



TULSYAN NEC LIMITED

EMPOWERING THE FUTURE

STEEL, ENERGY AND TECHNOLOGICAL SYNERGY

ANNUAL REPORT | 2025-2026

GREENER STEEL HEALTHIER FUTURE



www.tulsyannec.in

Customer Care: +91 7994 444 333



TULSIYAN NEC LIMITED

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Chairman

Lalit Kumar Tulsiyan

Managing Director

Sanjay Tulsiyan

Whole Time Director

Sanjay Agarwalla

Non-Executive Independent Directors

Manogyanathan Parthasarathy

Somasundaram Ponsing Mohan Ram

Ravi Muthusamy

J Sumathi

BOARD COMMITTEES

Audit Committee

Manogyanathan Parthasarathy, Chairman

J Sumathi, Member

Somasundaram Ponsing Mohan Ram, Member

Sanjay Agarwalla, Member

Ravi Muthusamy, Member

Nomination and Remuneration Committee

Manogyanathan Parthasarathy, Chairman

J Sumathi, Member

Somasundaram Ponsing Mohan Ram, Member

Ravi Muthusamy, Member

Stakeholders' Relationship Committee

Manogyanathan Parthasarathy, Chairman

J Sumathi, Member

Sanjay Agarwalla, Member

Corporate Social Responsibility Committee

Sanjay Agarwalla, Chairman

J Sumathi, Member

Manogyanathan Parthasarathy, Member

CHIEF FINANCIAL OFFICER

Shanthakumar R P

COMPANY SECRETARY AND COMPLIANCE OFFICER

Parvati Soni

REGISTERED OFFICE

Tulsiyan NEC Limited

Apex Plaza, 1st Floor, New No. 77,

Old No. 3, Nungambakkam High Road,

Chennai - 600 034

Tel.: 044-6199 1060, Fax : 044-6199 1066

E-mail: investor@tulsiyanec.in

Website: www.tulsiyanec.in

Steel Division

D-4, SIPCOT Industrial Complex,

Gummudipoondi-601 201, Tamil Nadu

Power Plant

17, Sithurnatham Village,

Gummudipoondi-601 201, Tamil Nadu

Synthetics Division

7-A, Doddaballapura Industrial Area,

Kasba Hobli, Karnataka

STATUTORY AUDITORS

M/s. CNGSN & Associates LLP

Chartered Accountants,

No. 43, Old No. 22, Swathi Count,

Flat No. C & D Vijayaraghava Road,

T.Nagar, Chennai - 600 017

COST AUDITORS

M/s. Murthy & Co. LLP

Cost and Management Accountants

8, 1st Floor, 4th Main, Behind Rameshwara Temple,

Chamarajpet, Bangalore- 560018

SECRETARIAL AUDITORS

M/s. M Damodaran & Associates LLP

Practicing Company Secretaries,

MDA Towers, New.No.6, Old No.12,

Appavoo Gramani 1st Street,

Mandaveli, Chennai - 600 028

INTERNAL AUDITORS

M/s. SLSM & Co.

Chartered Accountants,

Flat No. 4, 1st Floor, Swathi BRB Apartments,

New No.19, Old No.10, Bazullah Road,

T. Nagar, Chennai - 600017

REGISTRAR & SHARE TRANSFER AGENT

Cameo Corporate Services Ltd.

"Subramanian Building",

No.1 Club House Road, Chennai - 600002

Tel.: 044-28460390, Fax: 044-2846 0129

Email: investor@cameoindia.com

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Dear Members,

Invitation to attend the 79th Annual General Meeting on Saturday, September 19, 2026

You are cordially invited to attend the 79th Annual General Meeting ("AGM") of the Members of Tulsiyan NEC Limited to be held on **Saturday, September 19, 2026 at 11:30 A.M. (IST)** through **Video Conferencing / Other Audio Visual Means**.

The Notice of the Meeting, containing the business to be transacted, is enclosed herewith. As per Section 108 of the Companies Act, 2013 read with the related rules and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide its Members the facility to cast their vote by electronic means on all resolutions as set forth in the 79th AGM Notice.

