Audit Report of even date **Craftsman Automation Limited** (CIN: L28991TZ1986PLC001816) (hereinafter called "the Company") is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We had conducted our audit by examining various records and documents including minutes, registers, certificates and other records received through electronic mode as enabled by the company. We state that we have not done a physical verification of the original documents and records. The management has confirmed that the records provided to us for audit through electronic mode are final, true and correct.
3. Further, our audit report is limited to the verification and reporting of the statutory compliances on laws / regulations / guidelines listed in our report and the same pertain to the Financial Year ended on 31st March, 2025.
4. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
5. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards are the responsibility of management. Our examination was limited to the verification of procedures on test basis.
7. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For KSR & Co Company Secretaries LLP

Dr. C. V. Madhusudhanan
Partner
(FCS: 5367; CP: 4408)
UDIN: F005367G000292104

Date: 7th May, 2025
Place: Coimbatore

To,
The Members,
Craftsman Automation Limited
123/4, Sangothipalayam Road,
Arasur Post, Coimbatore – 641 407.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Craftsman Automation Limited** (CIN L28991TZ1986PLC001816) (hereinafter called "the Company"). Secretarial Audit was conducted for the financial year ended on 31st March, 2025 in a manner that provided us reasonable basis for evaluating the corporate conduct / statutory compliances and expressing our opinion thereon.

On the basis of the above and on our verification of documents, books, papers, minutes, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of the Audit, we hereby report that in our opinion, the Company has, during the period covered under the Audit aforesaid, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March, 2025 according to the provisions of:

(i) The Companies Act, 2013 and the Rules made there under.

(ii) The Depositories Act, 1996 and the Regulations and Bye-Laws framed there under.

(iii) The Foreign Exchange Management Act, 1999 and Rules and Regulations framed thereunder.

(iv) The Securities Contracts (Regulation) Act, 1956 and the Rules made there under.

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

  (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018

  (b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

  (c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011

  (d) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

  (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993

(vi) The Company is carrying on the business of manufacturing of Auto components, etc and we are of the opinion that no specific regulatory law, regulations, directions or orders are applicable to the business of the Company.

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

(i) the Secretarial Standards 1 & 2 issued by The Institute of Company Secretaries of India.

(ii) Listing Agreement for equity entered into with BSE Limited and National Stock Exchange of India Limited with effect from 25th March, 2021.

Based on the information and explanation provided, the Company had no transactions during the period covered under the Audit requiring the compliance of the provisions of:

(a) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

(b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.

(c) The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018.

(d) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021.

We further report that

The Board of Directors of the Company is duly constituted with the proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes made to the composition of the Board of Directors during the period covered under the Audit.

Adequate notice was given to all Directors at least seven days in advance to schedule the Board Meetings, though detailed notes on Agenda was provided at a shorter notice and in certain matters tabled at the Board Meeting with the consent of all directors present at the relevant meeting. There exists a system for seeking and obtaining further information and clarifications on the agenda items before the Meeting and for meaningful participation at the Meeting.

All decisions are carried through and recorded as part of the minutes. We have not found any event of dissent in the minutes.

We further report that during the period covered under the Audit, the Company has made specific actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, referred to above:

(i) The Company has issued 27,27,272 equity shares of face value of ₹5 through Qualified Institutions Placement ('QIP'), raising a sum of ₹1200 Crores.

(ii) The Company has made the following acquisitions during the year:

 (a) acquired the remaining 24% of equity shares of DR Axion India Private Limited (DR Axion) on 29th June, 2024. Consequently, DR Axion became a Wholly Owned Subsidiary of the Company with effect from 1st July, 2024.

 (b) acquired 100% of equity stake of Craftsman Germany GmbH, Germany, thereby acquiring its subsidiary Craftsman Fronberg Guss GmbH, Germany on 22nd July, 2024.

 (c) Craftsman Germany GmbH, Germany, the Wholly Owned Subsidiary of the company has acquired 100% of the equity stake of Craftsman Fronberg Guss Immobilien GmbH making it a step-down subsidiary to the company on 1st October, 2024.

 (d) Craftsman Fronberg Guss GmbH, Germany (Step down Subsidiary) has acquired the assets of Fronberg Guss GmbH by way of Asset Purchase Agreement on 1st October, 2024.

 (e) acquired 100% of the paid-up capital of Sunbeam Lightweighting Solutions Private Limited (Sunbeam) on 9th October 2024. Consequently, Sunbeam became a Wholly Owned Material Subsidiary of the Company.

(iii) Further, the Company has subscribed to 60,60,00,000 Optionally Convertible Debentures of ₹10 each, issued by Sunbeam, for a total consideration of ₹606 Crores.

For KSR & Co Company Secretaries LLP

Dr. C. V. Madhusudhanan
Partner
(FCS: 5367; CP: 4408)
UDIN: F005367G000292104

Date: 7th May, 2025
Place: Coimbatore

ANNEXURE – 7.2

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

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

To,
The Members,
DR AXION INDIA PRIVATE LIMITED
No.7, Othappai Village, Uthukkottai Taluk,
Thiruvallur,
Tamil Nadu -602023.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **DR Axion India Private Limited** (hereinafter called "the Company"). The Secretarial Audit was conducted for the financial year ended on 31st March, 2025, in a manner that provided me a reasonable basis for evaluating the corporate conduct/ statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, during the audit period covering the financial year ended on 31st March, 2025, the Company has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

The Company was originally incorporated as a Private Limited Company. On 1st February, 2023, 76% of the paid-up capital of the Company was acquired by Craftsman Automation Limited (Craftsman), a Listed Public Company. Consequently, the Company has become a deemed Public Company and a material subsidiary of Craftsman.

Again, during the audit period, Craftsman the Holding Company, which was already holding 76% of the paid-up equity share capital in the Company, has acquired the remaining 24% of the paid-up equity share capital of the Company. In view of the said acquisition, the Company has become a Wholly-Owned Subsidiary of Craftsman w.e.f 1st July, 2024.

Accordingly, the Company has complied with the provisions of the Companies Act, 2013 and the Rules made thereunder as it is a Public Limited Company.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2025, according to the provisions of:

SI No	Applicable Acts/Rules	Applicability and compliance
i	The Companies Act, 2013 (the Act) and the Rules made thereunder;	Complied
ii	The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder;	Not applicable
iii	The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;	Complied
iv	Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and External Commercial Borrowing;	Complied
v.	The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992.(SEBI Act): a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;	Not applicable

Sl No	Applicable Acts/Rules	Applicability and compliance
	c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999); f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; h) The Securities and Exchange Board of India (Buyback of Securities) Regulations,1998.	Not applicable
vi	The Management has identified and confirmed the following Laws as being specifically applicable to the Company: 1. Factories Act, 1948; 2. Labour laws and other incidental laws related to labour and employees appointed by the Company including those on contractual basis as relating to wages, gratuity, prevention of sexual harassment, dispute resolution, welfare, provident fund, insurance, compensation etc.; 3. Industries (Development & Regulation) Act, 1951; 4. Acts relating to consumer protection including the Competition Act, 2002; 5. Acts and Rules prescribed under Prevention and Control of Pollution; 6. Acts and Rules relating to Environmental protection and energy conservation; 7. Acts and Rules relating to electricity, fire, motor vehicles, boilers etc. and 8. Land revenue laws;	Complied

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

a. Secretarial Standards issued by the Institute of Company Secretaries of India ("ICSI");

I further also report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Director and Independent Directors. There was no change in the constitution of the Board of Directors during the year under review. Adequate notice was given to all Directors to schedule the Board Meetings, and other committee meetings along with the agenda and detailed notes on agenda were sent at least seven days in advance. With the due consent of all the Directors, for some meetings, the detailed notes on agenda were provided at a shorter notice and certain matters tabled at the Board Meeting as permitted under Secretarial Standards-SS1 of ICSI. Facilities were provided to Directors for participating the meeting through Video Conferencing or other audio visual means.

There exists a system for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

CS K. Duraisami
Company Secretary in Practice
M No: FCS 6792, CP No: 18308
Peer Review No:1862/2022
UDIN: F006792G000225538

Place: Coimbatore
Date : 26th April, 2025

ANNEXURE – 7.3

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025

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

To,
The Members,
Sunbeam Lightweighting Solutions Private Limited
38/6 KM Stone,
Delhi Jaipur Highway,
Narsingpur, Gurgaon
Haryana - 122001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Sunbeam Lightweighting Solutions Private Limited** (hereinafter referred to as "the Company") having its Registered Office situated at 38/6 KM Stone, Delhi Jaipur Highway, Narsingpur, Gurgaon Haryana-122001. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Auditor's responsibility

Our responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. We have conducted the audit in accordance with the applicable Auditing Standards issued by The Institute of Company Secretaries of India. The Auditing Standards require that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

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

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2025 according to the provisions of:

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

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder [Not Applicable to the Company during the Audit period under review];

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

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings [Not Applicable to the Company during the Audit period under review];

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

   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 including the provisions with regard to disclosures and maintenance of records required under the said Regulations [Not Applicable to the Company during the Audit period under review];

   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; [Not Applicable to the Company during the Audit period under review];

   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 [Not Applicable to the Company during the Audit period under review];

   d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 [Not

Applicable to the Company during the Audit period under review];

e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 [Not Applicable to the Company during the Audit period under review];

f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of the securities issued [Not Applicable to the Company during the Audit period under review];

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009[Not Applicable to the Company during the Audit period under review]; and

h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018[Not Applicable to the Company during the Audit period under review];

(vi) Other laws as may be applicable specifically to the company.

For the compliances of Labour Laws & other General Laws, our examination and reporting is based on the documents, records and files as produced and shown to us and the information and explanations as provided to us, by the officers and management of the Company and to the best of our judgment and understanding of the applicability of the different enactments upon the Company, in our opinion there are adequate systems and processes exist in the Company to monitor and ensure compliance with applicable, Labour Laws & other General Laws.

The compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this audit since the same have been subject to review by the Statutory Auditor and other designated professionals.

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

1. Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.

During the period under review, the Company has complied with the applicable provisions of the Companies Act, 2013, including the Rules, Regulations, Guidelines, and Standards issued thereunder. All necessary filings and intimations, as required under the Act and the rules made thereunder, have been duly submitted by the Company to the Registrar of Companies (ROC), Regional Director (RD), Central Government, the Tribunal, Court, or other applicable authorities, wherever required.

We further report that

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

Adequate notice was given to all directors to schedule Board meetings, agenda and detailed notes on agenda were sent at least seven days in advance (a few meetings were convened at shorter notice for which necessary approvals were obtained as per applicable provisions). A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

We further report that during the audit period, the following specific events / actions having major bearing on the Company's affairs had taken place:

1. Issuance of Optionally Convertible Debentures (OCDs)

The Company approved and issued Optionally Convertible Debentures (OCDs) of ₹10 each on a private placement basis to Craftsman Automation Limited, pursuant to the provisions of Sections 42, 62, and 72 of the Companies Act, 2013, read with applicable Rules, as detailed below:

- In the Extraordinary General Meeting (EGM) held on 5th October, 2024, the Company approved the issuance of 13.60 Crores OCDs of ₹10 each, aggregating to ₹136 Crores.
- In the EGM held on 8th October, 2024, the Company approved the issuance of 24 Crores OCDs of ₹10 each, aggregating to ₹240 Crores.
- In the EGM held on 26th October, 2024, the Company approved the issuance of 35 Crores OCDs of ₹10 each, aggregating to ₹350 Crores and out of which Rs. 230 Crores were issued as OCDs.
- Additionally, on 27th September, 2024, the Company issued 13.60 Crores OCDs of ₹10 each, aggregating to

₹136 Crores, on a private placement basis to Craftsman Automation Limited. This issue was Closed due to non-subscription of OCD, which was also noted by the Board in their meeting held on 5th October, 2024.

2. **Issuance of Compulsorily Convertible Preference Shares (CCPS):**

The Company issued Compulsorily Convertible Preference Shares (CCPS) to existing shareholders on a rights basis, pursuant to the provisions of **Sections 55, 62(1)(a), 179(3)** and other applicable rules of the Companies Act, 2013, as detailed below:

- In the EGM held on 2nd July ,2024, the Company approved the issuance of 7 Crores CCPS of ₹10 each, aggregating to ₹70 Crores.
- In the EGM held on 7th August, 2024, the Company approved the issuance of 10 Crores CCPS of ₹10 each, aggregating to ₹100 Crores.
- In the EGM held on 1st October 2024, the Company approved the issuance of 1 Crore CCPS of ₹10 each, aggregating to ₹10 Crores.

3. Acquisition / Takeover:

- During the year under review, Craftsman Automation Limited acquired the 100% of the paid-up capital of Sunbeam Lightweighting Solutions Private Limited from Kedaara Capital Fund II LLP and Mr. Nishant Sharma on 9th October, 2024, pursuant to the Securities Subscription and Purchase Agreement (SSPA) executed on 5th August, 2024. Further, the above-mentioned acquisition received approval from the Competition Commission of India (CCI) on September 23rd, 2024.)
- Pursuant to the said transfer, the Company became a wholly-owned subsidiary of Craftsman Automation Limited. Accordingly, in terms of the provisions of the Companies Act, 2013, the Company is deemed to be a Public Company.

For SPG & Associates
Company Secretaries
CS Suresh Pandey
Partner
FCS No: 7776 | CP No: 8529
UDIN: F007776G000242001

Place: Dubai
Date : 30th April, 2025

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

'Annexure A'

To,
The Members,
Sunbeam Lightweighting Solutions Private Limited
38/6 KM Stone,
Delhi Jaipur Highway,
Narsingpur, Gurgaon
Haryana - 122001

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

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

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

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

For SPG & Associates
Company Secretaries
CS Suresh Pandey
Partner
FCS No: 7776 | CP No: 8529
UDIN: F007776G000242001

Place: Dubai
Date : 30th April,2025

ANNEXURE - 8

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

Sl. No.	Particulars		
1.	Ratio of remuneration of each director to the median remuneration of employees:		
	Name of the Directors	**Designation**	**Ratio**
	Mr.Srinivasan Ravi#	Chairman and Managing Director	86.07
	Mr.Ravi Gauthamram#	Whole Time Director	27.92
	Mr. Sundararaman Kalyanaraman	Independent Director	2.90
	Mrs.Vijaya Sampath	Independent Director	2.90
	Mr.Tamraparni Srinivasan Venkata Rajagopal	Independent Director	2.90
	Mrs. Rajeswari Karthigeyan	Independent Director	2.90
2.	The percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary in the financial year:		
	Name of the Directors, Chief Financial Officer, Company Secretary	**Designation**	**Ratio**
	Mr. Srinivasan Ravi#	Chairman and Managing Director	-44%
	Mr. Ravi Gauthamram#	Whole Time Director	-46%
	Mr. Sundararaman Kalyanaraman	Independent Director	33%
	Mrs.Vijaya Sampath	Independent Director	33%
	Mr.Tamraparni Srinivasan Venkata Rajagopal	Independent Director	33%
	Mrs. Rajeswari Karthigeyan	Independent Director	33%
	Mr.C.B.Chandrasekar	Chief Financial Officer	50%
	Mr.Shainshad Aduvanni	Company Secretary	1%
3.	The percentage increase in the median remuneration of employees in the financial year		9%
4.	The number of permanent employees on the rolls of Company		2893
5.	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year		15%
6.	Affirmation that the remuneration is as per the remuneration policy of the Company		Yes

#Remuneration also includes Commission payable for the FY 2024-25.

Note: Sitting fees paid to the Directors have not been considered as remuneration.

Business Responsibility & Sustainability Report

(Pursuant to Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

Sl. No.	Particulars	Details
1.	Corporate Identity Number (CIN) of the Listed Entity	L28991TZ1986PLC001816
2.	Name of the Listed Entity	Craftsman Automation Limited (The Company)
3.	Year of incorporation	1986
4.	Registered office address	123/4, Sangothipalayam Road, Arasur Post, Coimbatore - 641407, Tamil Nadu, India
5.	Corporate address	Krishna Towers, 4th & 5th Floor, 1087, Avinashi Road, Coimbatore - 641 037, Tamil Nadu, India
6.	E-mail	investor@craftsmanautomation.com
7.	Telephone	0422-7165000
8.	Website	www.craftsmanautomation.com
9.	Financial year for which reporting is being done	2024-25
10.	Name of the Stock Exchange(s) where shares are listed	BSE Limited (BSE) and National Stock Exchange Limited (NSE)
11.	Paid-up Capital	₹119,277,915
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Mr.Shainshad Aduvanni, Company Secretary and Compliance Officer Telephone: 0422 7165000 Email: investor@craftsmanautomation.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together):	Standalone Basis
14.	Whether the Company has undertaken assesment/ assurance of the BRSR core	Not Applicable
15.	Name of assessment or assurance provider	Not applicable
16.	Type of assessment of assurance obtained	Not applicable

II. Products/services

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

Sl. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Powertrain	Manufacturing engineering parts such as cylinder block and cylinder head, camshafts transmission parts, gear box housings, turbo charges and bearing caps	44%
2	Aluminium Products	Key products in Aluminium Products segment include highly engineered crank case and cylinder blocks for two wheelers, engine and structural parts for passenger vehicles, gear box housing for heavy commercial vehicle and Aluminium - Casting for power transmission	30%

Sl. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
3	Industrial & Engineering	Industrial & Engineering vertical is essentially a non-automotive business vertical which cater to diverse user sectors. The Company has divided it into two sub segments: **Storage Solutions**: Key products in storage solutions subsegment include stationary racking for warehouses, V-store, roll form products and Automated Storage and Retrieval Systems ("ASRS"). Our products in this sub-segment cater to warehousing and industrial sectors **High-end sub assembly, contract manufacturing and Others:** SPM, Material handling, Gear and Gear boxes, Tool room, mould base & sheet metal	22%
4	Others	Segments that are not significant are categorised as others	4%

18. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Sl. No.	Product/Service	NIC Code	% of Turnover of the entity
1	Metal and Metal Products	2930	12.87%
2	Electricals or electronic machinery, Railway or tramway locomotives, rolling stock, railway or tramway fixtures and fittings, mechanical (including electromechanical) traffic signalling equipments of all kind and other machinery and Mechanical Appliances	2930	51.13%
3	Other Manufacturing activities including Machining Services	2930	36.00%

III. Operations

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

Location	Number of plants	Number of offices	Total
National	18	5	23
International	0	0	0

20. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	28 States and 8 Union Territories
International (No. of Countries)	18

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

5.30%

c. A brief on types of customers

1. Powertrain:
   - Commercial Vehicles
   - Special Utility Vehicles
   - Tractors
   - Off-highway Vehicles

2. End-user sectors for Aluminium Products:
   - Two-Wheelers
   - Passenger Vehicles
   - Commercial vehicles
   - Power transmission & Distribution
3. Industrial & Engineering:
   - **High end sub-assembly, contract manufacturing & others:** Automotive, Foundries, Railways, Textile & Printing Machines manufacturers, Engineering
   - **Storage Solutions:** FMCG, E-commerce, Food & beverages, Logistics, Pharmaceuticals, Electronics etc.

IV. Employees

21. Details as at the end of the Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	%(B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	1,027	987	96.11%	40	3.89%
2.	Other than Permanent (E)	20	18	90%	2	10%
3.	**Total employees (D + E)**	1,047	1,005	95.99%	42	4.01%
WORKERS						
4.	Permanent (F)	2,869	1,866	100%	0	0%
5.	Other than Permanent (G)	146	146	100%	0	0%
6.	**Total workers (F + G)**	2,012	2,012	100%	0	0%

b. Differently abled Employees and workers:

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

22. Participation/Inclusion/Representation of women

Particulars	Total (A)	No. and Percentage of Females	
		No.(B)	%(B/A)
Board of Directors	6	2	33.33%
Key Management Personnel	5	NIL	NIL

23. Turnover rate for permanent employees and workers

Particulars	FY 25			FY 24			FY 23		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	8.61%	10.00%	8.67%	14.16%	22.64%	18.40%	12.77%	13.33%	12.79%
Permanent Workers	9.00%	-	9.00%	6.47%	-	6.47%	7.78%	-	7.78%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

24. Names of holding / subsidiary / associate companies / joint ventures

Sl. No.	Name of the Holding/ Subsidiary / associate companies/ joint ventures (A)	Indicate Whether holding/ subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, Participate in the Business Responsibility initiatives of the listed entity? (Yes/ No)
1	Craftsman Europe B.V. The Netherlands	Wholly Owned Subsidiary	100%	No
2	Carl Stahl Craftsman Enterprises Private Limited	Associate Company (Joint Venture)	30%	No
3	DR Axion India Private Limited	Wholly Owned Subsidiary	100%	No
4	Sunbeam Lightweighting Solutions Private Limited	Wholly Owned Subsidiary	100%	No
5	Craftsman Germany GmbH	Wholly Owned Subsidiary	100%	No
6	Craftsman Fronberg Guss GmbH	Step down Subsidiary	-	No
7	Craftsman Fronberg Guss Immobilien GmbH	Step down Subsidiary	-	No

VI. CSR Details

25. (i) Whether CSR is applicable as per section 135 of the Companies Act, 2013: Yes

(ii) Turnover (in ₹): 3,84,795 Lakhs

(iii) Net worth (in ₹): 2,74,395 Lakhs

VII. Transparency and Disclosures Compliances

26. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (If yes, then provide web link for the grievance redressal policy)	FY 25			FY 24		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes. The Whistle blower policy has been formulated with a view to provide a mechanism for other stakeholders, including communities of the Company to approach the Chairperson of the Audit Committee as set out in the policy to report their grievances. The Whistle Blower Policy is available at https://www.craftsmanautomation.com/investors/wp-content/uploads/2024/04/2.-CAL-WhistleBlowerPolicy-1.pdf	0	0	No complaints received	0	0	No complaints received
Investors (other than shareholders)	Yes. The dispute resolution mechanism is available at https://www.craftsmanautomation.com/investors/investor-contacts/	0	0	No complaints received	0	0	No complaints received
Shareholders	Yes. The Shareholder can register their grievances at https://scores.sebi.gov.in/	3	0	All complaints were resolved at the end of the FY 25	2	0	All complaintswere resolved at the end of the FY 25
Employees and workers	Yes. The Whistle blower policy has been formulated with a view to provide a mechanism for Directors, employees as well other stakeholders of the Company to approach the Chairperson of the Audit Committee as set out in the policy to report their Link: https://www.craftsmanautomation.com/investors/wp-content/uploads/2024/04/2.-CAL-WhistleBlowerPolicy-1.pdf Additionally, the Company has established a separate grievance handling procedure for addressing the grievances of the employees/ workmen.	0	0	No complaints received	0	0	No complaints received
Customers	Yes. The Whistle blower policy has been formulated with a view to provide a mechanism for Directors, employees as well other stakeholders of the Company to approach the Chairperson of the Audit Committee as set out in the policy to report their grievances. https://www.craftsmanautomation.com/investors/wp-content/uploads/2024/04/2.-CAL-WhistleBlowerPolicy-1.pdf Customers can also raise their complaints and feedback on products through the Company's website	0	0	No complaints received	0	0	No complaints received
Value Chain Partners		0	0	No complaints received	0	0	No complaints received

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

S. No.	Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Energy & Emissions	Opportunity	Energy consumption and greenhouse gas (GHG) emissions are major cost and environmental drivers for manufacturing operations. Reducing energy usage and emissions not only contributes to cost efficiency but also strengthens brand reputation among customers and stakeholders. Further, it ensures compliance with national and international regulations.	• Conduct energy audits across all facilities to identify inefficiencies. • Deploy energy-efficient technologies, such as LED lighting, VFDs, high-efficiency motors, and energy management systems. • Increase the share of renewable energy sources by Implementing solar panel installations and procure renewable power (through open access, IEX/PXIL, green tariff etc.,) for all locations. • Implement emissions monitoring and reporting systems aligned with GHG Protocol.	Positive: Eligibility for carbon credits due to lower operation cost and a stronger appeal to sustainability - driven customers
2	Waste Management	Opportunity	Waste generation from manufacturing processes, if not managed properly, can result in significant environmental liabilities, regulatory penalties, and community opposition. Effective waste management enhances resource efficiency, reduces environmental impacts, and meets the standards set under the Hazardous and other Wastes (Management & Transboundary Movement) Rules, 2016	• Implement waste minimization strategies at source through process optimization. • Promote recycling and reuse initiatives within facilities. • Establish partnerships with authorized waste handlers and recyclers. • Monitor and report waste generation & disposal metrics regularly and work on waste minimization strategies.	Positive: Cost savings from reduced raw material usage, decreased waste disposal costs, and mitigation of potential regulatory fines.
3	Climate Change	Risk and Opportunity	Risk: Climate change impacts like extreme weather events pose physical risks to manufacturing infrastructure, supply chains, and employee safety. Opportunity: Transition to a low-carbon economy presents opportunities to innovate with sustainable products and operations. Innovation and deployment of cleaner technologies conserves energy and resources, lowers operational costs and helps in producing sustainable steel products. Access to green finance and sustainability focused funds.	• Develop climate resilience plans for critical manufacturing sites. • Promote circular economy by using recycled scrap & byproducts to reduce carbon emissions. • Greenhouse gas emission monitoring and identify opportunities to reduce the emission intensity. • Diversify supply chains to reduce climate-related disruptions. • Invest in low-carbon technologies and sustainable product innovations. • Identify and mitigate the vulnerabilities and potential impacts of climate change on operations, infrastructure and supply chains.	Positive: Demand for sustainable products may lead to increase in the market share and generate more revenue for the Company. Negative: Potential asset damage, business interruptions, and cost escalations. Non-compliance to stringent emission Standards may lead to Imposition of fines & penalties which in turn causes reputational damage.

S. No.	Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4	Product Safety and Quality	Risk	Product defects can lead to significant recalls, damage to brand equity, customer attrition and regulatory penalties. Maintaining high product safety and quality standards is crucial for customer trust and market competitiveness.	• Strengthen in-house quality assurance and control systems at all facilities. • Conduct regular product testing and third-party certification audits. • Conduct product risk assessments during design and production stages.	Negative: Costs associated with product failures, recall expenses, reputational repair, and legal settlements.
5	Product Design & Lifecycle Management	Opportunity	Integrating sustainability into product design can reduce environmental footprint, open new markets and improve customer loyalty. Regulations and customer expectations are increasingly favouring products with better recyclability, lower emissions, and efficient end-of-life management.	• Apply "Design for Environment" principles across R&D. • Conduct product lifecycle assessments (LCA) to identify improvement areas. • Develop take-back and recycling programs for end-of-life products. • Innovate with sustainable materials and modular designs.	Positive: Lower material costs, increased access to green markets, and enhanced brand differentiation.
6	Corporate Governance & Risk Management	Risk	Weak governance structures or inadequate risk management can expose the Company to compliance violations, financial misstatements, and loss of investor confidence. Sound governance is crucial for long-term resilience.	• Maintain an independent and diverse Board structure. • Implement robust internal controls and risk management frameworks. • Regularly review and update corporate policies (anti-bribery, anti-fraud, whistleblower, etc.). • Conduct annual ESG risk assessments and due diligence assessments. • Robust enterprise risk management framework and consideration of ESG related risks.	Negative: Potential losses due to regulatory fines, reputational damage, regulatory scrutiny and higher cost of capital.
7	Occupational Health and Safety	Risk	Health and safety incidents in manufacturing, such as accidents, exposure to hazardous materials, or ergonomic issues can cause injuries, disrupt operations and invite regulatory sanctions under local regulations. Further, the operations involve working with heavy machinery and equipment and may also be prone to high temperatures, chemical hazards and physical hazards.	• Develop a strong safety culture through leadership engagement • Mitigation of health and safety related risks identified through risk assessment and hazard identification process across all areas of operations and business units. • Conduct regular safety audits, incident investigations, trainings and risk assessments. • Provide PPE, safety training, and emergency response plans across all sites. • Obtain certifications like ISO 45001 for Occupational Health and Safety Management Systems for all the facilities.	Negative: Potential losses due to regulatory fines, workers' operational downtime, compensation claims and affects the reputation and brand value of the Company

S. No.	Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
8	Water and Wastewater	Opportunity	Manufacturing processes are water-intensive and efficient water use ensures regulatory compliance and operational continuity in water-stressed regions. Improvement of water utilization efficiency conserves energy and minimizes water withdrawal and procurement costs.	• Install water-saving technologies like low-flow fixtures and closed-loop cooling systems. • Implement rainwater harvesting and recharge initiatives at all sites. • Upgrade wastewater treatment systems to meet ZLD (Zero Liquid Discharge) standards. • Reuse treated wastewater for landscaping, flushing and industrial processes. • Conduct water audits and assessments to identify areas for water conservation and prevent water leakages if any.	Positive: Reduced water sourcing costs, lower environmental risk and compliance with tightening SPCB's water discharge regulations.
9	Employee Wellbeing & Talent Attraction	Opportunity	A motivated, healthy and engaged workforce directly drives productivity, innovation and corporate culture. Talent attraction and retention are critical, especially in the competitive manufacturing sector in India. Skill upgradation and talent management helps companies to foster innovation, improve productivity and achieve sustainable growth. Attraction and retention of talented employees with required skills, knowledge and experience improves performance and drives the organization success.	• Offer competitive compensation, wellness initiatives, and mental health programs. • Invest in leadership development, upskilling and career development. • Foster an equal, inclusive and positive work environment. • Benchmark HR practices against Industry's best practices and standards. • Improve operational skills on manufacturing process, equipment operation, safety protocols and quality standards by frequent trainings.	Positive: Higher employee retention, lower hiring costs, improved innovation outcomes. Improves the efficiency, Productivity and overall performance of the Company.
10	Human Rights and Labour Practices	Risk	Operations that fail to uphold human rights (e.g. fair wages, non-discrimination, child labour, equal opportunity) has increased reputational risk, legal action, and loss of business. Clients increasingly demand assurance of ethical labour practices across business operations and supply chains. Non-compliance to Human Rights laws can disrupt the operations and supply chain	• Adopt a Human Rights Policy aligned with UNGPs (United Nations Guiding Principles on Business and Human Rights). • Conduct third-party labour audits and grievance redressal mechanisms. • Conduct Human Right due diligence assessment. • Promote worker welfare initiatives and adherence to ILO standards. • Conduct training programs on Human Rights principles, policies & guidelines. • Establish grievance redressal mechanism, prompt investigation and appropriate remedial action to address Human Rights related violations.	Negative: Loss of customers, regulatory sanctions and reputational damage. Non-compliance to Human Rights laws, policies and guidelines may lead to disruption of operations due to protests and negatively impact financial performance of the Company.

S. No.	Material issue identified	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
11	Sustainable Sourcing	Opportunity	Sustainable procurement minimizes risks related to supply chain disruptions, material price volatility and reputational damage. It also strengthens partnerships with socially and environmentally responsible suppliers. Adopting sustainable practices in supply chain promotes circular economy, conserves resources, and lowers the production costs.	• Develop a Supplier Code of Conduct emphasizing ESG criteria. • Conduct supplier ESG assessments and capacity-building initiatives. • Prefer sourcing from local, certified or low-carbon footprint vendors. • Track and monitor the performance of suppliers on ESG Key Performance Indicators (KPIs). • Prioritize the sourcing of materials from suppliers with better performance on ESG parameters.	Positive: Enhanced supply chain resilience, lower material costs, improved brand value. Builds supply chain resilience by mitigating the risks associated with the supply chain.
12	Ethics, Transparency and Compliance	Risk and Opportunity	Risk: A lapse in ethical standards or compliance obligations can result in significant financial and reputational consequences. Transparency builds stakeholder trust and is vital for long-term success. Opportunity: Ensuring transparency and integrity by following good governance practices helps in achieving long term success and growth of the Company in a sustainable manner.	• Enforce a strong Code of Ethics, Anti-Corruption Policy and Conflict of Interest policy. • Conduct periodic ethics and compliance training for employees and partners. • Maintain transparent public disclosures aligned with legal and ESG reporting standards.	Positive: Transparency in business operations brings success and reputation to the Company. Negative: Regulatory penalties, reputational loss, reduced business opportunities or financing opportunities.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/ No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	https://www.craftsmanautomation.com/investors/policies/								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Name of the national and international codes/certifications/ labels/ standards adopted by your entity and mapped to each principle.	• ISO 9001: 2015 • IATF 16949: 2016 • ISO 14001: 2015 • ISO 45001:2018 • ISO 27001:2022 • GHG Protocol • NABL • AEO Certificate • Export House Certificate • CE Certification								

Policy and management processes (Contd.)

5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Ensure zero case of fines/ penalties/ punishment from any regulatory/ enforcing agency in the reporting year.	Conduct 100% ESG assessment/ due diligence on critical Tier 1 suppliers by FY 30.	Achieve zero fatalities and zero Incidents in the reporting year.	Ensure 100% adherence to concerns raised by stakeholders in the reporting year.	Maintain zero complaints related to Human Rights related issues in the reporting year.	Achieve 40% of total energy from renewable sources by FY 30.	Strengthen responsible public policy engagement by actively participating in industry associations and chambers ensuring all advocacy efforts align with ethical standards, business sustainability, and public interest.	Achieve 20% of total procurement from MSMEs by FY 28.	Ensure zero data privacy breach of customer information in the reporting year.
6. Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.	The Company has paid no fines/ penalties/ punishment from the regulator / enforcing agency in the reporting year as per the materiality threshold in line with SEBI (LODR) Regulations, 2015	The Company has initiated ESG assessment process for its Tier 1 suppliers, with the assessment framework currently under development.	The Company continues to strengthen its safety culture through awareness programs, safety audits, and risk assessments. No fatalities were reported during the reporting period.	There were no major Concerns raised by the Stakeholders in FY 25.	The Company had zero Complaints on Human Rights related issues	The Company has achieved 25% of total energy from renewable sources by FY 25	The Company actively engages with various industry associations and chambers with ongoing efforts to advocate for policy matters aligned with industrial growth and public interest.	The Company is planning targeted procurement strategies to enhance sourcing from MSMEs, the implementation of same has begun in the current financial year.	The Company has zero data privacy breaches of consumers in the reporting period.

Governance, leadership, and oversight		
7.	Statement by Director responsible for the Business Responsibility Report, highlighting ESG-related challenges, targets, and achievements: The Company firmly believes that long-term business success is fundamentally linked with social responsibility, environmental stewardship, and strong governance. In a year marked by global uncertainties, ranging from inflationary pressures to geopolitical tensions and supply chain disruptions, the Organization remained resilient and committed to the ESG vision. As responsible corporate citizens, the Company will continue to invest in the future through focused efforts in education, youth empowerment and community development. The company also recognizes that strength lies in continuously adapting to market dynamics through innovation, advanced technologies and the dedication of our people. The Company's Board of Directors actively oversees ESG-related risks and opportunities through dedicated Committees that guide strategy, performance, and compliance. The Company has established a robust ESG governance structure to ensure accountability and strategic alignment and takes pride in having earned recognition such as the EcoVadis 'Committed' badge, and in our pursuit of certifications like ISO 45001 and ISO 27001, which reflect our dedication to occupational safety and information security. Environmental sustainability is a key pillar of our operations. Through initiatives like rooftop solar installations, fuel conversion to cleaner energy, adoption of electric forklifts, and tree plantation drives, the Company is making tangible progress towards reducing the carbon footprint and enhancing biodiversity. On the social front, the Organization is expanding support for under-represented groups, increasing womens' participation in the workforce, and delivering high-impact CSR projects in healthcare, education and rural upliftment. Looking ahead, the Company remains committed to conducting 100% ESG due diligence of the critical suppliers by FY 30, achieving a significant share of procurement from MSMEs by FY 28 and maintaining zero fatalities across its operations every year. The Company has also engaged third-party assurance providers to validate the GHG emissions, reinforcing the credibility of our sustainability reporting. Moving forward, focus will remain on making meaningful progress, fostering inclusive growth and creating long-term value for all the Stakeholders.	
8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Board of Directors
9.	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability-related issues? If yes, provide details	Yes. The Company has established robust governance mechanisms to oversee the sustainability-related issues. The Board of Directors steer the Company's sustainability vision and regularly reviews key ESG-related risks and opportunities as part of its strategic oversight responsibilities. The Risk Management Committee, under the guidance of the Board, actively monitors the emerging risks and integrates them into the overall enterprise risk management framework. Additionally, the CSR Committee is responsible for planning, monitoring and evaluating the Company's CSR initiatives. The Committee meets at regular intervals to review the progress of various CSR programs and ensures alignment with the Company's vision on inclusive and sustainable development. Together, the Board and Committees ensure that sustainability considerations are embedded across the Company's operations, decision-making processes and long-term value creation strategies.

10. Details of Review of NGRBCs by the Company:

Subject for review	Indicate whether review was undertaken by the Director / the Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Committee of the Board									Half-yearly								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Committee of the Board																	

		P1	P2	P3	P4	P5	P6	P7	P8	P9
11.	**Has the entity carried out an independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency. ***	No	No	No	No	No	No	No	No	No

12. If the answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated:

DISCLOSURE QUESTIONS	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)	Not Applicable as the answer to Q.1 is "Yes".								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1 - Businesses should conduct and govern themselves with integrity and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in the respective category covered by the awareness programmes
Board of Directors	4	Familiarisation Programme for the Board of Directors of the Company are being organised on a regular basis about the business segments, operations of the Company, regulatory requirements and other matters which cover the principles of BRSR. The details of the Familiarisation Programme can be accessed through the weblink: https://www.craftsmanautomation.com/investors/wp-content/uploads/2025/04/Details-of-Familiarisation-Programme_2024-25.pdf	100%
Key Managerial Personnel	2	On Business operations, risk mitigation plans and other matters which cover the principles of BRSR	100%
Employees other than BoD and KMPs	42	**Quality and Productivity:** • 7 QC Tools • SPC (Statistical Process Control) • Kaizen • APQP (Advanced Product Quality Planning) • PPAP (Production Part Approval Process) • FMEA (Failure Mode and Effects Analysis) • TPM (Total Productive Maintenance) • Lean Manufacturing • Six Sigma • Poka Yoke Training • Gauge and Instrument Calibration Training • Quality Plan and Tool Change Training **Safety and Health:** • Fire Safety Training • First Aid Training • Emergency Response Plan (ERP) Training • Hazard Identification and Risk Assessment (HIRA) Training • 5S Training • Behaviour Based Safety (BBS) Training • Occupational Health and Safety (OHS) Training • ISO 45001:2018 Awareness and Audit Training • Electrical Safety Training • Chemical Safety Training • Material Safety Data Sheet (MSDS) Training • Forklift Operation Training Road Safety Awareness Training	100%
Workers			

Environment:

- ISO 14001:2015 EMS Awareness Training
- Hazardous Waste Handling and Storage Methods Training
- Waste Disposal through 3-Bin System Standards
- Energy Saving Training
- Environmental Management System (EMS) Training

Machine and Equipment:

- CNC Maintenance and Troubleshooting Training
- CMM Inspection Training
- ABB Robot Maintenance and Programming Training
- Spindle Bearing Replacement Training (HMC/VMC)
- Hydraulics Circuit Design, Elements Selection, Testing, and Troubleshooting Training

Soft Skills:

- Leadership Skills Training
- Time Management Training
- Employee Motivational Training
- Communication Skills Training
- Team Building and Collaboration Training

Compliance and Regulatory:

- ISO 9001:2015 Awareness Training
- IATF 16949:2016 Awareness Training
- VDA 6.3 Auditor Training
- ISO 27001:2022 Awareness Training
- Legal Training

2. **Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):**

Nil. There are no fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings by the Company during the financial year material as specified in Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Monetary					
	NGRBC Principle	**Name of the regulatory/ enforcement agencies/judicial institutions**	**Amount (In INR)**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
Penalty/Fine					
Settlement			-		
Compounding Fee					

Non-Monetary				
	NGRBC Principle	**Name of the regulatory/ enforcement agencies/judicial institutions**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
Imprisonment		-		
Punishment				

3. **Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed:**

Not applicable

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
	-

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Yes, the Company has a comprehensive Anti-Bribery Policy, which reflects its commitment to conducting business with integrity, transparency and accountability. The policy is applicable to all the stakeholders of the Company, including employees, Directors, vendors, suppliers, consultants and other business associates.

To ensure effective implementation, all the internal stakeholders are informed about the policy at the time of onboarding through structured training and induction programs. They are required to acknowledge and adhere to the same.

In the case of external stakeholders, the policy is communicated at the time of entering any formal business relationship. All third-party associations are subject to due diligence procedures and are expected to adhere to the Company's zero tolerance approach towards bribery and corruption.

The Company periodically reviews and updates the policy to align with legal requirements and best practices. Any non-compliance is dealt with strictly, in accordance with disciplinary procedures and contractual terms.

Weblink to the Policy: https://www.craftsmanautomation.com/investors/wp-content/uploads/2025/06/Other-policies.pdf

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

Nil. There is no such disciplinary action taken by any law enforcement agency against the Directors/KMPs/ employees/ workers for bribery/ corruption.

Particulars	FY 25	FY 24
Directors	-	-
KMPs	-	-
Employees	-	-
Workers	-	-

6. **Details of complaints with regard to conflict of interest:**

No complaints were received in relation to issues of Conflict of Interest of the Directors/KMP.

7. **Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

Not Applicable.

Particulars	FY 25		FY 24	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	-	0	-
Number of complaints received in relation to issues of Conflict of Interestof the KMPs	0	-	0	-

8. **Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:**

Particulars	FY 25	FY 24
Number of days of accounts payables	102	97

9. **Open-ness of business**

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following formats

Parameter	Metrics	FY 25	FY 24
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	18%	18%
	b. Number of trading houses where purchases are made from	532	96
	c. Purchases from Top 10 trading houses as % of total purchases from trading houses	37%	50%
Concentration of Sales	a. Sales to dealers/ distributers as % of total sales	3.92%	2.12%
	b. Number of dealers / distributors to whom sales are made	22	2
	c. Sales to top 10 dealer/ distributers as % of total sales to dealer/distributers	98%	100%
Share of RPTs in	a. Purchases (Purchases with related parties /Total Purchases)	0.22%	0.27%
	b. Sales (Sales to related parties / Total Sales)	6.31%	2.42%
	c. Loans & advances (Loans & advances given to related parties/ Total loans & advances)	100%	0.00%
	d. Investments (Investments in related parties/Total Investments made)	99.54%	98.77%

Leadership Indicators

1. **Awareness programmes conducted for value chain partners on any of the principles during the financial year:**

No awareness programmes were conducted for value chain partners on any of the principles during the reporting period. However, the Company now recognize the importance of value chain partners sensitization and is in the process of planning targeted awareness initiatives on ESG principles from the next financial year.