Yours truly,

For **Tulsiyan NEC Limited**

Sd/-

Lalit Kumar Tulsiyan

Executive Chairman

DIN: 00632823

Enclosures:

1. Notice of the 79th Annual General Meeting
2. Instructions for participation through VC
3. Instructions for e-voting

NOTICE OF THE 79TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the Seventy Ninth (79th) Annual General Meeting ("AGM") of the Members of Tulsyan NEC Limited ("the Company") will be held on Saturday, September 19, 2026, at 11.30 a.m. (IST) through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to transact the following businesses:

ORDINARY BUSINESS:

Item No. 1: To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31, 2026, together with the Reports of the Board of Directors and the Auditors thereon.

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

"RESOLVED THAT the audited standalone and consolidated financial statements of the Company for the financial year ended March 31, 2026 together with the reports of the Board of Directors and the Auditors thereon, as circulated to the Members of the Company, be and are hereby considered and adopted."

Item No. 2: To appoint Mr. Lalit Kumar Tulsyan (DIN: 00632823) as a Director, liable to retire by rotation, and being eligible, offers himself for re-appointment.

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

"RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Lalit Kumar Tulsyan (DIN: 00632823), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

Item No. 3: To approve the appointment of M/s. SRBR and Associates LLP, Chartered Accountants (Firm Registration No. 004997S/S200051), as the Statutory Auditors of the Company.

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

"RESOLVED THAT pursuant to the provisions of Sections 139, 141, 142 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Rules made thereunder and applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force) and based upon the recommendation of the Audit Committee and the Board of Directors of the Company, consent of the Members be and is hereby accorded for appointment

of M/s. SRBR and Associates LLP, Chartered Accountants (Firm Registration No. 004997S/S200051) as the Statutory Auditors of the Company, in place of the retiring Auditors, M/s. CNGSN & Associates LLP, Chartered Accountants (Firm Registration No. 004925S/ S200036), to hold the office for a first term of 5 (five) consecutive years commencing from the conclusion of the 79th Annual General Meeting ('AGM') of the Company till the conclusion of the 84th AGM of the Company to be held in the year 2031, to conduct audit of accounts of the Company, at such remuneration as mentioned in the explanatory statement annexed herewith, payable in one or more tranches, plus applicable taxes, and reimbursement of out-of-pocket expenses as may be incurred in connection with the performance of duties, with the power of the Audit Committee / Board to alter and vary the terms and conditions of appointment, including remuneration during the tenure of the Auditors, in such manner and to such extent as may be mutually agreed with the Statutory Auditors;

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised, for and on behalf of the Company, to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

SPECIAL BUSINESS:

Item No. 4: To ratify the remuneration of M/s. Murthy & Co. LLP, Cost Auditors of the Company, for the Financial Year 2026-2027.

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

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force), the remuneration amounting to Rs.70,000/- (Rupees Seventy Thousand only) (plus applicable taxes and reimbursement of out-of-pocket expenses), as approved by the Board of Directors, payable to M/s. Murthy & Co. LLP, Cost and Management Accountants having Firm Registration Number with ICAI:000648, appointed by the Board of Directors of the Company, upon recommendation of the Audit Committee, as the Cost Auditors to conduct the audit of the cost records of the Company for the Financial Year ending March 31, 2027, be and is hereby ratified and confirmed;

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised, for and on behalf of the

Company, to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

By Order of the Board of Directors
For **Tulsyan NEC Limited**

Sd/-

Lalit Kumar Tulsyan
Executive Chairman
DIN: 00632823

Place: Chennai

Date: 10-08-2026

Registered Office:

Tulsyan NEC Limited

Apex Plaza, I Floor, New No.77,

Old No.3, Nungambakkam High Road

Chennai-600034, Tamil Nadu

Email: investor@tulsyanec.in

Website: www.tulsyanec.in

Tel.: 044-6199 1060, Fax: 044-6199 1066

NOTES:

1. The Ministry of Corporate Affairs (“MCA”), Government of India, vide General Circular No. 14/2020 dated April 8, 2020 and Circular No. 17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020 and subsequent circulars issued in this regard, the latest being General Circular no. 03/2025 dated September 22, 2025, (“MCA Circulars”), permitted conduct of Annual General Meeting (“AGM”) through video conferencing (“VC”) or other audio visual means (“OAVM”) and dispensed personal presence of the Members at the AGM and prescribed the specified procedures to be followed for conducting the AGM through VC/OAVM. Accordingly, in accordance with the MCA Circulars, applicable provisions of the Companies Act, 2013 (“the Act”) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), the 79th AGM of the Members of the Company will be held through VC/OAVM on Saturday, September 19, 2026, at 11:30 a.m. (IST). Hence, Members can attend and participate in the AGM through VC/OAVM only. The deemed venue for the meeting shall be Tulsyan NEC Limited, Apex Plaza, I Floor, New No.77, Old No. 3, Nungambakkam High Road, Chennai-600 034, Tamil Nadu, India.
2. The detailed procedure for e-voting and participating in the meeting through VC/OAVM is annexed herewith (Refer serial nos. 30, 31 and 32) and the same will also be available on the

website of the Company at www.tulsyanec.in.

3. **Proxies:** Since this AGM is being held pursuant to the MCA and SEBI Circulars through VC/OAVM, where physical attendance of the Members has been dispensed with, accordingly, the facility for appointment of proxies by the Members under Section 105 of the Act will not be available for this AGM. Hence, the Proxy Form, Attendance Slip and Route Map of AGM are not annexed to this Notice.
4. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
5. The Company has appointed Central Depository Services (India) Limited (“CDSL”) to provide VC/OAVM facility for the 79th AGM of the Company.
6. Institutional / Corporate Members are encouraged to attend and vote at the meeting through VC/OAVM. We also request them to send a duly certified copy of the Board Resolution/ Authorised Letter etc., authorising their representative to attend the AGM through VC/OAVM and vote through remote e-voting on their behalf, to the Scrutinizer via email at kjr@mdassociates.co.in with a copy marked to helpdesk.evoting@cdslindia.com and investor@tulsyanec.in pursuant to Section 113 of the Act.
7. The explanatory statement pursuant to Section 102(1) of the Act and other applicable provisions, which sets out details relating to Special Businesses to be transacted at the meeting, is annexed hereto.
8. In case of Joint Holders attending the AGM, only such Joint Holder who is named first in the order of names in the Register of Members will be entitled to vote.
9. Only bona fide Members of the Company, whose names appear on the Register of Members, will be permitted to attend the meeting through VC/OAVM. The Company reserves its right to take all necessary steps as may be deemed necessary to restrict non-members from attending the meeting.
10. Members holding shares in Electronic (Demat) form are advised to inform the particulars of their bank account, change of postal address, mobile number and email IDs etc. to their respective Depository Participants only. The Company or its RTA cannot act on any request received directly from the Members holding shares in demat mode for changes in any bank mandates or other particulars.
11. Members holding shares in physical form are advised to inform the particulars of their bank account, change of postal address, mobile number and email IDs etc. to the Company's

- RTA or the Secretarial Department of the Company via email at investor@tulshyanec.in or investor@cameoindia.com in prescribed forms.
12. The Securities and Exchange Board of India ("SEBI") has mandated furnishing of PAN and KYC details (i.e., Contact details, bank account details, Specimen signature etc.) by holders of physical securities in prescribed forms. Any service requests or complaints received from the Member, will not be processed by RTA till the aforesaid details / documents are provided to RTA. Accordingly, Members are requested to send requests in the prescribed forms to the RTA of the Company for availing of various investor services as per the SEBI Master Circular dated February 06, 2026.
 13. Members holding shares in Electronic (demat) form or in physical mode are requested to quote their DP ID & Client ID or Folio details, respectively, in all correspondences, including dividend matters to the RTA or the Secretarial Department of the Company.
 14. Members who have not registered their email IDs, are requested to register their email IDs with their depository participants in respect of shares held in electronic form and in respect of shares held in physical form, Members are requested to submit their request with their valid e-mail IDs to our RTA at investor@cameoindia.com in prescribed forms or investor@tulshyanec.in for receiving all the communications including annual report, notices, letters etc., in electronic mode from the Company.
 15. Pursuant to Section 101 and Section 136 of the Act, read with the Companies (Management and Administration Rules), 2014, and Regulation 36 of SEBI Listing Regulations, the Company shall serve Annual Report and other communications through electronic mode to those Members who have registered their e-mail IDs either with the Company and / or with the Depository Participants.
 16. **Dispatch of Annual Report through electronic mode:** In compliance with the MCA Circulars and Regulation 36(1)(a) of SEBI Listing Regulations, Notice of the AGM along with the Annual Report 2025-26, is being sent only through electronic mode to those Members whose email ids are available with the Company/Depositories/RTA. Further, in compliance with Regulation 36(1)(b) of SEBI Listing Regulations, the Company is also sending a letter to Members whose e-mail ids are not registered with Company/RTA/Depository Participants providing the weblink including the path of the Company's website and the QR Code from where the AGM Notice and the Annual Report for financial year 2025-26 can be accessed.
 17. Members may note that the Notice of the AGM and Annual Report 2025-26 will also be available on the Company's website www.tulshyanec.in and website of the Stock Exchange i.e. BSE Limited at www.bseindia.com and on the website of CDSL at www.evotingindia.com.
 18. Pursuant to Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of the SEBI Listing Regulations and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) and in terms of SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020, the Company is pleased to provide the facility of remote e-voting to all the Members as per applicable Regulations relating to e-voting. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL. The complete instructions on e-voting facility provided by the Company are annexed to this Notice, explaining the process of e-voting. Members who have cast their vote by remote e-voting prior to the meeting may attend the meeting but will not be entitled to cast their vote again at the meeting.
 19. The Company has fixed **Saturday, September 12, 2026 as Cut-off date** for determining the eligibility of Members entitled to vote at the AGM. **The remote e-voting shall remain open for a period of 3 days commencing from Wednesday, September 16, 2026 at 9:00 A.M. (IST) to Friday, September 18, 2026 at 5:00 P.M. (IST) (both days inclusive).** A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
 20. The scanned copy of Statutory Registers prescribed under the Act and relevant documents referred to in the Notice and the Explanatory Statement are open for electronic inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM, i.e. September 19, 2026. Members who wish to seek inspection, may send their request through an email at investor@tulshyanec.in up to the date of AGM.
 21. Information required under Regulation 36(3) of SEBI Listing Regulations and Para 1.2.5 of Secretarial Standard – 2 on General Meetings issued by ICSI, in respect of Director(s)