Total number of awareness programmes held	Topics/principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
	-	

2. **Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.**

Yes. The Company has formulated "Code of Conduct for Board of Directors and Senior Management" which specifies the role and function of the Board and Senior Management, and they must act within the authority conferred upon them and in the best interests of the Company.

The Code enumerates that the Directors and Senior Management shall always act in good faith to promote the business and objects of the Company for the members as a whole and in the best interests of the Company, its employees, shareholders, the community and shall not engage in any business, relationship or activity, which may be in conflict with the interests of the Company. Further, in case there is likely to be a conflict of interest, he/ she should make full disclosure of all the facts and circumstances thereof to the Board of Directors and the prior approval of the Audit Committee and that of the Board is required to be obtained.

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. **Percentage of R&D and capital expenditure (CAPEX) investments in specific technologies to improve the environmental and social impacts of products and processes to total R&D and CAPEX investments made by the entity, respectively.**

	FY 25	FY 24	Details of improvements in environmental and social impacts
R&D			-
CAPEX	-	-	-

2. **a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

Yes, the Company has established a Sustainable Procurement Policy to integrate environmental and social considerations into sourcing decisions. The policy serves as a guiding framework for engaging with our value chain partners on sustainability-related expectations.

The sustainable sourcing approach emphasizes responsible selection of vendors based on criteria such as ethical practices, compliance with environmental laws, safe working conditions, and adherence to Human Rights. The Company promotes transparency, traceability, and accountability throughout the procurement process. Further, the Company encourages suppliers to adopt eco-friendly practices and continually improve their sustainability performance in alignment with our ESG goals.

By embedding sustainability into our procurement strategy, the Company aims to foster a resilient, responsible, and ethical supply chain.

b. If yes, what percentage of inputs were sourced sustainably?

Nearly 40% of input materials were sourced sustainably.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

As a semi-finishing manufacturer, the Company does not produce end-consumer products; hence, product reclamation at the end-of-life stage is not directly applicable.

However, for the few equipment and components delivered to clients, the Company provides detailed Product and Service Manuals during dispatch and commissioning. These manuals include guidance on the life cycle of the product and recommended methodologies for safe handling, reuse, recycling, and disposal, wherever applicable.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Extended Producer Responsibility (EPR) is currently not applicable to the Company's operations, as the Company does not fall under categories of producer, importer, or brand owner as defined under the Plastic Waste Management Rules, 2016 (as amended). However, the Company continues to comply with all applicable regulatory requirements related to waste management under ISO 14001:2015 and maintains Operational Control Procedures (OCPs) for effective waste handling across all operational sites.

Leadership Indicators

1. **Has the entity conducted Life cycle Perspective / Assessments (LCA) for any of its products (for the manufacturing industry) or for its services (for the service industry)? If yes, provide details:**

Life Cycle Assessments (LCA) have been conducted on Storage Systems and Special Purpose Machines products, which constitute 27% of the total turnover. These assessments were carried out in accordance with the Company's internal guidelines to better understand and manage the environmental impacts associated with these products across their life cycles.

As part of our commitment to sustainability and continuous improvement, the Company plans to expand the scope of LCA to other key product categories. Moving forward, LCA studies will be conducted in alignment with the international standard ISO 14044:2006, ensuring a more robust and standardized approach to environmental impact assessment.

NIC Code	Name of Product /Service	% of total Turnover contributed	Boundary for which the Life cycle Perspective /Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/ No) If yes, provide the web-link.
			-		

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

The LCAs conducted so far have not identified any significant social or environmental risks related to production or disposal. As these assessments are extended, any concerns that arise will be addressed with appropriate mitigation measures.

Name of Product / Service	Description of the risk / concern	Action Taken
	-	

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Indicate input material	Recycled or re-used input material to total material	
	FY 25	FY 24
Aluminium ingots	50%	25%

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed:**

Particulars	FY 25			FY 24		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	-	-	-	-	-	-
E-waste	-	-	-	-	-	-
Hazardous waste	-	-	-	-	-	-
Other waste	-	-	-	-	-	-

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

Nil

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
	-

PRINCIPLE 3 - Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. **a. Details of measures for the well-being of employees**

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	987	0	0%	987	100%	0	0%	0	0%	0	0%
Female	40	0	0%	40	100%	1	2.5%	0	0%	0	0%
Total	**1027**	0	0%	**1027**	100%	1	2.5%	0	0%	0	0%
Other than Permanent employees											
Male	18	0	0%	18	100%	0	0%	0	0%	0	0%
Female	2	0	0%	2	100%	0	0%	0	0%	0	0%
Total	**20**	0	0%	**20**	100%	0	0%	0	0%	0	0%

b. Details of measures for the well-being of workers:

Category	% of workers covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent Workers											
Male	1866	0	0%	1866	100%	-	-	0	0%	0	0%
Female	0	0	0%	0	0%	0	0%	-	-	0	0%
Total	**1866**	0	0%	1866	100%	0	0%	0	0%	0	0%
Other than Permanent Workers											
Male	146	0	0%	0	0%	0	0%	0	0%	0	0%
Female	0	0	0%	0	0%	0	0%	0	0%	0	0%
Total	**146**	0	0%	0	0%	0	0%	0	0%	0	0%

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

	FY 25	FY 24
Cost incurred on well- being measures as a % of total revenue of the Company	0.95%	0.91%

2. **Details of retirement benefits.**

Benefits	FY 25			FY 24		
	No. of employees covered as a % of total employees	No.of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No.of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	99.56%	99.95%	Yes	98.78%	99.94%	Yes
Gratuity	99.45%	99.95%	Yes	98.78%	99.94%	Yes
ESI	3.76%	5.72%	Yes	2.43%	11.74%	Yes

3. **Accessibility of workplaces:**

Are the premises/offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard

The Company's premises are currently not fully accessible to differently abled employees and workers. While there are no differently abled individuals on the Company's rolls at present, steps are being undertaken to assess and improve accessibility in accordance with the Rights of Persons with Disabilities (RPwD) Act, 2016. The Company is in the process of planning infrastructural and procedural enhancements to create an inclusive and accessible work environment.

4. **Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

Yes, the Company has adopted an Equal Opportunity Policy. The policy affirms commitment to provide a work environment free from discrimination, ensuring equal access to opportunities for all, including persons with disabilities. It outlines provisions for recruitment and career development wherever applicable.

The policy can be accessed here:
https://www.craftsmanautomation.com/investors/wp-content/uploads/2025/06/Other-policies.pdf

5. **Return to work and Retention rates of permanent employees and workers that took parental leave.**

Gender	Permanent employees		Permanent workers	
	Return to work	Retention rate	Return to work	Retention rate
Male	NA	NA	NA	NA
Female	NA	NA	NA	NA
Total	NA	NA	NA	NA

6. **Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.**

Particulats	Yes/No	If yes, then give details of the mechanism in brief
Permanent Workers	Yes	Yes, the Company has established grievance redressal mechanism for all the stakeholders. A dedicated grievance module is integrated within the internal ERP system, accessible to employees and workers through secure login credentials. In addition to the digital platform, the Company has set up multiple communication channels under our Stakeholder Engagement and Grievance Redressal Policy to ensure the timely and transparent resolution of concerns. These channels allow the stakeholders to directly reach out to designated personnel for registering and addressing grievances in a confidential and structured manner. This system is periodically reviewed to ensure its effectiveness and inclusivity. The policy can be accessed here: https://www.craftsmanautomation.com/investors/wp-content/uploads/2024/04/2.-CAL-WhistleBlowerPolicy-1.pdf
Other than Permanent Workers		
Permanent Employees		
Other than Permanent Employees		

7. **Membership of employees and worker in association(s) or Unions recognised by the listed entity:**

There are no existing unions in the Company.

Category	FY 25			FY 24		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees						
Male	987	-	0%	788	-	0%
Female	40	-	0%	32	-	0%
Total	1027	-	0%	820	-	0%
Total Permanent Workers						
Male	1866	-	0%	1,908	-	0%
Female	0	-	-	1	-	-
Total	1866	-	0%	1,909	-	0%

8. **Details of training given to employees and workers:**

Category	FY 25					FY 24				
	Total (A)	On Health and Safety Measures		On Skill upgradation		Total (D)	On Health and Safety Measures		On Skill upgradation	
		No. (B)	% (B/A)	No (C)	%(C/A)		No. (E)	% (E/D)	No.(F)	% (F/D)
Employees										
Male	1005	925	92.03%	860	85.57%	788	740	93.91%	680	86.29%
Female	42	42	100%	37	88.09%	32	32	100%	32	100%
Total	**1047**	**967**	**92.35%**	**897**	**85.67%**	**820**	**772**	**94.15%**	**712**	**86.83%**
Workers										
Male	2012	1940	96.42%	1680	83.50%	1,908	1,840	96.44%	1,580	82.81%
Female	0	-	-	-	-	1	1	100%	1	100%
Total	**2012**	**1940**	**96.42%**	**1680**	**83.50%**	**1,909**	**1,841**	**96.44%**	**1,581**	**82.82%**

9. **Details of performance and career development reviews of employees and worker:**

Category	FY 25			FY 24		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	1005	663	65.97%	788	654	83%
Female	42	35	83.33%	32	22	68.75%
Total	**1047**	**698**	**66.66%**	**820**	**676**	**82.44%**
Workers						
Male	2012	1898	94.33%	1,908	1,686	88.36%
Female	-	-	-	1	0	0
Total	**2012**	**1898**	**94.33%**	**1,909**	**1,686**	**88.32%**

10. **Health and safety management system:**

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system

Yes, the Company has implemented a comprehensive Occupational Health and Safety (OHS) Management System, which covers key elements such as an Occupational Health and Safety Policy, hazard identification, legal and regulatory compliance, employee participation, emergency preparedness, and continuous improvement.

The Company is currently in the process of obtaining ISO 45001:2018 certification for its facilities to further strengthen our commitment to a safe and healthy workplace. The OHS management system is designed to minimize health and safety risks for employees, visitors, and external contractors by promoting safe work practices and ensuring adherence to standard safety protocols. It aims to prevent incidents, injuries, and property damage across all operations.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The Company adopts a structured approach to identifying and assessing work-related hazards on both routine and non-routine bases. Key processes include:

- Periodic safety audits
- Regular workplace inspections
- Detailed accident and incident investigations
- Implementation of a work permit system
- Conducting Hazard Identification and Risk Assessment (HIRA)

These initiatives foster a culture of safety and vigilance, enhancing the protection of personnel and assets while also improving overall operational efficiency. Additionally, safety training programs are conducted at regular intervals to address job-specific hazards and ensure that employees are well-equipped to perform their tasks safely and effectively.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes/ No)

Yes, the Company has established procedures that allow workers to report any work-related hazards and to take appropriate actions to remove themselves from such risks. Employees can raise concerns through direct interaction with the factory manager or safety officer, who are trained to take prompt action. This proactive approach ensures that health and safety concerns are addressed in a timely and effective manner.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No).

Yes, the Company provides employees and workers with access to non-occupational medical and healthcare services through GAINS insurance coverage, which ensures their social safety and well-being beyond the workplace.

11. **Details of safety related incidents:**

Safety Incident/Number	Category	FY 25	FY 24
Lost Time Injury Frequency Rate (LTIFR) per one million-person hours worked)	Employees	0.14	1.2
	Workers	3.08	
Total recordable work-related injuries	Employees	5	5
	Workers	24	27
Total number of permanent disabilities	Employees	0	0
	Workers	0	0
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

The Company has implemented the following measures to ensure a safe and healthy workplace:

Safety measures:

1. Risk Assessment and Management: Regularly identify, assess, and mitigate potential hazards in the workplace.
2. Safety Training and Awareness: Provide regular safety training, workshops, and awareness programs for employees.
3. Personal Protective Equipment (PPE): The Company ensures that proper Personal Protective Equipment (PPE) is provided and worn by workers for their respective tasks.
4. Emergency Preparedness: Develop and implement emergency response plans, including fire evacuation drills and first aid training.
5. The entity conducts regular safety audits and workplace inspections to ensure compliance with safety procedures and protocols.

Health Measures:

1. Health Surveillance: Conduct regular health check-ups and monitoring programs for employees.
2. Ergonomic Workstations: Ensure workstations are designed to promote comfortable working postures and reduce musculoskeletal disorders.
3. Cleanliness and Hygiene: Maintain a clean and hygienic work environment, including regular cleaning and disinfection of facilities.
4. Stress Management: Provide resources and support for employees to manage stress and promote mental well-being.
5. Health Promotion: Promote healthy behaviours and provide resources for employees to maintain a healthy lifestyle.

Administrative Measures:

1. Safety Policies and Procedures: Develop, implement, and regularly review safety policies and procedures.
2. Incident Reporting and Investigation: Establish a system for reporting and investigating incidents, including near misses.
3. Employee Participation and Feedback: Encourage employee participation and feedback on safety and health matters.
4. Training and Competence: Ensure employees are trained and competent to perform their tasks safely.
5. Continuous Improvement: Regularly review and improve safety and health management systems and processes.

13. Number of Complaints on the following made by employees and workers:

Nil

	FY 25			FY 24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	-	0	0	-
Health & Safety	0	0	-	0	0	-

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions.

The Company has implemented the following measures to address key safety risks and enhance workplace safety:

1. To protect from metal splash, metal splash suits are provided for all personnel involved in molten metal handling activities.
2. 100% LOTO procedure is implemented to prevent injuries and fatalities by isolating and controlling hazardous energy sources.
3. We've upgraded to Residual Current Breaker with Overcurrent (RCBO) protection to safeguard against overloads and earth leakages.
4. Regular competence-based training programs are conducted for forklift operators to enhance their skills and safety.
5. To ensure the fire protection system in the UPS rooms Fire suppression systems, air conditioning systems, and temperature monitoring systems are installed in all power houses.
6. Periodic safety trainings and emergency mock drills are conducted to create awareness among employees.
7. Warning lights are installed around forklifts to prevent accidents.
8. To enhance the safety in LPG yard, Gas detecting systems and fire sprinkler systems are installed.
9. Sensor and limit switches are installed on all machines to prevent physical injuries.
10. A fire hydrant system is installed in the premises to protect against fire risks.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

	(Y/N/NA)
Employees	Yes
Workers	Yes

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company conducts periodic due diligence checks to ensure that value chain partners comply with applicable statutory and regulatory requirements. This includes verifying the timely deduction and deposition of statutory dues such as PF, ESI, GST, and other labour and tax-related obligations. In case of any non-compliance, value chain partners are asked to take appropriate actions to ensure alignment with legal requirements.

3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 25	FY 24	FY 25	FY 24
Employees	0	0	0	0
Workers	0	0	0	0

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

No, the Company currently do not have a formal transition assistance program in place for employees at the separation stage (due to retirement or termination). However, the Company is planning on offering such programs in the future that can support continued employability and smooth career transitions.

5. **Details on assessment of value chain partners:**

Although formal assessments of health and safety practices and working conditions across the value chain partners were not conducted this year, there is a deep commitment to responsible value chain management. Comprehensive frameworks are being developed to guide these assessments, with implementation scheduled to begin in the near future.

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	0%
Working Conditions	0%

6. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.**

Not applicable

PRINCIPLE 4 Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. **Describe the processes for identifying key stakeholder groups of the entity.**

The Company has identified key stakeholder groups through a structured internal assessment, considering the level of influence, interest, and impact each group has on our operations. These stakeholders include employees, workers, BoDs, customers, service providers, community, institutional stakeholders, regulatory bodies, mass media etc., A stakeholder engagement plan has also been developed to guide systematic and meaningful engagement with these groups.

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Suppliers and Service Providers	No	Email, Meetings, Phone calls, Websites, surveys and audits	Regularly	Business/Project related
Customers/ OEMs	No	Email, Meetings, Websites, Phone calls, social media, Personal interaction and Project based discussions	Regularly	Business/Project related
Investors	No	Quarterly publication of results, Newspaper advertisements, Email, Website, Analysts/ Investor Calls, Annual General Meetings, Stock Exchange intimations, Annual Reports	Annually/Half yearly/ Quarterly/ Event basis	Compliance, Governance practices
Creditors	No	Emails, Phone Calls, Meetings	Annually/Half yearly/ Quarterly/ Event basis	Banking facilities
Employees and Workers	No	Email, Phone calls, SMS, Meetings, Notice Board, ERP system, Engagement surveys, trainings, Personal interactions and Departmental meetings.	Regularly	Day to day activities / Conduct of business

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
BODs	No	Email, Phone calls, SMS, Meetings, Board Meetings, Committee Meetings, Annual General Meetings (AGMs) and Familiarization programs.	Need based	Business/Project related, Day to day activities / Conduct of business
Regulatory Bodies	No	Emails, Meetings, Submission forms / returns / intimations/ letters etc.	Annually/Half yearly/ Quarterly/ Event basis	In relation to Compliances with applicable laws
Auditors	No	Emails, Meetings, Phone Calls	Annually/Half yearly/ Quarterly/ Event basis	Audit purposes
Local Community	No	Newspaper advertisements/ Physical Meetings / Reviews/ Assessments/ surveys/ CSR activities	Event basis	CSR Programmes and other initiatives
Other Groups	No	Survey, Feedback, Interactions, Meetings etc.,	Need based	Others

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   The Company has a defined mechanism where inputs from stakeholders are compiled by the internal teams and submitted to the Board of Directors through presentations and reports. This ensures that the Board remains informed of key stakeholders' concerns, trends, initiatives and performance on ESG topics.

2. **Whether stakeholder consultation is used to support the identification and management of environmental and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   Yes, stakeholder consultations are used to support the identification and management of key environmental and social topics. Input received through these engagements helps us guide policy updates and shape Craftsman's ESG initiatives for continuous improvement.

3. **Provide details of instances of engagement with, and actions taken to address the concerns of vulnerable/ marginalized stakeholder groups.**

   No specific concerns from vulnerable or marginalized groups were raised during this financial year.

PRINCIPLE 5 - Businesses should respect and promote human rights

Essential Indicators

1. **Employees and workers who have been provided training on Human Rights issues and policy(ies) of the entity, in the following format:**

Category	FY 25			FY 24		
	Total (A)	No of employees /workers covered (B)	% (B / A)	Total (C)	No of employees / workers Covered (D)	% (D / C)
Employees						
Permanent	1027	1027	100%	799	799	100%
Other than permanent	20	20	100%	21	21	100%
Total Employees	**1047**	**1027**	**100%**	**820**	**820**	**100%**
Workers						
Permanent	1866	1866	100%	1,701	1,701	100%
Other than permanent	146	146	100%	208	208	100%
Total Workers	**2012**	**2012**	**100%**	**1,909**	**1,909**	**100%**

2. **Details of minimum wages paid to employees and workers, in the following format:**

Category	FY 25					FY 24				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B /A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Permanent Employees										
Male	987	-	-	987	100%	769	-	-	769	100%
Female	40	-	-	40	100%	30	-	-	30	100%
Other than Permanent Employees										
Male	18	-	-	18	100%	19	-	-	19	100%
Female	2	-	-	2	100%	2	-	-	2	100%
Permanent Workers										
Male	1866	-	-	1866	100%	1701	-	-	1701	100%
Female	0	-	-	0	-	0	-	-	0	-
Other than Permanent Workers										
Male	146	-	-	146	100%	207	-	-	207	100%
Female	0	-	-	0	-	1	-	-	1	100%

3. **Details of remuneration/salary/wages, in the following format:**

a. Median renumeration/wages (₹ in Lakhs)

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Director (BoD)	2	20	2	20
Key Managerial Personnel	5	131	-	NA
Employees other Than BoD and KMP	728	10	27	7
Workers	1614	6	-	NA

Note: All Salary Figures are presented in ₹ Lakh.

b. Gross wages paid to females as % of total wages paid by the entity

	FY 25	FY 24
Gross wages paid to females as % of total wages paid by the entity	1.02%	0.91%

4. **Do you have a focal point (Individual/ Committee) responsible for addressing Human Rights impacts or issues caused or contributed to by the business?**

Yes, a designated internal mechanism to address any grievances, including Human Rights related grievances, impacts or issues. All Human Rights concerns can be raised through the formal grievance redressal channels established under the Grievance Redressal Policy.

Furthermore, Human Rights Guidelines have been formulated that cover aspects such as prohibition of child labour, forced labour, non-discrimination, modern slavery, and human trafficking. In addition, separate policies have also been adopted for the Prevention of Sexual Harassment at the Workplace and for ensuring Equal Opportunity, reinforcing our commitment to inclusive and safe work environment.

5. **Describe the internal mechanisms in place to redress grievances related to Human Rights issues.**

The Company has established a confidential and structured grievance redressal mechanism to address Human Rights-related concerns. Employees and all other stakeholders can raise complaints through multiple accessible channels, including internal portals and direct reporting to designated officials. Each grievance is reviewed by a dedicated team, and appropriate remedial actions are taken based on the nature of the issue. Regular training and awareness programs further strengthen the system and adherence to the code of business conduct, ensuring that all individuals are informed about their Rights and the procedures to seek redressal.

6. **Number of Complaints on the following made by employees and workers:**

	FY 25			FY 24		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	-	0	0	-
Discrimination at workplace	0	0	-	0	0	-
Child Labour	0	0	-	0	0	-
Forced Labour/ Involuntary Labour	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Human Rights Issues	0	0	-	0	0	-

7. **Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:**

	FY 25	FY 24
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees / workers	0	0
Complaints on POSH upheld	0	0

8. **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.**

   The Company has established appropriate mechanisms to address complaints related to discrimination and harassment. For harassment cases, Internal Committee has been constituted in line with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH Act) to ensure time-bound and fair redressal. All complaints are managed with strict confidentiality and handled sensitively by designated personnel, ensuring that the dignity and safety of the complainant are preserved throughout and after the investigation process.

9. **Do Human Rights requirements form part of your business agreements and contracts? (Yes/No)**

   Yes. Human rights clauses such as compliance with applicable labour laws, prohibition of children and forced labour and provisions for non-discrimination are part of our business agreements and contracts.

10. **Assessments for the year:**

    In FY 25, the Company has conducted internal assessments across all our manufacturing facilities to evaluate compliance with Human Rights practices. The assessment covered areas such as prevention of child labour and forced labour, sexual harassment, non-discrimination and adherence to minimum wage requirements.

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%

11. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.**

    Nil

Leadership Indicators

1. **Details of a business process being modified / introduced as a result of addressing Human Rights grievances/complaints.**

   No business processes were modified or newly introduced during the reporting period specifically in response to Human Rights grievances or complaints. However, the Company regularly monitor grievances and will incorporate necessary changes in policies or procedures as and when required.

2. **Details of the scope and coverage of any Human Rights due diligence (HRDD) conducted.**

   The Company has not yet undertaken formal Human Rights due diligence assessment. However, Human Rights is a material topic for the Company and accordingly, Human Rights Policy has been formulated. Suitable frameworks are being explored to initiate HRDD in the coming years.

3. **Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

   The Company's premises are not yet fully accessible to differently abled visitors. However, efforts are underway to align with the requirements of the Rights of Persons with Disabilities (RPwD) Act, 2016. The Company is evaluating and planning necessary upgrades to ensure the facilities are inclusive and accessible for all stakeholders.

4. **Details on assessment of value chain partners:**

Although formal assessments of Human Rights practices across the value chain partners were not conducted this year, there is a strong commitment to upholding Human Rights throughout operations and the value chain. Structured assessment frameworks are being developed with implementation planned in the near future.

	% of value chain partners (by value of business done with such partners) that were assessed
Child labour	0%
Forced/involuntary labour	0%
Sexual harassment	0%
Discrimination at workplace	0%
Wages	0%

5. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

Not applicable

PRINCIPLE 6 Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. **Details of total energy consumption (GJ) and energy intensity:**

(₹ in Lakhs)

Parameter	FY 25	FY 24
From renewable sources		
Total electricity consumption (A)	154,502.86	119,796.40
Total fuel consumption (B)	-	-
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	154,502.86	119,796.40
From non-renewable sources		
Total electricity consumption (D)	456,402.96	425,585.57
Total fuel consumption (E)	103,676.48	10,339.38
Energy consumption through other sources (F)	-	-
Total energy consumed from non-renewable sources (D+E+F)	560,079.44	435,924.95
Total energy consumed (A+B+C+D+E+F)	714,582.30	555,721.35
Energy intensity per rupee of turnover (Total energy consumption/turnover in rupees) (GJ/INR Lakh)	1.86	1.73
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total energy consumed / Revenue from operations adjusted for PPP) (GJ/INR Lakh PPP)	38.37	43.02
Energy intensity in terms of physical output (Total energy consumption / Production in metric tonne) (GJ/MT of production)	2.68	-

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?

No

2. **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

No, the Company does not have any sites or facilities under identified as designated consumers (DCs) under the Performance, Achieve and Trade ("PAT") Scheme of the Government of India. Hence, the PAT scheme is not applicable to the Company.

3. **Provide details of the following disclosures related to water:**

Parameter	FY 25	FY 24
Water withdrawal by source (in kilolitres)		
(i) Surface water	-	-
(ii) Groundwater	133,238.42	41,686.00
(iii) Third party water	157,773.34	144,018.33
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	291,011.76	1,85,704.33
Total volume of water consumption (in kilolitres)	234,695.011	1,85,550.33
Water intensity per rupee of turnover (Total water consumption / Revenue from operations) (KL/INR Lakh)	0.61	0.58
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total water consumption / Revenue from operations adjusted for PPP) (KL/INR Lakh PPP)	12.60	9.96
Water intensity in terms of physical output (Total water consumption / MT of production data) (KL /MT of production)	0.88	-

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

4. **Provide the following details related to water discharged:**

Parameter	FY 25	FY 24
Water discharge by destination and level of treatment (in Kilolitres)		
(i) To Surface water		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(ii) To Groundwater		
- No treatment	-	24,717
- With treatment – in ETP, STP&CRS	56,316	16,969
(iii) To Seawater		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iv) Sent to third parties		
- No treatment	-	-
- With treatment – Effluent Treatment Plant	-	-
(v) Others		
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
Total water discharged (in kiloliters)	56,316	41,686

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

5. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

The Company currently operates Effluent Treatment Plants (ETPs) to treat and purify wastewater for reuse within the operations. Implementation of Zero Liquid Discharge (ZLD) systems is currently in the planning stage. The Company is evaluating the integration of ZLD mechanisms at select key manufacturing facilities over the coming years to improve our water efficiency and reduce our overall environmental impact.

6. **Please provide details of air emissions (other than GHG emissions) by the entity:**

Parameter	Please specify unit	FY 25	FY 24
NOx	Tonnes	131.117	60.630
SOx	Tonnes	0.0131	0.0096
Particulate matter (PM)	Tonnes	1.487	1.086
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

7. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity:**

Parameter	Unit	FY 25	FY 24
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	24,522	22,793
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	97,249	94,782
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Metric tonnes of CO2 equivalent / Lakhs	0.32	0.37
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	Metric tonnes of CO2 equivalent / INR Lakh PPP)	6.54	7.49
Total Scope 1 and Scope 2 emission intensity in terms of physical output	Metric tonnes of CO2 equivalent / MT of production	0.46	-

***Note:**

1. Production data in metric tonnes (MT) for FY 24 is not available and hence, Scope 1 and Scope 2 emission intensity in terms of physical output for the previous financial year could not be recorded.
2. Scope 1 and Scope 2 emissions data for the previous financial year were not included in the earlier BRSR but have been reported in the current disclosure for completeness.

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

No

8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

Yes, the Company is committed to making efforts in reducing greenhouse gas (GHG) emissions. In this financial year, the Company has replaced several diesel-powered forklifts with electric forklifts. Going ahead, the Company is planning to implement a range of energy and fuel-saving initiatives aimed at improving energy efficiency and lowering emissions. Some of the key planned initiatives include:

- Replacing fluorescent lights with energy-efficient LED lighting
- Phasing out outdated AC units with R32 refrigerant-based and 4/5-star rated models
- Replacing conventional fans with BLDC fans
- Installing IE3/IE4 motors in place of older pump motors
- Transitioning from Star Delta compressors to VFD compressors
- Installing motion sensors in offices and meeting rooms to reduce electricity usage
- Using dual-fuel kits or blended biofuels as alternatives to diesel in DG sets
- Enhancing solar energy utilization through net metering systems

9. Provide details related to waste management by the entity:

Parameter	FY 25	FY 24
Total Waste generated (in metric tonnes)		
Plastic waste **(A)**	728.78	6.85
E-waste **(B)**	1.63	1.25
Bio-medical waste **(C)**	0.18	-
Construction and demolition waste **(D)**	70	-
Battery waste **(E)**	38.41	-
Radioactive waste **(F)**	0	-
Other Hazardous waste. Please specify, if any. **(G)**	233.59	-
Other Non-hazardous waste generated **(H).**	890.09	-
Total (A+B + C + D + E + F + G + H)	1,962.68	8.10
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations) (MT /INR Lakh)	0.005	-
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total waste generated / Revenue from operations adjusted for PPP) (MT/INR Lakh PPP)	0.11	-
Waste intensity in terms of physical output (MT waste generated / MT of production)	0.007	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	869.14	-
(ii) Re-used	-	-
(iii) Other recovery operations	-	-
Total	869.14	-

Parameter	FY 25	FY 24
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	25.15	-
(ii) Landfilling	27.62	24.42
(iii) Other disposal operations	-	-
Total	52.77	24.42

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?

No

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The Company is committed to responsible waste management across all operations, and defined operational control procedures are followed for the collection, storage, and disposal of different waste types. Going forward, efforts will be made to gradually adopt safer alternatives to reduce the use of hazardous and toxic chemicals.

Our Waste Management Practices:

- Non-hazardous waste is segregated at source and handed over to municipal recyclers for appropriate disposal.
- Used batteries are returned to suppliers under a buy-back arrangement to ensure proper recycling.
- E-waste is disposed of through CPCB/SPCB-authorized recyclers to ensure proper disposal.
- Biomedical waste generated from the Occupational Health Centre is collected and managed by the associated hospital providing medical staffs.
- Hazardous waste is handled and disposed of through CPCB/SPCB-authorized vendors in accordance with Hazardous and other Wastes (Management & Transboundary Movement) Rules, 2016 (as amended).

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details:

Not Applicable. The Company does not operate or have offices in or around any ecologically sensitive areas that require environmental approvals or clearances.

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Not Applicable. The Company has not undertaken any projects that require an Environmental Clearance or Environmental Impact Assessment (EIA) report preparation during the reporting period as required under EIA Notification, 2006 (as amended).

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder. If not, provide details of all such non-compliances:

Yes. The Company is fully compliant with all applicable environmental laws and regulations in India.

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
Not Applicable				

Leadership Indicators

1. **Water withdrawal, consumption, and discharge in areas of water stress (in kilolitres):**

   The Organization does not have any operations in water stress areas.

   Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

   No

2. **Please provide details of total Scope 3 emissions & its intensity:**

Parameter	Unit	FY 25	FY 24
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	Scope 1 and Scope 2 emissions are currently calculated as part of the commitment to environmental sustainability initiatives. Recognizing the growing importance of indirect emissions, Scope 3 emission calculation is planned to be initiated in the near future to further enhance sustainability efforts.	
Total Scope 3 emissions per rupee of turnover			
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity			

   Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

   No

3. **With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

   Not applicable since there are no operations in ecologically sensitive areas.

4. **If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives:**

Sl. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Replacement of diesel forklifts with electric forklifts	As part of our efforts to reduce greenhouse gas emissions and improve energy efficiency, the Company started replacing conventional diesel-powered forklifts with electric forklifts at some of our manufacturing facilities.	Usage of electric forklifts has contributed to a reduction in diesel consumption and associated GHG emissions. It also supports cleaner and quieter operations within the facility, aligning with our long-term sustainability goals.
2	Implementation of Zero Liquid Discharge systems	The Company is in the planning phase of implementing Zero Liquid Discharge systems at a few key manufacturing units. This initiative aims to treat and reuse wastewater within the facility, ensuring zero liquid effluent discharge and enhancing effective water utilization.	Since the ZLD project is currently under planning stage, outcomes are yet to be assessed. Once implemented, it is expected to significantly improve water conservation and reduce environmental impact from wastewater discharge.

5. **Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

   Yes, the Company has a comprehensive Emergency Preparedness and Response Plan, which also details the business continuity and disaster management framework. The plan outlines procedures to be followed in the event of various emergencies, including fire, oil/chemical spill or leak, gas leak, ETP breakdown, and natural disasters such as earthquakes or floods. It defines the roles and responsibilities of key teams such as the emergency response team, fire-fighting team, first-aid team, etc., The plan includes preventive measures, evacuation procedures, emergency contact numbers, and coordination mechanisms to ensure employee safety and uninterrupted operations during crisis.

6. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?**

There were no significant adverse environmental impacts reported from the value chain during the reporting period.

7. **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

The Company has not yet undertaken any assessment on the value chain partners for evaluating their environmental impacts. However, the Company is planning to initiate such assessments in the coming years as part of the broader sustainability integration efforts.

8. **How many Green Credits have been generated or procured?**

a. By the listed entity

The Company has not generated or procured Green Credits in the reporting year. Plans are underway to explore opportunities in this area in the future.

b. By the top ten (in terms of value of purchases and sales) value chain partners?

The Company has not yet assessed Green Credit activities of the top value chain partners. This aspect will be considered in future evaluations and sustainability engagements.

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

Essential Indicators

1. **a. Number of affiliations with trade and industry chambers/ associations.**

The Company is currently affiliated with 18 trade and industry chambers/associations

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Indo-German Chamber of Commerce	India & Germany
2	The Institute of Indian Foundrymen	National
3	Indian Management Association	National
4	Indian Machine Tool Manufacturing Association	National
5	Confederation of Indian Industry	National
6	National Safety Council of India	National
7	Aluminium Caster Association of India	National
8	Tool and Gauge Manufacturers Association (Tagma)	National
9	GDC Tech	National
10	Indian Machine Tool Manufacturer Association -IMTMA	National
11	Material Recycling Association of India	National
12	Indian Pharma Machinery Manufacturers' Association	National
13	The Southern India Engineering Manufactures Association (SIEMA)	State
14	The Coimbatore Productivity Council	State
15	Industrial Waste management Association	State
16	Tamil Nadu Waste Management Association	State
17	Co-India	State
18	Coimbatore Corporate Connections	State

2. **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities**

The Company has not received any adverse order from the regulatory authority.

Name of authority	Brief of the case	Corrective action taken
	Nil	

Leadership Indicators

1. **Details of public policy positions advocated by the entity**

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
The Company through the Industry Associations and Chambers of Commerce at National, State and Local levels works to advocate and pursue various causes that are in the larger interests of industry, economy, society and the public.					

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

The Company has not undertaken any Social Impact Assessments during the reporting period, as none of the projects triggered such requirements under the applicable laws.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
			Nil		

2. **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity:**

There were no Rehabilitation and Resettlement (R&R) activities involved, as our operations and expansion projects have not led to displacement of communities or impact on livelihoods.

S.No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
			Not Applicable			

3. **Describe the mechanisms to receive and redress grievances of the community.**

The Company has formulated a comprehensive grievance redressal mechanism to address concerns raised by stakeholders, including the local community. All grievances are tracked, and the status is periodically reviewed by the Board to ensure timely and effective resolution.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 25	FY 24
Directly sourced from MSMEs/ small producers	2%	3%
Directly from within India	88.6%	90.51%

5. **Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost**

Location	FY 25	FY 24
Rural	7.74	10.21
Semi-urban	88.04	83.01
Urban	4.22	6.78
Metropolitan	0	0

Leadership Indicators

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

   No project was undertaken in the FY 25 which required a Social Impact Assessment

Details of negative social impact identified	Corrective action taken
Not Applicable	

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

   The Company has spent ₹576.09 Lakhs during the FY 2024-25 towards CSR Projects identified at the local areas of the location of the Company's plant/units.

S.No.	State	Aspirational District	Amount spent (In INR)
-			

3. **(a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No)**

   Yes, a formal preferential procurement policy has been formulated. However, the process of identifying suppliers from marginalized and vulnerable groups is underway to effectively implement the policy and promote inclusive procurement practices.

   (b) From which marginalized /vulnerable groups do you procure?

   Nil

   (c) What percentage of total procurement (by value) does it constitute?

   Nil

4. **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge**

   During the reporting period, the Company has not derived or shared any benefits from intellectual properties based on traditional knowledge.

S.No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Not Applicable				

5. **Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved**

Name of authority	Brief of the Case	Corrective action taken
	Not Applicable	

6. **Details of beneficiaries of CSR Projects:**

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable & marginalized groups
1	Construction of 3 classrooms & Providing desk & bench and other electrical works at Govt. Hr.Sec. School, Arasur,Coimbatorre	130 students	Assessment of beneficiaries from vulnerable and marginalized communities has not been conducted for the reporting period. The Company plans to conduct this assessment for our future CSR initiatives.
2	Construction of classrooms at first floor in Govt. School in Kothavadi village, Coimbatore	40 students	
3	Construction of dining hall / yoga hall at Govt. High School, Kovilpalayam, Coimbatore	800 students approx.	
4	Plantation of trees, fencing, drip irrigation under environmental sustainability in Pothiyampalayam village, Coimbatore	People in and around Pothiyampalayam village	
5	Water canal projects, Sangothipalayam, Coimbatore	Sangothipalayam village people	
6	Water Distribution system Automation, Mooperipalayam, Coimbatore	People of Mooperipalayam Panchayat	
7	Boundary wall construction & providing desks, benches and other electrical works at Panchayat Union Middle School, Kothavadi, Coimbatore	School students	
8	Fixing up of solar streetlamp under the rural development project in Kothavadi village, Coimbatore	People in and around Kothavadi	
9	Tribal people's house repair and alteration work at Thamaraikulam village, Kothavadi, Coimbatore	8 houses	
10	Laying of pipeline for drinking water facility, Pothiyampalayam, Coimbatore	Pothiyampalayam village people	
11	Construction of 4 classrooms at Zilla Parishad Prathamik School, Vasewadi, Pune	200 students	
12	Distribution of Notebooks to the students of Maharaja Sayajirao Gaikwad Vidyalaya, Pimple Jagtap, Pune	100 students	
13	Revival of the tank, Supply channel & Bund strengthing of Annamalai and Rangasamuthiram lake at Kariyampalayam & Paduvampalli, Coimbatore	Village people and Agri lands in and around 10 KM	
14	Construction of overhead tank with 60000 ltr capacity at Chettiakkapalayam village in Kinathukadavu	Chettikapalayam village people	
15	Construction of overhead tank with 60000 ltr capacity, Kurunallipalayam, Kinathukadavu	Kurunallipalayam village people	
16	Cost for road laying project, Kothavadi, Coimbatore	Village people in and around Kothavadi	
17	Fixing up of hand wash basin facilities at various Government Schools	3800 students approx.	
18	Providing medical equipments, Government Hopsital, Annur, Coimbatore	People in and around Annur	

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable & marginalized groups
19	Distribution of notebooks and other educational materials at Government Middle School, Mambakkam, Sriperumbudur	135 students	
20	Setting up of 3 smart classrooms at Govt. Middle School, Mambakkam, Sriperumbudur	65 students (4th to 6th std)	
21	Construction of Community Hall at Upperbera Village, Kalikapur Panchayat, Jamshedpur	Upperbera village people	
22	Slab boundary wall with gate arrangements at Uttkramit Middle School, Murkum, Yashpur Panchayat, Jamshedpur	150 students	
23	A. Construction of two toilets for boys and two toilets for girls with complete fittings at Uttkramit Middle school, Gamharia. B. Deep Bore well and tap facilities with overhead tank, drinking water facilities at Uttkramit Middle School, Gamharia, Jamshedpur	250 students	
24	Eye camp, Gamharia, Jamshedpur	139 persons	
25	Provision of Digital Board with all accessories and inverter at Uttkramit Middle School, Padampur, Jamshedpur	150 students	
26	Providing benches, desks and uniform to Government Middle School, Jigani, Bangalore	717 students	
27	Providing drinking water facility to the old age people of Narmada Sewa Samiti, Pithampur	110 people	
28	Providing drinking water facility to Govt. School, Pithampur	700 students approx.	
29	Supply of groceries, medicines for old age women, abandoned women, mentally retarded and physically & visually challenged persons of Universal Peace Foundation, Nallagoundanpalayam, Coimbatore	410 people	
30	Deep Bore well water facility for the Sangothiplayam village people, Sangothipalayam, Coimbatore	Sangothipalayam village people	
31	Setting up of AI based vision system comprising cameras, lens, lighting & fixtures and infrastructure at Sri Ramakrishna Engineering College, Coimbatore	Artificial Intelligence & Robotics department students at Sri Ramakrishna Engineering College	
32	Providing books to the Library, Arasur, Coimbatore	People in and around Arasur	

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The Company has a structured mechanism in place to receive and respond to customer complaints and feedback through multiple channels such as emails, phone calls and dedicated customer portals (for certain customers). Customers can also raise service complaints through the Customer Monitoring Tracking System. Upon receipt of a complaint, the designated customer representative analyses the issue and ensures that appropriate corrective actions are taken. The Company further maintains internal timelines for resolution and continuously monitor complaints to ensure timely redressal.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

Packing materials contain information about Environmental and social parameters. Industrial & Engineering products such as SPM, Storage products and material handling products carry information about the Safe and responsible usage. Details on recycling and safe disposal is mentioned in the product manual and recycling symbols are also displayed in the products.

	As a percentage to total turnover
Environmental and social parameters relevant to the product	-
Safe and responsible usage	-
Recycling and/or safe disposal	-

3. Number of consumer complaints in respect of the following:

	FY 25			FY 24		
	Received during the year	Pending resolution at end of year	Remark	Received during the year	Pending resolution at end of year	Remark
Data privacy	0	0	-	0	0	-
Advertising	0	0	-	0	0	-
Cybersecurity	0	0	-	0	0	-
Delivery of essential services	0	0	-	0	0	-
Restrictive Trade Practices	0	0	-	0	0	-
Unfair Trade Practices	0	0	-	0	0	-
Other	0	0	-	0	0	-

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	0	-
Forced recalls	0	-

During the fiscal year, the Company has maintained a strong track record in terms of quality, environment, health and safety, with no cases of product recalls. This further reinforces the commitment to stringent quality control measures. The safety and reliability of products are prioritized. The internal team ensures that products meet and set industry benchmarks for safe usage and handling.