seeking appointment/re-appointment at the AGM is furnished as an annexure to this Notice.

22. In line with the measures of "Green Initiatives", the Act provides for sending Notice of the AGM and all other correspondences through electronic mode. Hence, Members who have not registered their email IDs so far with their depository participants are requested to register their email ID for receiving all the communications including Annual Report, Notices etc., in electronic mode. The Company is concerned about the environment and utilises natural resources in a sustainable way.
23. **IEPF Related Information:** Members are requested to note that as per Section 124(5) of the Act, the dividend which remains unpaid or unclaimed for a period of 7 (seven) years from the date of its transfer to the Unpaid Dividend Account, is liable to be transferred by the Company to the Investor Education and Protection Fund ("IEPF") established by the Central Government under Section 125 of the Act. Further, as per Section 124(6) of the Act, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules), as amended, all the shares in respect of which dividend has remained unpaid/unclaimed for a period of 7 (seven) consecutive years or more are required to be transferred to demat account of the IEPF Authority. Members are entitled to claim the same from IEPF by submitting an application in the prescribed online web-based Form IEPF-5 available on the website www.iepf.gov.in and sending a physical copy of the same, duly signed, to the Nodal Officer of the Company along with the requisite documents enumerated in the Form IEPF-5. Members can file only one consolidated claim in a financial year as per the IEPF Rules. No claim shall lie against the Company in respect of dividend / shares so transferred.

Members may further note that all unpaid/unclaimed dividend amount along with shares which were lying with the Company upto and in respect of the financial year ended on 31st March 2012, have already been transferred to the IEPF. The details of the unpaid/unclaimed dividends and shares so transferred to the IEPF are uploaded on the Company's website at www.tulshyanec.in and on the website of the Ministry of Corporate Affairs at www.mca.gov.in.

24. **Dematerialization of Shareholding:** As per Regulation 40 of the SEBI Listing Regulations, as amended, securities of listed companies can only be transferred in demat form. Further, transmission or transposition of securities held in physical or dematerialised form shall be effected only in dematerialised form. In view of this and to eliminate all risks associated

with physical shares and for ease of portfolio management, Members holding shares in physical form are requested to consider converting their holding to demat form. Members can contact the Company or our RTA for assistance in this regard.