5. Does the entity have a framework/ policy on Cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, the Company has established an Information Security Management System (ISMS) Manual that outlines comprehensive policies to address cybersecurity and data privacy risks. The manual covers various aspects such as device usage, data classification, password protection, media security, antivirus management, data backup and recovery, network access, and appropriate usage of email and the internet. These policies collectively ensure secure handling of information and protect the organization against data breaches and cyber threats.

Weblink to the Policy: https://www.craftsmanautomation.com/investors/wp-content/uploads/2025/06/Other-policies.pdf

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; Cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

   Not Applicable

7. **Provide the following information relating to data breaches:**

   a. Number of instances of data breaches:

   No instances of data breach were reported or observed during the reporting year.

   b. Percentage of data breaches involving personally identifiable information of customers

   Nil, no instances of data breach were reported or observed during the reporting year.

   c. Impact, if any, of the data breaches

   Nil

Leadership Indicators

1. **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).**

   The Company has provided detailed information on products through its website which can be accessed at: https://www.craftsmanautomation.com/our-product-segments.html

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services**

   The Company provides guidance to customers on the safe and responsible usage of products and services through integrated communication channels, including user manuals, instructions embedded within ERP software, and through direct customer support. Additionally, technical teams educate customers during onboarding or installation phases, ensuring proper understanding of usage protocols and safety measures.

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

   No major disruptions have occurred during the reporting period. In the event of any disruption or discontinuation of essential services, customers would be proactively informed through email communications or service calls.

4. **Does the entity display product information on the product over and above what is mandated as per local laws? If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

   The Company complies with all applicable laws and regulations related to product information display. Currently, no voluntary disclosures are made beyond the regulatory requirements.

   Further, to assess customer satisfaction, feedback and survey forms are collected after the installation of every product. Inputs from these surveys are reviewed, and any low scores are addressed on a priority basis to ensure continuous improvement. Additionally, the Company's plants are strategically located near key customers to enhance service efficiency and customer satisfaction.

ANNEXURE - 10

CEO AND CFO CERTIFICATION

[As per Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To
The Board of Directors,
Craftsman Automation Limited.

In compliance with Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby certify that,

(a) We have reviewed financial statements and the cash flow statement for the quarter and financial year ended 31st March, 2025 and that to the best of their knowledge and belief:

   i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the quarter and financial year ended 31st March, 2025 which are fraudulent, illegal or violative of the Company's code of conduct.

(c) We accept responsibility for establishing and maintaining internal controls for the financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have not observed any deficiencies in the design or operation of such internal controls.

(d) We have indicated to the Auditors and the Audit committee that there are:

   i. No significant changes in internal control over financial reporting during the quarter and financial year ended 31st March, 2025;

   ii. No significant changes in accounting policies during the quarter and financial year ended 31st March, 2025; and

   iii. No instances of significant fraud where the involvement of the management or an employee having a significant role in the Company's internal control system over financial reporting have been observed.

Place : Coimbatore	**Srinivasan Ravi**	**C B Chandrasekar**
Date : 7th May, 2025	Chairman and Managing Director	Chief Financial Officer

ANNEXURE - 11

DECLARATION BY THE MANAGING DIRECTOR / CEO UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 REGARDING THE COMPLIANCE WITH THE CODE OF CONDUCT

In accordance with the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that, all Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the financial year ended 31st March, 2025.

(By Order of the Board)
for CRAFTSMAN AUTOMATION LIMITED

Srinivasan Ravi
Chairman and Managing Director
DIN:01257716

Place : Coimbatore
Date : 7th May, 2025

FINANCIAL STATEMENTS

STANDALONE | CONSOLIDATED

Independent Auditors' Report

To the members of Craftsman Automation Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Craftsman Automation Limited** ("the Company"), which comprise the Balance Sheet as at 31 March 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and notes to the 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 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 31 March 2025, and its profit and 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 ("Standards" or "SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report.

We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the 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 we have obtained is sufficient and appropriate to provide a basis for our 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 the matters described below to be the key audit matters to be communicated in our report.

S. No	Key audit matter description and principal audit procedures
1	**Accounting for Property, Plant and Equipment** Refer Notes E-a, E-c, F-a, 1.1, 1.2 and 2.6 in standalone financial statements Property, plant and equipment including capital work in progress ('PPE') represents 44% of the Company's total assets. The capitalisation of PPE includes the fair value of the consideration given to acquire the asset (net of discounts and rebates) and any directly attributable costs of bringing the asset to working condition for its intended use (inclusive of non-refundable purchase taxes and duties). Depreciation is generally charged as per Schedule II to Companies Act, 2013. In respect of certain classes of PPE, the useful life has been ascertained based on technical review by a Chartered Engineer and assessment by the management of the Company. The Company carries out physical verification of PPE on an annual basis as per their physical verification policy. The Company uses estimates and assumptions to determine the useful life of assets, residual value, assess impairment loss (if any). The useful life of property, plant and equipment is determined by the technical team of the Company's management taking into consideration the industry practice, the application and usage factors and past historical trend. The residual value at the end of the useful life of property, plant and equipment is estimated in determining the depreciable value of the asset. Impairment assessment of property, plant and equipment involves identification of Cash Generating Unit ('CGU') and estimating future cash flows arising of out of such CGUs.

S. No	Key audit matter description and principal audit procedures
	Due to the material value of PPE to total assets and estimates/judgements involved in their valuation, the audit of accounting of Property, Plant and Equipment has been considered as a Key Audit Matter in the audit of the standalone financial statements Our procedures relating to audit of accounting for Property, Plant and Equipment includes the following: • evaluating of design and implementation of controls and testing the operating effectiveness of the internal controls over: - measurement of initial recognition costs including costs of self-constructed PPE; - valuation of PPE and review of useful lives including depreciation rates applied; - periodic physical verification of property, plant and equipment by the management; • testing on sample basis the value of self-constructed assets with underlying documentation to assess compliance with applicable accounting standards; • wherever the useful life of a PPE considered is different from the useful life indicated in the Act, obtain confirmation from management's technical team for the useful life for the same; • reviewing the residual value of PPE considered by the management for consistency and appropriateness; • understanding the basis behind identification of Cash Generating Units by the management and review the future cash flow projections for the same; • checking the computation and correctness of the discounting factor applied for arriving at value in use and impairment thereof, if any; • checking the reasonableness of the assumptions made by the management in identifying CGUs, assessing the future cash flows, discount factor and impairment loss; • physically inspecting a sample of assets at the main units of the Company during the year to ensure existence of PPE; • reviewing the physical verification reports of the management and the treatment of discrepancies in the books of accounts / Fixed Asset Register, wherever applicable.

Information other than the standalone financial statements and Auditor's Report thereon

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

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information 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 in the audit, or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

Responsibilities of management and Those Charged with Governance for the standalone financial statements

The Board of Directors of the Company is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 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 and error.

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

Those 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 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 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 over financial reporting and the operating effectiveness of such controls;

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;

- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone 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.

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 communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we

give in Annexure 'A' to this report, a statement on the matters specified in para 3 and 4 of the Order, to the extent applicable.

2. As required by section 143(3) of the Act, we report that:

(a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

(b) in our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) the Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Cash Flows and the Statement of Changes in Equity 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 Indian Accounting Standards prescribed 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 31 March 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of section 164(2) of the Act;

(f) with respect to the adequacy of internal financial controls over financial reporting of the Company and the operative effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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

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

i. the Company, as detailed in Note 3.6 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position;

ii. the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

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

iv. (a) the management has represented that, to the best of its knowledge and belief, 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. The amount of dividend is in accordance with Section 123 of the Act.

(a) The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with Section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.

(b) As stated in Note 1.18 to the financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend

vi Based on our examination which included test checks, the Company has used accounting software systems for maintaining its books of account for the financial year ended 31 March 2025 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 systems. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For **SHARP & TANNAN**
Chartered Accountants
(Firm's Registration No. 003792S)

V. Viswanathan
Partner
Membership No. 215565
UDIN: 25215565BMINIS2199

Place: Coimbatore
Date: 07 May 2025

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

With reference to paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of **Craftsman Automation Limited** ("the Company") of even date, we report the following:

(i) (a) (A) the Company has maintained proper records showing full particulars, including quantitative details and situation of its 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 Company has a regular programme of physical verification of its property, plant and equipment which, in our opinion, is reasonable having regard to the size of the Company and the nature of its property, plant and equipment. In accordance with this programme, certain property, plant and equipment were physically verified by the management during the year and no material discrepancies were noticed on such verification;

(c) according to the information and explanations given to us and the records examined by us, we report that, the title deeds of all the immovable properties of land and buildings which are freehold and included under the head 'Property, plant and equipment' are held in the name of the Company;

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

(e) no proceedings have been initiated during the year or are pending against the Company as at 31 March 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder;

(ii) (a) in our opinion, the management of the Company has conducted physical verification of inventories at reasonable intervals during the year and the coverage and procedures of such verification by the management is appropriate. The discrepancies noticed on such verification were not material and these have been properly dealt with in the books of account;

(b) the Company has been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, during the year, from banks or financial institutions on the basis of security of current assets and the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company;

(iii) according to the information and explanation given to us, the Company has not provided any guarantee or security or loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties. The Company has made investments during the year. Accordingly, paragraph 3(iii)(a),(c),(d),(e) and (f) of the Order is not applicable to the Company;

With respect to paragraph 3(iii)(b) of the Order, in our opinion, the investments made during the year are, prima facie, not prejudicial to the Company's interest;

(iv) according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans granted and investments made;

(v) according to the information and explanations given to us, the Company has not accepted any deposits from public during the year and does not have any unclaimed deposits as at 31 March 2025 and hence the provisions of the paragraph 3(v) of the Order is not applicable to the Company;

(vi) the Central Government has specified maintenance of cost records under section 148(1) of the Companies Act, 2013. We have broadly reviewed the cost records maintained during the year by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government under sub-section (1) of section 148 of the Act, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete;

(vii) (a) according to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company has been generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, duty of customs, cess and other material statutory dues applicable to the Company during the year with appropriate authorities. According to the information and explanations given to us, there were no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, goods and service tax, duty of customs, cess or other material statutory dues outstanding as at 31 March 2025 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 the records of the Company examined by us, the particulars of income tax, service tax, goods and services tax as at 31 March 2025 which have not been deposited with statutory authorities on account of a dispute pending are as under:

Name of the statute	Nature of dues	Amount involved in dispute (₹ in Lakhs)	Unpaid disputed amount (₹ in Lakhs)	Period to which amount relates	Forum where dispute is pending
Income Tax Act, 1961	Tax, Interest & Penalty	104	9	2008-09	High Court
Income Tax Act, 1961	Tax, Interest & Penalty	213	168	2020-21	Commissioner of Income Tax (Appeals)
Income Tax Act, 1961	Tax, Interest & Penalty	162	130	2021-22	Commissioner of Income Tax (Appeals)
Finance Act, 1994 (Service Tax)	Service Tax	67	60	Apr 2016 to June 2017	Custom Excise Service Tax Appellate Tribunal
Goods and Services Tax Act, 2017	GST	16	16	July 2017 to July 2018	Commissioner of Central Excise & GST, Appeals, Coimbatore
Goods and Services Tax Act, 2017	GST	7	7	Apr 2020 to Mar 2021	Additional Commissioner (Appeals)
Goods and Services Tax Act, 2017	GST	4	3	2018-19	Joint Commissioner (Appeals)
Goods and Services Tax Act, 2017	GST	1,926	1,829	2017-18 to 2023-24	Commissioner (Appeals)

There are no dues in respect of sales tax / value added tax, duty of excise, duty of customs as at 31 March 2025 which have not been deposited with the statutory authorities on account of a dispute;

(viii) based on our audit procedures and as per the information and explanations given by the management of the Company, no amount has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Accordingly, paragraph 3(viii) of the order is not applicable to the Company;

(ix) (a) according to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to any financial institution or bank during the year. The Company did not have any loans or borrowing from government or dues to debenture holders during the year;

(b) the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority;

(c) according to the information and explanation given to us, term loans were applied for the purpose for which the loans were obtained;

(d) on an overall examination of the standalone financial statements of the Company, funds raised on short term basis have, prima facie, not been used during the year for long-term purposes by the Company;

(e) on an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries;

(f) on an overall examination of the standalone financial statements of the Company, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies

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

(b) during the year, the Company has made private placement of equity shares in compliance with the requirements of section 42 and section 62 of the Act. The funds raised have been used for the purpose for which funds were raised. The Company has not made any preferential allotment or private placement of convertible debentures during the year.

(xi) (a) to the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company and no material fraud on the Company by its officers or employees 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) according to the information and explanation given to us, no whistle blower complaints were received by the Company during the year;

(xii) the Company is not a Nidhi Company. Accordingly, reporting on paragraph 3(xii) of the Order is not applicable to the Company;

(xiii) in our opinion and according to the information and explanations given to us, the Company is in compliance with sections 177 and 188 of the Act, where applicable, for all transactions with related parties undertaken during the year and the details of such related party transactions have been disclosed in the 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, in determining the nature, timing and extent of our audit procedures;

(xv) according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with the directors during the year and hence provisions of section 192 of the Act is 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. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable;

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

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

(xviii) there has been no resignation of the statutory auditors of the Company during the year;

(xix) on the basis of the financial ratios, ageing and expected dates of 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 Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under Clause 3(xx) of the Order is not applicable for the year.

(xxi) there have been no qualifications or adverse remarks by the auditors in the Companies (Auditor's Report) Order (CARO) report of the companies included in the consolidated financial statements.

For **SHARP & TANNAN**
Chartered Accountants
(Firm's Registration No. 003792S)

V. Viswanathan
Partner
Membership No. 215565
UDIN: 25215565BMINIS2199

Place: Coimbatore
Date: 07 May 2025

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Craftsman Automation Limited of even date)

Independent Auditors' Report on the Internal Financial Controls over financial reporting under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of **Craftsman Automation Limited** ("the Company") as of 31 March 2025 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 Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. Our audit is conducted 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. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion and 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 over financial reporting and such internal financial controls over financial reporting were operating effectively as of 31 March 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **SHARP & TANNAN**
Chartered Accountants
(Firm's Registration No. 003792S)

V. Viswanathan
Partner
Membership No. 215565
UDIN: 25215565BMINIS2199

Place: Coimbatore
Date: 07 May 2025

Standalone Balance Sheet

as at March 31, 2025

(₹ in Lakhs)

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
Property, Plant and Equipment	1.1	2,41,722	1,84,235
Capital Work in progress	1.2	26,670	16,452
Intangible assets	1.3	591	429
Right-of-use Asset	1.4	36,316	23,799
Financial assets			
Investments	1.5	1,21,857	40,319
Loans	1.6	6,640	-
Security Deposits	1.7	4,499	4,488
Other Financial assets	1.8	17	84
Current tax assets (Net)	1.9	658	496
Deferred tax assets (Net)	1.10	1,117	-
Other non-current assets	1.11	9,017	11,410
		4,49,104	**2,81,712**
Current assets			
Inventories	1.12	90,539	83,886
Financial assets			
Trade receivables	1.13	52,471	40,450
Cash and cash equivalents	1.14	2,919	2,411
Other bank balances	1.15	2,510	1,951
Security Deposits	1.16	90	97
Other Financial assets	1.17	1,294	957
Other Current assets	1.18	11,170	6,443
		1,60,993	**1,36,195**
Total Assets		**6,10,097**	**4,17,907**
EQUITY AND LIABILITIES			
EQUITY			
Equity Share capital	1.19	1,193	1,056
Other Equity	1.20	2,78,744	1,53,542
		2,79,937	**1,54,598**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	1.21	1,38,119	1,01,856
Lease Liabilities	1.22	20,093	16,395
Other Non-Current Financial Liabilities	1.23	145	211
Provisions	1.24	19	23
Deferred tax liabilities (Net)	1.25	-	12,004
		1,58,376	**1,30,489**
Current liabilities			
Financial Liabilities			
Borrowings	1.26	27,415	38,447
Lease Liabilities	1.27	9,952	4,340
Trade payables			
(a) total outstanding dues of micro enterprises & small enterprises	1.28	618	519
(b) total outstanding dues of creditors other than micro enterprises & small enterprises		1,00,778	66,226
Other current Financial Liabilities	1.29	17,617	13,493
Current tax liabilities (Net)	1.30	679	349
Other current liabilities	1.31	13,655	8,584
Provisions	1.32	1,070	862
		1,71,784	**1,32,820**
Total Equity and Liabilities		**6,10,097**	**4,17,907**

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

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

For SHARP & TANNAN
Chartered Accountants
Firm Registration No. 003792S

V. Viswanathan
Partner
Membership No. 215565

Place : Coimbatore
Date : May 07, 2025

For and on behalf of the Board

R.Gauthamram
Whole Time Director
DIN : 06789004

S.Ravi
Chairman and Managing Director
DIN : 01257716

Shainshad Aduvanni
Company Secretary
M.No. A27895

C. B. Chandrasekar
Chief Financial Officer

Place : Coimbatore
Date: May 07, 2025

Standalone Statement of Profit and Loss

for the year ended March 31, 2025

(₹ in Lakhs)

Particulars	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
INCOME			
Revenue From Operations	2.1	3,84,795	3,20,779
Other Income	2.2	3,226	1,461
Total Income (A)		**3,88,021**	**3,22,240**
EXPENSES			
Cost of materials consumed	2.3	2,13,366	1,70,115
Changes in inventories of finished goods and work-in-progress	2.4	(2,124)	(10,611)
Employee benefits expense	2.5	29,088	24,876
Depreciation, amortization and impairment expense	2.6	26,787	23,605
Other expenses	2.7	88,833	72,243
Finance costs	2.8	19,316	15,462
Total expenses (B)		**3,75,266**	**2,95,690**
Profit before tax (C = A-B)		**12,755**	**26,550**
Tax expense:			
(1) Current Tax	3.1	2,950	7,102
(2) Deferred tax		436	(311)
		3,386	**6,791**
Profit for the year (D)		**9,369**	**19,759**
Other Comprehensive Income ('OCI')			
A (i) Items that will not be reclassified to profit or loss			
- Remeasurement of defined benefit plans		(242)	(216)
(ii) Income tax relating to items that will not be reclassified to profit or loss		61	54
B (i) Items that will be reclassified to profit or loss			
- The effective portion of gains or loss on hedging instruments in a cash flow hedge		674	320
(ii) Income tax relating to items that will be reclassified to profit or loss		(169)	(80)
Other Comprehensive Income for the year, net of tax (E)		**324**	**78**
Total Comprehensive Income for the year (Comprising Profit for the year and Other Comprehensive Income for the year) (D+E)		**9,693**	**19,837**
Earnings per equity share Basic & Diluted (Face value of ₹5/-)	3.3	40.30	93.52

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

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

For SHARP & TANNAN
Chartered Accountants
Firm Registration No. 003792S

V. Viswanathan
Partner
Membership No. 215565

Place : Coimbatore
Date : May 07, 2025

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M.No. A27895

C. B. Chandrasekar
Chief Financial Officer

Place : Coimbatore
Date : May 07, 2025

Standalone Statement of Cash Flows

for the year ended March 31, 2025

(₹ in Lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Cash flows from operating activities		
Profit before taxation ('PBT')	**12,755**	**26,550**
Adjustments to reconcile PBT to net cash flows:		
Depreciation, amortization and impairment expense	26,787	23,605
Gain on sale of assets	(6)	(57)
Exchange difference on transaction/translation (loss/(gain))	(489)	(832)
Provision for :		
Doubtful debts	933	(94)
Warranty & Rejection	79	38
Slow moving inventory	217	393
Interest income (including fair value changes in financial instruments)	(1,285)	(294)
Government grant income	(3,639)	(3,120)
Interest expense (including fair value changes in financial instruments)	19,008	15,349
Operating cash flow before changes in working capital	**54,360**	**61,538**
Adjustments for:		
Increase/ (Decrease) in provisions	(117)	31
Increase/ (Decrease) in other financial liabilities	246	41
Increase/ (Decrease) in other current liabilities	4,646	824
Increase/ (Decrease) in Trade Payables and other Payables	34,651	10,176
(Increase)/ Decrease in other financial assets	(1,179)	(1,498)
(Increase)/ Decrease in other current assets	(4,167)	(300)
(Increase)/ Decrease in trade and other receivables	(12,157)	(2,540)
(Increase)/ Decrease in inventories	(6,870)	(18,215)
Cash generated from operations	**69,413**	**50,057**
Income taxes paid	(2,779)	(10,405)
Net cash from operating activities - A	**66,634**	**39,652**
Cash flows from investing activities		
Purchase of property, plant and equipment	(82,209)	(57,382)
Purchase of Intangible Assets	(264)	(195)
Proceeds from sale of equipment	208	90
Purchase of investment in Equity Shares	(95,206)	(22)
Loans (given)/repaid	(6,294)	-
Interest received	1,211	228
Net cash used in investing activities - B	**(1,82,554)**	**(57,281)**

Standalone Statement of Cash Flows (Contd.)

for the year ended March 31, 2025

(₹ in Lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Cash flows from financing activities		
Proceeds from issue of shares	1,18,023	-
Proceeds from long-term borrowings	1,04,868	46,192
Repayment of long term borrowings	(66,375)	(20,047)
Net proceeds from / (repayments of) short-term borrowings	(13,419)	14,955
Principal payments towards lease liability	(5,508)	(4,984)
Interest paid (incl. interest on lease liability)	(18,784)	(15,188)
Dividend Paid	(2,377)	(2,377)
Net cash from/ (used in) financing activities- C	**1,16,428**	**18,551**
Net increase / (decrease) in cash and cash equivalents - (A+B+C)	508	922
Cash and cash equivalents at beginning of year	2,411	1,489
Cash and cash equivalents at end of year	**2,919**	**2,411**

Notes:

1. Reconciliation of Cash & Cash equivalents as per Cash Flow Statement

(₹ in Lakhs)

Cash & cash equivalents consists of:	Year ended March 31, 2025	Year ended March 31, 2024
Cash and cash equivalents (note : 1.14)	2,919	2,411
Total	**2,919**	**2,411**

2. Refer to note: 1.21 for Net Debt Reconciliation

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

This is the Statement of Cash Flows referred to in our report of even date

For SHARP & TANNAN
Chartered Accountants
Firm Registration No. 003792S

V. Viswanathan
Partner
Membership No. 215565

Place : Coimbatore
Date : May 07, 2025

For and on behalf of the Board

R.Gauthamram
Whole Time Director
DIN : 06789004

S.Ravi
Chairman and Managing Director
DIN : 01257716

Shainshad Aduvanni
Company Secretary
M.No. A27895

C. B. Chandrasekar
Chief Financial Officer

Place : Coimbatore
Date : May 07, 2025

Standalone Statement of Changes in Equity
for the year ended March 31, 2025

(₹ in Lakhs)

a. Equity Share Capital	Balance as at April 1, 2024	Changes in equity share capital during the year	Balance as at March 31, 2025
	1,056	137	1,193

(₹ in Lakhs)

b. Other Equity	Reserves and Surplus			Other Reserves		Total
	Securities Premium Reserve	General Reserve	Retained Earnings	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	
Balance as at April 1, 2023	**28,123**	**9,662**	**99,111**	**(321)**	**(493)**	**1,36,082**
Profit for the year	-	-	19,759	-	-	19,759
Other Comprehensive Income	-	-	-	-	240	240
- Defined Benefit Plan	-	-	(162)	-	-	(162)
Total Comprehensive Income for the year	**-**	**-**	**19,597**	**-**	**240**	**19,837**
Dividends	-	-	(2,377)	-	-	(2,377)
Balance as at March 31, 2024	**28,123**	**9,662**	**1,16,331**	**(321)**	**(253)**	**1,53,542**
Profit for the year	-	-	9,369	-	-	9,369
Other Comprehensive Income	-	-	-	-	505	505
- Defined Benefit Plan	-	-	(181)	-	-	(181)
Total Comprehensive Income for the year	**-**	**-**	**9,188**	**-**	**505**	**9,693**
Issues of shares	1,17,886	-	-	-	-	1,17,886
Dividends	-	-	(2,377)	-	-	(2,377)
Balance as at March 31, 2025	**1,46,009**	**9,662**	**1,23,142**	**(321)**	**252**	**2,78,744**

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

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

For SHARP & TANNAN
Chartered Accountants
Firm Registration No. 003792S

V. Viswanathan
Partner
Membership No. 215565

Place : Coimbatore
Date : May 07, 2025

For and on behalf of the Board

R.Gauthamram
Whole Time Director
DIN : 06789004

S.Ravi
Chairman and Managing Director
DIN : 01257716

Shainshad Aduvanni
Company Secretary
M.No. A27895

C. B. Chandrasekar
Chief Financial Officer

Place : Coimbatore
Date : May 07, 2025

Notes to Standalone Financial Statements

for the year ended March 31, 2025

A. CORPORATE INFORMATION

Craftsman Automation Limited (the Company) was incorporated under the Companies Act, 1956 on July 18, 1986. The Company became a public limited Company from May 4, 2018. The Company is engaged in the business of manufacturing engineering components, sub-assemblies, products and rendering of contract manufacturing services to various industries.

B. STATEMENT OF COMPLIANCE

The financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') as notified under the Section 133 of the Companies Act, 2013 (the Act) read with the Companies (Indian Accounting Standards) Rules, 2015. The presentation of the financial statements is based on the requirements of the Companies Act, 2013.

C. RECENT ACCOUNTING DEVELOPMENTS

New Accounting Standards/Amendments notified but not yet effective

During the year ended March 31, 2025, MCA has not notified any new standards or amendments to the existing standards applicable to the company.

D. BASIS OF PREPARATION AND PRESENTATION OF FINANCIAL STATEMENTS

The financial statements are presented in Indian Rupees which is the functional currency and presentation currency of the Company and all values are rounded to the nearest lakhs, except where otherwise indicated.

These financial statements have been prepared on a historical cost basis, except for the following material items in the balance sheet:

a) Certain financial assets and liability measured at fair value (refer note. 3.4(d))

b) Derivative financial instruments

c) Employees Defined benefit plans are recognised at the net total of the fair value of plan assets, and the present value of the defined benefit obligation as per actuarial valuation

E. MATERIAL ACCOUNTING POLICIES

S. No	Material Accounting Policies	E.	Reference In Balance Sheet & Profit And Loss Notes
1	Property Plant and Equipment	a.	1.1
2	Inventory	b.	1.12
3	Impairment of assets	c.	1.1, 1.2,1.3, 1.5 & 2.6
4	Revenue recognition	d.	2.1
5	Financial Instruments	e.	1.8,1.17,1.23, 1.29,3.4
6	Segment reporting	f.	3.11

a. Property Plant and Equipment

All property, plant and equipment except land is recognised at historical cost less depreciation. Freehold land is carried at historical cost.

The cost of a self-constructed asset is determined using the same principles as for an acquired asset. If Company makes similar assets for sale in the normal course of business, the cost of the asset is usually the same as the cost of constructing an asset for sale. Internal margins are eliminated in arriving at such costs. Similarly, the cost of abnormal amounts of wasted material, labour, or other resources incurred in self-constructing an asset are not included in the cost of the asset. Borrowing Costs are recognized as a component of the carrying amount of a self-constructed item of PPE if its meets the recognition criteria under Ind AS.

Depreciation on Plant Property and Equipment

The depreciable amount of PPE (being the gross carrying value less the estimated residual value) is depreciated on straight-line basis over its useful life.

In respect of certain classes of PPE, the Company uses different useful life other than those prescribed in Schedule II to the Act. The useful life of such class of PPE has been ascertained based on technical review by a Chartered Engineer and assessment by the management as detailed in the following table

Classes of PPE	Useful life and basis of depreciation
New Plant and Machinery	20 Years
Used Plant and Machinery	10 Years
Tool holder, jigs, fixtures, patterns, dies, moulds & instruments and gauges	5 Years
Lease hold improvements	Over lease period

b. Inventory

The cost of inventory items is determined by using weighted average cost formula.

Tools are valued at cost till they are issued for usage in production process. In respect of issued tools which can be refurbished, the Company depending upon its useful life amortizes on a straight line basis over its useful life. Useful life determined for certain classes of tools is two to three years. Tools which are not refurbishable are charged off to Statement of Profit and Loss upon issue for usage. The "tools in use" are carried at cost less accumulated amortization.

The Company regularly assesses whether there is any indication of a diminution in the value of inventories. Such indications may include, but are not limited to, evidence of obsolescence, damage, changes in market conditions, or significant declines in selling prices. This policy applies to all inventories held by the company, including raw materials, work in progress, and finished goods. If there is objective evidence of a diminution in the value of inventories, the carrying amount of the inventories is reduced to their net realizable value.

c. Impairment of assets

At the end of each reporting period, the Company determines whether there is any indication that its assets (PPE, intangible assets and investments in equity instruments in subsidiaries and joint ventures carried at cost) have suffered an impairment loss with reference to their carrying amounts. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount exceeds the recoverable amount. Recoverable amount is higher of the fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

d. Revenue recognition

i. <u>Sale of Goods & Rendering of Services</u>

Revenue is recognised when a performance obligation in a customer contract has been satisfied by transferring control over the promised goods to the customer. Control over a promised good refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, those goods. Control is usually transferred upon shipment, delivery to, upon receipt of goods by the customer, in accordance with the individual delivery and acceptance terms agreed with the customers. The amount of revenue to be recognised (transaction price) is based on the consideration expected to be received in exchange for goods, excluding amounts collected on behalf of third parties such as goods and services tax or other taxes directly linked to sales.

Revenue from rendering of services is recognised over time as and when the customer receives the benefit of the Company's performance and the Company has an enforceable right to payment for services transferred. Unbilled revenue represents value of services performed in accordance with the contract terms but not billed as at the reporting date.

ii. <u>Other Operating revenues</u>

Other operating revenues comprise income from ancillary activities incidental to the operations of the Company and are recognised when the right to receive the income is established as per the terms of the contract.

e. Financial Instruments

i. <u>Derivative financial instruments:</u>

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the Statement of Profit and Loss depends on the nature of the hedging relationship and the nature of the hedged item.

ii. <u>Hedge accounting:</u>

The Company designates certain derivatives as hedging instruments in respect of foreign currency risk and interest rate risk either as fair value hedges or cash flow hedges. Hedges of foreign exchange risk on firm commitments are also accounted for as cash flow hedges.

iii. <u>Fair value hedges:</u>

Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in the Statement of Profit and Loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

iv. <u>Cash flow hedges:</u>

In case of transaction related hedges, the effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under Equity as 'cash flow hedging reserve'. The gain or loss relating to the ineffective portion is recognised immediately in Statement of Profit and Loss, and is included in the "Other Income".

Amounts previously recognised in Other Comprehensive Income and accumulated in equity (relating to effective portion) are reclassified to Statement of Profit and Loss in the periods when the hedged item affects profit or loss, in the same financial statement line item as the hedged item. The effective portion of the hedge is determined at the lower of the cumulative gain or loss on the hedging instrument from inception of the hedge and the cumulative change in the fair value of the hedged item from the inception of the hedge and the remaining gain or loss on the hedging instrument is treated as ineffective portion.

The cash flow hedges are allocated to the forecast transactions on gross exposure basis. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity (but not as a reclassification adjustment) and are included in the initial measurement of the cost of the non-financial asset or the non-financial liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in the Other Comprehensive Income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit and loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in the Statement of Profit and Loss.

The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to the Statement of Profit and Loss from that date.

f. Segment reporting

The Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on an analysis of various performance indicators of the reportable segments. The Company's reportable segments have been identified based on end consumption of the products sold or services rendered. The reportable segments are as follows:

Powertrain : This segment develops, manufactures, sells its goods and services of powertrain and related products to the manufacturers of commercial/ passenger vehicles, farm equipment, mining and construction equipment.

Aluminium Products : This segment develops, manufactures, sells its goods and services consisting of aluminium products to the manufacturers of two wheelers, passenger vehicles and commercial vehicles and products for power transmission and other industrial usage.

Industrial & Engineering : This segment develops, manufactures, sells its goods and services such as castings, gears, material handling equipment, special purpose machines, other general engineering products (together broadly termed as "High End Sub-assembly, Contract Manufacturing & Others") and storage products to various end user industries.

Segments that are not significant are categorised as "Others". Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment and as well as those which can be allocated on a reasonable basis. Operating segments are reported in a manner consistent with the internal reporting to the CODM of the Company.

F. OTHER ACCOUNTING POLICIES

a. Property, Plant & Equipment

Recognition and Measurement

All Property, Plant & Equipment ('PPE') are stated at cost of acquisition / installation as adjusted for import duty waivers and foreign exchange losses / gains less accumulated depreciation and impairment losses.

Cost of acquisition / installation includes the fair value of the consideration given to acquire the asset (net of discounts and rebates) and any directly attributable costs of bringing the asset to working condition for its intended use (inclusive of non-refundable purchase taxes and duties).

The Company capitalises the import duty waived in respect of capital equipment imported under the Export Promotion Capital Goods Scheme.

Foreign exchange gain /loss arising on foreign currency denominated borrowing which are not hedged that were incurred to acquire PPE are recorded as part of the cost of asset as per Ind AS 101 and depreciated over their remaining useful life. In respect of exchange gain or loss arising from foreign currency denominated borrowings which are hedged accounting has been done based on Hedge effectiveness either as derivative or cash flow hedge as per Ind AS 109.

Subsequent expenditure relating to an item of PPE is capitalised if it meets the recognition criteria.

The import duty waived on capital assets which are purchased under the Export Promotion Capital Goods ('EPCG') schemes and which are recognized are recorded as deferred revenue and recognized in Statement of Profit and Loss on a systematic basis over the periods in which the related performance obligations are fulfilled.

b. Intangible assets

An intangible asset is an identifiable non-monetary asset without physical substance.

An intangible asset with finite useful life that are acquired separately and where the useful life is 2 years or more is capitalised and carried at cost less accumulated amortization. Amortization is recognised on a straight line basis over the useful life of the asset. The class of asset and the estimated useful life is as follows

Description of the asset	Useful life and basis of amortization
Software – Acquired	5 Years
Technical Know-how - Acquired	8 Years

Internally generated intangible assets

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale,
- the intention to complete the intangible asset and use or sell it, the ability to use or sell the intangible asset,
- how the intangible asset will generate probable future economic benefits.
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset, and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is recognised in the Statement of Profit and Loss in the period in which it is incurred. Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately. Development Expenditure recognized as intangible assets are amortized over a period of 3 years.

De-recognition

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in Statement of Profit and Loss when the asset is derecognised.

c. Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

i. The Company as a lessee:

The Company's lease asset classes primarily consist of leases for Machineries and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through-out the period of the lease, and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are amortised from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right-of-use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates of the Company. Lease liabilities are remeasured with a corresponding adjustment to the related Right-of-use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

ii. Company as a Lessor:

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the ROU asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

d. Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

Classification of financial assets

The financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets are added to the fair value of the financial assets on initial recognition.

After initial recognition:

(i) Financial assets (other than investments and derivative instruments) are subsequently measured at amortized cost using the effective interest method.

Effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition

(ii) Financial assets (i.e. derivative instruments and investments in instruments other than equity of Subsidiaries and joint ventures) are subsequently measured at fair value.

Such financial assets are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in other comprehensive income.

i. Investments in equity instruments of subsidiaries and joint venture

The Company measures its investments in equity instruments of subsidiaries and joint venture at cost in accordance with Ind AS 27. The Company has elected to value its investments in subsidiaries and Joint venture at cost as per Ind AS and these are being tested for impairment at each reporting period.

ii. Investments in equity instruments other than subsidiaries and joint venture

The Company has valued the investments in equity instruments other than subsidiaries and joint venture at fair value through Other Comprehensive Income. Fair value of unquoted instrument has been valued at book value of that Company based on Level 2 input.

In respect of investment in equity share capital of group captive power companies which are made to comply with the provisions of Electricity Rules, 2003, these investments are carried at cost as these investments can be sold back only at par.

iii. Cash and cash equivalents

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash which are subject to an insignificant risk of changes in value, and net off bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

iv. Trade receivables

Trade receivables are initially recognised at transaction value. Subsequently, these assets are held at amortized cost net of any expected credit losses. Loss allowance on trade receivables is measured at an amount equal to life time expected losses.

v. Impairment of financial assets

A financial asset is regarded as credit impaired when one or more events that may have a detrimental effect on estimated future cash flows of the asset have occurred. The Company applies the expected credit loss model for recognising impairment loss on financial assets (i.e. the shortfall between the contractual cash flows that are due and all the cash flows (discounted) that the Company expects to receive).

vi. De-recognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. On de-recognition of a financial asset in its entirety, the difference between the assets' carrying amount and the sum of the consideration received and receivable is recognised in the Statement of Profit and Loss.

Financial liabilities and equity instruments:

vii. Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

viii. Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments

ix. Financial liabilities

All financial liabilities (other than derivative instruments) are subsequently measured at amortized cost using the effective interest method. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalised as a part of cost of an asset is included in the "Finance Costs".

x. De-recognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

xi. Compound financial instruments:

The Company has financial assets in the form of Compound financial instruments. Compound financial Instruments held by the Company comprise Optionally convertible debentures (OCDs) issued by the subsidiary denominated in INR that can be converted to equity shares at the option of the Company, when the number of shares to be issued is fixed and does not vary with changes in fair value.

The debt component is shown as loan to the subsidiary and the equity component is classified as investment.

The debt component of a compound financial instrument is initially recognised at fair value of a similar debt that does not have an equity conversion option. The equity component is initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the debt component, net of taxes.

Subsequent to initial recognition, the debt component of a compound financial instrument is measured at amortized cost using the effective interest method. Interest income on subsequent measurement related to the debt component is recognised in profit or loss. In case of conversion at maturity, the debt is reclassified to equity investment and no gain or loss is recognised.

The equity component of a compound financial instrument is not remeasured subsequently.

e. Inventories

The Company determines the cost for items that are not interchangeable or that have been segregated for specific contracts on an individual-item basis as per Ind AS 2, 'Inventories'.

The Company uses the same cost formula for all inventories of similar nature and use. The cost formula used is applied on a consistent basis from period to period.

Inventories are initially recognised at the lower of cost and net realizable value ('NRV'). Cost of inventories includes import duties, non-refundable taxes, transport and handling costs and any other directly attributable costs, less trade discounts, rebates and similar items. NRV is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated selling expenses.

Raw materials, components, stores and spares of inventory are measured at weighted average cost. Materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Work in progress and finished goods are valued at cost or Net Realisable Value whichever is lower. Cost includes direct materials, labour and a portion of manufacturing overheads. Saleable scrap is valued at lowest of the net realisable value in the last two months.

The Company selects a reasonable basis for allocating overhead costs to inventory items. Common allocation bases include direct labor hours, machine hours, or direct material costs. Overheads refer to indirect costs incurred in the production process that cannot be directly traced to specific inventory items. These costs include, but are not limited to, factory overheads, utilities, depreciation of production equipment, and indirect labor costs. Overhead costs are allocated to inventory items using the above mentioned allocation basis.

f. Provisions

The Company recognises a provision when there is a present obligation to transfer economic benefits as a result of past events, it is probable (more likely than not) that such a transfer will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is certain that reimbursements will be received and the amount of the receivable can be measured reliably.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

A contingent liability is

(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or

(b) a present obligation that arises from past events but is not recognised because:

   (i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

   (ii) the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are disclosed in the Financial Statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote.

<u>Provision for Warranty</u>

Provisions for expected cost of warranty obligations are recognised based on management's best estimate of the expenditure required to settle the obligation which takes into account the empirical data on the nature, frequency and average cost of warranty claims and regarding possible future incidences.

<u>Provision for Rejection</u>

Provision for rejection on sales is recognised once the products are sold. Materials are rejected due to various reasons and are either re processed or replaced to the customers depending on the type of rejections. These rejections get fulfilled within a period of 3 months and the provisions as at the reporting date represent the present value of management's best estimate of possible rejections within the next one quarter.

g. Revenue recognition - Dividend and Interest Income

i. <u>Dividend income</u> from investments is recognised when the Company's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

ii. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

h. Government Grant

Government grants (including export incentives) are recognised only when there is reasonable assurance that the Company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate.

Import duty waivers for capital assets purchased under Export Promotion Capital Goods schemes are recorded as deferred revenue and recognised in Statement of Profit and Loss on a systematic basis over the periods in which the related performance obligations are fulfilled.

i. Employee Benefits

i. Defined contribution plans

Provident fund (PF)

Contribution towards PF is determined under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952 and charged to the Statement of Profit and Loss during the period of incurrence when the services are rendered by the employees.

Employee State Insurance (ESI)

Payments to defined contribution plans i.e., Company's contribution employee state insurance and other funds are determined under the relevant schemes and / or statute and charged to the Statement of Profit and Loss in the period of incurrence when the services are rendered by the employees.

ii. Defined benefit plans

Accounting for defined benefit plans is based on actuarial assumptions and different valuation methods to measure the balance sheet obligation and the expense.

Where defined benefit plans are funded, the plan assets are measured at fair value. At each balance sheet date, the plan assets and the defined benefit obligations are remeasured. The Statement of Profit and Loss reflects the change in the surplus or deficit, except for contributions made to the plan and benefits paid by the plan, along with business combinations and remeasurement gains and losses.

Remeasurement gains and losses comprise actuarial gains and losses, return on plan assets (comprise amounts included in net interest on the net defined benefit liability or asset) and any change in the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability or asset). Remeasurements are recognised in Other Comprehensive Income.

The defined benefit costs are comprised of the following individual components:

- Service costs (including current and past service costs as well as gains/losses on curtailments and settlements)
- Net interest costs or income
- Re-measurement

The Company presents the first two components of defined benefit costs in the Statement of Profit and Loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

Re-measurement of net defined benefit liability/ asset pertaining to gratuity comprises actuarial gains/ losses (i.e. changes in the present value resulting from experience adjustments and effects of changes in actuarial assumptions) and is reflected immediately in the balance sheet with a charge or credit recognised in Other Comprehensive Income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit and loss.

iii. Short-term employee benefits

A liability is recognised for benefits accruing to employees in respect of salaries, wages, performance incentives, medical benefits and other short term benefits in the period the related service is rendered, at the undiscounted amount of the benefits expected to be paid in exchange for that service.

iv. Compensated leave absences

Compensated leave absences are encashed by employees at year end and no carry forward of leave is permitted as per the leave policy. All leave remaining to be encashed at period end are fully provided.

j. Foreign Currency Transactions:

The Company's foreign operations are an integral part of the Company's activities. In preparing the financial statements, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise except for:

- Exchange differences on translation or settlement of long term foreign currency monetary items in respect of loans borrowed, which are not hedged, before April 1, 2016 at rates different from those at which they were initially recorded or reported in the previous financial statements, insofar as it relates to acquisition of depreciable assets, are adjusted to the cost of the assets and depreciated over remaining useful life of such assets. Where the borrowal is after April 1, 2016, such exchange difference is recognised in Statement of Profit and loss. In other cases, where it has been hedged the same has been restated and adjusted against cash flow hedge of the respective derivative instruments.
- Exchange difference on translation of derivative instruments designated as cash flow hedge (see Note E .e for hedging accounting policies)..

k. Income Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognised in Other Comprehensive Income or directly in equity respectively.

i. Current Tax

Current tax is determined on taxable profits for the year chargeable to tax in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 including other applicable tax laws that have been enacted or substantively enacted.

ii. Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax asset is recognised for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

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

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

l. Statement of Cash Flows

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method, adjusting the profit before tax for the effects of:

(i) changes during the period in inventories and operating receivables and payables, transactions of a non-cash nature;

(ii) non-cash items such as depreciation, provisions, unrealised foreign currency gains and losses; and

(iii) all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as at the date of Balance Sheet.

G. Critical Accounting judgement and key sources of estimation uncertainty

The accounting policies which have the most material effect on the figures disclosed in the financial statements are mentioned below and these should be read in conjunction with the disclosure of the material Ind AS accounting policies provided below:

i. Useful life of Property, Plant and Equipment and Intangible assets

The assessment of the useful life of each asset by considering the historical experience and expectations regarding future operations and expected usage, estimated technical obsolescence, residual value, physical wear and tear and the operating environment in which the asset is located needs significant judgement by the management. In case of intangible assets the useful life is determined based on the period over which future economic benefit will flow to the Company.

ii. Tools in use

The assessment of useful life of tools in use has been done considering the historical experience and estimated refurbishment cycle and operating environment.

iii. Income Tax & Deferred Tax

The calculation of income taxes requires judgement in interpreting tax rules and regulations. Management judgement is used to determine the amounts of deferred tax assets and liabilities and future tax liabilities to be recognised.

The Company estimates the possible utilisation of unabsorbed losses while recognising deferred tax asset considering the future business plans and economic environment

iv. Fair Value

Certain financial instruments, such as investments in equity securities, derivative financial instruments and certain elements of borrowings, are carried in the financial statements at fair value, with changes in fair value reflected in the Statement of Profit and Loss. Fair values are estimated by reference to published price quotations or by using other valuation techniques that may include inputs that are not based on observable market data, such as discounted cash flows analysis.

v. Measurement of defined benefit obligations

Gratuity actuarial valuation considers various assumptions which are based on the past experience and general economic conditions.

vi. Measurement and likelihood of occurrence of provisions and contingencies

The provision for warranty and rejection have been done based on past experiences, product lifecycle maturity, reprocessing/repair cost.

vii. 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.

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate.

Notes to Standalone Financial Statements
for the year ended March 31, 2025

1.1 PROPERTY, PLANT & EQUIPMENT
(₹ in Lakhs)

Asset Category	Freehold land	Building*	Plant & Machinery	Office Equipment	Furniture & Fixtures	Vehicles	Property, Plant & Equipment Total
Gross Block							
At April 1, 2023	**8,859**	**24,434**	**2,32,747**	**1,943**	**541**	**167**	**2,68,691**
Additions	2,076	6,934	41,679	1,482	26	25	52,222
Disposals	-	159	2,084	-	-	-	2,243
At March 31, 2024	**10,935**	**31,209**	**2,72,342**	**3,425**	**567**	**192**	**3,18,670**
Additions	1,505	20,562	59,319	544	29	125	82,084
Disposals	-	-	1,404	-	-	-	1,404
At March 31, 2025	**12,440**	**51,771**	**3,30,257**	**3,969**	**596**	**317**	**3,99,350**
Depreciation							
At April 1, 2023	**-**	**6,138**	**1,07,761**	**1,279**	**310**	**32**	**1,15,520**
Additions	-	960	19,812	295	40	18	21,125
Disposals	-	159	2,051	-	-	-	2,210
At March 31, 2024	**-**	**6,939**	**1,25,522**	**1,574**	**350**	**50**	**1,34,435**
Additions	-	1,487	22,326	520	39	23	24,395
Disposals	-	-	1,202	-	-	-	1,202
At March 31, 2025	**-**	**8,426**	**1,46,646**	**2,094**	**389**	**73**	**1,57,628**
At April 1, 2023	8,859	18,296	1,24,986	664	231	135	1,53,171
At March 31, 2024	10,935	24,270	1,46,820	1,851	217	142	1,84,235
At March 31, 2025	**12,440**	**43,345**	**1,83,611**	**1,875**	**207**	**244**	**2,41,722**

*Includes Written Down Value of improvements on leasehold buildings worth ₹3,220 lakhs as on March 31, 2025 (WDV of ₹737 lakhs as on March 31, 2024)

1.2 CAPITAL WORK IN PROGRESS
(₹ in Lakhs)

Asset Category	Tangible	Intangible	Total Capital Work in Progress
Gross Block			
At April 1, 2023	**8,175**	**-**	**8,175**
Additions	16,452	-	16,452
Disposals	8,120	-	8,120
At March 31, 2024	**16,507**	**-**	**16,507**
Additions	22,158	-	22,158
Disposals	11,951	-	11,951
At March 31, 2025	**26,714**	**-**	**26,714**

Notes to Standalone Financial Statements
for the year ended March 31, 2025

1.2 CAPITAL WORK IN PROGRESS (cont'd) (₹ in Lakhs)

Asset Category	Tangible	Intangible	Total Capital Work in Progress
Impairment			
At April 1, 2023	**11**	**-**	**11**
Additions	44	-	44
Disposals	-	-	-
At March 31, 2024	**55**	**-**	**55**
Additions	(11)	-	(11)
Disposals	-	-	-
At March 31, 2025	**44**	**-**	**44**
At April 1, 2023	**8,164**	**-**	**8,164**
At March 31, 2024	**16,452**	**-**	**16,452**
At March 31, 2025	**26,670**	**-**	**26,670**

(a) CWIP ageing schedule

As on March 31, 2025 (₹ in Lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	23,009	3,661	-	-	26,670
Projects temporarily suspended	-	-	-	-	-
	23,009	**3,661**	**-**	**-**	**26,670**

As on March 31, 2024 (₹ in Lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	16,452	-	-	-	16,452
Projects temporarily suspended	-	-	-	-	-
	16,452	**-**	**-**	**-**	**16,452**

(b) For CWIP whose completion is overdue or has exceeded its cost compared to its original plan

As on March 31, 2025

(₹ in Lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Various machines	3,661	-	-	-	3,661
	3,661	**-**	**-**	**-**	**3,661**

As on March 31, 2024: Nil

Notes to Standalone Financial Statements
for the year ended March 31, 2025

1.3 OTHER INTANGIBLE ASSETS

(₹ in Lakhs)

Asset Category	Computer Software	Product Development	Technical know-how	Intangible Assets Total
Gross Block				
At April 1, 2023	**2,181**	**636**	**430**	**3,247**
Additions	195	-	-	195
Disposals	-	-	-	-
At March 31, 2024	**2,376**	**636**	**430**	**3,442**
Additions	24	-	240	264
Disposals	-	-	-	-
At March 31, 2025	**2,400**	**636**	**670**	**3,706**
Depreciation				
At April 1, 2023	**1,868**	**636**	**430**	**2,934**
Additions	79	-	-	79
Disposals	-	-	-	-
At March 31, 2024	**1,947**	**636**	**430**	**3,013**
Additions	99	-	3	102
Disposals	-	-	-	-
At March 31, 2025	**2,046**	**636**	**433**	**3,115**
At April 1, 2023	**313**	**-**	**-**	**313**
At March 31, 2024	**429**	**-**	**-**	**429**
At March 31, 2025	**354**	**-**	**237**	**591**

Note:

1. Refer Note no. 3.7 for details of charge on PPE of the Company

1.4 RIGHT-OF-USE ASSETS

(₹ in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening	23,799	9,075
Additions	14,818	17,088
Amortisation expense	(2,301)	(2,358)
Deletions	-	(6)
Closing	**36,316**	**23,799**

Refer note: F.c & 3.8a for detailed disclosures

Notes to Standalone Financial Statements
for the year ended March 31, 2025

FINANCIAL ASSETS

1.5 NON CURRENT INVESTMENTS

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Investment in Equity Share of Subsidiary Companies		
Craftsman Europe B.V. Netherlands	2,264	2,264
(Wholly owned subsidiary of the Company)		
28,900 equity shares of Euro 100 each fully paid up - at cost ₹22,64,15,848		
DR Axion India Private Limited	62,500	37,500
(Wholly owned subsidiary of the Company w.e.f 01 July 2024)		
24% stake acquired w.e.f 01 July 2024 ; (Previous year 76% stake holding w.e.f 01 Feb 2023)		
11,28,49,515 equity shares of ₹10 each fully paid up at cost ₹625,00,00,000 (8,57,65,631 equity shares of ₹10 each fully paid up - at cost ₹375,00,00,000)		
Craftsman Germany GmbH	15,368	-
(Wholly owned subsidiary of the Company w.e.f 22 July 2024)		
"Subscription to equity share capital - 25,000 shares of EUR 1 each fully paid up at a cost of EUR 57,000 Capital contribution # - EUR 1,63,87,701"		
Sunbeam Lightweighting Solutions Pvt Ltd	-	-
(Wholly owned subsidiary of the Company w.e.f. 09 Oct 2024)		
85,31,47,112 equity share of ₹10 each; 13,53,80,000 compulsorily convertible preference shares of ₹10 each at a cost of INR 1.		
Investment in Equity Shares of Joint Venture		
Carlstahl Craftsman Enterprises Private Ltd (30% stake)	60	60
600,000 equity shares of ₹10 each fully paid up		
Investment in Equity instruments (at Fair Value through OCI)		
Unquoted		
iEnergy Wind Farm (Theni) Private Ltd	1	1
8,875 equity shares of ₹10 each fully paid up (5,975 equity shares of ₹10 each fully paid up)		
TAGMA Centre of Excellence and Training	5	5
15 equity shares of ₹10 each fully paid up		
Hurricane Windfarms Pvt Limited (26% stake)*	4	4
39,000 equity shares of ₹10 each fully paid up		
Sulur Maharaja Solar Green Project Private Limited	22	22
218,700 equity shares of ₹10 each fully paid up		
Other Investments at fair value		
Kinathukadavu Water Project LLP	531	-
Other Investments at fair value		
Deemed Equity (Refer note 3.4b)		
Sunbeam Lightweighting Solutions Pvt Ltd	40,639	-
Craftsman Europe B.V. Netherlands	463	463
Total	**1,21,857**	**40,319**

Notes to Standalone Financial Statements
for the year ended March 31, 2025

Note: Contributions to the capital reserve of Craftsman Germany GmbH as per the German Commercial Code, forms part of the equity share capital and accordingly have been considered as an investment.

*Note: The Company holds 26% equity stake in Hurricane Windfarms Pvt Ltd. As the shareholders agreement entered into with the promoters of Hurricane Windfarms Pvt Ltd contains restrictive covenants, the Company cannot exercise "Significant influence" in terms of Ind AS 28 and therefore is not classified under "Investments in Associates" and accordingly is not considered as a component for consolidated financial statements

	As at March 31, 2025	As at March 31, 2024
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments including deemed equity	1,21,857	40,319
Aggregate amount of impairment in value of investments	-	-

Details of Significant Investments:

Name of the entity	Relationship	Principal activity	Place of incorporation and principal place of business	Proportion of ownership interest	
				As at March 31, 2025	As at March 31, 2024
DR Axion India Private Limited	Wholly owned subsidiary	Manufacturing - Aluminium Products for Automotive Sector	India	100%	76%
Sunbeam Lightweighting Solutions Private Limited (w.e.f Oct 09,2024)	Wholly owned subsidiary	Manufacturing - Aluminium Products for Automotive Sector	India	100%	-
Craftsman Germany GmbH (w.e.f July 22, 2024)	Wholly owned subsidiary	Manufacturing - Cast Iron Products for stationary engines	Germany	100%	-
Craftsman Europe B.V.	Wholly owned subsidiary	Trading - Marine Engines	Netherlands	100%	100%
Carl Stahl Craftsman Enterprise Private Limited	Joint Venture	Trading - Hoists & Cranes	India	30%	30%

1.6 LOANS

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Loan to Wholly Owned Subsidiary		
Sunbeam Lightweighting Solutions Pvt Ltd	6,640	-
(Debt portion of Optionally Convertible Debentures)		
Total	**6,640**	**-**
Loans receivable considered good - Secured	-	-
Loans receivable considered good - Unsecured	6,640	-
Loans Receivables - significant increase in Credit Risk	-	-
Loans Receivables - credit impaired	-	-

Notes to Standalone Financial Statements
for the year ended March 31, 2025

1.7 SECURITY DEPOSITS
(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Rent Deposit	1,551	1,767
Other Deposits	2,948	2,721
Total	**4,499**	**4,488**

1.8 OTHER NON-CURRENT FINANCIAL ASSETS
(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Currency swap & Interest Rate Swap Derivative	17	84
Total	**17**	**84**

1.9 CURRENT TAX ASSETS (NET)
(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Advance payment of income tax less provisions	658	496
Total	**658**	**496**

1.10 DEFERRED TAX ASSETS (NET)
(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred Tax Assets	15,680	-
Deferred Tax Liabilities	(14,563)	-
Total	**1,117**	**-**

Note : Refer Note No 3.1 for detailed deferred tax working and effective tax rate reconciliation.

1.11 OTHER NON CURRENT ASSETS
(₹ in Lakhs)

Unsecured, considered good unless otherwise stated

Particulars	As at March 31, 2025	As at March 31, 2024
Capital Advances	9,045	11,438
Less: Provision for doubtful advances	(28)	(28)
Total	**9,017**	**11,410**

1.12 INVENTORIES
(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Raw Materials and Components	34,316	31,275
Work-in-progress	26,188	24,909
Finished goods	2,528	1,683
Consumable Stores	7,025	5,181
Tools in use	4,422	3,689
Machinery Spares	14,294	15,667
Packing Materials	736	707
Stock in transit	1,030	775
Total	**90,539**	**83,886**

Notes to Standalone Financial Statements
for the year ended March 31, 2025

Particulars	As at March 31, 2025	As at March 31, 2024
Inventory valued at Net Realisable Value	469	355
Amount written down to arrive at Net Realisable Value*	95	93

* These were recognised as an expense during the year and included in changes in value of inventories of WIP in Statement of Profit and Loss
Provision for slow moving inventory made in the current year is ₹217 lakhs (previous year is ₹393 lakhs)

1.13 TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Considered good - Secured	-	-
Considered good - Unsecured	52,471	40,450
Significant increase in Credit Risk	1,531	597
Credit impaired	40	40
Less: Expected Credit Loss allowance	(1,571)	(637)
Total	**52,471**	**40,450**

Receivables from related parties - refer note 3.5

Movement in Expected Credit Loss allowance is as follows :

	Opening	Allowance made during the year	write off during the year	Closing
2024-25	637	934	-	1,571
2023-24	731	(94)	-	637

Particulars	Ageing as on March 31, 2025					
	a. Less than 6 Months	b. 6 months - 1 year	c. 1 - 2 years	d. 2 - 3 years	e. More than 3 years	Grand Total
Undisputed						
(i) Considered good	49,037	3,149	286	-	-	52,471
(ii) Significant increase in credit risk	-	-	1,161	225	136	1,523
(ii) Credit impaired	-	-	-	-	-	-
Disputed						
(iv) Considered good	-	-	-	-	-	-
(v) Significant increase in credit risk	-	-	-	-	8	8
(vi) Credit impaired	-	-	-	-	40	40
Gross Total						**54,042**
Less: Expected Credit Loss						**(1,571)**
Total						**52,471**

Particulars	Ageing as on March 31, 2024					
	a. Less than 6 Months	b. 6 months - 1 year	c. 1 - 2 years	d. 2 - 3 years	e. More than 3 years	Grand Total
Undisputed						
(i) Considered good	38,288	1,830	332	-	-	40,450
(ii) Significant increase in credit risk	-	-	332	132	121	585
(ii) Credit impaired	-	-	-	-	-	-
Disputed						
(iv) Considered good	-	-	-	-	-	-
(v) Significant increase in credit risk	-	-	-	-	12	12
(vi) Credit impaired	-	-	-	-	40	40
Gross Total						**41,087**
Less: Expected Credit Loss						**(637)**
Total						**40,450**

1.14 CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
a. Balances with banks	2,917	2,407
b. Cash on hand	2	4
Total	**2,919**	**2,411**

1.15 OTHER BANK BALANCES

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Margin money deposits against Letter of Credit & Guarantee	2,507	1,887
Earmarked balances with banks	2	-
Other Deposits	1	64
Total	**2,510**	**1,951**

1.16 SECURITY DEPOSIT-CURRENT

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Security Deposits	90	97
Total	**90**	**97**

1.17 OTHER CURRENT FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Currency swap, Interest Rate Swaps ('IRS') & Forward cover derivative	1,138	859
Interest receivable	156	98
Total	**1,294**	**957**

Notes to Standalone Financial Statements

for the year ended March 31, 2025

1.18 OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
(Unsecured, considered good unless otherwise stated)		
Balances with Government Authorities	5,724	1,349
Advance to Suppliers (Other than Capital Goods)	3,313	3,667
Prepaid Expenses	1,515	1,000
Advance to Employees	227	150
Contract assets - Unbilled Revenue	340	143
Others	51	134
Total	**11,170**	**6,443**

1.19 EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at March 31, 2025		As at March 31, 2024	
	Nos.	Amount	Nos.	Amount
Authorised				
Equity Shares of ₹5 each	40,000,000	2,000	40,000,000	2,000
Issued, called, subscribed & Paid Up				
Equity Shares of ₹5 each	2,38,55,583	1,193	2,11,28,311	1,056
Total	**2,38,55,583**	**1,193**	**2,11,28,311**	**1,056**

(a) The movement of equity shares is as below

(₹ in Lakhs)

Particulars	As at March 31, 2025		As at March 31, 2024	
	Nos.	Amount	Nos.	Amount
Shares outstanding at the beginning of the year	2,11,28,311	1,056	2,11,28,311	1,056
Additions due to issue of shares	27,27,272	137	-	-
Shares outstanding at the end of the year	**2,38,55,583**	**1,193**	**2,11,28,311**	**1,056**

(b) Rights, Preferences and Restrictions to equity shares

The Company has only one class of equity shares having a par value of ₹5 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the shareholders will be entitled to receive the remaining assets of the Company, in proportion to their shareholding.

(c) Details of equity shareholders holding more than 5% shares in the Company

(₹ in Lakhs)

Name of the equity shareholder	As at March 31, 2025		As at March 31, 2024	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
S Ravi	1,05,00,000	44.01%	1,05,00,000	49.70%
S Murali	11,17,413	4.68%	11,17,413	5.29%
Total	**1,16,17,413**	**48.70%**	**1,16,17,413**	**54.98%**

Notes to Standalone Financial Statements

for the year ended March 31, 2025

(d) Details of Promoter's shareholding (₹ in Lakhs)

Name of the Promoter	As at March 31, 2025			As at March 31, 2024		
	No. of Shares held	% of Holding	% Change	No. of Shares held	% of Holding	% Change
Promoter						
S Ravi	1,05,00,000	44%	-6%	1,05,00,000	50%	0%
Promoter Group						
Murali S	11,17,413	5%	0%	11,17,413	5%	-4%
Chithra Ravi	200	0%	0%	200	0%	0%
Gautham Ram R	200	0%	0%	200	0%	0%
Mirthula R	200	0%	0%	200	0%	0%
Total	**1,16,18,013**	**49%**	**-6%**	**1,16,18,013**	**55%**	**-4%**

(e) For the period of five years immediately preceding the balance sheet date

(i) Details of number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash

- The Company has not allotted any shares pursuant to contracts without payment being received in cash

(ii) Details of number and class of shares allotted as fully paid up by way of bonus shares:

- The Company has not allotted any shares as fully paid up by way of bonus shares

(iii) Details of number and class of shares bought back:

- The Company has not bought back any shares during the period of 5 years immediately preceding the balance sheet date

(iv) Qualified Institutions Placement ('QIP')

During the year 2024-25, the Company issued 27,27,272 equity shares of face value ₹5 each through Qualified Institutions Placement ('QIP') at an issue price of ₹4,400/- per share (including securities premium of ₹4,395/- per share) aggregating ₹1,20,000 lakhs. .

1.20 OTHER EQUITY

(₹ in Lakhs)

Particulars		As at March 31, 2025	As at March 31, 2024
Reserves & Surplus			
Securities Premium	(i)	1,46,009	28,123
General Reserves	(ii)	9,662	9,662
Retained Earnings	(iii)	1,23,142	1,16,331
Total Reserves & Surplus		**2,78,813**	**1,54,116**
Cash Flow Hedging Reserve	(iv)	252	(253)
Equity instruments through Other Comprehensive Income	(v)	(321)	(321)
Total		**2,78,744**	**1,53,542**

Notes to Standalone Financial Statements
for the year ended March 31, 2025

Additions and Deductions since the last balance sheet date:
(i) Securities Premium Account

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	28,123	28,123
Premium on fresh issue of shares	1,19,863	-
Issue expenses adjusted	(1,977)	-
Closing balance	**1,46,009**	**28,123**

(ii) Retained Earnings

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	1,16,331	99,111
Profit for the year	9,369	19,759
Items of other comprehensive income recognised directly in retained earnings:		
- Remeasurements of defined benefit obligation (net of tax)	(181)	(162)
Dividend (including dividend distribution tax)	(2,377)	(2,377)
Closing balance	**1,23,142**	**1,16,331**

(iii) Cash Flow Hedging Reserve

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	(253)	(493)
Changes in fair value of hedging instruments	674	320
Deferred Tax	(169)	(80)
Closing balance	**252**	**(253)**

(iv) Equity instruments through Other Comprehensive Income

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	(321)	(321)
Changes in fair value of FVTOCI equity instruments	-	-
Closing balance	**(321)**	**(321)**

Refer "Statement of Changes in Equity" for additions/deletions in each of these items

A. Securities Premium represents premium received on equity shares issued, which can be utilised only in accordance with the provisions of the Companies Act, 2013 for specified purposes.

B. General reserve is created from time to time by transferring profits from retained earnings and can be utilised for purposes such as dividend pay-out, bonus issue, etc.

C. Retained Earnings includes ₹5,542 lacs of revaluation reserve created due to Land revaluation on transition to Ind AS (April 1, 2015), which will not be available for distribution of profits

D. Cash flow hedge reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the hedging instruments that are recognised and accumulated in this reserve are reclassified to profit or loss only when the hedged transaction affects the profit or loss.

E. The amount that can be distributed by the Company as dividends to its equity shareholders is determined considering the requirements of the Companies Act, 2013 and the dividend distribution policy of the Company. Thus, the amount reported in General Reserve is not entirely distributable.

In respect of the year ended March 31, 2025, the Board of Directors has proposed a final dividend of ₹5 per share of face value ₹5 each to be paid on fully paid equity shares. This dividend is subject to approval by shareholders at the forth coming Annual General Meeting and has not been included as a liability in these financial statements. The proposed dividend is payable to all holders of fully paid equity shares. The total estimated dividend to be paid is ₹1193 lakhs.

1.21 LONG TERM BORROWINGS

(₹ in Lakhs)

Particulars	As at March 31, 2025		As at March 31, 2024	
	Non-Current	Current *	Non-Current	Current *
Secured				
From Banks				
Rupee Term Loans	1,16,688	7,407	59,295	5,285
Foreign Currency Term Loans	3,942	3,935	8,725	4,663
	1,20,630	**11,342**	**68,020**	**9,948**
From NBFC				
Rupee Term Loans	17,489	1,495	33,836	478
Total	**1,38,119**	**12,837**	**1,01,856**	**10,426**

Notes:

1. The above long term borrowings are carried at amortised cost.

	March 31, 2025	March 31, 2024
Loans at amortised cost as at the end of the year (Current + Non-Current)	1,50,956	1,12,282
Add : Unamortised upfront fee paid as at the end of year	94	134
Gross loan outstanding as at the end of the year	**1,51,050**	**1,12,416**

2. Refer note no 3.7 for security and terms of borrowings.

* Taken to short term borrowings (Note 1.26)

Net Debt Reconciliation:

For the year ended March 31, 2025

Particulars	Cash and cash equivalents	Instrument to hedge the finance liability**	Current Borrowing	Non - Current Borrowing plus current maturity of long term debt*	Lease Liability	Total
Balance as at April 01, 2024	2,411	684	(28,078)	(1,12,876)	(20,735)	(1,58,594)
Acquisition of RoU asset	-	-	-	-	(14,818)	(14,818)
Pre-closure of leases	-	-	-	-	-	-
Cash Flows	508	-	13,419	(38,493)	5,508	(19,058)
Fair Value changes	-	328	-	-	-	328
Foreign exchange adjustments	-	-	24	(111)	-	(87)
Interest expense & other charges	-	-	(6,294)	(10,229)	(1,831)	(18,354)
Interest & charges paid	-	-	6,059	10,314	1,831	18,204
Balance as at March 31, 2025	**2,919**	**1,012**	**(14,870)**	**(1,51,395)**	**(30,045)**	**(1,92,379)**

Notes to Standalone Financial Statements
for the year ended March 31, 2025

For the year ended March 31, 2024

Particulars	Cash and cash equivalents	Instrument to hedge the finance liability**	Current Borrowing	Non - Current Borrowing plus current maturity of long term debt*	Lease Liability	Total
Balance as at April 01, 2023	1,489	561	(13,097)	(86,747)	(8,636)	(1,06,430)
Acquisition of RoU asset	-	-	-	-	(17,089)	(17,089)
Pre-closure of leases	-	-	-	-	6	6
Cash Flows	922	-	(14,955)	(26,145)	4,984	(35,194)
Fair Value changes	-	123	-	-	-	123
Foreign exchange adjustments	-	-	(18)	103	-	85
Interest expense & other charges	-	-	(4,887)	(8,687)	(1,276)	(14,850)
Interest & charges paid	-	-	4,879	8,600	1,276	14,755
Balance as at March 31, 2024	**2,411**	**684**	**(28,078)**	**(1,12,876)**	**(20,735)**	**(1,58,594)**

*Includes the portion of “interest accrued but not due” pertaining to borrowings.

**does not include foreign currency forward contracts that are used for hedging liabilities that are operating cash flows

1.22 LEASE LIABILITIES - NON-CURRENT

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Lease Liabilities - Non-current	20,093	16,395
Total	**20,093**	**16,395**

Refer Note No F.c & 3.8

1.23 NON-CURRENT FINANCIAL LIABILITIES- OTHERS

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Currency swap & Interest Rate Swap Derivative	143	209
Rent Advance	2	2
Total	**145**	**211**

Notes:

1. Currency swaps are for principal only and are cash flow hedge and hence are carried at fair value through OCI
2. Interest Rate Swap & Interest Rate Collar derivatives that are hedge effective are carried at fair value through OCI & others are carried at fair value through Statement of Profit & Loss
3. Rent advance is carried at amortized cost as it is not material to be fair valued

1.24 LONG TERM PROVISIONS

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Other Provisions		
Provision for Warranty Cost	19	23

Note: Movement in Provision for product warranties is as follows :

	Opening	Transferred to Short Term	Warranty provided for current year	Closing
2024-25	23	6	2	19
2023-24	16	1	8	23

This provision is recognised once the products are sold. The estimated provision takes into account historical information, frequency and average cost of warranty claims and the estimate regarding possible future incidence of claims. The provision for warranty claims represents the present value of management's best estimate of the future obligations. The outstanding provision for product warranties as at the reporting date is for the balance unexpired period of the respective warranties on the various products which ranges from 2 to 5 years.

1.25 DEFERRED TAX LIABILITIES (NET)

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred Tax Liabilities	-	13,549
Deferred Tax Assets	-	(1,545)
Total	**-**	**12,004**

Note : Refer Note No 3.1 for detailed deferred tax working and effective tax rate reconciliation

1.26 SHORT TERM BORROWINGS

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Loans repayable on demand from banks		
Secured		
Rupee Loans	432	27,187
Foreign Currency Loans	81	834
Sub-total (A)	**513**	**28,021**
Unsecured		
Rupee Loans	5,000	-
Foreign Currency Loans	9,065	-
Sub-total (B)	**14,065**	**-**
Current maturities of long-term debt (C)	12,837	10,426
Total (A + B + C)	**27,415**	**38,447**

Secured Short Term Borrowings from banks are secured by first pari passu charge on current assets of the Company.

1.27 LEASE LIABILITIES - CURRENT

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Lease Liabilities - Current	9,952	4,340
Total	**9,952**	**4,340**

1.28 TRADE PAYABLES

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Due to Micro and Small Enterprises-(MSE)	618	519
Sub-total (A)	**618**	**519**
Due to Other Suppliers	98,669	64,512
Accrued Expenses	2,109	1,714
Sub-total (B)	**1,00,778**	**66,226**
Total (A+B)	**1,01,396**	**66,745**

Payables to related parties - refer note 3.5

Notes to Standalone Financial Statements

for the year ended March 31, 2025

Particulars	Ageing as on March 31, 2025				
	a. Less than 1 year	b. 1 - 2 years	c. 2 - 3 years	d. More than 3 years	Grand Total
(i) MSE	618	-	-	-	618
(ii) Others	97,801	541	93	234	98,669
(iii) Disputed dues - MSE	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-
Gross Total					**99,287**
Accrued Expenses					**2,109**
Total					**1,01,396**

Particulars	Ageing as on March 31, 2024				
	a. Less than 1 year	b. 1 - 2 years	c. 2 - 3 years	d. More than 3 years	Grand Total
(i) MSE	519	-	-	-	519
(ii) Others	63,946	219	113	234	64,512
(iii) Disputed dues - MSE	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-
Gross Total					**65,031**
Accrued Expenses					**1,714**
Total					**66,745**

1.29 OTHER CURRENT FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Interest accrued but not due on borrowings	731	651
Currency swap , Interest Rate Swap & Forward cover derivative	-	50
Creditors for capital goods and services	13,469	9,284
Employee related liabilities	3,009	2,385
Dues to directors	15	6
Dividend Payable	2	-
Others	391	1,117
Total	**17,617**	**13,493**

1.30 CURRENT TAX LIABILITIES (NET)

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Income tax provisions less advance payment	679	349
Total	**679**	**349**

1.31 OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Advance from customers	10,320	6,433
Deferred Revenue- EPCG benefit	425	-
Statutory Dues	2,910	2,151
Total	**13,655**	**8,584**

1.32 SHORT TERM PROVISIONS

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for employee benefits		
Gratuity	630	505
Other Provisions		
Provision for Warranty Cost	280	230
Provision for Rejection	160	127
Total	**1,070**	**862**

Movement in Provision for product warranties is as follows :

(₹ in Lakhs)

	Opening	Expired during the year	Warranty provided for current year	Closing
2024-25	230	230	280	280
2023-24	196	196	230	230

This provision is recognised once the products are sold. The estimated provision takes into account historical information, frequency and average cost of warranty claims and the estimate regarding possible future incidence of claims. The provision for warranty claims represents the present value of management's best estimate of the future obligations. The outstanding provision for product warranties as at the reporting date is for the balance unexpired period of the respective warranties on the various products which ranges upto one year.

Movement in Provision for Rejection is as follows :

(₹ in Lakhs)

	Opening	Expired during the year	Rejection provided for current year	Closing
2024-25	127	127	160	160
2023-24	130	130	127	127

This provision is recognised once the products are sold. Materials are rejected due to various reasons and either get re-processed or replaced to the customers depending on the type of rejections. These rejections gets fulfilled within a period of 3 months and the provisions represents the present value of management's best estimate of possible rejections within the next one quarter.

2.1 REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	March 31, 2025	March 31, 2024
Sale of products;		
Domestic Sales	2,69,002	2,06,458
Export Sales	20,404	20,976
A.	**2,89,406**	**2,27,434**
Sale of services;		
Machining Charges	68,824	67,632
Service Charges	1,345	593
B.	**70,169**	**68,225**
Other operating revenues;		
Sale of swarf & others	21,581	22,000
Duty Drawback	302	333
EPCG income on fulfilling obligation	3,079	2,540
Export Incentive under RoDTEP	258	247
C.	**25,220**	**25,120**
Revenue from operations (A+B+C)	**3,84,795**	**3,20,779**

Refer Note no: 3.11 "Segment Reporting" for breakup of revenue from operations.

Notes to Standalone Financial Statements

for the year ended March 31, 2025

2.2 OTHER INCOME

(₹ in Lakhs)

Particulars	March 31, 2025	March 31, 2024
Interest Income from deposits measured at amortised cost	865	228
Interest Income due to unwinding of fair valued assets		
-Rent Advance	74	66
-Optionally Convertible Debentures	346	-
Net gain on sale of assets	6	57
Rental income	136	34
Exchange rate Gain/(Loss) on Transaction & Translation	797	945
Management service income	1000	-
Others	2	131
Total	**3,226**	**1,461**

2.3 COST OF MATERIALS CONSUMED

(₹ in Lakhs)

Particulars	March 31, 2025	March 31, 2024
Cost of goods sold	2,09,385	1,67,029
Carriage inward	2,541	1,808
Sub Contract Charges	1,440	1,278
Total	**2,13,366**	**1,70,115**

2.4 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

(₹ in Lakhs)

Particulars	March 31, 2025	March 31, 2024
Inventory at the end of the year		
Work in Progress	26,188	24,909
Finished Goods	2,528	1,683
Sub total	**28,716**	**26,592**
Inventory at the beginning of the year		
Work in Progress	24,909	14,303
Finished Goods	1,683	1,678
Sub total	**26,592**	**15,981**
(Increase) / decrease in inventory	**(2,124)**	**(10,611)**

2.5 EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

Particulars	March 31, 2025	March 31, 2024
Salaries and wages	23,547	19,641
Contributions to Provident Fund & Employee State Insurance	644	562
Contribution to Gratuity fund	388	289
Managerial Remuneration	843	1,456
Staff welfare expenses	3,666	2,928
Total	**29,088**	**24,876**

Notes to Standalone Financial Statements
for the year ended March 31, 2025

2.6 DEPRECIATION, AMORTIZATION AND IMPAIRMENT EXPENSE

(₹ in Lakhs)

Particulars	March 31, 2025	March 31, 2024
Depreciation on Property, Plant & Equipment	24,321	20,845
Amortization of Intangible Assets	102	79
Amortization of Right-of-use Asset	2,301	2,358
Write off	74	279
Impairment expense / (reversal) of Capital Work in Progress	(11)	44
Total	**26,787**	**23,605**

2.7 OTHER EXPENSES

(₹ in Lakhs)

Particulars	March 31, 2025	March 31, 2024
Manufacturing Expenses		
Stores, Spares & tool consumed	24,796	20,696
Power & Fuel	21,548	17,710
Repairs & Maintenance		
- Machinery	8,814	8,852
- Building	709	963
- Others	2,545	2,730
Payment to contractors	8,441	5,849
Other manufacturing expenses	846	775
A.	**67,699**	**57,575**
Administrative Expenses		
Professional and Consultancy charges	2,899	1,412
Insurance Charges	510	448
Rates & Taxes	446	221
Software Licenses	759	692
General Administrative Expenses	1,212	782
Printing & Stationary	331	243
Postage & Telegrams	109	70
Rent	311	192
Telephone Expenses	193	162
Travelling Expenses	2,244	1,382
Directors' Sitting Fees	27	22
Remuneration to auditors	81	83
Corporate Social Responsibility Expenses	577	496
Provisions for the year		
Warranty	45	41
Rejections	34	(3)
Doubtful debts	933	(94)
B.	**10,711**	**6,149**
Selling expenses		
Packing material consumed	3,934	3,629
Carriage Outward	5,763	4,430
Sales Promotion Expenses	726	460
C.	**10,423**	**8,519**
Total (A+B+C)	**88,833**	**72,243**

Notes to Standalone Financial Statements
for the year ended March 31, 2025

Payment to Auditors (₹ in Lakhs)

Particulars	March 31, 2025	March 31, 2024
Audit fee	63	63
Taxation Matters	10	10
Company Law Matter	-	-
Other Services- Certification	4	2
Reimbursement of Expenses	4	8
Total	**81**	**83**

2.8 FINANCE COSTS

(₹ in Lakhs)

Particulars	March 31, 2025	March 31, 2024
Interest expenses		
On Short Term Borrowings	6,294	4,887
On Long Term Borrowings at Amortised Cost	10,159	8,612
Others	2	188
Other Borrowing costs		
Unwinding of discounted Upfront fee on loans	70	74
Interest unwind - lease liability	1,831	1,276
Unwinding of Rent Advance	74	66
Bank charges	578	246
Net (gain)/loss on foreign currency transactions and translation	308	113
Total	**19,316**	**15,462**

3.1 Income taxes

Income tax expense for the year reconciled to accounting profit (₹ in Lakhs)

Particulars		Year Ended March 31, 2025	Year Ended March 31, 2024
Profit before tax	a	12,755	26,550
Income tax rate	b	25.168%	25.168%
Income tax expenses	a*b	3,210	6,682
Effect of			
i) Expenses inadmissible for tax		176	109
Income tax expense recognised in Statement of Profit & loss		3,386	6,791

Movement of deferred tax assets/ liabilities (₹ in Lakhs)

Movement during the year ended March 31, 2025	As at March 31, 2024	Initial Recognitions	Recognised in P&L	Recognised in OCI	As at March 31, 2025
Depreciation & Amortization	(12,581)	-	(1,405)	-	(13,986)
Provision for doubtful debts	161	-	234	-	395
Fair valuation of OCD	-	13,665	(84)	-	13,581
Other Temporary Differences	416	-	819	(108)	1,127
	(12,004)	**13,665**	**(436)**	**(108)**	**1,117**

(₹ in Lakhs)

Movement during the year ended March 31, 2024	As at March 31, 2023	Recognised in P&L	Recognised in OCI	As at March 31, 2024
Depreciation & Amortization	(12,705)	124	-	(12,581)
Provision for doubtful debts	184	(23)	-	161
Other Temporary Differences	232	210	(26)	416
	(12,289)	**311**	**(26)**	**(12,004)**

3.2 Employee Benefits

The Union Ministry of Labour issued draft rules under section 67 of the Code on Wages Act on 7 July 2020 in the Gazette and the Act is yet to be effective

The three labour codes, the Occupational Health, Safety and Working Conditions Code 2020, the Industrial Relations Code 2020 and the Code on Social Security 2020 have been passed by the parliament and have also received the assent of the President of India on 28 September 2020. However, the date on which these Codes will come into effect has not been notified. The Company will assess the impact of these Codes and will record any related impact in the period these Codes become effective.

3.2 A Defined Contribution Plan

The employee provident fund & employee state insurance are in the nature of Defined Contribution Plan. The contributions made to these scheme are considered as expense in the Statement of Profit and loss when the employee renders the related service.

The total expenses recognised in Statement of Profit and Loss of ₹644 lakhs (2023-24: ₹562 lakhs) represents contribution payable to these plans by the Company at rates specified in the rules of the plan.

3.2 B Defined benefit plans

a. The Company extends defined benefit plan in the form of gratuity to employees. The Company makes annual contribution to gratuity fund administered by trustees and managed by SBI Life Insurance Company Ltd. The Company's liability is determined based on actuarial valuation done at the year end as per projected unit credit method. The plan provides for a lump-sum payment to vested employees at retirement, death, while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service subject to the maximum of ₹20 lakhs. Vesting occurs upon completion of five years of service.

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.
Liquidity Risk	Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign / retire from the Company there can be strain on the cash flows.
Market Risk	Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate / government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.
Legislative Risk	Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation / regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognised immediately in the year when any such amendment is effective.

Notes to Standalone Financial Statements

for the year ended March 31, 2025

b. The principal assumptions used for the purposes of the actuarial valuations were as follows

Particulars	As at March 31, 2025	As at March 31, 2024
Discount rate	6.87%	7.23%
Expected rate of salary increase	5.00%	5.00%
Attrition rate	5.00%	5.00%

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

c. Amounts recognised in total comprehensive income in respect of these defined benefit plans are as follows:

(₹ in Lakhs)

Particulars	2024-2025	2023-2024
Current Service Cost	370	280
Net interest expense/ (income)	18	9
Component of defined benefit cost recognised in P&L	**388**	**289**
Remeasurement on the net defined benefit liability comprising:		
Actuarial (Gain)/Loss arising from changes in financial assumptions	117	82
Actuarial (Gain)/ Losses due to Experience on Defined Benefit Obligation	45	128
Actuarial (Gain)/Loss arising from changes in financial assumptions due to demographic assumption changes in Defined Benefit Obligation	-	-
Return on Plan Assets (Greater) / Less than Discount rate	80	5
Components of defined benefit costs recognised in other comprehensive income	**242**	**216**
Total Defined Benefit Cost	**630**	**505**

d. The amount included in the balance sheet arising from the Company's obligation in respect of its defined benefit plans is as follows:

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Present value of defined benefit obligation	3,160	2,549
Fair value of plan assets	2,529	2,044
Net liability arising from defined benefit obligation (funded)	(630)	(505)

e. Movements in the present value of the defined benefit obligation in the current year were as follows:

(₹ in Lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Opening defined benefit obligation	2,549	2,031
Current Service Cost	370	280
Interest Cost	181	142
Benefits paid	(102)	(116)
Actuarial (Gain)/Loss	162	212
Closing defined benefit obligation	**3,160**	**2,549**

f. Movements in fair value of plan assets in the current year were as follows:

(₹ in Lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Opening fair value of plan assets	2,044	1,774
Interest income of the assets	162	133
Employer contribution	505	258
Benefits payout	(102)	(116)
Actuarial Gain/(Loss)	(80)	(5)
Closing fair value of plan assets	**2,529**	**2,044**

g. **The Company funds the cost of the gratuity expected to be earned on a yearly basis to SBI Life Insurance Company Limited, which manages the plan assets.**

The actual return on plan assets was ₹82 lakhs (2023-24: ₹129 lakhs)

h. Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity analysis below has been determined based on reasonably possible changes of the respective assumption occurring at the end of the reporting year.

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
If the discount rate is 100 basis points higher/lower, the defined benefit obligation would		
• Decrease by (March 25: (8.81%); March 24: (8.64%))	(278)	(220)
• Increase by (March 25: 10.25%; March 24: 10.04%)	324	256
If the expected salary is 100 basis points higher/lower, the defined benefit obligation would		
• Increase by (March 25: 8.67%; March 24 8.46%)	274	216
• Decrease by (March 25: (7.81%); March 24: (7.63%))	(247)	(195)
If the attrition rate is 100 basis points higher/lower, the defined benefit obligation would		
• Increase by (March 25: 1.14%; March 24: 1.43%)	36	36
• Decrease by (March 25: (1.29%); March 24: (1.62%))	(41)	(41)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of each reporting year, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from previous year.

Notes to Standalone Financial Statements
for the year ended March 31, 2025

i. Funding arrangements

The Company has been fully funding the liability through a trust administered by an insurance Company. Regular assessment of the increase in liability is made by the insurance Company and contributions are being made to maintain the fund. Subject to credit risk of the insurance Company & the asset liability mismatch risk of the investments, the Company will be able to meet the past service liability on the valuation date that falls due in the future.

The Company expects to make a contribution of ₹441 lakhs (as at March 31, 2024: ₹349 lakhs) to the defined benefit plans for the next financial year.

Information on the maturity profile of the liabilities:

Particulars	March 31, 2025	March 31, 2024
Weighted average duration of the Defined Benefit Obligation	12.64 years	12.37 years
	₹ Lakhs	₹ Lakhs
Projected Benefit Obligation	3,160	2,549
Accumulated Benefits Obligation	2,147	1,750

j. Maturity Profile:

(₹ in Lakhs)

FUTURE PAYOUTS	Present Value
Year (i)	203
Year (ii)	194
Year (iii)	171
Year (iv)	167
Year (v)	149
Next 5 year pay-outs(6-10yrs)	711
Pay-outs above ten years	1,565

3.3 Earnings per share ('EPS')

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
	₹	₹
Earnings per share		
Basic earnings per share	40.30	93.52
Diluted earnings per share	40.30	93.52
Face value per share	5	5
Basic and diluted earnings per share	**₹ Lakhs**	**₹ Lakhs**
Profit for the year attributable to equity shareholders	9,369	19,759
	Nos.	**Nos.**
Total number of equity shares outstanding at the end of the year	2,38,55,583	2,11,28,311
Weighted average number of equity shares		
used in the calculation of basic earnings per share	2,32,50,353	2,11,28,311
after adjustment for effect of dilution	2,32,50,353	2,11,28,311

(refer note: 1.19 for movement in equity share capital during year)

3.4 Financial Instruments:

3.4a Capital Management:

The Company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The Company manages its capital structure and makes adjustments to it, in light of changes to economic conditions and the strategic objectives of the Company. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, buy back shares and cancel them, or issue new shares. The Company finances its operations by a combination of retained profit, bank borrowings, disposals of property assets and leases.

The Company monitors the capital structure on the basis of total debt to equity and maturity profile of the overall debt portfolio of the Company.

The Debt to equity ratio as at end of the year is given below:

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Debt (long-term and short-term borrowings including current maturities)	1,65,534	1,40,303
Equity	2,79,937	1,54,598
Debt Equity Ratio	0.59	0.91

3.4b Financial risk management

In course of its business, the Company is exposed to certain financial risks that could have significant influence on the Company's business and operational / financial performance. These include market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

The Board of Directors reviews and approves risk management framework and policies for managing these risks and monitors suitable mitigating actions taken by the management to minimise potential adverse effects and achieve greater predictability to earnings.

In line with the overall risk management framework and policies, the treasury function provides services to the business, monitors and manages through an analysis of the exposures by degree and magnitude of risks.

The Company uses derivative financial instruments to hedge risk exposures in accordance with the Company's policies as approved by the board of directors.

i. Market Risk

Market risk is the risk that changes in market prices, liquidity and other factors that could have an adverse effect on realisable fair values or future cash flows to the Company. The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates as future specific market changes cannot be normally predicted with reasonable accuracy.

A. Foreign currency risk management:

The Company undertakes transactions denominated in foreign currencies and thus it is exposed to exchange rate fluctuations. The Company actively manages its currency rate exposures, arising from transactions entered and denominated in foreign currencies, through treasury division and uses derivative instruments such as foreign currency forward contracts to mitigate the risks from such exposures. The use of derivative instruments is subject to limits and regular monitoring by the management. The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting year are as follows.

Notes to Standalone Financial Statements
for the year ended March 31, 2025

Assets	Currency	As at March 31, 2025		As at March 31, 2024	
		Amount in Foreign currency (Lakhs)	Amount in ₹ (Lakhs)	Amount in Foreign currency (Lakhs)	Amount in ₹ (Lakhs)
Receivables	**USD**	51	4,367	37	3,108
	EUR	14	1,312	11	1,030
	GBP	-	-	0.04	4
Total Receivables (A)		-	5,679	-	4,142
Hedged by derivative contracts (B)		-	-	-	-
Unhedged receivables (C=A-B)		-	5,679	-	4,142

Liabilities	Currency	As at March 31, 2025		As at March 31, 2024	
		Amount in Foreign currency (Lakhs)	Amount in ₹ (Lakhs)	Amount in Foreign currency (Lakhs)	Amount in ₹ (Lakhs)
Payable (trade & other)	**USD**	62	5,340	41	3,382
	JPY	12,161	6,930	3,314	1,826
	EUR	18	1,659	32	2,887
	GBP	0.34	37	0.03	3
Borrowings (ECB and Others)	**USD**	210	17,949	171	14,254
Total Payables (A)		-	31,915	-	22,352
Hedges by derivative contracts (B)	**USD**	46	3,945	92	7,648
	EUR	-	-	14	1,260
Unhedged payables (C=A-B)		-	27,970	-	13,444

Foreign currency sensitivity analysis:

Movement in the functional currencies of the various operations of the Company against major foreign currencies may impact the Company's revenues from its operations. Any weakening of the functional currency may impact the Company's cost of imports and cost of borrowings and consequently may increase the cost of financing the Company's capital expenditures.

The foreign exchange rate sensitivity is calculated for each currency by aggregation of the net foreign exchange rate exposure of a currency and a parallel foreign exchange rates shift in the foreign exchange rates of each currency by 1%, which represents Management's assessment of the reasonably possible change in foreign exchange rates.

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financials instruments. The following table details the Company's sensitivity movement in the unhedged foreign exposure:

(₹ in Lakhs)

Currency	1% Strengthening of FC	
	As at March 31, 2025	As at March 31, 2024
USD	(150)	(69)
GBP	(0.37)	0.01
EUR	(3)	(6)
JPY	(69)	(18)
	(223)	**(93)**

A depreciation of foreign currencies would have the opposite effect to the impact in the table above.

The following table details the forward foreign currency contracts outstanding at the end of the reporting year:

(₹ in Lakhs)

Cash Flow Hedges	Foreign Currency		Equivalent value		Fair value of contracts	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Sell EUR	-	14	-	1,310	-	1,260

Note: The MTM of the above has been included in the balance sheet under 'Other Current Financial Asset' Note:1.17.

B. Interest rate risk management:

The Company is exposed to interest rate risk pertaining to funds borrowed at both fixed and floating interest rates. The risk of floating interest rates in foreign currency loans is managed by the Company by the use of interest rate swap contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies.

Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates at the end of the reporting year. For floating rate liabilities which are unhedged, the analysis is prepared assuming that the amount of the liability as at the end of the reporting year was outstanding for the whole year. An increase or decrease of 50 basis point in rupee interest rates and 25 basis points in USD SOFR rate is used when reporting interest rate risk internally to key management personnel and represents Management's assessment of the reasonably possible change in interest rates.

A decrease in interest rates would have the opposite effect to the impact in the table below.

(₹ in Lakhs)

Base Rate	Increase in Base rate	Effect of Change in interest rates		Outstanding as on	
		As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
USD SOFR	25 bps	7	14	2,626	5,711
INR Baserate	50 bps	715	470	1,43,078	94,041
		722	**484**	**1,45,704**	**99,752**

Foreign currency and interest rate sensitivity analysis for swap contracts:

The Company has taken interest rate swaps ('IRS') to hedge the interest rate risks. The marked-to-market gain as at March 31, 2025 is ₹47 lakhs (March 31, 2024 is ₹166 lakhs). The amount of loss recognised in OCI for the year ended March 31, 2025 is

Notes to Standalone Financial Statements

for the year ended March 31, 2025

₹118 lakhs (March 31, 2024 is ₹65 lakhs) and the amount of gain recognised in Statement of Profit and Loss for the ineffective portion of cash flow hedge for the year ended March 31, 2025 is ₹ NIL (March 31, 2024: ₹ NIL).

In addition to the above, the Company has an Interest Rate Collar ('IRC'), to hedge the interest rate risks. The marked-to-market gain as at March 31, 2025 is ₹38 lakhs (March 31, 2024 is ₹90 lakhs). The amount of loss recognised in OCI for the year ended March 31, 2025 is ₹52 lakhs (March 31, 2024 is loss ₹49 lakhs).

In case of currency swaps, the effective portion of cash flow hedges, is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in Statement of Profit and Loss. Amounts recognised as OCI are transferred to Statement of Profit and Loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs when the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability. The marked-to-market gain as at March 31, 2025 is ₹ NIL (March 31, 2024: ₹ NIL). The amount recognised in OCI for the year ended March 31, 2025 is ₹ NIL (March 31, 2024:Nil). Also, the effect given to OCI on account of restatement loss of the underlying foreign currency loans for the year ended March 31, 2025 is ₹346 lakhs (March 31, 2024: 198 lakhs).

Further, the Company has call options for principal payments of two of its foreign currency loan which are designated as a cash flow hedge. The marked-to-market gain as at March 31, 2025 is ₹926 lakhs (March 31, 2024: gain of ₹477 lakhs). The amount of gain recognised in OCI for the year March 31, 2025 is ₹449 lakhs (March 31, 2024 – loss of ₹287 lakhs).

ii. Credit Risk:

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations.

- Trade receivables:

The Company periodically assesses the financial reliability of customers taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivable. These include customers, which have high credit-ratings assigned by international and domestic credit-rating agencies. Individual risk limits are set accordingly. The Company's trade and other receivables, including loans under customer financing activities, consists of a large number of customers, across geographies.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivable based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information.

Movement in Credit loss allowance

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Balance as at beginning of the year	637	731
Allowance for bad and doubtful debts during the year	934	(94)
Trade receivables written off during the year	-	-
Balance as at the end of the year	**1,571**	**637**

- Other financial assets:

a. Craftsman Europe BV- Netherlands - wholly owned subsidiary

The Company had granted interest-free loans to Craftsman Europe B.V. Earlier, the Company fair valued the loan based on an estimated contractual repayment schedule, and the difference between the initial fair value and the amount of cash advanced was considered as an additional capital contribution in the subsidiary (deemed equity) and accounted in the books.

Further, the management based on the information available and considering the future business plan, cash flow projections & forecasts is of the view that the recoverable amount of investment is more than the carrying amount of investments and there has not been any significant increase in the credit risk & loan being credit impaired as the subsidiary is operating on a self-sustaining basis and generating profits.

b. DR Axion India Private Limited – wholly owned subsidiary:

The Company held 76% of the equity capital of DR Axion India Private Limited as at March 31, 2024.

During the year FY 2025, The Company acquired the remaining 24% of Non-Controlling interest for a consideration of ₹25,000 lakhs. With this acquisition, DR Axion India Private Limited becomes a wholly owned subsidiary of the Company w.e.f July 01,2024.

c. Sunbeam Lightweighting Solutions Private Limited - wholly owned subsidiary:

The Company has acquired 100% of total securities of Sunbeam Lightweighting Solutions Private Limited ('SLSPL') comprising 853,147,112 equity shares of ₹10 each and 135,380,000 compulsorily convertible preference shares of ₹10 each for ₹1 on October 09, 2024 and subscribed to 37,60,00,000 Optionally Convertible Debentures (OCD) of ₹10 each i.e., a total consideration of ₹37,600 lakhs. By virtue of the voting and other rights as per the securities subscription and purchase agreement, SLSPL has been assessed as a wholly owned subsidiary of the Company in compliance with Ind AS 110 – 'Consolidated Financial Statements' with effect from October 09, 2024.

Subsequent to the acquisition, the company further subscribed to 23,00,00,000 Optionally Convertible Debentures of ₹10 each i.e., a total consideration of ₹23,000 lakhs. The Optionally Convertible Debentures are redeemable after a period of 20 years with a coupon of 0.0001% per annum convertible at the option of the company.

The total OCD subscribed ₹60,600 Lakhs has been fair valued in accordance with Ind AS 109 and ₹40,639 lakhs have been recognized as deemed equity (Refer Note: 1.5).

d. Craftsman Germany GmbH, Germany- Wholly owned subsidiary:

The Company acquired Craftsman Germany GmbH along with its wholly owned subsidiary, Craftsman Fronberg Guss GmbH on July 22, 2024 for EUR 57,000 (₹52 Lakhs). The Company, along with its German subsidiaries, entered into a Share Purchase Agreement and an Asset Purchase Agreement with certain parties to acquire assets of strategic interest in Germany. The transactions related to these purchases were successfully concluded in October 01, 2024. To facilitate the acquisition of these assets and support working capital requirements, the Company further infused EUR 16.39 million (equivalent to ₹15,316 lakhs) into Craftsman Germany GmbH post acquisition as contributions to the capital reserve as per the German Commercial Code. Along with the subsequent infusion the total investment in Craftsman Germany GmbH is ₹15,368 Lakhs.

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Carrying amount of Investment in Subsidiaries	80,132	39,764

e. Bhatia Coke & Energy Limited:

Bhatia Coke & Energy Limited is under "Corporate Insolvency resolution process" as per the MCA website. Also, the management of the Company is taken over by an insolvency professional appointed by the National Company Law Tribunal (NCLT)

Given this, the Company has fair valued the investment to NIL in FY 2020-21.

d. Others:

None of the Company's other cash equivalents , including time deposits with banks as at March 31, 2025, are overdue or impaired.

Notes to Standalone Financial Statements

for the year ended March 31, 2025

Movement in Provision for advances:

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Balance as at beginning of the year	28	28
Allowance for doubtful advances made during the year	-	-
Advances written off during the year	-	-
Balance as at the end of the year	28	28

Refer Note 1.11 of the financial statements.

iii. Liquidity Risk:

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company has obtained fund and non-fund based working capital limits from various banks. The Company invests its surplus funds in bank fixed deposit, which carry minimal marked-to-market risks.

The table below summarizes the maturity profile remaining contractual maturity period at the balance sheet date for its non-derivative financial liabilities based on the discounted cash flows.

(₹ in Lakhs)

As at March 31, 2025	Due within 1 year	Due between 2 and 5 years	Due beyond 5 years	Total Amount
Bank and other borrowings	27,415	1,16,560	21,559	1,65,534
Interest payments on borrowings	11,869	25,345	1,153	38,367
Lease liability	9,952	11,754	8,339	30,045
Trade Payables	1,01,396	-	-	1,01,396

(₹ in Lakhs)

As at March 31, 2024	Due within 1 year	Due between 2 and 5 years	Due beyond 5 years	Total Amount
Bank and other borrowings	38,447	86,145	15,711	1,40,303
Interest payments on borrowings	9,515	18,631	716	28,862
Lease liability	4,340	11,890	4,505	20,735
Trade Payables	66,745	-	-	66,745

The table below summarizes the maturity profile for its derivative financial assets and liabilities based on the undiscounted contractual net cash inflows and outflows on derivative liabilities that settle on a net basis or gross basis. The table includes both hedge effective & ineffective derivative instruments. Hedge effective instruments are fair valued through Other Comprehensive Income & hedge ineffective derivative instruments are fair valued through Statement of Profit and Loss.

(₹ in Lakhs)

As at March 31, 2025	Due within 1 year	Due between 2 and 5 years	Due beyond 5 years	Carrying Amount
Currency & Interest Rate - Swaps & Options	1,138	(126)	-	1,012
Total	**1,138**	**(126)**	-	**1,012**

(₹ in Lakhs)

As at March 31, 2024	Due within 1 year	Due between 2 and 5 years	Due beyond 5 years	Carrying Amount
Currency & Interest Rate - Swaps & Options	859	(125)	-	734
Foreign exchange forwards	(50)	-	-	(50)
Total	**809**	**(125)**	**-**	**684**

Company manages the Capital and debt by closely monitoring the bank covenants.

3.4c Categories of Financial assets and liabilities:

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Financial Assets		
a. Measured at amortized cost		
Investments (net)	80,192	39,824
Loans	6,640	-
Cash and cash equivalents	2,919	2,411
Other bank balances & Interest receivable	2,666	2,049
Trade Receivables	52,471	40,450
Security Deposit	4,589	4,585
b. Mandatorily maintained at fair value through other comprehensive		
income (FVTOCI)		
Investments	563	32
Currency swaps & options and IRS & IRC	1,155	943
c. Deemed equity measured at fair value		
Investments	41,102	463

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Financial Liabilities		
a. Measured at amortized cost		
Borrowings	1,65,534	1,40,303
Lease Liability	30,045	20,735
Trade Payables	1,01,396	66,745
Other Financial Liabilities	17,619	13,445
b. Mandatorily maintained at fair value through other comprehensive income (FVTOCI)		
Currency Swaps & IRS	143	259

Notes to Standalone Financial Statements

for the year ended March 31, 2025

3.4d Fair value measurements:

i) Financial assets and financial liabilities that are measured at fair value on a recurring basis as at the end of each reporting year:

The fair value of financial instruments as referred to in note above have 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).

The categories used are as follows:

- Level 1 : Quoted Price for identical instruments in an active market
- Level 2 : Directly or indirectly observable market inputs, Other than level 1 inputs and
- Level 3 : Inputs which are not based on observable market data

For assets and liabilities that are measured at fair value as at balance sheet date, the classification of fair value calculation by category is summarized below

(₹ in Lakhs)

As at March 31, 2025	Level 1	Level 2	Level 3	Total
Asset at fair value				
Investments measured at				
i) fair value through OCI	-	-	563	563
ii) fair value through P&L	-	41,102	-	41,102
Derivative Instruments measured at				
i) fair value through OCI	-	1,155	-	1,155
ii) fair value through P&L	-	-	-	-
Liabilities at fair value				
Derivative Instruments measured at				
i) fair value through OCI	-	143	-	143
ii) fair value through P&L	-	-	-	-

(₹ in Lakhs)

As at March 31, 2024	Level 1	Level 2	Level 3	Total
Asset at fair value				
Investments measured at				
i) fair value through OCI	-	-	32	32
ii) fair value through P&L	-	463	-	463
Derivative Instruments measured at				
i) fair value through OCI	-	943	-	943
ii) fair value through P&L	-	-	-	-
Liabilities at fair value				
Derivative Instruments measured at				
i) fair value through OCI	-	259	-	259
ii) fair value through P&L	-	-	-	-

Notes to Standalone Financial Statements
for the year ended March 31, 2025

Calculation of Fair Values:

The fair values of the financial assets and liabilities are defined as 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. Methods and assumptions used to estimate the fair values are consistent with those used.

3.5 Related party disclosure

a) List of parties where control exists

Wholly Owned Subsidiaries:

DR Axion India Private Limited (Wholly owned subsidiary w.e.f July 01, 2024)
Sunbeam Lightweighting Solutions Private Limited (w.e.f. October 09, 2024)
Craftsman Germany GmbH (w.e.f July 22, 2024)
Craftsman Europe B.V - Netherlands

Step down Subsidiaries:

Craftsman Fronberg Guss GmbH (w.e.f July 22, 2024)
Craftsman Fronberg Guss Immobilien GmbH (w.e.f October 01, 2024)

b) Other related parties

Joint Ventures

Carl Stahl Craftsman Enterprises Private Limited

Key Management Personnel

Mr. Srinivasan Ravi, Chairman and Managing Director
Mr. Ravi Gauthamram, Whole Time Director
Mr. Sundararaman Kalyanaraman, Independent Director
Mrs. Vijaya Sampath, Independent Director
Mr. T S V Rajagopal, Independent Director
Mrs. Rajeswari Karthigeyan, Independent Director
Mr. C.B.Chandrasekar, Chief Financial Officer
Mr. Thiyagaraj Damodharaswamy, Chief Operating Officer
Mr. Shainshad Aduvanni, Company Secretary

c) Related Party Transactions – Summary: (₹ in Lakhs)

Transactions during the year	Subsidiaries		Joint Ventures		Key Management Personnel	
	24-25	23-24	24-25	23-24	24-25	23-24
Purchase of Goods & Services	47	70	501	489	-	-
Sale of Goods & Services	19,304	2,150	5,916	5,597	-	-
Reimbursement of Expenditure to	393	-	-	-	-	-
Reimbursement of Expenditure from	361	-	-	-	-	-
Remuneration to key management personnel	-	-	-	-	989	692
Commission	-	-	-	-	149	1,000
Sitting Fee	-	-	-	-	27	22
Interest Income	346	-	-	-	-	-
Rental income	67	4	2	2	-	-
Management Services Income	1,000					

Notes to Standalone Financial Statements
for the year ended March 31, 2025

c) Related Party Transactions – Summary (cont'd,):

(₹ in Lakhs)

Balances as at the end of the year	Subsidiaries		Joint Ventures		Key Management Personnel	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Trade Receivables	888	698	983	1,525	-	-
Trade Payables	268	298	-	55	-	-
Loans - Receivable	6,640*	-	-	-	-	-
Remuneration payable	-	-	-	-	15	6

d) Significant Related party transactions:

(₹ in Lakhs)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Purchase of Goods & Services		
Carl Stahl Craftsman Enterprises Private Limited	501	489
Craftsman Europe BV - Netherlands	1	30
DR Axion India Private Limited	14	40
Sunbeam Lightweighting Solutions Private Limited	32	-
Sale of Goods & Services		
Carl Stahl Craftsman Enterprises Private Limited	5,916	5,597
Craftsman Europe BV - Netherlands	399	1,190
DR Axion India Private Limited	12,941	960
Sunbeam Lightweighting Solutions Private Limited	4,964	-
Reimbursement of Expenditure to		
Craftsman Europe BV - Netherlands	393	-
Reimbursement of Expenditure from		
Sunbeam Lightweighting Solutions Private Limited	361	-
Remuneration to key management personnel		
Executive Directors	698	457
Chief Financial Officer	131	87
Chief Operating Officer	125	113
Company Secretary	35	35
Commission		
Executive Directors	87	963
Non-Executive Directors	62	37
Sitting Fee		
Non-Executive Directors	27	22

d) Significant Related party transactions:

(₹ in Lakhs)

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Interest Income (unwinding)		
Sunbeam Lightweighting Solutions Private Limited	346	-
Management Services Income		
DR Axion India Private Limited	1000	-
Rent Income		
Carl Stahl Craftsman Enterprises Pvt Ltd	2	2
DR Axion India Private Limited	14	4
Sunbeam Lightweighting Solutions Private Limited	53	-

Note: Remuneration to KMP does not include gratuity contribution which is determined actuarially on an overall Company basis and accordingly has not been considered.

e) Balances of Related Parties

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Trade Receivable		
Carl Stahl Craftsman Enterprises Private Limited	983	1,525
Craftsman Europe BV - Netherlands	84	286
DR Axion India Private Limited	515	412
Sunbeam Lightweighting Solutions Private Limited	289	-
Trade Payable		
Carl Stahl Craftsman Enterprises Private Limited	-	55
Craftsman Europe BV - Netherlands	264	251
DR Axion India Private Limited	-	47
Sunbeam Lightweighting Solutions Private Limited	4	-
Loans - Receivable		
Sunbeam Lightweighting Solutions Private Limited	6,640*	-
Remuneration payable		
Chairman and Managing Director	15	6

f) Details of advances in the nature of loans

(₹ in Lakhs)

Name of the Company	Year Ended March 31, 2025				Year Ended March 31, 2024			
	Status	Out-standing Amount	Maximum Loan out-standing	Investment in shares of the company	Status	Out-standing Amount	Maximum Loan out-standing	Investment in shares of the company
Sunbeam Lightweighting Solutions Private Limited	Subsidiary	6,640	6,640	40,639	-	-	-	-

Notes to Standalone Financial Statements

for the year ended March 31, 2025

g) Disclosure as required under section 186(4) of the Companies Act, 2013

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024	Purpose
Loan Outstanding - Sunbeam Lightweighting Solutions Private Limited	6,640*	-	Funding for operations
Investments			
Craftsman Europe B.V - Netherlands	2,264	2,264	
DR Axion India Private Limited	62,500	37,500	
Deemed Equity- Craftsman Europe B.V	463	463	
Deemed Equity- Sunbeam Lightweighting Solutions Private Limited	40,639	-	
Craftsman Germany (GmbH)	15,368	-	

*On acquisition of Sunbeam Lightweighting Solutions Private Limited, the Company subscribed to OCD of ₹37,600 lakhs of SLSPL. Subsequent to the acquisition the company further subscribed to OCDs of ₹23,000 lakhs. The total OCDs of ₹60,600 lakhs has been fair valued in accordance with Ind AS 109 and segregated into equity investment of ₹40,639 lakhs and debt of ₹6,294 lakhs and the remaining as deferred tax asset on initial recognition. The debt portion along with interest unwinding stands at ₹6,640 lakhs as above.

3.6 Contingent Liabilities and Commitments

a) Contingent Liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company 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.

(₹ in Lakhs)

Contingent Liabilities	As at March 31, 2025	As at March 31, 2024
a. Claims against the Company not acknowledged as debt		
Excise Duty	7	7
Service tax	104	67
Goods and Service Tax	1,952	16
Income tax	307	823
b. Sales Bills discounted	**8,646**	**4,617**

b) Commitments

Commitment on capital account not provided as on March 31, 2025: ₹40,548 Lakhs and March 31, 2024: ₹25,144 Lakhs

3.7 Non-Current Borrowings:

(₹ in Lakhs)

	Borrowings	As at March 31, 2025			Particulars of Repayment		As at March 31, 2024		
		Non-Current	Current Maturity	Total	Instalments	Amount/ Inst nos.	Non-Current	Current Maturity	Total
*	IFC - ECB	3,942	3,935	7,877	Half-yearly	USD 11.54 / 13	7,683	3,831	11,514
*	SCB-ECB	-	-	-	Quarterly	USD 2.50/ 20	1,041	832	1,873
*	Bajaj TL-1	-	-	-	Quarterly	INR 175/ 20	2,749	-	2,749
*	HDFC TL-1	-	-	-	Quarterly	INR 350.88 / 20	2,103	-	2,103

Notes to Standalone Financial Statements
for the year ended March 31, 2025

3.7 Non-Current Borrowings: (cont'd)

(₹ in Lakhs)

	Borrowings	As at March 31, 2025			Particulars of Repayment		As at March 31, 2024		
		Non-Current	Current Maturity	Total	Instalments	Amount/ Inst nos.	Non-Current	Current Maturity	Total
#	EXIM TL-1	7,561	1,610	9,171	Quarterly	INR 541.67 / 24	9,712	1,606	11,318
#	FEDERAL TL-1	7,811	(1)	7,810	Quarterly	INR 520.83 / 24	9,892	-	9,892
#	TCFSL TL-1	-	-	-	Quarterly	INR 479.17 / 12	5,269	478	5,747
#	ABFL TL-1	-	-	-	Quarterly	INR 150/2, 550/4,625/20	12,491	-	12,491
#	Bajaj TL-2	-	-	-	Quarterly	INR 416.67 / 24	8,333	-	8,333
#	SBI - TL1	7,767	278	8,044	Monthly	INR 139/72	9,439	556	9,995
#	Indian Bank TL-1	7,033	49	7,083	Monthly	INR 185/54	9,068	994	10,062
#	Axis TL-1	5,887	(1)	5,887	Quarterly	INR 363/24	7,623	1,087	8,710
#	HDFC TL-2	9,375	(0)	9,375	Quarterly	INR 521/24	11,458	1,042	12,500
#	Bajaj TL-3	3,998	(1)	3,996	Quarterly	INR 250/20	4,995	-	4,995
#	IOB TL-1	7,486	1,668	9,154	Monthly	INR 139/71 , 131/1	-	-	-
^	FEDERAL TL-2	16,582	(4)	16,579	Quarterly	INR 833/24	-	-	-
^	Axis TL-2	8,846	1,154	10,000	Quarterly	INR 385/26	-	-	-
^	KMBL TL-1	10,404	946	11,350	Monthly	INR 158/72	-	-	-
^	Bajaj TL-4	13,491	1,496	14,987	Quarterly	INR 750/20	-	-	-
^	IndusInd TL-1	9,150	850	10,000	Quarterly	INR 125/2 , 300/4 , 475/18	-	-	-
^	SBI - TL2	18,784	858	19,642	Quarterly	INR 816/23, 824/1	-	-	-
	Total	**1,38,118**	**12,838**	**1,50,956**			**1,01,856**	**10,426**	**1,12,282**

ECB – External Commercial Borrowings ; TL – Rupee Term Loans

The balances mentioned above are at amortized cost. Refer note 1.21

*: Secured by first pari passu charge on fixed assets and a second pari passu charge on current assets of the Company.

#: Secured by first pari passu charge on moveable fixed assets and second pari passu charge on current assets of the Company.

^: Secured by first pari passu charge on moveable fixed assets of the Company.

3.8 Lease arrangements

3.8a Company as lessee

(i) Following are the changes in the carrying value of right of use assets

For the year ended March 31, 2025:

(₹ in Lakhs)

Particulars	Land & Buildings	Total
Balance as at April 1, 2024	23,799	23,799
Additions	14,818	14,818
Amortization/ expense	(2,301)	(2,301)
Deletion	-	-
Balance as of March 31, 2025	**36,316**	**36,316**

Notes to Standalone Financial Statements
for the year ended March 31, 2025

For the year ended March 31, 2024: (₹ in Lakhs)

Particulars	Land & Buildings	Total
Balance as at April 1, 2023	9,075	9,075
Additions	17,088	17,088
Amortization/ expense	(2,358)	(2,358)
Deletion	(6)	(6)
Balance as of March 31, 2024	**23,799**	**23,799**

(ii) The aggregate amortization expense on ROU assets is included under 'Depreciation, amortization and impairment expense' in the Statement of Profit and Loss.

(iii) The following is the break-up of current and non-current lease liabilities:

Particulars	As at March 31, 2025	As at March 31, 2024
Current lease liabilities	9,952	4,340
Non-current lease liabilities	20,093	16,395
Total	**30,045**	**20,735**

(i) The following is the movement in lease liabilities during the year: (₹ in Lakhs)

Particulars	2024-25	2023-24
Balance as at the beginning of the year	20,735	8,636
Additions	14,818	17,089
Finance cost accrued during the year	1,831	1,276
Deletion	-	(6)
Payment of lease liabilities	(7,339)	(6,260)
Balance as at the end of the year	**30,045**	**20,735**

(ii) The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

Particulars	As at March 31, 2025	As at March 31, 2024
Less than one year	3,294	2,797
One to five years	10,564	8,738
More than five years	16,483	5,993
Total	**30,341**	**17,528**

(iii) 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.

(iv) Rental expense recorded for short-term leases was ₹311 lakhs for the year ended March 31, 2025. (March 31, 2024: ₹192 lakhs)

(v) Total cash outflow for leases including short-term was ₹ 7,650 lakhs for the year ended March 31, 2025. (March 31, 2024: ₹6,452 lakhs).

Notes to Standalone Financial Statements
for the year ended March 31, 2025

3.8b Company as lessor

Company has provided a portion of its building on operating lease to MC Machinery Systems India Private Ltd & Carlstahl Craftsman Enterprises Private Limited for a period of 3 years & 5 years, respectively.

Non-Cancellable Operating lease commitment	As at March 31, 2025	As at March 31, 2024
Not later than 1 year	109	36
Later than 1 year but not later than 5 years	21	52
Later than 5 years	-	-

3.9 The information required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006

(₹ in Lakhs)

	As at March 31, 2025	As at March 31, 2024
The principal amount due to Micro and Small Suppliers under this Act	618	519
Interest accrued and due to suppliers on the above amount	Nil	Nil
Interest paid to suppliers under this Act (Section 16)	Nil	Nil
Interest due and payable for the delay (for payment during the year beyond due date)	Nil	Nil
Payment made to suppliers (other than interest) beyond the appointed date, during the year	Nil	Nil
Interest accrued and remaining unpaid at the end of year to suppliers under this Act	Nil	Nil
Interest due and payable to suppliers under this Act for payment already made	Nil	Nil

The information has been given in respect of Vendors to the extent they could be identified as "Micro and Small Enterprises" on the basis of information available with the Company.

3.10 Corporate Social Responsibility Expenditure:

(₹ in Lakhs)

	Year Ended March 31, 2025	Year Ended March 31, 2024
(a) Gross amount required to be spent by the Company during the year as per section 135 of the Companies Act, 2013 read with Schedule VII	572	485
(b) Amount spent during the year	577	496
(c) Amount transferred to CSR on-going projects subsequently	NA	NA

Notes to Standalone Financial Statements

for the year ended March 31, 2025

(₹ in Lakhs)

Particulars	In Cash	Yet to be paid in cash	Total
(i) Construction / acquisition of any asset	334	-	334
(ii) On purposes other than (i) above	243	-	243

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
(i) amount required to be spent by the Company during the year	572	485
(ii) amount of expenditure incurred	577	496
(iii) shortfall at the end of the year	Nil	Nil
(iv) total of previous years shortfall	Nil	Nil
(v) reason for shortfall	Not Applicable	Not Applicable
(vi) nature of CSR activities	1. Promotion of Education 2. Rural Development 3. Promotion of Health care and Sanitation 4. Promotion of Environmental Sustainability 5. Promotion of Tribal Welfare	1. Promotion of Health care/ Eradicating hunger 2. Promotion of education 3. Environment sustainability 4. Safety & Welfare
(vii) details of related party transactions, e.g., contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant Accounting Standard,	Nil	Nil
viii) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	Nil	Nil

3.11 Segment Reporting:

The Company has reported segment information as per Indian Accounting Standard 108 "Operating Segments" (Ind AS 108) read with SEBI's circular CIR/CFD/FAC/62/2016 dated 05 July 2016. Accordingly, the Company has identified the reportable segments based on end consumption of the products sold or services rendered and is consistent with performance assessment and resource allocation by the management. Segment revenue comprises sales and operational income allocable specifically to a segment. Un-allocable expenditure mainly includes corporate expenses, finance cost and other administrative expenses. Un-allocable income primarily includes Other Income.

a. Segment disclosure

(₹ in Lakhs)

Segment Revenue	Year Ended March 31, 2025	Year Ended March 31, 2024
Powertrain	1,68,272	1,55,837
Aluminium Products	1,15,957	91,746
Industrial & Engineering	83,827	73,196
Others	16,739	-
Total revenue as per Statement of Profit and Loss	**3,84,795**	**3,20,779**

(₹ in Lakhs)

Segment Profit or Loss	Year Ended March 31, 2025	Year Ended March 31, 2024
Powertrain	24,857	29,163
Aluminium Products	11,600	12,902
Industrial & Engineering	1,717	4,673
Others	248	-
Total Segments	**38,422**	**46,738**
Less: Unallocable Expenditure	(9,577)	(6,187)
Add: Other Income	3,226	1,461
Earnings Before Interest & Tax	**32,071**	**42,012**
Less: Finance Costs	(19,316)	(15,462)
Profit Before Tax	**12,755**	**26,550**

(₹ in Lakhs)

Segment Assets	As at March 31, 2025	As at March 31, 2024
Powertrain	1,76,711	1,54,572
Aluminium Products	1,66,955	1,09,219
Industrial & Engineering	1,09,880	86,324
Total Segments	**4,53,546**	**3,50,115**
Unallocable Assets	1,56,551	67,792
Total Assets as per Balance Sheet	**6,10,097**	**4,17,907**

(₹ in Lakhs)

Segment Liabilities	As at March 31, 2025	As at March 31, 2024
Powertrain	1,01,851	94,667
Aluminium Products	1,24,967	59,650
Industrial & Engineering	72,432	59,106
Total Segments	**2,99,250**	**2,13,423**
Unallocable Liabilities	30,910	49,886
Total Liabilities as per Balance Sheet	**3,30,160**	**2,63,309**

(₹ in Lakhs)

Geographical Information	Year Ended March 31, 2025	Year Ended March 31, 2024
Revenue from operations		
India	3,61,128	2,97,240
Outside India	23,667	23,539
Total Revenue	**3,84,795**	**3,20,779**

Note: “Outside India” above does not include sales to SEZ and includes export incentives.

Notes to Standalone Financial Statements

for the year ended March 31, 2025

b. Disclosure about major customers

Revenue from customers individually contributing more than 10% of total revenue of the Company across all the segments, amounts to ₹1,36,417 lakhs (₹90,909 lakhs for the year ended March 31, 2024) of the total revenue of the Company across all the segments.

Other Disclosures as required under schedule III to the Companies Act, 2013

3.12 Ratio Analysis

Ratios	As at March 31, 2025	As at March 31, 2024	% Variance
(a)Current Ratio	0.94	1.03	-9%
(b) Debt-Equity Ratio	0.59	0.91	-35%
(c) Debt Service Coverage Ratio	1.47	1.45	1%
(d) Return on Equity Ratio	4%	14%	-68%
(e) Inventory turnover ratio	4.22	4.28	-1%
(f) Trade Receivables turnover ratio	7.92	8.30	-5%
(g) Trade payables turnover ratio	2.90	3.37	-14%
(h) Net capital turnover ratio **	14	7	99%
(i) Net profit ratio	2.5%	6.2%	-59%
(j) Return on Avg Capital employed	9%	16%	-45%
(k) Return on investment #	NA	NA	NA

Ratios	Formula (Numerator/Denominator)	Remarks for 25% change
(a) Current Ratio	Current Assets / Current Liabilities	NA
(b) Debt-Equity Ratio	Total Debt/Shareholders' Equity	Equity Capital raised through QIP during FY 25
(c) Debt Service Coverage Ratio	Earnings available for debt service /Debt Service Debt service = Interest & Lease Payments + Principal Repayments	NA
(d) Return on Equity Ratio	Net Profits after taxes/Average Shareholders' Equity	Decrease in profit after tax in FY 24-25 & Increase in Equity Capital on account of QIP
(e) Inventory turnover ratio	Sales/ Average Inventory	NA
(f) Trade Receivables turnover ratio	Sales / Average Accounts Receivable	NA
(g) Trade payables turnover ratio	Purchases / Trade Payables	NA
(h) Net capital turnover ratio **	Net Sales/Net Working Capital	Reduction in working capital
(i) Net profit ratio	Net Profit/ Net Sales	Decrease in profit after tax in FY 24-25
(j) Return on Capital employed	Earning before interest and taxes/Avg. Capital Employed Avg. Capital employed = Avg.Total Assets-Avg. Current Liabilites	Decrease in EBIT in FY 24-25 Increase in average capital employed on account of acquisitions.
(k) Return on investment#		

Note:

**Net working capital does not include short term borrowings of ₹27,415 lakhs (March 31, 2024: ₹38,447 lakhs) and short term lease of ₹9,952 lakhs (March 31, 2024: ₹ 4,340 lakhs)

#Investments are made only for production and product related. Hence, ROI is not applicable

3.13 Qualified Institutions Placement ('QIP') :

During the year 2024-25, the Company issued 27,27,272 equity shares of face value ₹5 each through Qualified Institutions Placement ('QIP') at an issue price of ₹4,400/- per share (including securities premium of ₹4,395/- per share) aggregating ₹1,20,000 lakhs. The objects of the QIP as per the placement document are repayment / pre-payment, in full or in part, of certain borrowings of the Company, acquisition of balance equity shares of DR Axion India Private Limited, a subsidiary of the Company and general corporate purposes. The proceeds were fully utilised towards the above said objects during the year under consideration. The costs that are attributable directly to the above transaction amounting to ₹1,977 lakhs, have been adjusted against securities premium.

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

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

3.14. c) As per the information available with the Company, there has been no transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the year (Previous Year – Nil)

3.14 d) There has been no charges or satisfaction yet to be registered with ROC beyond the statutory period as at the end of the year.

3.14 e) During the year, the Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall

1) 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)

2) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall

i) 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

ii) provided any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Previous Year – Nil)

3.14. f) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year ended March 31, 2025 (Previous Year – Nil).

3.14 g) The quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts

3.14 h) There are no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of accounts.

3.14 i) The Company has not entered into any Scheme of Arrangement during the current or previous year.

3.14 j) The Company has complied with the number of layers prescribed under the Companies Act, where applicable.

3.15 Certain comparative figures have been reclassified to conform to the current year presentation.

For SHARP & TANNAN
Chartered Accountants
Firm Registration No. 003792S

V. Viswanathan
Partner
Membership No. 215565

Place : Coimbatore
Date : May 07, 2025

For and on behalf of the Board

R.Gauthamram
Whole Time Director
DIN : 06789004

S.Ravi
Chairman and Managing Director
DIN : 01257716

Shainshad Aduvanni
Company Secretary
M.No. A27895

C. B. Chandrasekar
Chief Financial Officer

Place : Coimbatore
Date : May 07, 2025

Independent Auditors' Report

To the members of Craftsman Automation Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Craftsman Automation Limited** (hereinafter referred to as the "Company" / "Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and a joint venture, which comprise the Consolidate d Balance Sheet as at 31 March 2025, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income and Group's share of profit in joint venture), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended on that date and notes to the consolidated financial statements including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with 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 consolidated state of affairs of the Group and its joint venture as at 31 March 2025, the consolidated profit and consolidated total comprehensive income, its consolidated cash flows and consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("Standards" or "SAs") specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report.

We are independent of the Group and its joint venture in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S. No	Key audit matter description and principal audit procedures
1.	**Accounting for Property, Plant and Equipment** Refer Notes D-a, D-c, E-a, 1.1, 1.2 and 2.6 in consolidated financial statements Property, plant and equipment including capital work in progress ('PPE') represents 48% of the Group's total assets. The capitalisation of PPE includes the fair value of the consideration given to acquire the asset (net of discounts and rebates) and any directly attributable costs of bringing the asset to working condition for its intended use (inclusive of non-refundable purchase taxes and duties). Depreciation is generally charged as per Schedule II to Companies Act, 2013. In respect of certain classes of PPE, the useful life has been ascertained based on technical review by a Chartered Engineer and assessment by the management. The Company carries out physical verification of PPE on an annual basis.

S. No	Key audit matter description and principal audit procedures
	The Company uses estimates and assumptions to determine the useful life of assets, residual value, assess impairment loss (if any). The useful life of property, plant and equipment is determined by the technical team of the management taking into consideration the industry practice, the application and usage factors and past historical trend. The residual value at the end of the useful life of property, plant and equipment is estimated in determining the depreciable value of the asset. Impairment assessment of property, plant and equipment involves identification of Cash Generating Unit ('CGU') and estimating future cash flows arising of out of such CGUs. Due to the material value of PPE to total assets and estimates/judgements involved in their valuation, the audit of accounting of Property, Plant and Equipment has been considered as a Key Audit Matter in the audit of these financial statements
	Our procedures relating to audit of accounting for Property, Plant and Equipment includes the following: • evaluating of design and implementation of controls and testing the operating effectiveness of the internal controls over: - measurement of initial recognition costs including costs of self-constructed PPE; - valuation of PPE and review of useful lives including depreciation rates applied; - periodic physical verification of property, plant and equipment by the management; • testing on sample basis the value of self-constructed assets with underlying documentation to assess compliance with applicable accounting standards; • wherever the useful life of a PPE considered is different from the useful life indicated in the Act, obtain confirmation from management's technical team for the useful life for the same; • reviewing the residual value of PPE considered by the management for consistency and appropriateness; • understanding the basis behind identification of Cash Generating Units by the management and review the future cash flow projections for the same; • checking the computation and correctness of the discounting factor applied for arriving at value in use and impairment thereof, if any; • checking the reasonableness of the assumptions made by the management in identifying CGUs, assessing the future cash flows, discount factor and impairment loss; • physically inspecting a sample of assets at one of the main units of the Company during the year to ensure existence of PPE; • reviewing the physical verification reports of the management and the treatment of discrepancies in the books of accounts / Fixed Asset Register, wherever applicable.
2.	**Accounting for Business Combinations** Refer 3.11 in consolidated financial statements During the year, the Company acquired 100% stake in Sunbeam Lightweighting Solutions Private Limited ('SLSPL') and Craftsman Germany GmbH, Germany which in turn invested in its subsidiaries Craftsman Fronberg Guss GmbH and Craftsman Fronberg Immobilien GmbH ('German entities'). These transactions are significant due to their complexity and material impact on the consolidated financial statements. The accounting for these business combinations involves several complex judgments and estimates, including: • determining the appropriate accounting acquirer and the exact date when control was obtained, in accordance with Ind AS 103 – Business Combinations • evaluating whether the Company has obtained control over the acquired entities, considering factors such as decision-making rights, board composition, and contractual arrangements. • allocating the purchase consideration to identifiable assets acquired and liabilities assumed at their acquisition-date fair values, which requires significant estimation and judgment (Purchase price allocation). • recognition and measurement of goodwill / gain on bargain purchase arising from the business combinations, which involves determining the excess of the consideration transferred over the net identifiable assets acquired or otherwise • ensuring adequate disclosures related to the business combinations, including the nature and financial effects of the acquisitions, as required by Ind AS 103

S. No	Key audit matter description and principal audit procedures
	Our procedures related to audit of accounting for the business combinations include • assessing the terms of the acquisition agreements and other relevant documents to determine whether the Holding Company obtained control over the acquired entities, in line with the criteria set out in Ind AS 110 – Consolidated Financial Statements • verifying the acquisition dates by examining the dates on which the Holding Company obtained control over the acquired entities, considering factors such as transfer of voting rights and board control in accordance with Ind AS 103 – Business Combinations • reviewing the calculation of the total purchase consideration, including any contingent consideration arrangements, and evaluating their fair value measurements • assessing the methodologies and assumptions used by management of the Company in the fair valuation of identifiable assets acquired and liabilities assumed (Purchase price allocation): • verifying the computation of the goodwill / gain on bargain purchase arising from the acquisitions and assessed the reasonableness of the underlying assumptions • reviewing the disclosures in the consolidated financial statements related to the business combinations to ensure compliance with the disclosure requirements of Ind AS 103.

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

The Board of Directors of the Company is responsible for preparation of the other information. The other information comprises the information included in the Annual Report (Board's Report, Management Discussion and Analysis and Report on Corporate Governance report) but does not include the consolidated financial statements and our report thereon. The Annual Report is expected to be made available to us after the date of this Auditors' Report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations..

Responsibilities of management and Those Charged with Governance for the Consolidated Financial Statements

The Board of Directors of the Holding Company is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated cash flows and consolidated changes in equity of the Group and the joint venture in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group, and its joint venture and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its joint venture are responsible for assessing the ability of the Group and of its joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and its joint venture is responsible for overseeing the financial reporting process of the Group and its joint venture.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

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

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

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- obtain an understanding of internal financial controls over financial reporting relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company have adequate internal financial controls over financial reporting system in place with reference to the financial statements 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 of the Holding Company;

- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint venture to cease to continue as a going concern;

- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its joint venture to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of the Holding Company included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other matters

The consolidated financial statements include the financial statements of two subsidiaries whose financial information reflect total assets of ₹76,356 lakhs and net assets of ₹53,858 lakhs as at 31 March 2025, total revenues of ₹1,31,503 lakhs, net profit after tax of ₹12,797 lakhs, total comprehensive income of ₹12,835 lakhs for the year ended 31 March 2025 and net cash ouflows amounting to ₹1,485 lakhs for the year ended on that date and the Group's share of profit after tax of ₹100 lakhs and total comprehensive income of ₹98 lakhs for the year ended 31 March 2025 in respect of a joint venture. The financial statements of the two subsidiaries and a joint venture have not been audited by us. The financial statements of these subsidiaries and joint venture have been audited by other auditors whose reports have been furnished to us by the management of the Holding Company and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture, and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information, in so far as it relates to the aforesaid subsidiaries and joint venture entity, is based on the reports of such other auditors.

Our opinion above on the consolidated financial statements and our report on other legal and regulatory requirements below, are not modified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

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 of the aforesaid consolidated financial statements;

(b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors except for the matters stated in paragraph (i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

(c) the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

(d) in our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act and read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) on the basis of the written representations received from the directors of the Holding Company as on 31 March 2025 taken on record by the Board of Directors of the Holding Company and reports of the statutory auditors of subsidiaries and a joint venture incorporated in India, none of the directors of the Holding Company and the subsidiaries and a joint venture incorporated in India is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164(2) of the Act;

(f) with respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph (b) above on reporting under section 143(3)(b) and paragraph (i)(vi) below on reporting under Rule 11(g) of the Rules

(g) with respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on our report of the Holding Company and subsidiaries and a joint venture incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting for those entities;

(h) in our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries and joint ventures incorporated in India, the managerial remuneration for the year ended 31 March 2025 has been paid / provided by the Holding Company, its subsidiaries and joint venture incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(i) with respect to the other matters to be included in the Auditor's Report in accordance with

Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. the Group, as detailed in Note 3.8 to the consolidated financial statements, has disclosed the impact of pending litigations on its consolidated financial position of the Group;

ii. the Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

iii. there were no amounts due which were required to be transferred to the Investor Education and Protection Fund by the Holding Company or subsidiaries and a joint venture incorporated in India;

iv. (a) the respective managements of the Holding Company and subsidiaries and a joint venture incorporated in India, whose financial statements have been audited under the Act, have 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 Holding Company or subsidiaries and a joint venture incorporated in India 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 respective managements of the Holding Company and subsidiaries and a joint venture incorporated in India, whose financial statements have been audited under the Act, have 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 Holding Company or subsidiaries and a joint venture incorporated in India from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Holding Company and subsidiaries and a joint venture incorporated in India whose financial statements have been audited under the Act, 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. the amount of dividend is in accordance with Sec 123 of the Act.

(a) The final dividend paid by the Company during the year in respect of the same declared for the previous year is in accordance with Section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.

(b) As stated in Note 1.20 to the consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. based on our examination, which included test checks, and that performed by the respective auditors of subsidiaries and a joint venture which are companies incorporated in India whose financial statements have been audited under the Act, except for the instances mentioned below in respect of a subsidiary, the Company, subsidiaries and joint venture have used accounting software systems for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of performing our procedures, we and respective auditors of the above referred subsidiaries and a joint venture did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention, wherever the trail was enabled.

Instances where software does not have the feature of recording audit trail (edit log) facility	No. of instances
at application and database level – payroll	One
at database level – accounting software	One

for **SHARP & TANNAN**
Chartered Accountants
(Firm's Registration No. 003792S)

V. Viswanathan
Partner
Membership No. 215565
UDIN: 25215565BMINIT3160

Place: Coimbatore
Date: 07 May 2025

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Craftsman Automation Limited of even date)

Independent Auditors' Report on the Internal Financial Controls over financial reporting under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of **Craftsman Automation Limited** ("the Holding Company") and its subsidiaries and a joint venture, which are incorporated in India, as of 31 March 2025 in conjunction with our audit of the consolidated financial statements of the Holding Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and subsidiaries and a joint venture, which are incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Holding 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 internal financial controls over financial reporting of the Company and subsidiaries and a joint venture, which are incorporated in India, based on our audit. Our audit is conducted 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. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Company and subsidiaries and a joint venture, which are incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Company and subsidiaries and a joint venture, which are incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as of 31 March 2025, based on the internal control over financial reporting criteria established by the Holding 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.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to a subsidiary company and a joint venture, which are companies incorporated in India, is based solely on the corresponding reports furnished to us by the auditors of such companies incorporated in India. Our opinion is not modified in respect of the above matters with respect to our reliance on the work done by and the reports of such other auditors.

for **SHARP & TANNAN**
Chartered Accountants
(Firm's Registration No. 003792S)

V. Viswanathan
Partner
Membership No. 215565
UDIN: 25215565BMINIT3160

Place: Coimbatore
Date: 07 May 2025

Consolidated Balance Sheet

as at March 31, 2025

(₹ in Lakhs)

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
Property, Plant and Equipment	1.1	3,06,351	2,13,344
Capital Work in progress	1.2	34,526	17,861
Intangible assets	1.3	3,156	432
Right-of-use Asset	1.4	38,520	23,896
Goodwill on Consolidation	1.5	19,006	18,999
Investments accounted for using equity method	1.6	467	368
Financial assets			
Investments	1.7	594	79
Security Deposits	1.8	6,033	4,919
Other Financial assets	1.9	27	94
Current tax assets (Net)	1.10	1,552	828
Other non-current assets	1.11	11,586	11,456
		4,21,818	**2,92,276**
Current assets			
Inventories	1.12	1,33,205	1,04,082
Financial assets			
Trade receivables	1.13	92,059	57,663
Cash and cash equivalents	1.14	9,742	6,349
Other bank balances	1.15	2,581	1,953
Security Deposits	1.16	90	97
Other Financial assets	1.17	2,386	961
Other Current assets	1.18	14,830	7,193
		2,54,893	**1,78,298**
Assets classified as held for sale	1.1A	**34,933**	**-**
Total Assets		**7,11,644**	**4,70,574**
EQUITY			
Equity Share capital	1.19	1,193	1,056
Other Equity	1.20	2,84,481	1,64,742
Equity attributable to owners		**2,85,674**	**1,65,798**
Non-controlling interest	1.21	-	9,368
		2,85,674	**1,75,166**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	1.22	1,65,186	1,12,484
Lease Liabilities	1.23	20,306	16,486
Other Non-Current Financial Liabilities	1.24	763	211
Provisions	1.25	336	-
Deferred tax liabilities (Net)	1.26	606	13,148
		1,87,197	**1,42,329**
Current liabilities			
Financial Liabilities			
Borrowings	1.27	40,240	42,159
Lease Liabilities	1.28	10,086	4,353
Trade payables			
(a) total outstanding dues of micro enterprises & small enterprises	1.29	4,449	1,178
(b) total outstanding dues of creditors other than micro enterprises & small enterprises		1,28,984	78,886
Other current Financial Liabilities	1.30	33,652	14,595
Current tax liabilities (Net)	1.31	1,162	912
Other current liabilities	1.32	18,040	9,875
Provisions	1.33	2,160	1,121
		2,38,773	**1,53,079**
Total Equity and Liabilities		**7,11,644**	**4,70,574**

The accompanying notes form an integral part of the consolidated financial statements

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

For SHARP & TANNAN
Chartered Accountants
Firm Registration No. 003792S

V. Viswanathan
Partner
Membership No. 215565

Place : Coimbatore
Date : May 07, 2025

For and on behalf of the Board

R.Gauthamram
Whole Time Director
DIN : 06789004

S.Ravi
Chairman and Managing Director
DIN : 01257716

Shainshad Aduvanni
Company Secretary
M.No. A27895

C. B. Chandrasekar
Chief Financial Officer

Place : Coimbatore
Date: May 07, 2025

Consolidated Statement of Profit and Loss

for the year ended March 31, 2025

(₹ in Lakhs)

Particulars	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
INCOME			
Revenue From Operations	2.1	5,69,048	4,45,173
Other Income	2.2	2,507	1,724
Total Income (A)		**5,71,555**	**4,46,897**
EXPENSES			
Cost of materials consumed	2.3	3,29,673	2,52,153
Changes in inventories of finished goods and work-in-progress	2.4	(19,466)	(15,022)
Employee benefits expense	2.5	43,626	28,846
Depreciation, amortization and impairment expense	2.6	34,702	27,769
Other expenses	2.7	1,31,944	91,313
Finance costs	2.8	21,664	17,454
Total expenses (B)		**5,42,143**	**4,02,513**
Profit before share of profit from JV and exceptional items (C=A-B)		**29,412**	**44,384**
Share of profit from JV (D)		100	85
Profit before exceptional items (E=D-C)		**29,512**	**44,469**
Exceptional items (F)	3.15	(2,547)	-
Profit before tax (G= E-F)		**26,965**	**44,469**
Tax expense:			
(1) Current Tax	3.3	7,697	11,702
(2) Deferred tax		(819)	(966)
		6,878	**10,736**
Profit for the year (D)		**20,087**	**33,733**
attributable to owners		19,457	30,447
attributable to non-controlling Interest		630	3,286
Other Comprehensive Income ('OCI')			
A (i) Items that will not be reclassified to profit or loss			
- Remeasurement of defined benefit plans		(755)	(316)
- Share of OCI of Joint Venture accounted for using equity method		(2)	1
loss		70	79
B (i) Items that will be reclassified to profit or loss			
- Exchange differences in translating the financial statements of foreign operations		(122)	16
- The effective portion of gains or loss on hedging instruments in a cash flow hedge		675	321
(ii) Income tax relating to items that will be reclassified to profit or loss		(170)	(81)
Other Comprehensive Income for the year, net of tax (E)		**(304)**	**20**
attributable to owners		(301)	38
attributable to non-controlling Interest		(3)	(18)
Total Comprehensive Income for the year (Comprising Profit for the year and Other Comprehensive Income for the year) (H+I)		**19,783**	**33,753**
attributable to owners		19,156	30,485
attributable to non-controlling Interest		627	3,268
Earnings per equity share Basic & Diluted (Face value of ₹5/-)	3.5	83.68	144.11

The accompanying notes form an integral part of the consolidated financial statements

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

For SHARP & TANNAN
Chartered Accountants
Firm Registration No. 003792S

V. Viswanathan
Partner
Membership No. 215565

Place : Coimbatore
Date : May 07, 2025

For and on behalf of the Board

R.Gauthamram
Whole Time Director
DIN : 06789004

S.Ravi
Chairman and Managing Director
DIN : 01257716

Shainshad Aduvanni
Company Secretary
M.No. A27895

C. B. Chandrasekar
Chief Financial Officer

Place : Coimbatore
Date: May 07, 2025

Consolidated Statement of Cash Flows

for the year ended March 31, 2025

(₹ in Lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Cash flows from operating activities		
Profit before taxation ('PBT')	**26,965**	**44,469**
Adjustments to reconcile PBT to net cash flows:		
Depreciation, amortization and impairment expense	34,745	27,769
Gain on sale of assets	(7)	(107)
Exchange difference on transaction/translation (loss/(gain))	(827)	(1,042)
Share of Profit of Joint Venture	(100)	(85)
Provision for :		
Doubtful debts	943	(94)
Warranty & Rejection	390	88
Slow moving inventory	447	393
Interest income (including fair value changes in financial instruments)	(1,000)	(299)
Government grant income	(4,421)	(3,120)
Liabilities no longer required written back	(68)	-
Assets no longer receivable written off	45	-
Interest expense (including fair value changes in financial instruments)	21,353	17,349
Operating cash flow before changes in working capital	**78,465**	**85,321**
Adjustments for:		
Increase/ (Decrease) in provisions	(897)	8
Increase/ (Decrease) in other financial liabilities	(16,608)	(867)
Increase/ (Decrease) in other current liabilities	1,851	(1,251)
Increase/ (Decrease) in Trade Payables and other Payables	10,152	9,074
(Increase)/ Decrease in other financial assets	713	(1,661)
(Increase)/ Decrease in other current assets	(7,464)	(568)
(Increase)/ Decrease in trade and other receivables	(16,171)	(3,095)
(Increase)/ Decrease in inventories	(14,346)	(20,876)
Cash generated from operations	**35,695**	**66,085**
Income taxes paid	(7,362)	(14,754)
Net cash from operating activities - A	**28,333**	**51,331**
Cash flows from investing activities		
Purchase of property, plant and equipment	(98,878)	(62,905)
Purchase of Intangible Assets	(282)	(195)
Proceeds from sale of equipment	230	292
Consideration paid towards business combination	(43,624)	-
Purchase of investment in Equity Shares	(542)	(18)
Acquisition of Minority Interest	(25,000)	-
Interest received	1,271	233
Net cash used in investing activities - B	**(1,66,825)**	**(62,593)**

Consolidated Statement of Cash Flows (Contd.)

for the year ended March 31, 2025

(₹ in Lakhs)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Cash flows from financing activities		
Proceeds from issue of shares	1,18,023	-
Proceeds from long-term borrowings	1,29,119	47,716
Repayment of long term borrowings	(71,992)	(23,296)
Net proceeds from / (repayments of) short-term borrowings	(6,431)	14,955
Principal payments towards lease liability	(5,609)	(4,995)
Interest paid (incl. interest on lease liability)	(21,391)	(17,180)
Dividend Paid	(2,377)	(2,377)
Net cash from/ (used in) financing activities- C	**1,39,342**	**14,823**
Net increase / (decrease) in cash and cash equivalents - (A+B+C)	850	3,561
Cash and cash equivalents at beginning of year	6,349	2,732
Cash and cash equivalents acquired in Business Combination	2,520	-
Effect of exchange rate changes on cash and cash equivalents	23	56
Cash and cash equivalents at end of year	**9,742**	**6,349**

Notes:

1. **Reconciliation of Cash & Cash equivalents as per Cash Flow Statement**

(₹ in Lakhs)

Cash & cash equivalents consists of:	Year ended March 31, 2025	Year ended March 31, 2024
Cash and cash equivalents (note : 1.14)	9,742	6,349
Total	**9,742**	**6,349**

2. **Refer to note: 1.22 for Net Debt Reconciliation**

   The accompanying notes form an integral part of the consolidated financial statements

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

For SHARP & TANNAN
Chartered Accountants
Firm Registration No. 003792S

V. Viswanathan
Partner
Membership No. 215565

Place : Coimbatore
Date : May 07, 2025

For and on behalf of the Board

R.Gauthamram
Whole Time Director
DIN : 06789004

S.Ravi
Chairman and Managing Director
DIN : 01257716

Shainshad Aduvanni
Company Secretary
M.No. A27895

C. B. Chandrasekar
Chief Financial Officer

Place : Coimbatore
Date: May 07, 2025

Consolidated Statement of Changes in Equity
for the year ended March 31, 2025

(₹ in Lakhs)

a. Equity Share Capital	Balance as at April 1, 2024	Changes in equity share capital during the year	Balance as at March 31, 2025
	1,056	137	1,193

b. Other Equity	Reserves and Surplus			Other Reserves					Non-controlling Interest	Total
	Securities Premium Reserve	General Reserve	Retained Earnings	Share in Networth of Joint Venture	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Capital Reserver	Foreign Currency Translation Reserve		
Balance as at April 1,2023	**28,123**	**9,662**	**99,124**	**222**	**(321)**	**(493)**	**-**	**317**	**6,100**	**1,42,734**
Profit for the year	-	-	30,362	85	-	-	-	-	3,286	33,733
Other Comprehensive Income	-	-	-	1	-	240	-	16	(18)	239
- Defined Benefit Plan	-	-	(219)	-	-	-	-	-	-	(219)
Total Comprehensive Income for the year	**-**	**-**	**30,143**	**86**	**-**	**240**	**-**	**16**	**3,268**	**33,753**
Dividends	-	-	(2,377)	-	-	-	-	-	-	(2,377)
Balance as at March 31,2024	**28,123**	**9,662**	**1,26,890**	**308**	**(321)**	**(253)**	**-**	**333**	**9,368**	**1,74,110**
Profit for the year	-	-	19,357	100	-	-	-	-	630	20,087
Other Comprehensive Income	-	-	-	(2)	-	505	-	(122)	(3)	378
- Defined Benefit Plan	-	-	(682)	-	-	-	-	-	-	(682)
Total Comprehensive Income for the period	**-**	**-**	**18,675**	**98**	**-**	**505**	**-**	**(122)**	**627**	**19,783**
Issues of shares	1,17,886	-	-	-	-	-	-	-	-	1,17,886
Business Combination	-	-	-	-	-	-	79	-	-	79
Acquisition of Non-controlling Interest	-	-	(15,005)	-	-	-	-	-	(9,995)	(25,000)
Dividends	-	-	(2,377)	-	-	-	-	-	-	(2,377)
Balance as at March 31,2025	**1,46,009**	**9,662**	**1,28,183**	**406**	**(321)**	**252**	**79**	**211**	**-**	**2,84,481**

The accompanying notes form an integral part of the consolidated financial statements

This is the statement of changes in equity referred to in our report of even date

For SHARP & TANNAN
Chartered Accountants
Firm Registration No. 003792S

V. Viswanathan
Partner
Membership No. 215565

Place : Coimbatore
Date : May 07, 2025

For and on behalf of the Board

R.Gauthamram
Whole Time Director
DIN : 06789004

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Chairman and Managing Director
DIN : 01257716

Shainshad Aduvanni
Company Secretary
M.No. A27895

C. B. Chandrasekar
Chief Financial Officer

Place : Coimbatore
Date : May 07, 2025

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

A. CORPORATE INFORMATION

The Consolidated Financial Statements comprise of financial statements of Craftsman Automation Limited ('the Company or 'the holding Company') and its subsidiaries (collectively "the Group") and its joint venture for the year ended March 31, 2025. Craftsman Automation Private Limited was incorporated under the Companies Act, 1956 on July 18, 1986. The Company became a public limited Company from May 04, 2018. The Company is engaged in the business of manufacturing engineering components, sub-assemblies, products and rendering of contract manufacturing services to various industries.

B. STATEMENT OF COMPLIANCE

The consolidated financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') as notified under the Section 133 of the Companies Act, 2013 (the Act) read with the Companies (Indian Accounting Standards) Rules, 2015. The presentation of the financial statements is based on the requirement of the Companies Act, 2013.

C. BASIS OF PREPARATION

The items included in Consolidated Financial Statements of each of the entities consolidated are measured using the currency of the primary economic environment ('functional currency') in which each of the entities operates. The consolidated financial statements are presented in Indian Rupees ('INR') which is the functional and presentation currency of the Company and all values are rounded to the nearest lakhs, except where otherwise indicated. In the Consolidated Financial Statements, all assets, liabilities and transactions of Group entities with a functional currency other than the INR are translated into INR upon consolidation.

The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liability which have been measured at fair value

i) Derivative financial instruments

ii) Certain financial assets and liability measured at fair value (refer note. 3.6)

iii) Defined Benefit Obligation.

D. MATERIAL ACCOUNTING POLICIES

S. No	Material Accounting Policies	D.	Reference In Balance Sheet & Profit And Loss Notes
1	Property Plant and Equipment	a.	1.1
2	Inventories	b.	1.12
3	Impairment of assets	c.	1.1, 1.2,1.3,1.6 & 2.6
4	Revenue recognition	d.	2.1
5	Financial Instruments	e.	1.9,1.17,1.24,1.30,3.6
6	Segment reporting	f.	3.12

a. Property Plant and Equipment

All property, plant and equipment except land is recognised at historical cost less depreciation. Freehold land is carried at historical cost.

The cost of a self-constructed asset is determined using the same principles as for an acquired asset. If Company makes similar assets for sale in the normal course of business, the cost of the asset is usually the same as the cost of constructing an asset for sale. Internal margins are eliminated in arriving at such costs. Similarly, the cost of abnormal amounts of wasted material, labour, or other resources incurred in self-constructing an asset are not included in the cost of the asset. Borrowing Costs are recognized as a component of the carrying amount of a self-constructed item of PPE if as it meets the recognition criteria under Ind AS.

<u>Depreciation on Plant Property and Equipment</u>

The depreciable amount of PPE (being the gross carrying value less the estimated residual value) is depreciated on a systematic basis over its useful life.

In respect of certain classes of PPE, the Group uses different useful life other than those prescribed in Schedule II to the Act. The useful life of such class of PPE has been ascertained based on technical review by a Chartered Engineer and assessment by the Management as detailed in the following table

Classes of PPE	Useful life and basis of depreciation
New Plant and Machinery	8 to 20 Years
Used Plant and Machinery	8 to 10 Years
Tool holder, jigs, fixtures, patterns, dies, moulds and instruments and gauges	2 to 5 Years
Lease hold improvements	Over lease period

b. Inventory

The cost of inventory items is determined by using weighted average cost formula.

Tools are valued at cost till they are issued for usage in production process. In respect of issued tools which can be refurbished, the Group depending upon its useful life amortizes on a straight line basis over its useful life. Useful life determined for certain classes of tools is two to three years. Tools which are not refurbishable are charged off to Statement of Profit and Loss upon issue for usage. The "tools in use" are carried at cost less accumulated amortization.

The Group regularly assesses whether there is any indication of a diminution in the value of inventories. Such indications may include, but are not limited to, evidence of obsolescence, damage, changes in market conditions, or significant declines in selling prices. This policy applies to all inventories held by the company, including raw materials, work in progress, and finished goods. If there is objective evidence of a diminution in the value of inventories, the carrying amount of the inventories is reduced to their net realizable value.

c. Impairment of assets

At the end of each reporting period, the Group determines whether there is any indication that its assets (PPE, intangible assets and investments in equity instruments subsidiaries and joint ventures carried at cost) have suffered an impairment loss with reference to their carrying amounts. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount exceeds the recoverable amount. Recoverable amount is higher of the fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

d. Revenue recognition

i. Sale of Goods & Rendering of Services

Revenue is recognised when a performance obligation in a customer contract has been satisfied by transferring control over the promised goods to the customer. Control over a promised good refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, those goods. Control is usually transferred upon shipment, delivery to, upon receipt of goods by the customer, in accordance with the individual delivery and acceptance terms agreed with the customers. The amount of revenue to be recognized (transaction price) is based on the consideration expected to be received in exchange for goods, excluding amounts collected on behalf of third parties such as goods and services tax or other taxes directly linked to sales.

Revenue from rendering of services is recognised over time as and when the customer receives the benefit of the Company's performance and the Company has an enforceable right to payment for services transferred. Unbilled revenue represents value of services performed in accordance with the contract terms but not billed as at the reporting date.

Other Operating revenues:

Other operating revenues comprise income from ancillary activities incidental to the operations of the Group and are recognised when the right to receive the income is established as per the terms of the contract.

e. Financial Instruments

Group Derivative financial instruments:

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts and cross currency interest rate swaps. Further details of derivative financial instruments are disclosed in Note 3.6.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in Statement of Profit or Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the Statement of Profit or Loss depends on the nature of the hedging relationship and the nature of the hedged item.

Hedge accounting:

The Group designates certain derivatives as hedging instruments in respect of foreign currency risk as cash flow hedges. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

Note 3.6b sets out details of the fair values of the derivative instruments used for hedging purposes.

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in Other Comprehensive Income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in the Statement of Profit or Loss, and is included in the "Other Income".

Amounts previously recognised in Other Comprehensive Income and accumulated in equity (relating to effective portion as described above) are reclassified to Statement of Profit or Loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity (but not as a reclassification adjustment) and are included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Any gain or loss recognised in Other Comprehensive Income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the Statement of Profit or Loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in the Statement of Profit or Loss.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting.

f. Segment reporting

The Chief Operating Decision Maker (CODM) evaluates the Group's performance and allocates resources based on an analysis of various performance indicators of the reportable segments. The Group's reportable segments have been identified based on end consumption of the products sold or services rendered. The reportable segments are as follows:

Powertrain	This segment develops, manufactures, sells its goods and services of powertrain and related products to manufacturers of commercial / passenger vehicles, farm equipment, construction / mining equipment.
Aluminium Products	This segment develops, manufactures, sells its goods and services consisting of aluminium products to the manufacturers of two wheelers, passenger vehicles and commercial vehicles and products for power transmission and other industrial usage.
Industrial & Engineering	This segment develops, manufactures, sells its goods and services such as castings, gears, material handling equipment, special purpose machines, other general engineering products (together broadly termed as "High End Sub-assembly, Contract Manufacturing & Others") and storage products to various end user industries

Segments that are not significant are categorised as "Others". Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment and as well as those which can be allocated on a reasonable basis. Operating segments are reported in a manner consistent with the internal reporting to the CODM of the Group

E. OTHER ACCOUNTING POLICIES

a. Property, Plant & Equipment

Recognition and Measurement

All Property Plant & Equipment (PPE) are stated at cost of acquisition / installation as adjusted for import duty waivers and foreign exchange losses / gains less accumulated depreciation and impairment losses.

Cost of acquisition / installation includes the fair value of the consideration given to acquire the asset (net of discounts and rebates) and any directly attributable costs of bringing the asset to working condition for its intended use (inclusive of non-refundable purchase taxes and duties).

The Company capitalizes the import duty waived in respect of capital equipment imported under the Export Promotion Capital Goods Scheme.

Foreign exchange gain or loss arising on foreign currency denominated borrowing which are not hedged that were incurred to acquire PPE are recorded as part of the cost of asset as per Ind AS 101 and depreciated over their remaining useful life. In respect of exchange gain or loss arising from foreign currency denominated borrowings which are hedged accounting has been done based on Hedge effectiveness either as derivative or cash flow hedge as per Ind AS 109.

Subsequent expenditure relating to an item of PPE is capitalised if it meets the recognition criteria.

The import duty waived on capital assets which are purchased under the Export Promotion Capital Goods (EPCG) schemes and which are capitalized are recorded as deferred revenue and recognized in Statement of Profit and Loss on a systematic basis over the periods in which the related performance obligations are fulfilled.

De-recognition:

An item of PPE is de-recognised at the time of its disposal or when it is assessed that no future economic benefit would accrue from it. The gain/ loss arising out of such disposal/retirement is taken to Statement of Profit or Loss.

b. Intangible assets

An intangible asset is an identifiable non-monetary asset without physical substance.

An intangible asset with finite useful life that are acquired separately and where the useful life is 2 years or more is capitalized and carried at cost less accumulated amortization. Amortization is recognized on a straight line basis over the useful life of the asset. The class of asset and the estimated useful life is as follows

Description of the asset	Useful life and basis of amortization
Software – Acquired	5-10 Years
Technical Know-how - Acquired	8-10 years

Internally generated intangible assets

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale,
- the intention to complete the intangible asset and use or sell it,
- the ability to use or sell the intangible asset,
- how the intangible asset will generate probable future economic benefits,
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset, and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognised, development expenditure is recognised in the Statement of Profit or Loss in the period in which it is incurred. Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately. Development Expenditure recognized as intangible assets are amortized over a period of 3 years.

De-recognition

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in Statement of profit or loss when the asset is derecognised.

Goodwill

Goodwill on acquisition of business is included in intangible assets. Goodwill is not amortised but is tested for impairment annually, or if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses, if any.

c. Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

i. The Group as a lessee:

The Group's lease asset classes primarily consist of leases for Machineries and buildings. The Group assesses whether a contract contains a lease, at inception of a contract. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through-out the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are amortised from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right-of-use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates of the entity. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the entity changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

ii. Group as a Lessor:

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the ROU asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

d. Inventory

The Group determines the cost for items that are not interchangeable or that have been segregated for specific contracts on an individual-item basis as per Ind AS 2, 'Inventories'.

The Group uses the same cost formula for all inventories of similar nature and use. The cost formula used is applied on a consistent basis from period to period.

Inventories are initially recognized at the lower of cost and net realisable value (NRV). Cost of inventories includes import duties, non-refundable taxes, transport and handling costs and any other directly attributable costs, less trade discounts, rebates and similar items. NRV is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated selling expenses.

Raw materials, components, stores and spares of inventory are measured at weighted average cost. Materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Work in progress and finished goods are valued at cost or Net Realizable Value whichever is lower. Cost includes direct materials, labour and a portion of manufacturing overheads. Saleable scrap is valued at the lowest of the net realizable value in the last two months.

The Group selects a reasonable basis for allocating overhead costs to inventory items. Common allocation bases include direct labor hours, machine hours, or direct material costs. Overheads refer to indirect costs incurred in the production process that cannot be directly traced to specific inventory items. These costs include, but are not limited to, factory overheads, utilities, depreciation of production equipment, and indirect labor costs. Overhead costs are allocated to inventory items using the above mentioned allocation basis.

e. Financial Instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit or Loss.

Classification of financial assets

The financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets are added to the fair value of the financial assets on initial recognition.

After initial recognition:

i) Financial assets (other than investments and derivative instruments) are subsequently measured at amortised cost using the effective interest method.

Effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees paid that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

ii) Financial assets (i.e. derivative instruments and investments in instruments other than equity of Subsidiaries and joint ventures) are subsequently measured at fair value.

Such financial assets are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in other comprehensive income.

Investments in equity instruments other than joint venture:

The Group has valued the investments in equity instruments other than joint ventures at fair value through Other Comprehensive Income. Fair value of quoted instrument has been valued at market rate and in case of unquoted instrument it has been valued at book value of that Company based on Level 2 input.

In respect of investment in equity share capital of Group captive power companies which are made to comply with the provisions of Electricity Rules 2003, these investments are carried at cost as these investments can be sold back only at par.

Cash and cash equivalents:

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash which are subject to an insignificant risk of changes in value, and net off bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

Trade receivables:

Trade receivables are initially recognised at transaction value. Subsequently, these assets are held at amortised cost net of any expected credit losses. Loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e., expected cash shortfall.

Impairment of financial assets:

A financial asset is regarded as credit impaired when one or more events that may have a detrimental effect on estimated future cash flows of the asset have occurred. The Group applies the expected credit loss model for recognizing impairment loss on financial assets (i.e. the shortfall between the contractual cash flows that are due and all the cash flows (discounted) that the Group expects to receive).

De-recognition of financial assets:

The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Statement of Profit and Loss.

Financial liabilities and equity instruments:

Classification as debt or equity:

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the Statement of Profit or Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities:

All financial liabilities (other than derivative instruments) are subsequently measured at amortised cost using the effective interest method. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalized as a part of cost of an asset is included in the "Finance Costs".

De-recognition of financial liabilities:

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability de-recognised and the consideration paid and payable is recognised in the Statement of Profit or Loss.

f. Provisions

The Group recognizes a provision when there is a present obligation to transfer economic benefits as a result of past events, it is probable (more likely than not) that such a transfer will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is certain that reimbursements will be received and the amount of the receivable can be measured reliably.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

A contingent liability is

(a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or

(b) a present obligation that arises from past events but is not recognised because;

(i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

(ii) the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are disclosed in the Financial Statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote.

Provision for Warranty:

Provisions for expected cost of warranty obligations are recognized based on management's best estimate of the expenditure required to settle the obligation which takes into account the empirical data on the nature, frequency and average cost of warranty claims and regarding possible future incidences.

Provision for Rejection:

Provision for rejection on sales is recognised once the products are sold. Materials are rejected due to various reasons and are either re-processed and replaced to the customers depending on the type of rejections. These rejections get fulfilled within a period of 3 months and the provisions as at the reporting date represent the value of management's best estimate of possible rejections within the next one quarter.

g. Revenue recognition

Dividend and Interest Income

Dividend income from investments is recognised when the Group's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

h. Government Grant

Government grants (including export incentives) are recognised only when there is reasonable assurance that the Group will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised in the Statement of Profit or Loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate.

Import duty waivers for capital assets purchased under Export Promotion Capital Goods schemes are recorded as deferred revenue and recognized in Statement of Profit and Loss on a systematic basis over the periods in which the related performance obligations are fulfilled.

i. Employee Benefits

Defined contribution plans

<u>Provident fund (PF):</u>

Contribution towards PF is determined under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952 and charged to the Statement of Profit and Loss during the period of incurrence when the services are rendered by the employees.

<u>Superannuation Fund:</u>

The Group makes specified contributions towards Superannuation fund to the Life Insurance Corporation of India ('LIC'). Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the Statement of Profit and Loss in the periods during which the related services are rendered by employees.

<u>Employee State Insurance (ESI):</u>

Payments to defined contribution plans i.e., Group's contribution to employee state insurance and other funds are determined under the relevant schemes and / or statute and charged to the Statement of Profit and Loss in the period of incurrence when the services are rendered by the employees.

Defined benefit plans

<u>Gratuity:</u>

Accounting for defined benefit plans is based on actuarial assumptions and different valuation methods to measure the balance sheet obligation and the expense.

Where defined benefit plans are funded, the plan assets are measured at fair value. At each balance sheet date, the plan assets and the defined benefit obligations are remeasured. The Statement of Profit & Loss reflects the change in the surplus or deficit, except for contributions made to the plan and benefits paid by the plan, along with business combinations and Re-measurement gains and losses.

Re-measurement gains and losses comprise actuarial gains and losses, return on plan assets (comprise amounts included in net interest on the net defined benefit liability or asset) and any change in the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability or asset). Re-measurements are recognized in other comprehensive income.

The defined benefit costs are comprised of the following individual components:

- Service costs (including current and past service costs as well as gains/losses on curtailments and settlements)
- Net interest costs or income
- Re-measurement

The Group presents the first two components of defined benefit costs in the Statement of Profit or Loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

Re-measurement of net defined benefit liability/ asset pertaining to gratuity comprises actuarial gains/ losses (i.e. changes in the present value resulting from experience adjustments and effects of changes in actuarial assumptions) and is reflected immediately in the balance sheet with a charge or credit recognised in Other Comprehensive Income in the period in which they occur. Re-measurement recognised in Other Comprehensive Income is reflected immediately in retained earnings and is not reclassified to profit or loss.

Other long-term employee benefits:

Compensated Absences:

The employees can carry-forward a portion of the unutilized accrued compensated absences and utilize it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Group records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

Short-term employee benefits:

A liability is recognised for benefits accruing to employees in respect of salaries, wages, performance incentives, medical benefits and other short term benefits in the period the related service is rendered, at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Compensated leave absences:

Compensated leave absences that are not carried forward are encashed by employees at year end and are recognised in the Statement of Profit and Loss.

j. Foreign Currency Transactions:

The Group's foreign operations are an integral part of the Company's activities. In preparing the financial statements, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in the Statement of profit or loss in the period in which they arise except for:

- Exchange differences on translation or settlement of long term foreign currency monetary items in respect of loans borrowed, which are not hedged, before April 1, 2016 at rates different from those at which they were initially recorded or reported in the previous financial statements, insofar as it relates to acquisition of depreciable assets, are adjusted to the cost of the assets and depreciated over remaining useful life of such assets. Where the borrowal is after April 1, 2016, such exchange difference is recognised in Statement of Profit and Loss. In other cases, where it has been hedged the same has been restated and adjusted against cash flow hedge of the respective derivative instruments.
- Exchange difference on translation of derivative instruments designated as cash flow hedge (see Note D.e for hedging accounting policies).

k. Foreign Operations

In the Group's Consolidated Financial Statements, all assets, liabilities and transactions of the Group entities with a functional currency other than the INR are translated into INR upon consolidation. The functional currency of Craftsman Europe BV & Craftsman Germany GmbH is EURO.

On consolidation, assets and liabilities have been translated into INR at the closing rate at the reporting date. Income and expenses have been translated into INR at the average rate over the reporting period.

Exchange differences are charged or credited to Other Comprehensive Income and recognised in the currency translation reserve in equity. On disposal of a foreign operation, the related cumulative translation differences recognised in equity are re-classified to Statement of Profit and Loss and are recognised as part of the gain or loss on disposal.

l. Income Tax

Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognised in Other Comprehensive Income or directly in equity respectively.

Current Tax:

Current tax is determined on taxable profits for the year chargeable to tax in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 including other applicable tax laws that have been enacted or substantively enacted. .

Deferred Tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax asset is recognised for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

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

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

F. CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The accounting policies which have the most significant effect on the figures disclosed in the financial statements are mentioned below and these should be read in conjunction with the disclosure of the significant Ind AS accounting policies provided below:

i. Useful life of Property, Plant and Equipment and Intangible assets:

The assessment of the useful life of each asset by considering the historical experience and expectations regarding future operations and expected usage, estimated technical obsolescence, residual value, physical wear and tear and the operating environment in which the asset is located needs significant judgement by the management.

In case of intangible assets the useful life is determined based on the period over which future economic benefit will flow to the Group.

ii. Tools in use:

The assessment of useful life of tools in use has been done considering the historical experience and estimated refurbishment cycle and operating environment.

iii. Income Tax & Deferred Tax:

The calculation of income taxes requires judgement in interpreting tax rules and regulations. Management judgement is used to determine the amounts of deferred tax assets and liabilities and future tax liabilities to be recognized.

The Group estimates the possible utilisation of unabsorbed losses while recognising deferred tax asset considering the future business plans and economic environment.

iv. Fair Value:

Certain financial instruments, such as investments in equity securities, derivative financial instruments and certain elements of borrowings, are carried in the financial statements at fair value, with changes in fair value reflected in the Statements of Profit & Loss. Fair values are estimated by reference to published price quotations or by using other valuation techniques that may include inputs that are not based on observable market data, such as discounted cash flows analysis.

v. Measurement of defined benefit obligations:

Gratuity actuarial valuation considers various assumptions which are based on the past experience and general economic conditions.

vi. Measurement and likelihood of occurrence of provisions and contingencies:

The provision for warranty and rejection have been done based on past experiences, product lifecycle maturity, reprocessing/repair cost.

G. PRINCIPLES OF CONSOLIDATION

The Consolidated Financial Statements relate to Craftsman Automation Limited, its subsidiaries and joint venture. Subsidiaries are all entities over which the Company exercises control. The Company exercises control if and only if it has the following:

- power over the entity;
- exposure, or rights, to variable returns from its involvement with the entity; and

- the ability to use its power over the entity to affect the amount of its returns.

  The Consolidated Financial Statements have been prepared on the following basis:

- The Financial Statements of the Group have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-Group balances and intra-Group transactions and resulting unrealised profits, unrealised losses from intra-Group transactions are eliminated unless cost cannot be recovered.

- The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

- An associate is an entity over which the investor has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Investments in associates and joint ventures are accounted for using the equity method.

- Under the equity method, on initial recognition the investment in an associate or a joint venture is recognised at cost. The carrying amount of the investment in associates and joint ventures is increased or decreased to recognise the Group's share of the profit or loss after the date of acquisition.

- The Financial Statements of the associate or joint venture are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

- The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner, as the Company's Standalone Financial Statements.

Notes to Consolidated Financial Statements
for the year ended March 31, 2025

1.1 PROPERTY, PLANT & EQUIPMENT

(₹ in Lakhs)

Asset Category	Freehold land	Building*	Plant & Machinery	Office Equipment	Furniture & Fixtures	Vehicles	Property, Plant & Equipment Total
Gross Block							
At April 1, 2023	**9,473**	**31,456**	**2,56,204**	**2,214**	**575**	**187**	**3,00,109**
Additions	2,123	7,289	43,800	1,586	40	25	54,863
Disposals	-	159	2,252	-	-	-	2,411
Translation Reserve	-	-	-	-	-	-	-
At March 31, 2024	**11,596**	**38,586**	**2,97,752**	**3,800**	**615**	**212**	**3,52,561**
Acquired in business combination	44,958	11,705	10,032	81	71	22	66,869
Additions	1,505	20,581	70,252	852	54	196	93,440
Disposals	-	-	1,462	-	-	-	1,462
Translation Reserve	(7)	(57)	25	4	-	-	(35)
At March 31, 2025	**58,052**	**70,815**	**3,76,599**	**4,737**	**740**	**430**	**5,11,373**
Depreciation							
At April 1, 2023	**-**	**6,189**	**1,08,374**	**1,323**	**312**	**33**	**1,16,231**
Additions	-	1,258	23,559	326	44	25	25,212
Disposals	-	159	2,067	-	-	-	2,226
Translation Reserve	-	-	-	-	-	-	-
At March 31, 2024	**-**	**7,288**	**1,29,866**	**1,649**	**356**	**58**	**1,39,217**
Additions	-	2,322	29,050	648	51	34	32,105
Disposals	-	-	1,237	-	-	-	1,237
Translation Reserve	-	1	2	1	-	-	4
At March 31, 2025	**-**	**9,611**	**1,57,681**	**2,298**	**407**	**92**	**1,70,089**
Assets held for sale	(34,158)	(775)	-	-	-	-	(34,933)
At April 1, 2023	9,473	25,267	1,47,830	891	263	154	1,83,878
At March 31, 2024	11,596	31,298	1,67,886	2,151	259	154	2,13,344
At March 31, 2025	**23,894**	**60,429**	**2,18,918**	**2,439**	**333**	**338**	**3,06,351**

1.1A ASSETS CLASSIFIED AS HELD FOR SALE

(₹ in Lakhs)

	Opening	Additions#	Deletions	Closing
FY 2023-24	-	-	-	-
FY 2024-25	-	**34,933**	-	**34,933**

Includes land of ₹ 34,158 lakhs and building of ₹ 775 lakhs held by Subsidiary, Sunbeam Lightweighting Solutions Private Limited at Gurgaon, Haryana.

1.2 CAPITAL WORK IN PROGRESS

(₹ in Lakhs)

Asset Category	Tangible	Intangible	Total Capital Work in Progress
Gross Block			
At April 1, 2023	**9,674**	**-**	**9,674**
Additions	16,452	-	16,452
Disposals	8,210	-	8,210
Translation Reserve	-	-	
At March 31, 2024	**17,916**	**-**	**17,916**
Acquired in business combination	1,452	159	1,611
Additions	33,668	-	33,668
Disposals	18,627	-	18,627
Translation Reserve	-	2	2
At March 31, 2025	**34,409**	**161**	**34,570**

Notes to Consolidated Financial Statements
for the year ended March 31, 2025

1.2 CAPITAL WORK IN PROGRESS (cont'd)
(₹ in Lakhs)

Asset Category	Tangible	Intangible	Total Capital Work in Progress
Impairment			
At April 1, 2023	**11**	**-**	**11**
Additions	44	-	44
Disposals	-	-	-
Translation Reserve	-	-	-
At March 31, 2024	**55**	**-**	**55**
Additions	(11)	-	(11)
Disposals	-	-	-
Translation Reserve	-	-	-
At March 31, 2025	**44**	**-**	**44**
At April 1, 2023	**9,663**	**-**	**9,663**
At March 31, 2024	**17,861**	**-**	**17,861**
At March 31, 2025	**34,365**	**161**	**34,526**

(a) CWIP ageing schedule

As on March 31, 2025
(₹ in Lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	30,760	3,731	-	35	34,526
Projects temporarily suspended	-	-	-	-	-
	30,760	**3,731**	**-**	**35**	**34,526**

As on March 31, 2024
(₹ in Lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	16,452	1,409	-	-	17,861
Projects temporarily suspended	-	-	-	-	-
	16,452	**1,409**	**-**	**-**	**17,861**

(b) For CWIP whose completion is overdue or has exceeded its cost compared to its original plan

As on March 31, 2025
(₹ in Lakhs)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Various machines	3,661	-	-	-	3,661
	3,661	**-**	**-**	**-**	**3,661**

As on March 31, 2024: Nil

1.3 OTHER INTANGIBLE ASSETS

(₹ in Lakhs)

Asset Category	Computer Software	Product Development	Technical know-how	Customer Relationship	Intangible Assets Total
Gross Block					
At April 1, 2023	**2,184**	**636**	**430**	**-**	**3,250**
Additions	197	-	-	-	197
Disposals	-	-	-	-	-
Translation Reserve	-	-	-	-	-
At March 31, 2024	**2,381**	**636**	**430**	**-**	**3,447**
Acquired in business combination	60	-	12	2,684	2,756
Additions	36	-	240	-	276
Disposals	-	-	-	-	-
Translation Reserve	1	-	-	-	1
At March 31, 2025	**2,478**	**636**	**682**	**2,684**	**6,480**
Amortisation					
At April 1, 2023	**1,869**	**636**	**430**	**-**	**2,935**
Additions	80	-	-	-	80
Disposals	-	-	-	-	-
Translation Reserve	-	-	-	-	-
At March 31, 2024	**1,949**	**636**	**430**	**-**	**3,015**
Additions	113	-	4	192	309
Disposals	-	-	-	-	-
Translation Reserve	-	-	-	-	-
At March 31, 2025	**2,062**	**636**	**434**	**192**	**3,324**
At April 1, 2023	**315**	**-**	**-**	**-**	**315**
At March 31, 2024	**432**	**-**	**-**	**-**	**432**
At March 31, 2025	**416**	**-**	**248**	**2,492**	**3,156**

1.4 RIGHT-OF-USE ASSETS

(₹ in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening	25,927	9,196
Additions	14,977	17,088
Amortisation expense	(2,384)	(2,382)
Deletions	-	(6)
Closing	**38,520**	**23,896**

Refer note:3.10a for detailed disclosures

1.5 GOODWILL ON CONSOLIDATION

(₹ in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening	18,999	18,999
Add: Goodwill on business combination (Refer Note: 3.11)	7	-
Total	**19,006**	**18,999**

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

1.6 INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

(₹ in Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Investment in Equity Shares of Joint Venture		
Carlstahl Craftsman Enterprises Private Ltd (30% stake) 600,000 equity shares of ₹10 each fully paid up	60	60
Recognition of opening value of investment in Joint venture	308	222
Share of current year profits in Joint Venture	99	86
Total	**467**	**368**

FINANCIAL ASSETS

1.7 NON CURRENT INVESTMENTS

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Investment in Equity instruments (at Fair Value through OCI)		
Unquoted		
iEnergy Wind Farm (Theni) Private Ltd		
8,875 equity shares of ₹10 each fully paid up (5,975 equity shares of ₹10 each fully paid up)	1	1
TAGMA Centre of Excellence and Training		
15 equity shares of ₹10 each fully paid up	5	5
Hurricane Windfarms Pvt Limited (26% stake)*	4	4
39,000 equity shares of ₹10 each fully paid up		
Sulur Maharaja Solar Green Project Private Limited	22	22
218,700 equity shares of ₹10 each fully paid up		
Kamachi Industries Ltd	-	30
(2,98,800 Equity Shares of ₹10 each fully paid-up)		
NSL Wind Power Company(Phoolwadi)Pvt Ltd	22	17
(1,68,905(2,06,905) Equity Shares of ₹10 each fully paid-up)		
Maruti Suzuki Insurance Broking Private Limited #	9	-
291,118 equity shares of ₹10 each fully paid up		
Investments in LLP (at Fair Value through OCI)		
Kinathukadavu Water Project LLP	531	-
Total	**594**	**79**

*Note: The Company holds 26% equity stake in Hurricane Windfarms Pvt Ltd. As the shareholders agreement entered into with the promoters of Hurricane Windfarms Pvt Ltd contains restrictive covenants, the Company cannot exercise "Significant influence" in terms of Ind AS 28 and therefore is not classified under "Investments in Associates" and accordingly is not considered as a component for consolidated financial statements

#The Subsidiary, Sunbeam Lightweighting Solutions Private Limited, is holding an investment of 291,118 equity shares of Maruti Suzuki Insurance Broking Private Limited. This investment is held by the Subsidiary on behalf of the erstwhile promoters of Sunbeam Auto Private Limited. Accordingly, the Subsidiary does not have beneficial ownership of this investment. Any proceeds arising on the eventual disposal of this investment will be transferred to the erstwhile promoters. In line with the substance of this arrangement, there is a corresponding liability representing the obligation to transfer such proceeds.

Notes to Consolidated Financial Statements
for the year ended March 31, 2025

	As at March 31, 2025	As at March 31, 2024
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments including deemed equity	594	79
Aggregate amount of impairment in value of investments	-	-

1.8 SECURITY DEPOSITS

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Rent Deposit	1,585	1,791
Other Deposits	4,448	3,128
Total	**6,033**	**4,919**

1.9 OTHER NON-CURRENT FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Currency swap & Interest Rate Swap Derivative	**17**	84
Deposit with Bank having Original Maturity more than 12 months	**10**	10
Total	**27**	**94**

1.10 CURRENT TAX ASSETS (NET)

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Advance payment of income tax less provisions	1,552	828
Total	**1,552**	**828**

1.11 OTHER NON CURRENT ASSETS

(₹ in Lakhs)

Unsecured, considered good unless otherwise stated

Particulars	As at March 31, 2025	As at March 31, 2024
Capital Advances	11,213	11,484
Less: Provision for doubtful advances	(28)	(28)
Prepaid Expenses	11	-
Advance to Employees	27	-
Advances recoverable in cash or in kind of for value to be received	363	-
Total	**11,586**	**11,456**

Notes to Consolidated Financial Statements
for the year ended March 31, 2025

1.12 INVENTORIES

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Raw Materials and Components	42,342	40,790
Work-in-progress	41,463	30,980
Finished goods	13,575	3,523
Consumable Stores	8,876	5,600
Tools in use	6,464	3,689
Machinery Spares	18,491	18,003
Packing Materials	836	714
Stock in transit	1,158	783
Total	**1,33,205**	**1,04,082**

1.13 TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Considered good - Secured	-	-
Considered good - Unsecured	92,059	57,663
Significant increase in Credit Risk	1,598	606
Credit impaired	73	40
Less: Expected Credit Loss allowance	(1,671)	(646)
Total	**92,059**	**57,663**

Receivables from related parties - refer note 3.7

Movement in Expected Credit Loss allowance is as follows :

	Opening	Allowance made during the year	write off during the year	Closing
2024-25	646	1,585	(560)	1,671
2023-24	740	(94)	-	646

Particulars	Ageing as on March 31, 2025					
	a. Less than 6 Months	b. 6 months - 1 year	c. 1 - 2 years	d. 2 - 3 years	e. More than 3 years	Grand Total
Undisputed						
(i) Considered good	88,111	3,590	342	16	-	92,059
(ii) Significant increase in credit risk	-	-	1,182	265	143	1,590
(ii) Credit impaired	-	1	26	3	3	33
Disputed						
(iv) Considered good	-	-	-	-	-	-
(v) Significant increase in credit risk	-	-	-	-	8	8
(vi) Credit impaired	-	-	-	-	40	40
Gross Total						**93,730**
Less: Expected Credit Loss						**(1,671)**
Total						**92,059**

Particulars	Ageing as on March 31, 2024					
	a. Less than 6 Months	b. 6 months - 1 year	c. 1 - 2 years	d. 2 - 3 years	e. More than 3 years	Grand Total
Undisputed						
(i) Considered good	55,042	2,277	346	-	-	57,665
(ii) Significant increase in credit risk	-	-	339	132	121	592
(ii) Credit impaired	-	-	-	-	-	-
Disputed						
(iv) Considered good	-	-	-	-	-	-
(v) Significant increase in credit risk	-	-	-	-	12	12
(vi) Credit impaired	-	-	-	-	40	40
Gross Total						**58,309**
Less: Expected Credit Loss						**(646)**
Total						**57,663**

1.14 CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
a. Balances with banks	9,734	6,345
b. Cash on hand	8	4
Total	**9,742**	**6,349**

1.15 OTHER BANK BALANCES

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Margin money deposits against Letter of Credit & Guarantee	2,507	1,887
Earmarked balances with banks	2	-
Other Deposits	72	66
Total	**2,581**	**1,953**

1.16 SECURITY DEPOSIT-CURRENT

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Security Deposits	90	97
Total	**90**	**97**

1.17 OTHER CURRENT FINANCIAL ASSETS

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Currency swap, Interest Rate Swaps ('IRS') & Forward cover derivative	1,138	859
Interest receivable	157	98
Other receivable	1,091	4
Total	**2,386**	**961**

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

1.18 OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
(Unsecured, considered good unless otherwise stated)		
Balances with Government Authorities	7,294	1,770
Advance to Suppliers (Other than Capital Goods)	4,551	3,782
Prepaid Expenses	2,265	1,214
Advance to Employees	328	150
Contract assets - Unbilled Revenue	340	143
Others	52	134
Total	**14,830**	**7,193**

1.19 EQUITY SHARE CAPITAL

(₹ in Lakhs)

Particulars	As at March 31, 2025		As at March 31, 2024	
	Nos.	Amount	Nos.	Amount
Authorised				
Equity Shares of ₹5 each	4,00,00,000	2,000	4,00,00,000	2,000
Issued, called, subscribed & Paid Up				
Equity Shares of ₹5 each	2,38,55,583	1,193	2,11,28,311	1,056
Total	**2,38,55,583**	**1,193**	**2,11,28,311**	**1,056**

(a) The movement of equity shares is as below

(₹ in Lakhs)

Particulars	As at March 31, 2025		As at March 31, 2024	
	Nos.	Amount	Nos.	Amount
Shares outstanding at the beginning of the year	2,11,28,311	1,056	2,11,28,311	1,056
Additions due to issue of shares	27,27,272	136	-	-
Shares outstanding at the end of the year	**2,38,55,583**	**1,193**	**2,11,28,311**	**1,056**

(b) Rights, Preferences and Restrictions to equity shares

The Company has only one class of equity shares having a par value of ₹5 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the shareholders will be entitled to receive the remaining assets of the Company, in proportion to their shareholding.

(c) Details of equity shareholders holding more than 5% shares in the Company

Name of the equity shareholder	As at March 31, 2025		As at March 31, 2024	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
S Ravi	1,05,00,000	44.01%	1,05,00,000	49.70%
S Murali	11,17,413	4.68%	11,17,413	5.29%
Total	**1,16,17,413**	**48.70%**	**1,16,17,413**	**54.99%**

(d) Details of Promoter's shareholding

Name of the Promoter	As at March 31, 2025			As at March 31, 2024		
	No. of Shares held	% of Holding	% Change	No. of Shares held	% of Holding	% Change
Promoter						
S Ravi	1,05,00,000	44%	-6%	1,05,00,000	50%	0%
Promoter Group						
Murali S	11,17,413	5%	0%	11,17,413	5%	-4%
Chithra Ravi	200	0%	0%	200	0%	0%
Gautham Ram R	200	0%	0%	200	0%	0%
Mirthula R	200	0%	0%	200	0%	0%
Total	**1,16,18,013**	**49%**	**-6%**	**1,16,18,013**	**55%**	**-4%**

(e) For the period of five years immediately preceding the balance sheet date

(i) Details of number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash

- The Company has not allotted any shares pursuant to contracts without payment being received in cash

(ii) Details of number and class of shares allotted as fully paid up by way of bonus shares:

- The Company has not allotted any shares as fully paid up by way of bonus shares

(iii) Details of number and class of shares bought back:

- The Company has not bought back any shares during the period of 5 years immediately preceding the balance sheet date

Qualified Institutions Placement ('QIP')

'During the year 2024-25, the Company issued 27,27,272 equity shares of face value ₹5 each through Qualified Institutions Placement ('QIP') at an issue price of ₹4,400/- per share (including securities premium of ₹4,395/- per share) aggregating ₹1,20,000 lakhs. .

1.20 OTHER EQUITY (₹ in Lakhs)

Particulars		As at March 31, 2025	As at March 31, 2024
Reserves & Surplus			
Securities Premium	(i)	1,46,009	28,123
General Reserves	(ii)	9,662	9,662
Retained Earnings	(iii)	1,28,183	1,26,890
Total Reserves & Surplus		2,83,854	1,64,675
Cash Flow Hedging Reserve	(iv)	252	(253)
Equity instruments through Other Comprehensive Income	(v)	(321)	(321)
Foreign currency translation reserve		211	333
Share of Networth in JV		406	308
Capital Reserve on business combination		79	-
Total		**2,84,481**	**1,64,742**

Notes to Consolidated Financial Statements
for the year ended March 31, 2025

Additions and Deductions since the last balance sheet date:
(i) Securities Premium Account

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	28,123	28,123
Premium on fresh issue of shares	1,19,863	-
Issue expenses adjusted	(1,977)	-
Closing balance	**1,46,009**	**28,123**

(ii) Retained Earnings

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	1,26,890	99,124
Profit for the year	19,357	30,362
Items of other comprehensive income recognised directly in retained earnings:		
- Remeasurements of defined benefit obligation (net of tax)	(682)	(219)
Dividend (including dividend distribution tax)	(2,377)	(2,377)
Acquisition of Non-controlling Interest	(15,005)	-
Closing balance	**1,28,183**	**1,26,890**

(iii) Cash Flow Hedging Reserve

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	(253)	(493)
Changes in fair value of hedging instruments	675	321
Deferred Tax	(170)	(81)
Closing Balance	**252**	**(253)**

(iv) Equity instruments through Other Comprehensive Income

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	(321)	(321)
Changes in fair value of FVTOCI equity instruments	-	-
Closing balance	**(321)**	**(321)**

(v) Foreign currency translation reserve

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	333	317
Exchange differences in translating the financial statements of foreign operations	(122)	16
Closing Balance	**211**	**333**

(vi) Share of Networth in JV (₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	308	222
Share of current year profits in Joint Venture	100	85
Share of Other Comprehensive Income in Joint Venture	(2)	1
Closing Balance	**406**	**308**

(vi) Share of Networth in JV (₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	-	-
Additions: Business Combination (Refer Note: 3.11)	79	-
Closing Balance	**79**	**-**

Refer "Statement of Changes in Equity" for additions/deletions in each of these items

A. Securities Premium represents premium received on equity shares issued, which can be utilised only in accordance with the provisions of the Companies Act, 2013 for specified purposes.

B. General reserve is created from time to time by transferring profits from retained earnings and can be utilised for purposes such as dividend pay-out, bonus issue, etc.

C. Retained Earnings includes ₹5,542 lacs of revaluation reserve created due to Land revaluation on transition to Ind AS (01.04.2015), which will not be available for distribution of profits

D. Cash flow hedge reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of hedging instruments entered into for cash flow hedges. The cumulative gain or loss arising on changes in fair value of the hedging instruments that are recognised and accumulated in this reserve are reclassified to profit or loss only when the hedged transaction affects the profit or loss.

E. The amount that can be distributed by the Company as dividends to its equity shareholders is determined considering the requirements of the Companies Act, 2013 and the dividend distribution policy of the Company. Thus, the amount reported in General Reserve is not entirely distributable.

In respect of the year ended March 31, 2025, the Board of Directors has proposed a final dividend of ₹5 per share of face value ₹5 each to be paid on fully paid equity shares. This dividend is subject to approval by shareholders at the forth coming Annual General Meeting and has not been included as a liability in these financial statements. The proposed dividend is payable to all holders of fully paid equity shares. The total estimated dividend to be paid is ₹1,193 lakhs.

1.21 NON-CONTROLLING INTEREST

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening	9,368	6,100
On business combination	-	-
Profit attributable to non-controlling Interest for the year	630	3,286
Other comprehensive income attributable to non-controlling interest for the year	(3)	(18)
Acquisition of remaining 24% non-controlling interest	(9,995)	-
Closing balance	**-**	**9,368**

Notes to Consolidated Financial Statements
for the year ended March 31, 2025

1.22 LONG TERM BORROWINGS

(₹ in Lakhs)

Particulars	As at March 31, 2025		As at March 31, 2024	
	Non-Current	Current *	Non-Current	Current *
Secured				
From Banks				
Rupee Term Loans	1,36,307	12,684	69,923	8,997
Foreign Currency Term Loans	3,942	3,935	8,725	4,663
	1,40,249	**16,619**	**78,648**	**13,660**
From NBFC/Others				
Rupee Term Loans	24,657	1,807	33,836	478
Foreign Currency Term Loans	280	136	-	-
	24,937	**1,943**	**33,836**	**478**
Total	**1,65,186**	**18,562**	**1,12,484**	**14,138**

Notes:

1. The above long term borrowings are carried at amortised cost.

(₹ in Lakhs)

	March 31, 2025	March 31, 2024
Loans at amortised cost as at the end of the year (Current + Non-Current)	1,83,748	1,26,622
Add : Unamortised upfront fee paid as at the end of year	278	134
Gross loan outstanding as at the end of the year	**1,84,026**	**1,26,756**

2. Refer note no 3.9 for security and terms of borrowings.

*Taken to short term borrowings (Note 1.27)

Net Debt Reconciliation:

For the year ended March 31, 2025

(₹ in Lakhs)

Particulars	Cash and cash equivalents	Instrument to hedge the finance liability**	Current Borrowing	Non - Current Borrowing plus current maturity of long term debt*	Lease Liability	Total
Balance as at April 01, 2024	6,349	684	(28,079)	(1,27,298)	(20,838)	(1,69,182)
Acquisition of RoU asset	-	-	-	-	(14,977)	(14,977)
On Business Combination	2,520	-	-	-	(155)	2,365
Cash Flows	850	-	6,431	(57,127)	5,609	(44,237)
Fair Value changes	-	328	-	-	-	328
Foreign exchange adjustments	23	-	24	(111)	-	(64)
Interest expense & other charges	-	-	(6,417)	(11,791)	(1,863)	(20,071)
Interest & charges paid	-	-	6,071	12,469	1,831	20,371
Balance as at March 31, 2025	**9,742**	**1,012**	**(21,970)**	**(1,83,858)**	**(30,393)**	**(2,25,467)**

For the year ended March 31, 2024 (₹ in Lakhs)

Particulars	Cash and cash equivalents	Instrument to hedge the finance liability**	Current Borrowing	Non - Current Borrowing plus current maturity of long term debt*	Lease Liability	Total
Balance as at April 01, 2023	2,732	561	(13,097)	(1,02,929)	(8,751)	(1,21,484)
Acquisition of RoU asset	-	-	-	-	(17,088)	(17,088)
Pre-closure of leases	-	-	-	-	6	6
Cash Flows	3,561	-	(14,955)	(24,420)	4,995	(30,819)
Fair Value changes	-	123	-	-	-	123
Foreign exchange adjustments	56	-	(18)	103	-	141
Interest expense & other charges	-	-	(5,338)	(10,066)	(1,283)	(16,687)
Interest & charges paid	-	-	5,329	10,014	1,283	16,626
Balance as at March 31, 2024	**6,349**	**684**	**(28,079)**	**(1,27,298)**	**(20,838)**	**(1,69,182)**

*Includes the portion of "interest accrued but not due" pertaining to borrowings.
** does not include foreign currency forward contracts that are used for hedging liabilities that are operating cash flows

1.23 LEASE LIABILITIES - NON-CURRENT

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Lease Liabilities - Non-current	20,306	16,486
Total	**20,306**	**16,486**

Refer Note No D.c & 3.10

1.24 NON-CURRENT FINANCIAL LIABILITIES- OTHERS

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Currency swap & Interest Rate Swap Derivative	143	209
Rent Advance	2	2
Others	618	-
Total	**763**	**211**

Notes:

1. Currency swaps are for principal only and are cash flow hedge and hence are carried at fair value through OCI
2. Interest Rate Swap & Interest Rate Collar derivatives that are hedge effective are carried at fair value through OCI & others are carried at fair value through Statement of Profit & Loss
3. Rent advance is carried at amortized cost as it is not material to be fair valued

1.25 LONG TERM PROVISIONS

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Other Provisions		
Provision for compensated absences	336	-
Total	**336**	**-**

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

1.26 DEFERRED TAX LIABILITIES (NET)

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred Tax Liabilities	20,586	14,755
Deferred Tax Assets	(19,980)	(1,607)
Total	**606**	**13,148**

Note : Refer Note No 3.3 for detailed deferred tax working and effective tax rate reconciliation

1.27 SHORT TERM BORROWINGS

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Loans repayable on demand from banks		
Secured		
Rupee Loans	7,532	27,187
Foreign Currency Loans	81	834
Sub-total (A)	**7,613**	**28,021**
Unsecured		
Rupee Loans	5,000	-
Foreign Currency Loans	9,065	-
Sub-total (B)	**14,065**	**-**
Current maturities of long-term debt (C)	18,562	14,138
Total (A + B + C)	**40,240**	**42,159**

1.28 LEASE LIABILITIES - CURRENT

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Lease Liabilities - Current	10,086	4,353
Total	**10,086**	**4,353**

1.29 TRADE PAYABLES

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Due to Micro and Small Enterprises-(MSE)	4,449	1,178
Sub-total (A)	**4,449**	**1,178**
Due to Other Suppliers	1,23,028	76,744
Accrued Expenses	5,956	2,142
Sub-total (B)	**1,28,984**	**78,886**
Total	**1,33,433**	**80,064**

Payables to related parties - refer note 3.7

Notes to Consolidated Financial Statements
for the year ended March 31, 2025

(₹ in Lakhs)

Particulars	Ageing as on 31-Mar-2025				
	a. Less than 1 year	b. 1 - 2 years	c. 2 - 3 years	d. More than 3 years	Grand Total
(i) MSE	4,429	20	-	-	4,449
(ii) Others	1,22,069	590	165	204	1,23,028
(iii) Disputed dues - MSE	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-
Gross Total					**1,27,477**
Accrued Expenses					**5,956**
Total					**1,33,433**

(₹ in Lakhs)

Particulars	Ageing as on 31-Mar-2024				
	a. Less than 1 year	b. 1 - 2 years	c. 2 - 3 years	d. More than 3 years	Grand Total
(i) MSE	1,178	-	-	-	1,178
(ii) Others	76,348	259	113	24	76,744
(iii) Disputed dues - MSE	-	-	-	-	-
(iv) Disputed dues - others	-	-	-	-	-
Gross Total					**77,922**
Accrued Expenses					**2,142**
Total					**80,064**

1.30 OTHER CURRENT FINANCIAL LIABILITIES

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Interest accrued but not due on borrowings	854	733
Currency swap , Interest Rate Swap & Forward cover derivative	-	50
Creditors for capital goods and services	15,033	9,463
Employee related liabilities	14,270	2,781
Dues to directors	15	8
Dividend Payable	2	-
Others	3,478	1,560
Total	**33,652**	**14,595**

1.31 CURRENT TAX LIABILITIES (NET)

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Income tax provisions less advance payment	**1,162**	**912**

1.32 OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Advance from customers	11,974	6,433
Deferred Revenue- EPCG benefit	427	-
Statutory Dues	5,530	3,442
Others	109	-
Total	**18,040**	**9,875**

Notes to Consolidated Financial Statements
for the year ended March 31, 2025

1.33 SHORT TERM PROVISIONS

(₹ in Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for employee benefits		
Gratuity	1,042	631
Compensated absences	449	-
Other Provisions		
Provision for Warranty Cost	388	294
Provision for Rejection	281	196
Total	**2,160**	**1,121**

Movement in Provision for product warranties is as follows :

(₹ in Lakhs)

	Opening	Expired during the year	Warranty provided for current year	Closing
2024-25	294	294	388	388
2023-24	214	214	294	294

This provision is recognised once the products are sold. The estimated provision takes into account historical information, frequency and average cost of warranty claims and the estimate regarding possible future incidence of claims. The provision for warranty claims represents the present value of management's best estimate of the future obligations. The outstanding provision for product warranties as at the reporting date is for the balance unexpired period of the respective warranties on the various products which ranges upto one year.

Movement in Provision for Rejection is as follows :

(₹ in Lakhs)

	Opening	Expired during the year	Rejection provided for current year	Closing
2024-25	196	196	281	281
2023-24	196	196	196	196

This provision is recognised once the products are sold. Materials are rejected due to various reasons and either get re processed or replaced to the customers depending on the type of rejections. These rejections gets fulfilled within a period of 3 months and the provisions represents the present value of management's best estimate of possible rejections within the next one quarter.

2.1 REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	March 31, 2025	March 31, 2024
Sale of products;		
Domestic Sales	4,27,674	3,27,570
Export Sales	39,494	19,786
A.	**4,67,168**	**3,47,356**
Sale of services;		
Machining Charges	68,646	67,632
Service Charges	1,484	593
B.	**70,130**	**68,225**
Other operating revenues;		
Sale of swarf & others	27,188	26,472
Duty Drawback	395	333
EPCG income on fulfilling obligation	3,662	2,540
Export Incentive under RoDTEP	505	247
C.	**31,750**	**29,592**
Revenue from operations (A+B+C)	**5,69,048**	**4,45,173**

Refer Note no: 3.12 "Segment Reporting" for breakup of revenue from operations.

Notes to Consolidated Financial Statements
for the year ended March 31, 2025

2.2 OTHER INCOME

(₹ in Lakhs)

Particulars	March 31, 2025	March 31, 2024
Interest Income from deposits measured at amortised cost	925	234
Interest Income due to unwinding of fair valued assets		
-Rent Advance	74	66
Net gain on sale of assets	7	107
Rental income	151	30
Exchange rate Gain/(Loss) on Transaction & Translation	1,133	1,155
MTM Gain / (Loss) - Derivative -(Net)	2	-
Others	215	132
Total	**2,507**	**1,724**

2.3 COST OF MATERIALS CONSUMED

(₹ in Lakhs)

Particulars	March 31, 2025	March 31, 2024
Cost of goods sold	3,24,802	2,48,640
Carriage inward	2,879	2,185
Sub Contract Charges	1,992	1,328
Total	**3,29,673**	**2,52,153**

2.4 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

(₹ in Lakhs)

Particulars	March 31, 2025	March 31, 2024
Inventory at the end of the year		
Work in Progress	41,463	30,980
Finished Goods	13,575	4,592
Sub total	**55,038**	**35,572**
Inventory at the beginning of the year		
Work in Progress	30,980	17,299
Finished Goods	4,592	3,251
Sub total	**35,572**	**20,550**
(Increase) / decrease in inventory	**(19,466)**	**(15,022)**

2.5 EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

Particulars	March 31, 2025	March 31, 2024
Salaries and wages	34,655	22,226
Contributions to Provident Fund & Employee State Insurance	1,983	724
Contribution to Gratuity fund	641	313
Managerial Remuneration	1,134	1,506
Staff welfare expenses	5,213	4,077
Total	**43,626**	**28,846**

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

2.6 DEPRECIATION, AMORTIZATION AND IMPAIRMENT EXPENSE

(₹ in Lakhs)

Particulars	March 31, 2025	March 31, 2024
Depreciation on Property, Plant & Equipment	31,867	24,984
Amortization of Intangible Assets	327	80
Amortization of Right-of-use Asset	2,445	2,382
Write off	74	279
Impairment expense / (reversal) of Capital Work in Progress	(11)	44
Total	**34,702**	**27,769**

2.7 OTHER EXPENSES

(₹ in Lakhs)

Particulars	March 31, 2025	March 31, 2024
Manufacturing Expenses		
Stores, Spares & tool consumed	31,171	22,916
Power & Fuel	36,757	26,251
Repairs & Maintenance		
- Machinery	12,104	10,968
- Building	949	1,041
- Others	3,013	3,045
Payment to contractors	18,296	9,271
Other manufacturing expenses	1,169	943
A.	**1,03,459**	**74,435**
Administrative Expenses		
Professional and Consultancy charges	3,994	1,975
Insurance Charges	831	498
Rates & Taxes	793	217
Software Licenses	993	720
General Administrative Expenses	1,983	1,094
De-recognition of Investment	30	-
Printing & Stationary	352	258
Postage & Telegrams	110	70
Rent	784	268
Telephone Expenses	223	178
Travelling Expenses	2,576	1,443
Directors' Sitting Fees	41	28
Remuneration to auditors #	272	106
Corporate Social Responsibility Expenses	755	576
Amounts written off		
Bad debts	560	-
Provisions for the year		
Warranty	99	83
Rejections	101	(1)
Doubtful debts	383	(94)
B.	**14,880**	**7,419**
Selling expenses		
Packing material consumed	4,908	4,159
Carriage Outward	7,808	4,834
Sales Promotion Expenses	889	466
C.	**13,605**	**9,459**
Total (A+B+C)	**1,31,944**	**91,313**

includes Audit fees paid by the subsidiaries to their respective auditors.

Notes to Consolidated Financial Statements
for the year ended March 31, 2025

2.8 FINANCE COSTS

(₹ in Lakhs)

Particulars	March 31, 2025	March 31, 2024
Interest expenses		
On Short Term Borrowings	6,417	5,338
On Long Term Borrowings at Amortised Cost	11,702	10,066
Others	472	196
Other Borrowing costs		
Unwinding of discounted Upfront fee on loans	89	84
Interest unwind - lease liability	1,863	1,283
Unwinding of Rent Advance	74	66
Bank charges	739	308
Net (gain)/loss on foreign currency transactions and translation	308	113
Total	**21,664**	**17,454**

3.1 Subsidiaries and Joint Venture considered in the Consolidated Financial Statements:

Following Subsidiaries are considered in the Consolidated Financial Statements:

S.No	Name of the Subsidiary	Country of Incorporation	% of Ownership Interest	
			March 31, 2025	March 31, 2024
1	DR Axion India Private Limited	India	100%	76%
2	Sunbeam Lightweighting Solutions Private Limited (w.e.f October 09, 2024)	India	100%	-
3	Craftsman Germany GmbH (w.e.f July 22, 2024)	Germany	100%	-
4	Craftsman Europe B.V	Netherlands	100%	100%

Following Subsidiaries are considered in the Consolidated Financial Statements:

S.No	Name of the Joint Venture	Country of Incorporation	% of Ownership Interest	
			March 31, 2025	March 31, 2024
1	Carl Stahl Craftsman Enterprises Private limited	India	30%	30%

3.2 Additional Information – Subsidiaries & Joint Ventures :

Additional Information, as required under Schedule III to the Companies Act, 2013 of entities consolidated as Subsidiaries & Joint Ventures

(₹ in Lakhs)

Name of the entity	March 31, 2025		March 31, 2024	
	As a % of consolidated Net Assets	Amount	As a % of consolidated Net Assets	Amount
Parent Company				
Craftsman Automation Limited	97.99%	2,79,937	88.26%	1,54,598
Domestic Subsidiaries				
DR Axion India Private Limited	17.90%	51,134	22.22%	38,927
Sunbeam Lightweighting Solutions Private Limited	3.76%	10,743	-	-
Foreign Subsidiaries				
Craftsman Europe B.V	0.95%	2,724	1.47%	2,577
Craftsman Germany GmbH	5.38%	15,373	-	-

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

(₹ in Lakhs)

Name of the entity	March 31, 2025		March 31, 2024	
	As a % of consolidated Net Assets	Amount	As a % of consolidated Net Assets	Amount
Joint Venture				
Carlstahl Craftsman Enterprises Private Limited	0.14%	406	0.18%	308
Sub Total	**126.13%**	**3,60,317**	**112.13%**	**1,96,410**
Add/Less: Intragroup eliminations / adjustments	-26.13%	(74,643)	-12.13%	(21,244)
Total	**100.00%**	**2,85,674**	**100.00%**	**1,75,166**

(₹ in Lakhs)

Name of the entity	March 31, 2025		March 31, 2024	
	As a % of consolidated Profit or Loss	Amount	As a % of consolidated Profit or Loss	Amount
Parent Company				
Craftsman Automation Limited	46.65%	9,370	58.58%	19,759
Domestic Subsidiaries				
DR Axion India Private Limited	63.28%	12,712	40.58%	13,690
Sunbeam Lightweighting Solutions Private Limited	-10.46%	(2,101)	-	-
Foreign Subsidiaries				
Craftsman Europe B.V	0.42%	85	0.64%	216
Craftsman Germany GmbH	0.58%	117	-	-
Joint Venture				
Carlstahl Craftsman Enterprises Private Limited	0.50%	100	0.25%	85
Sub Total	**100.97%**	**20,283**	**100.05%**	**33,750**
Add/Less: Intragroup eliminations / adjustments	-0.97%	(196)	-0.05%	(18)
Total	**100.00%**	**20,087**	**100.00%**	**33,732**

(₹ in Lakhs)

Name of the entity	March 31, 2025		March 31, 2024	
	As a % of consolidated OCI	Amount	As a % of consolidated OCI	Amount
Parent Company				
Craftsman Automation Limited	-106.58%	324	390.00%	78
Domestic Subsidiaries				
DR Axion India Private Limited	8.22%	(25)	-380.00%	(76)
Sunbeam Lightweighting Solutions Private Limited	157.57%	(479)	-	-
Foreign Subsidiaries				
Craftsman Europe B.V	-20.72%	63	85.00%	17
Craftsman Germany GmbH	60.86%	(185)	-	-

Notes to Consolidated Financial Statements
for the year ended March 31, 2025

(₹ in Lakhs)

Name of the entity	March 31, 2025		March 31, 2024	
	As a % of consolidated OCI	Amount	As a % of consolidated OCI	Amount
Joint Venture				
Carlstahl Craftsman Enterprises Private Limited	0.33%	(1)	5.00%	1
Sub Total	**99.67%**	**(303)**	**100.00%**	**20**
Add/Less: Intragroup eliminations / adjustments	0.33%	(1)	-	-
Total	**100.00%**	**(304)**	**100.00%**	**20**

(₹ in Lakhs)

Name of the entity	March 31, 2025		March 31, 2024	
	As a % of consolidated TCI	Amount	As a % of consolidated TCI	Amount
Parent Company				
Craftsman Automation Limited	49.00%	9,694	58.77%	19,837
Domestic Subsidiaries				
DR Axion India Private Limited	64.13%	12,687	40.34%	13,614
Sunbeam Lightweighting Solutions Private Limited	-13.04%	(2,580)	-	-
Foreign Subsidiaries				
Craftsman Europe B.V	0.75%	148	0.69%	233
Craftsman Germany GmbH	-0.34%	(68)	-	-
Joint Venture				
Carlstahl Craftsman Enterprises Private Limited	0.50%	99	0.25%	86
Sub Total	**100.99%**	**19,980**	**100.05%**	**33,770**
Add/Less: Intragroup eliminations / adjustments	-0.99%	(197)	-0.05%	(18)
Total	**100.00%**	**19,783**	**100.00%**	**33,752**

3.3 Income taxes

Income tax expense for the year reconciled to accounting profit

(₹ in Lakhs)

		Year Ended March 31, 2025	Year Ended March 31, 2024
Profit before tax	a	26,965	44,469
Income tax rate	b	25.168%	25.168%
Income tax expenses	a*b	6,787	11,192
Effect of			
i) Expenses inadmissible for tax		349	129
ii) Lower income tax of Subsidiaries		(306)	(10)
iii) Share of profit from JV		(25)	(21)
iv) Change in tax rate		-	(510)
v) Others		74	(44)
Income tax expense recognised in Statement of Profit & loss		6,878	10,736

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

Movement of deferred tax assets/ liabilities (₹ in Lakhs)

Movement during the year ended March 31, 2025	As at March 31, 2024	Recognised in P&L	Recognised in OCI	On business combination	As at March 31, 2025
Depreciation & Amortization	(13,758)	(763)	-	-	(14,521)
Provision for doubtful debts	160	254	-	-	414
Other Temporary Differences	450	1,327	(100)	11,824	13,501
	(13,148)	**818**	**(100)**	**11,824**	**(606)**

(₹ in Lakhs)

Movement during the year ended March 31, 2024	As at March 31, 2023	Recognised in P&L	Recognised in OCI	As at March 31, 2024
Depreciation & Amortization	(14,528)	770	-	(13,758)
Provision for doubtful debts	184	(24)	-	160
Other Temporary Differences	232	220	(2)	450
	(14,112)	**966**	**(2)**	**(13,148)**

3.4 Employee Benefits

The Union Ministry of Labour issued draft rules under section 67 of the Code on Wages Act on 7 July 2020 in the Gazette and the Act is yet to be effective

The three labour codes, the Occupational Health, Safety and Working Conditions Code 2020, the Industrial Relations Code 2020 and the Code on Social Security 2020 have been passed by the parliament and have also received the assent of the President of India on 28 September 2020. However, the date on which these Codes will come into effect has not been notified. The Group will assess the impact of these Codes and will record any related impact in the period these Codes become effective.

3.4 A Defined Contribution Plan

The employee provident fund, employee state insurance and superannuation fund are in the nature of Defined Contribution Plan. The contribution made to these schemes are considered as expense in the Statement of Profit and Loss when the employee renders the related service.

The total expenses recognised in Statement of Profit or Loss of ₹1,983 lakhs (2023-24: ₹724 lakhs) represents contribution payable to these plans by the Group at rates specified in the rules of the plan.

3.4 B Defined benefit plans

a. The Group extends defined benefit plan in the form of gratuity to employees. The Group makes annual contribution to gratuity fund administered by trustees and managed by SBI Life Insurance Company Ltd for the company and Aditya Birla Sun Life Insurance Company Ltd for DR Axion India Private Limited, Life Insurance Corporation of India for Sunbeam Lightweighting Solutions Private Limited and Federal Employment Agency in Germany for Craftsman Germany Gmbh respectively . The Group's liability is determined based on actuarial valuation done at the year end as per projected unit credit method. The plan provides for a lump-sum payment to vested employees at retirement, death, while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service subject to the maximum of ₹20 lakhs. Vesting occurs upon completion of five years of service.

These plans typically expose the Group to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk	For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.
Liquidity Risk	Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign / retire from the Group there can be strain on the cash flows.

Market Risk	Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate / government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.
Legislative Risk	Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation / regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

b. The principal assumptions used for the purposes of the actuarial valuations were as follows

	As at March 31, 2025	As at March 31, 2024
Discount rate	6.55% to 6.87%	7.23% to 7.24%
Expected rate of salary increase	5.00% to 10.00%	5.00% to 10.00%
Attrition rate	5.00% to 10.00%	5.00%

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

c. Amounts recognised in total comprehensive income in respect of these defined benefit plans are as follows:

(₹ in Lakhs)

	2024-2025	2023-2024
Current Service Cost	452	304
Net interest expense/ (income)	50	9
Component of defined benefit cost recognised in P&L	**502**	**313**
Remeasurement on the net defined benefit liability comprising:		
Actuarial (Gain)/loss arising from changes in financial assumptions	164	98
Actuarial (Gain)/ Losses due to Experience on Defined Benefit Obligation	358	212
Actuarial (Gain)/Loss arising from changes in financial assumptions due to demographic assumption changes in Defined Benefit Obligation	70	1
Return on Plan Assets (Greater) / Less than Discount rate	163	5
Components of defined benefit costs recognised in other comprehensive income	**755**	**316**
Total Defined Benefit Cost	**1,257**	**629**

d. The amount included in the balance sheet arising from the Company's obligation in respect of its defined benefit plans is as follows:

(₹ in Lakhs)

	As at March 31, 2025	As at March 31, 2024
Present value of defined benefit obligation	5,742	2,895
Fair value of plan assets	4,698	2,264
Net liability arising from defined benefit obligation (funded)	(1,044)	(629)

Notes to Consolidated Financial Statements
for the year ended March 31, 2025

e. Movements in the present value of the defined benefit obligation in the current year were as follows::

(₹ in Lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Opening defined benefit obligation	2,895	2,256
Acquired on Business Combination	3,335	-
Current Service Cost	452	304
Interest Cost	332	158
Benefits paid	(1864)	(135)
Actuarial (gain)/loss	**592**	**312**
Closing defined benefit obligation	**5,742**	**2,895**

f. Movements in fair value of plan assets in the current year were as follows:

(₹ in Lakhs)

	Year ended March 31, 2025	Year ended March 31, 2024
Opening fair value of plan assets	2,264	1988
Acquired on Business Combination	2,649	-
Interest income of the assets	281	149
Employer contribution	1,531	268
Benefits payout	(1,864)	(135)
Actuarial gain/(loss)	(163)	(6)
Closing fair value of plan assets	**4,698**	**2,264**

g. **The Group funds the cost of the gratuity expected to be earned on a yearly basis .**

The actual return on plan assets was ₹160 lakhs (2023-24: ₹144 lakhs)

h. **Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity analysis below has been determined based on reasonably possible changes of the respective assumption occurring at the end of the reporting year.**

(₹ in Lakhs)

	As at March 31, 2025	As at March 31, 2024
If the discount rate is 100 basis points higher/lower, the defined benefit obligation would		
• Decrease by (Mar 25: (3.20%) to (9.93%); Mar 24: (8.64%) to (9.83%))	(2,407)	(254)
• Increase by (Mar 25: 3.50% to 11.66% ; Mar 24: 10.04% to 11.55%	2,606	296
If the expected salary is 100 basis points higher/lower, the defined benefit obligation would		
• Increase by (Mar 25: 3.50% to 11.15% ; Mar 24: 8.46% to 11.08%)	2,554	254
• Decrease by (Mar 24: (3.30%) to (9.65%) ; Mar 24: (7.63%) to (9.56%)))	(2,374)	(228)
If the attrition rate is 100 basis points higher/lower, the defined benefit obligation would		
• Increase by (Mar 25: 0.70% to 1.51%; Mar 24: 1.43% to 2.18%)	2,213	44
• Decrease by (Mar 25: (1.29%) to (1.75%) ; Mar 24: (1.62%) to (2.53%))	(2,169)	(50)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of each reporting year, which is the same as that applied in calculating the defined benefit obligation liability recognized in the balance sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from previous year.

i. Funding arrangements

The Group has been fully funding the liability through a trust administered by an insurance company. Regular assessment of the increase in liability is made by the insurance company and contributions are being made to maintain the fund. Subject to credit risk of the insurance company & the asset liability mismatch risk of the investments, the Group will be able to meet the past service liability on the valuation date that falls due in the future.

The Group expects to make a contribution of ₹963 lakhs (as at March 31, 2024: ₹381 lakhs) to the defined benefit plans for the next financial year.

Information on the maturity profile of the liabilities:

Particulars	March 31, 2025	March 31, 2024
Weighted average duration of the Defined Benefit Obligation	3.00 -12.95 years	12.37-12.82 years
	₹ Lakhs	₹ Lakhs
Projected Benefit Obligation	5,743	2,895

j. Maturity Profile:

(₹ in Lakhs)

FUTURE PAYOUTS	Present Value
Year (i)	1,509
Year (ii to v)	1,364
Next 5 year pay-outs(6-10yrs)	1,268
Pay-outs above ten years	2,272

3.5 Earnings per share ('EPS')

	Year Ended March 31, 2025	Year Ended March 31, 2024
	₹	₹
Earnings per share		
Basic earnings per share	83.68	144.11
Diluted earnings per share	83.68	144.11
Face value per share	5	5
Basic and diluted earnings per share	**₹ Lakhs**	**₹ Lakhs**
Profit for the year attributable to equity shareholders	19,457	30,447
	Nos.	**Nos.**
Total number of equity shares outstanding at the end of the year	2,38,55,583	2,11,28,311
Weighted average number of equity shares		
used in the calculation of basic earnings per share	2,32,50,353	2,11,28,311
after adjustment for effect of dilution	2,32,50,353	2,11,28,311

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

3.6 Financial Instruments:

3.6a Capital Management:

The Group manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The Group manages its capital structure and makes adjustments to it, in light of changes to economic conditions and the strategic objectives of the Group. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, buy back shares and cancel them, or issue new shares. The Group finances its operations by a combination of retained profit, bank borrowings, disposals of property assets and leases.

The Group monitors the capital structure on the basis of total debt to equity and maturity profile of the overall debt portfolio of the Group.

The Debt to equity ratio as at end of the year is given below:

(₹ in Lakhs)

	As at March 31, 2025	As at March 31, 2024
Debt (long-term and short-term borrowings including current maturities)	2,05,426	1,54,643
Equity	2,85,674	1,75,166
Debt Equity Ratio	**0.72**	**0.88**

3.6b Financial risk management

In course of its business, the Group is exposed to certain financial risks that could have significant influence on the Group's business and operational / financial performance. These include market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

The Board of Directors reviews and approves risk management framework and policies for managing these risks and monitors suitable mitigating actions taken by the management to minimise potential adverse effects and achieve greater predictability to earnings.

In line with the overall risk management framework and policies, the treasury function provides services to the business, monitors and manages through an analysis of the exposures by degree and magnitude of risks.

The Group uses derivative financial instruments to hedge risk exposures in accordance with the Group's policies as approved by the board of directors.

i. Market Risk

Market risk is the risk that changes in market prices, liquidity and other factors that could have an adverse effect on realizable fair values or future cash flows to the Group. The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates as future specific market changes cannot be normally predicted with reasonable accuracy.

A. Foreign currency risk management:

The Group undertakes transactions denominated in foreign currencies and thus it is exposed to exchange rate fluctuations. The Group actively manages its currency rate exposures, arising from transactions entered and denominated in foreign currencies, through treasury division and uses derivative instruments such as foreign currency forward contracts to mitigate the risks from such exposures. The use of derivative instruments is subject to limits and regular monitoring by Management. The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

Assets	Currency	As at March 31, 2025		As at March 31, 2024	
		Amount in Foreign currency (Lakhs)	Amount in ₹ (Lakhs)	Amount in Foreign currency (Lakhs)	Amount in ₹ (Lakhs)
Receivables	**USD**	126	10,738	37	3,108
	EUR	31	2,908	8	744
	GBP	-	-	0.04	4
Total Receivables (A)		-	13,646	-	3,856
Hedged by derivative contracts (B)		-	-	-	-
Unhedged receivables (C=A-B)		-	13,646	-	3,856

Liabilities	Currency	As at March 31, 2025		As at March 31, 2024	
		Amount in Foreign currency (Lakhs)	Amount in ₹ (Lakhs)	Amount in Foreign currency (Lakhs)	Amount in ₹ (Lakhs)
Payable (trade & other)	**USD**	67	5,726	62	5,130
	JPY	12,161	6,930	3,314	1,826
	EUR	20	1,880	29	2,636
	GBP	0.34	37	0.03	3
Borrowings (ECB and Others)	**USD**	210	17,949	171	14,254
Total Payables (A)		-	32,522		23,849
Hedges by derivative contracts (B)	**USD**	46	3,945	92	7,648
	EUR	-	-	14	1,260
Unhedged payables (C=A-B)		-	28,577		14,941

B. Foreign currency sensitivity analysis:

Movement in the functional currencies of the various operations of the Group against major foreign currencies may impact the Group's revenues from its operations. Any weakening of the functional currency may impact the Group's cost of imports and cost of borrowings and consequently may increase the cost of financing the Group's capital expenditures.

The foreign exchange rate sensitivity is calculated for each currency by aggregation of the net foreign exchange rate exposure of a currency and a parallel foreign exchange rates shift in the foreign exchange rates of each currency by 1%, which represents Management's assessment of the reasonably possible change in foreign exchange rates.

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financials instruments. The following table details the Group's sensitivity movement in the unhedged foreign exposure:

(₹ in Lakhs)

Currency	1% Strengthening of FC	
	As at March 31, 2025	As at March 31, 2024
USD	(90)	(86)
GBP	(0.37)	0.01
EUR	10	(6)
JPY	(69)	(18)
	(149)	**(110)**

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

A depreciation of foreign currencies would have the opposite effect to the impact in the table above..

The following table details the forward foreign currency contracts outstanding at the end of the reporting period:

(₹ in Lakhs)

Cash Flow Hedges	Foreign Currency		Equivalent value		Fair value of contracts	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Sell EUR	-	14	-	1,310	-	1,260

Note: The MTM of the above has been included in the balance sheet under 'Other Current Financial Asset'. [Refer Note 1.17] as on March 31, 2025.

Interest rate risk management

The Group is exposed to interest rate risk pertaining to funds borrowed at both fixed and floating interest rates. The risk of floating interest rates in foreign currency loans is managed by the Group by the use of interest rate swap contracts. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies.

Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates at the end of the reporting period. For floating rate liabilities which are unhedged, the analysis is prepared assuming that the amount of the liability as at the end of the reporting period was outstanding for the whole year. An increase or decrease of 50 basis point in rupee interest rates and 25 basis points in USD SOFR rate is used when reporting interest rate risk internally to key management personnel and represents Management's assessment of the reasonably possible change in interest rates.

A decrease in interest rates would have the opposite effect to the impact in the table above.

(₹ in Lakhs)

Base Rate	Increase in Base rate	Effect of Change in interest rates		Outstanding as on	
		As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
USD SOFR	25 bps	7	14	2,626	5,711
INR Baserate	50 bps	877	470	1,75,454	94,041
		884	**484**	**1,78,080**	**99,752**

Interest rate on all USD loans are hedged with either IRS or IRC and hence are not exposed to risk due to interest rate fluctuations.

Foreign currency and interest rate sensitivity analysis for swap contracts:

The Group has taken interest rate swaps ('IRS') to hedge the interest rate risks. The marked-to-market gain as at at March 31, 2025 is ₹47 lakhs (March 31, 2024 is ₹166 lakhs). The amount of loss recognised in OCI for the year ended March 31, 2025 is ₹118 lakhs (March 31, 2024 is ₹65 lakhs) and the amount of gain recognised in Statement of Profit and Loss for the ineffective portion of cash flow hedge for the year ended March 31, 2025 is ₹NIL (March 31, 2024: ₹NIL).

In addition to the above, the Group has an Interest Rate Collar ('IRC'), to hedge the interest rate risks. The marked-to-market gain as at March 31, 2025 is ₹38 lakhs (March 31, 2024 is ₹90 lakhs). The amount of loss recognised in OCI for the year ended March 31, 2025 is ₹52 lakhs (March 31, 2024 is loss ₹49 lakhs).

In case of currency swaps, the effective portion of cash flow hedges, is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in Statement of Profit and Loss. Amounts recognised as OCI are transferred to Statement of Profit and Loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs when the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability. The mark-to-market gain as at March 31, 2025 is ₹ NIL (March 31, 2024: ₹NIL). The amount recognised in OCI for the year ended March 31, 2025 is ₹NIL (March 31, 2024: ₹ Nil). Also, the effect given to OCI on account of restatement loss of the underlying foreign currency loans for the year ended March 31, 2025 is ₹346 lakhs (March 31, 2024: ₹ 198 lakhs).

Further, the Group has call options for principal payments of two of its foreign currency loan which are designated as a cash flow hedge. The marked-to-market gain as at March 31, 2025 is ₹926 lakhs (March 31, 2024: gain of ₹477 lakhs). The amount of gain recognised in OCI for the year March 31, 2025 is ₹449 lakhs (March 31, 2024 – ₹287 lakhs).

Credit Risk:

Credit risk is the risk of financial loss to the Group if a customer or counter-party fails to meet its contractual obligations.

- Trade receivables:

  The Group periodically assesses the financial reliability of customers taking into account the financial condition, current economic trends, analysis of historical bad debts and ageing of accounts receivable. These include customers, which have high credit-ratings assigned by international and domestic credit-rating agencies. Individual risk limits are set accordingly. The Group's trade and other receivables, including loans under customer financing activities, consists of a large number of customers, across geographies.

  The Group has used a practical expedient by computing the expected credit loss allowance for trade receivable based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information.

Movement in Credit loss allowance

(₹ in Lakhs)

	As at March 31, 2025	As at March 31, 2024
Balance as at beginning of the year	646	740
Allowance for bad and doubtful debts during the year	945	(94)
On Business combination	640	-
Trade receivables written off during the year	(560)	-
Balance as at the end of the year	**1,671**	**646**

- Other financial assets:

  a. Bhatia Coke & Energy Limited

  Bhatia Coke & Energy Limited is under "Corporate Insolvency resolution process" as per the MCA website. Also, the management of the Company is taken over by an insolvency professional appointed by the National Company Law Tribunal (NCLT)

  Given this, the Company has fair valued the investment to NIL in FY 2020-21.

  None of the Group's other cash equivalents, including time deposits with banks, are past due or impaired.

Movement in Provision for advances:

(₹ in Lakhs)

	As at March 31, 2025	As at March 31, 2024
Balance as at beginning of the year	28	28
Allowance for doubtful advances made during the year	-	-
Advances written off during the year	-	-
Balance as at the end of the year	**28**	**28**

Refer note: 1.11 and 1.18 of the financial statements.

Notes to Consolidated Financial Statements
for the year ended March 31, 2025

Liquidity Risk:

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Group has obtained fund and non-fund based working capital limits from various banks. The Group invests its surplus funds in bank fixed deposit, which carry minimal mark to market risks.

The table below summarizes the maturity profile remaining contractual maturity period at the balance sheet date for its non-derivative financial liabilities based on the discounted cash flows.

(₹ in Lakhs)

As at March 31, 2025	Due within 1 year	Due between 2 and 5 years	Due beyond 5 years	Total Amount
Bank and other borrowings	40,240	1,42,489	22,697	2,05,426
Interest payments on borrowings	14,756	30,039	1,258	46,053
Lease liability	10,086	11,915	8,391	30,392
Trade Payables	1,33,433	-	-	1,33,433

(₹ in Lakhs)

As at March 31, 2024	Due within 1 year	Due between 2 and 5 years	Due beyond 5 years	Total Amount
Bank and other borrowings	42,158	96,356	16,129	1,54,643
Interest payments on borrowings	10,631	20,180	723	31,534
Lease liability	4,353	11,963	4,523	20,839
Trade Payables	80,064	-	-	80,064

The table below summarizes the maturity profile for its derivative financial assets and liabilities based on the undiscounted contractual net cash inflows and outflows on derivative liabilities that settle on a net basis or gross basis.

(₹ in Lakhs)

As at March 31, 2025	Due within 1 year	Due between 2 and 5 years	Due beyond 5 years	Carrying Amount
Currency & Interest Rate - Swaps & Options	1,138	(126)	-	1,012
	1,138	**(126)**	**-**	**1,012**

(₹ in Lakhs)

As at March 31, 2024	Due within 1 year	Due between 2 and 5 years	Due beyond 5 years	Carrying Amount
Currency & Interest Rate - Swaps & Options	859	(125)	-	734
Foreign exchange forwards	(50)	-	-	(50)
	809	**(125)**	**-**	**684**

3.6c Categories of Financial assets and liabilities:

(₹ in Lakhs)

	As at March 31, 2025	As at March 31, 2024
Financial Assets		
a. Measured at amortized cost:		
Cash and cash equivalents	9,742	6,349
Other bank balances & Interest receivable	2,748	2,065
Trade Receivables	92,059	57,663
Security Deposit	6,123	5,016
Other receivables	1,091	-
b. Mandatorily maintained at fair value through other comprehensive income (FVTOCI)		
Investments	594	79
Currency swaps & options and IRS & IRC	1,155	943

(₹ in Lakhs)

	As at March 31, 2025	As at March 31, 2024
Financial Liabilities		
a. Measured at amortized cost:		
Borrowings	2,05,426	1,54,643
Lease Liability	30,392	20,839
Trade Payables	1,33,433	80,064
Other Financial Liabilities	34,272	14,547
b. Mandatorily maintained at fair value through other comprehensive income (FVTOCI)		
Currency Swaps & IRS	143	259

3.6d Fair value measurements:

i) Financial assets and financial liabilities that are measured at fair value on a recurring basis as at the end of each reporting period:

The fair value of financial instruments as referred to in note above have 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)..

The categories used are as follows:

- Level 1 : Quoted Price for identical instruments in an active market
- Level 2 : Directly or indirectly observable market inputs, Other than level 1 inputs and
- Level 3 : Inputs which are not based on observable market data

For assets and liabilities that are measured at fair value as at balance sheet date., the classification of fair value calculation by category is summarized below:

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

(₹ in Lakhs)

As at March 31, 2025	Level 1	Level 2	Level 3	Total
Asset at fair value				
Investments measured at				
i) fair value through OCI	-	-	594	594
ii) fair value through P&L	-	-	-	-
Derivative Instruments measured at				
i) fair value through OCI	-	1,155	-	1,155
ii) fair value through P&L	-	-	-	-
Liabilities at fair value				
Derivative Instruments measured at				
i) fair value through OCI	-	143	-	143
ii) fair value through P&L	-	-	-	-

(₹ in Lakhs)

As at March 31, 2024	Level 1	Level 2	Level 3	Total
Asset at fair value				
Investments measured at				
i) fair value through OCI	-	-	79	79
ii) fair value through P&L	-	-	-	-
Derivative Instruments measured at				
i) fair value through OCI	-	943	-	943
ii) fair value through P&L	-	-	-	-
Liabilities at fair value				
Derivative Instruments measured at				
i) fair value through OCI	-	259	-	259
ii) fair value through P&L	-	-	-	-

Calculation of Fair Values:

The fair values of the financial assets and liabilities are defined as 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. Methods and assumptions used to estimate the fair values are consistent with those used.

3.7 Related party disclosure

a) Related parties

Joint Ventures

Carl Stahl Craftsman Enterprises Private Limited

Key Management Personnel

Mr. Srinivasan Ravi, Chairman And Managing Director
Mr. Ravi Gauthamram, Whole Time Director
Mr. Sundararaman Kalyanaraman, Independent Director
Mrs. Vijaya Sampath, Independent Director
Mr. T S V Rajagopal, Independent Director
Mrs. Rajeswari Karthigeyan, Independent Director
Mr. C.B.Chandrasekar, Chief Financial Officer
Mr. Thiyagaraj Damodharaswamy, Chief Operating Officer
Mr. Shainshad Aduvanni, Company Secretary

c) Related Party Transactions – Summary:

(₹ in Lakhs)

Transactions during the year	Joint Ventures		Key Management Personnel	
	24-25	23-24	24-25	23-24
Purchase of Goods & Services	501	489	-	-
Sale of Goods & Services	5,916	5,597	-	-
Remuneration to key management personnel	-	-	989	692
Commission	-	-	149	1,000
Sitting Fee	-	-	27	22
Rental Income	2	2	-	-

(₹ in Lakhs)

Balances as at the end of the year	Joint Ventures		Key Management Personnel	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Trade Receivables	983	1,525	-	-
Trade Payables	-	55	-	-
Remuneration payable	-	-	15	6

d) Significant Related party transactions:

(₹ in Lakhs)

	Year Ended March 31, 2025	Year Ended March 31, 2024
Purchase of Goods & Services		
Carl Stahl Craftsman Enterprises Private Limited	501	489
Sale of Goods & Services		
Carl Stahl Craftsman Enterprises Private Limited	5,916	5,597
Remuneration to key management personnel		
Executive Directors	698	457
Chief Financial Officer	131	87
Chief Operating Officer	125	113
Company Secretary	35	35

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

c) Significant Related party transactions (cont'd):

(₹ in Lakhs)

	Year Ended March 31, 2025	Year Ended March 31, 2024
Commission		
Executive Directors	87	963
Non-Executive Directors	62	37
Sitting Fee		
Non-Executive Directors	27	22
Rent Income		
Carl Stahl Craftsman Enterprises Pvt Ltd	2	2

Note: Remuneration to KMP does not include gratuity contribution which is determined actuarially on an overall basis for the holding Company and subsidiary and accordingly has not been considered.

d) Balances of Related Parties as at the end of the year:

(₹ in Lakhs)

	As at March 31, 2025	As at March 31, 2024
Trade Receivable		
Carl Stahl Craftsman Enterprises Private Limited	983	1,525
Trade Payable		
Carl Stahl Craftsman Enterprises Private Limited	-	55
Remuneration payable		
Chairman and Managing Director	15	6

3.8 Contingent Liabilities and Commitments

a) Contingent Liabilities

(₹ in Lakhs)

Contingent Liabilities	As at March 31, 2025	As at March 31, 2024
a. Claims against the Company not acknowledged as debt		
Excise Duty	22	7
Value Added Tax	315	-
Service tax	121	67
Goods and Service Tax	2,247	16
Income tax	494	823
Stamp duty	-	-
b. Sales Bills discounted	**8,646**	**4,617**

b) Commitments

Commitment on Capital Account not provided as on 31 March 2025: ₹49,094 lakhs; 31 March 2024: ₹26,599 lakhs.

Notes to Consolidated Financial Statements
for the year ended March 31, 2025

3.9 Non-Current Borrowings:

(₹ in Lakhs)

	Borrowings	As at March 31, 2025			Particulars of Repayment		As at March 31, 2024		
		Non-Current	Current Maturity	Total	Instalments	Amount/Inst nos.	Non-Current	Current Maturity	Total
*	IFC - ECB	3,942	3,935	7,877	Half-yearly	USD 12/ 13	7,683	3,831	11,514
*	SCB-ECB	-	-	-	Quarterly	USD 3/ 20	1,041	832	1,873
*	Bajaj TL-1	-	-	-	Quarterly	INR 175/ 20	2,749	-	2,749
*	HDFC TL-1	-	-	-	Quarterly	INR 351/ 20	2,103	-	2,103
#	EXIM TL-1	7,561	1,610	9,171	Quarterly	INR 542 / 24	9,712	1,606	11,318
#	FEDERAL TL-1	7,811	(1)	7,810	Quarterly	INR 521 / 24	9,892	-	9,892
#	TCFSL TL-1	-	-	-	Quarterly	INR 479 / 12	5,269	478	5,747
#	ABFL TL-1	-	-	-	Quarterly	INR 150/2, 550/4,625/20	12,491	-	12,491
#	Bajaj TL-2	-	-	-	Quarterly	INR 417 / 24	8,333	-	8,333
#	SBI - TL1	7,767	278	8,044	Monthly	INR 139/72	9,439	556	9,995
#	Indian Bank TL-1	7,033	49	7,083	Monthly	INR 185/54	9,068	994	10,062
#	Axis TL-1	5,887	(1)	5,887	Quarterly	INR 363/24	7,623	1,087	8,710
#	HDFC TL-2	9,375	(0)	9,375	Quarterly	INR 521/24	11,458	1,042	12,500
#	Bajaj TL-3	3,998	(1)	3,996	Quarterly	INR 250/20	4,995	-	4,995
#	IOB TL-1	7,486	1,668	9,154	Monthly	INR 139/71 , 131/1	-	-	-
^	FEDERAL TL-2	16,582	(4)	16,579	Quarterly	INR 833/24	-	-	-
^	Axis TL-2	8,846	1,154	10,000	Quarterly	INR 385/26	-	-	-
^	KMBL TL-1	10,404	946	11,350	Monthly	INR 158/72	-	-	-
^	Bajaj TL-4	13,491	1,496	14,987	Quarterly	INR 750/20	-	-	-
^	IndusInd TL-1	9,150	850	10,000	Quarterly	INR 125/2 , 300/4 , 475/18	-	-	-
^	SBI - TL2	18,784	858	19,642	Quarterly	INR 816/23, 824/1	-	-	-
*	DR HDFC Term Loan-1	626	1,249	1,875	Quarterly	INR 313/24	1,870	1,248	3,118
*	DR HDFC Term Loan-2	-	-	-	Quarterly	INR 209/20	-	594	594
*	DR HDFC Term Loan-3	2,324	848	3,172	Quarterly	INR 117/16	3,184	212	3,396
*	DR HDFC Term Loan-4	-	-	-	Quarterly	INR 17/16	248	17	265
*	DR Axis Term Loan-1	2,920	830	3,750	Quarterly	INR 208/24	3,742	829	4,571
*	DR GECL TL -1	-	-	-	Monthly	INR 21/48	188	250	438
*	DR GECL TL -2	-	-	-	Monthly	INR 42/48	458	500	958
*	DR GECL TL -3	-	-	-	Monthly	INR 21/48	938	62	1,000
*	SB Kotak Term Loan	2,024	-	2,024	Monthly	INR 29/72	-	-	-
*	SB RBL WCTL	7,753	2,139	9,892	Monthly	INR 238/42	-	-	-
*	SB Yes Bank Term loan	3,972	210	4,182	Quarterly	INR 210/20	-	-	-
*	SB Tata Capital WCTL	7,169	312	7,481	Monthly	INR 156/48	-	-	-

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for the year ended March 31, 2025

3.9 Non-Current Borrowings: (cont'd)

(₹ in Lakhs)

	Borrowings	As at March 31, 2025			Particulars of Repayment		As at March 31, 2024		
		Non-Current	Current Maturity	Total	Instalments	Amount/Inst nos.	Non-Current	Current Maturity	Total
NA	CG Financing through lease	280	136	416	Monthly	INR 14/28	-	-	-
	Total	**1,65,186**	**18,562**	**1,83,748**			**1,12,484**	**14,138**	**1,26,622**

ECB – External Commercial Borrowings ; FCTL- Foreign Currency Term Loan ; TL – Rupee Term Loans;

DR – Loans of the subsidiary DR Axion India Private Limited.

SB – Loans of the Subsidiary Sunbeam Lightweighting Solutions Private Limited

CG- Financing through lease of the subsidiary Craftsman Germany GmbH

The balance mentioned above are at amortised cost: Refer note: 1.22

*: Secured by first pari passu charge on fixed assets and a second pari passu charge on current assets of the Company.

#: Secured by first pari passu charge on moveable fixed assets and second pari passu charge on current assets of the Company.

^: Secured by first pari passu charge on moveable fixed assets of the Company.

3.10 Lease:

3.10a Group as lessee

(i) Following are the changes in the carrying value of right of use assets

For the year ended March 31, 2025:

(₹ in Lakhs)

Particulars	Land & Buildings	Total
Balance as at April 1, 2024	23,896	23,896
Additions on business combination	2,031	2,031
Additions	14,977	14,977
Amortization/ expense	(2,384)	(2,384)
Deletion	-	-
Balance as of March 31, 2025	**38,520**	**38,520**

For the year ended March 31, 2024:

(₹ in Lakhs)

Particulars	Land & Buildings	Total
Balance as at April 1, 2023	9,196	9,196
Additions	17,088	17,088
Amortization/ expense	(2,382)	(2,358)
Deletion	(6)	(6)
Balance as of March 31, 2024	**23,896**	**23,896**

(ii) The aggregate amortization expense on ROU assets is included under depreciation, amortization and impairment expense in the statement of Profit and Loss.

(iii) The following is the break-up of current and non-current lease liabilities: (₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Current lease liabilities	20,306	4,353
Non-current lease liabilities	10,086	16,486
Total	**30,392**	**20,839**

(iv) The following is the movement in lease liabilities during the year: (₹ in Lakhs)

Particulars	2024-25	2023-24
Balance as at the beginning of the year	20,839	8,751
Additions	14,977	17,089
Additions on account of business combination	155	-
Finance cost accrued during the year	1,863	1,283
Deletion	-	(6)
Payment of lease liabilities	(7,442)	(6,278)
Balance as at the end of the year	**30,392**	**20,839**

(v) The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

(₹ in lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Less than one year	3,445	2,810
One to five years	10,769	8,811
More than five years	16,536	6,011
Total	**30,750**	**17,632**

(vi) 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.

(vii) Rental expense recorded for short-term leases was ₹ 784 lakhs for the year ended March 31, 2025. (March 31, 2024: ₹ 268 lakhs)

(viii) Total cash outflow for leases including short-term was ₹ 8,226 lakhs for the year ended March 31, 2025. (March 31, 2024: ₹ 6,546 lakhs).

3.10b Group as lessor

Group has provided a portion of its building on operating lease to MC Machinery Systems India Private Limited (formerly known as MC Craftsman Machinery Private Ltd) & Carlstahl Craftsman Enterprises Private Limited for a period of 3 years and 5 years respectively.

(₹ in lakhs)

Non-Cancellable Operating lease commitment	As at March 31, 2025	As at March 31, 2024
Not later than 1 year	122	30
Later than 1 year but not later than 5 years	58	52
Later than 5 years	-	-

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3.11 Business Combination:

On October 09, 2024, the Company acquired 100% of total securities of Sunbeam Lightweighting Solutions Private Limited ('SLSPL') comprising 853,147,112 equity shares of ₹10 each and 135,380,000 compulsorily convertible preference shares of ₹10 each for Re. 1 and subscribed to 37,60,00,000 Optionally Convertible Debentures of ₹10 each i.e., a total consideration of ₹37,600 lakhs. The acquisition significantly expands the Company's manufacturing footprint in northern & western India and has provided the Company with valuable & new customer relationships in aluminium products including export customers. SLSPL is primarily engaged in design, development, manufacturing, assembly and sale of aluminium components for the automotive industry catering to both domestic and international markets.

On July 22, 2024, the Company acquired 100% of equity of Craftsman Germany GmbH, Germany (CGG) comprising 25,000 shares of EUR 1 each for a consideration of EUR 57,000 (or INR 52 Lakhs). CGG was acquired with a view to expand the Company's business presence and operations in the European market and to explore opportunities for potential acquisition of assets in Germany. CGG is the immediate holding company of Craftsman Fronberg GmbH (CFG) which is engaged in manufacturing of cast iron components for stationary engines.

On October 01, 2024, CGG acquired 100% of equity of Craftsman Fronberg Guss Immobilien GmbH (CFIG) for a consideration of EUR 6,400,000 (or INR 5,972 Lakhs). Consequently CFIG has become step-down subsidiary to the Company. CFIG holds the immovable assets on which the operations of CFG is carried.

(₹ in lakhs)

Particulars	Sunbeam Lightweighting Solutions Private Limited, India	Craftsman Germany GmbH, Germany	Craftsman Fronberg Guss Immobilien GmbH, Germany
Consideration transferred	37,600	52	5,972
Non-controlling interest in the acquired entity	-	-	-
Less : Net identifiable assets acquired	37,600	45	6,051
Goodwill on consolidation	**-**	**7**	**-**
Capital Reserve on consolidation	**-**	**-**	**79**

(₹ in lakhs)

Net identifiable assets acquired	Sunbeam Lightweighting Solutions Private Limited, India	Craftsman Germany GmbH, Germany	Craftsman Fronberg Guss Immobilien GmbH, Germany
Property, Plant & Equipment	65,104	-	5,972
Other Non-current Assets	16,694	-	-
Current Assets	38,314	45	254
Non-current liabilities	-904	-	-175
Current Liabilities	81,608	-	-
	37,600	**45**	**6,051**

Notes to Consolidated Financial Statements
for the year ended March 31, 2025

(₹ in lakhs)

Revenue and profit contribution for year ended March 31, 2025	Sunbeam Lightweighting Solutions Private Limited, India	Craftsman Germany GmbH, Germany	Craftsman Fronberg Guss Immobilien GmbH, Germany
Contribution between Acquisition date and March 31, 2025			
Revenue	58,462	13,054	-
Profit before tax	-3,171	301	-
If the acquisition had occurred on April 01, 2024			
Proforma Revenue	1,23,746	13,054	-
Proforma Profit before tax	-23,190	301	-

The Company has incurred a sum total of ₹1,243 Lakhs towards various consultancy, diligence and legal fee in relation to the above acquisitions which is part of the "Professional and Consultancy charges" under "Other Expenses" in the Statement of Profit and Loss. Apart from the above, the Company has also incurred costs in the form of management/employee time, travelling, boarding and other expenses in relation to these acquisitions which cannot be measured.

3.12 Segment Reporting:

The Group has reported segment information as per Indian Accounting Standard 108 "Operating Segments" (IND AS 108) read with SEBI's circular CIR/CFD/FAC/62/2016 dated 05 July 2016. Accordingly, the Group has identified the reportable segments based on end consumption of the products sold or services rendered and is consistent with performance assessment and resource allocation by the management. Segment revenue comprises sales and operational income allocable specifically to a segment. Un-allocable expenditure mainly includes corporate expenses, finance cost and other administrative expenses. Un-allocable income primarily includes Other Income.

(₹ in Lakhs)

Segment Revenue	Year Ended March 31, 2025	Year Ended March 31, 2024
Powertrain	1,81,148	1,55,837
Aluminium Products	3,03,275	2,15,361
Industrial & Engineering	84,625	73,975
Total revenue as per Statement of Profit and Loss	**5,69,048**	**4,45,173**

(₹ in Lakhs)

Segment Profit or Loss	Year Ended March 31, 2025	Year Ended March 31, 2024
Powertrain	25,124	29,163
Aluminium Products	31,170	32,203
Industrial & Engineering	1,853	4,935
Total Segments	**58,147**	**66,301**
Less: Unallocable Expenditure	-9,578	-6,187
Add: Other Income	2,607	1,809
Earnings Before Interest & Tax	**51,176**	**61,923**
Less: Finance Costs	-21,664	-17,454
Profit Before Tax	**29,512**	**44,469**
Less: Exceptional Item	-2,547	-
Profit before Tax	**26,965**	**44,469**

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

(₹ in Lakhs)

Segment Assets	As at March 31, 2025	As at March 31, 2024
Powertrain	1,96,416	1,54,572
Aluminium Products	3,60,237	1,80,257
Industrial & Engineering	1,12,229	88,541
Total Segments	**6,68,882**	**4,23,370**
Unallocable Assets	42,762	47,204
Total Assets as per Balance Sheet	**7,11,644**	**4,70,574**

(₹ in Lakhs)

Segment Liabilities	As at March 31, 2025	As at March 31, 2024
Powertrain	1,06,183	94,667
Aluminium Products	2,16,955	91,639
Industrial & Engineering	72,277	58,885
Total Segments	**3,95,415**	**2,45,191**
Unallocable Liabilities	30,555	50,217
Total Liabilities as per Balance Sheet	**4,25,970**	**2,95,408**

Other Disclosures as required under schedule III to the Companies Act, 2013

3.13 Ratio Analysis

Ratios	As at March 31, 2025	As at March 31, 2024	% Variance
(a)Current Ratio	1.07	1.16	-8%
(b) Debt-Equity Ratio	0.72	0.88	-19%
(c) Debt Service Coverage Ratio	1.67	1.73	-3%
(d) Return on Equity Ratio	9%	22%	-59%
(e) Inventory turnover ratio	4.80	4.74	1%
(f) Trade Receivables turnover ratio	7.60	8.01	-5%
(g) Trade payables turnover ratio	3.62	3.91	-8%
(h) Net capital turnover ratio**	9	6	38%
(i) Net profit ratio	3.5%	7.6%	-53%
(j) Return on Avg Capital employed	12%	22%	-43%
(k) Return on investment #			

Ratios	Formula (Numerator/Denominator)	Remarks for 25% change
(a) Current Ratio	Current Assets / Current Liabilities	NA
(b) Debt-Equity Ratio	Total Debt/Shareholders' Equity	NA
(c) Debt Service Coverage Ratio	Earnings available for debt service /Debt Service Debt service = Interest & Lease Payments + Principal Repayments	NA
(d) Return on Equity Ratio	Net Profits after taxes/Average Shareholders' Equity	Decrease in profit after tax in FY 24-25 & Increase in Equity Capital on account of QIP.
(e) Inventory turnover ratio	Sales/ Average Inventory	NA
(f) Trade Receivables turnover ratio	Sales / Average Accounts Receivable	NA
(g) Trade payables turnover ratio	Purchases / Trade Payables	NA
(h) Net capital turnover ratio **	Net Sales/Net Working Capital	Reduction in working capital
(i) Net profit ratio	Net Profit/ Net Sales	Decrease in profit after tax in FY 24-25
(j) Return on Capital employed	Earning before interest and taxes/Avg. Capital Employed Avg. Capital employed = Avg.Total Assets-Avg. Current Liabilites	Decrease in EBIT in FY 24-25. Part period consolidation of Subsidiaries acquired during the year.
(k) Return on investment #		

** Net working capital does not include short term borrowings of ₹40,240 lakhs (31 March 2024: ₹42,159 lakhs) and Current Maturity of lease ₹10,086 lakhs (31 March 2024: ₹4,353 lakhs).

Investments are made only for production and product related. Hence ROI is not applicable

3.14) Qualified Institutions Placement ('QIP') :

During the year 2024-25, the Company issued 27,27,272 equity shares of face value ₹5 each through Qualified Institutions Placement ('QIP') at an issue price of ₹4,400/- per share (including securities premium of ₹4,395/- per share) aggregating ₹1,20,000 lakhs. The objects of the QIP as per the placement document are repayment / pre-payment, in full or in part, of certain borrowings of the Company, acquisition of balance equity shares of DR Axion India Private Limited, a subsidiary of the Company and general corporate purposes. The proceeds were fully utilised towards the above said objects during the year under consideration. The costs that are attributable directly to the above transaction amounting to ₹1,977 lakhs, have been adjusted against securities premium.

3.15) Exceptional Items:

Exceptional items represent expenses incurred by subsidiary, Sunbeam Lightweighting Solutions Private Limited, in relation to relocation of its Gurgoan facility and transfer of control to the Company.

3.16) Audit Trail:

According to proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The audit trail requirement has been complied with by all the Group companies except one subsidiary, which was recently acquired, wherein the audit trail (edit logs) was not enabled. The subsidiary is in the process for enabling the audit trail.

Notes to Consolidated Financial Statements

for the year ended March 31, 2025

3.17.a) No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

3.17.b) The Group has not been declared as a wilful defaulter by any bank or financial institution or government or any government authority.

3.17.c) As per the information available with the Group, there has been no transactions with the companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 during the year (Previous Year – Nil).

3.17.d) There has been no charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.

3.17.e) The quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.

3.17.f) During the year, the Group has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall

1) 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)

2) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall

   i) 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

   ii) provided any guarantee, security or the like on behalf of the Ultimate Beneficiaries. (Previous Year – Nil)

3.17.g) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year ended March 31, 2025. (Previous Year – Nil).

3.17.h) There are no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of accounts.

3.17.i) The Group has not entered into any Scheme of Arrangement during the current or previous year.

3.17.j) The Group has complied with the number of layers prescribed under the Companies Act, where applicable.

3.18) Certain comparative figures have been reclassified to conform to the current year presentation. The Company acquired Sunbeam Lightweighting Solutions Private Limited on 09 October 2024 and Craftsman Germany GmbH on July 22, 2024. Accordingly, the consolidated financial statements for the year ended March 31, 2025 is not comparable with year ended March 31, 2024 to that extent.

For SHARP & TANNAN
Chartered Accountants
Firm Registration No. 003792S

V. Viswanathan
Partner
Membership No. 215565

Place : Coimbatore
Date : May 07, 2025

For and on behalf of the Board

R.Gauthamram
Whole Time Director
DIN : 06789004

S.Ravi
Chairman and Managing Director
DIN : 01257716

Shainshad Aduvanni
Company Secretary
M.No. A27895

C. B. Chandrasekar
Chief Financial Officer

Place : Coimbatore
Date : May 07, 2025

Craftsman Automation Limited

Corporate Office

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