25. Members may please note that SEBI has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal / exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR- 4, the format of which may be requested from the Company or RTA by sending a mail to their respective email ids. It may be noted that any service request can be processed only after the folio is KYC Compliant.
26. **Mandatory PAN Submission:** SEBI has mandated the submission of Permanent Account Number ("PAN") by every participant in securities market. Members holding shares in electronic mode are, therefore, requested to submit their PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical mode can submit their PAN to the Company / to our RTA.
27. Non-Resident Indian Members are requested to inform our RTA / respective depository participants, immediately of any:
 - a) Change in their residential status on return to India for permanent settlement.
 - b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
28. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates along with the requisite KYC Documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialised form only.
29. SEBI has established a common Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes arising in the Indian Securities Market. Pursuant to this, post exhausting the option to resolve their grievance with the RTA/Company directly and/or through the existing SEBI SCORES platform, the investors can initiate dispute resolution through the

ODR Portal (<https://smartodr.in/login>) and the same can also be accessed through the Company's website at www.tulsiyannec.in.

30. INSTRUCTIONS TO MEMBERS FOR CDSL E-VOTING SYSTEM – FOR REMOTE E-VOTING AND E-VOTING DURING THE AGM:

- a) The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 Members on first come first served basis. This will not include large Members (Members holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnels, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- b) Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the Members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the Members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
- c) In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the 79th AGM has been uploaded on the website of the Company at www.tulsiyannec.in. The Notice can also be accessed from the website of the Stock Exchange i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) at www.evotingindia.com.

31. INSTRUCTIONS FOR MEMBERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual members holding shares in demat mode.

Step 2 : Access through CDSL e-Voting system in case of members holding shares in physical mode and non-individual members in

demat mode.

- (i) The voting period begins on **Wednesday, September 16, 2026 at 9:00 A.M. (IST) to Friday, September 18, 2026 at 5:00 P.M. (IST) (both days inclusive)**. During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. **Saturday, September 12, 2026** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Members who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of the SEBI Listing Regulations, listed entities are required to provide remote e-voting facility to its Members, in respect of all Members' resolutions. However, it has been observed that the participation by the public non-institutional members/retail members is at a negligible level.

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

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

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual members holding shares in demat mode.

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

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual members holding securities in Demat mode in CDSL/NSDL** is given below:

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

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at: 022-48867000 and 022-24997000.

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

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

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

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

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

share your password with any other person and take utmost care to keep your password confidential.

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

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

(ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

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

YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

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

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non-Individual shareholders are required mandatorily to send the relevant Board Resolution / Authority letter etc. together with attested specimen

signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address of the Company i.e. investor@tulsiyannec.in, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

32. INSTRUCTIONS FOR MEMBERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Members who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Members are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Members who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at investor@tulsiyannec.in. The Members who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at investor@tulsiyannec.in. These queries will be replied suitably by the company via email. The Company reserves the right to restrict the speakers at the AGM to only those Members who have registered themselves, depending on the availability of time for the AGM.
8. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. Please note that, members' questions will

be answered, only if the Member continues to hold the shares as on the cut-off date i.e. September 12, 2026.

9. Only those Members, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the Member through the e-voting available during the AGM and if the same Member have not participated in the meeting through VC/OAVM facility, then the votes cast by such Member may be considered invalid as the facility of e-voting during the meeting is available only to the Members attending the meeting.

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

1. **For Physical Shareholders-** please provide necessary details like Folio No., Name of Member, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. **For Demat Shareholders-** please update your email id & mobile no. with your respective **Depository Participant (DP)**.
3. **For Individual Demat Members-** Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository..

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 18002109911.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Assistant Vice President, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futrex, Mafatlal Mill Compounds, N M Jo hi Marg, Lower Parel (East), Mumbai - 400013 or send a email to helpdesk.evoting@cdslindia.com or call toll free no. 1800109911.

GENERAL INSTRUCTIONS:

1. The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the Cut-off date i.e. Saturday, September 12, 2026.
2. In case a person has become a Member of the Company after dispatch of the AGM Notice but on or before the cut-off date

for e-voting i.e. Saturday, September 12, 2026, he/she may obtain the USER ID and Password by sending a request at helpdesk.evoting@cdslindia.com. However, if he / she is already registered with CDSL for remote e-voting then he / she can use his / her existing user ID and password for casting the vote.

3. The Board of Directors have appointed Mr. M. Damodaran, Managing Partner in M/s. M Damodaran & Associates LLP, Practicing Company Secretaries (Membership No. 5837 and CP No. 5081), to act as Scrutinizer to scrutinize the electronic voting process in connection with the ensuing Annual General Meeting in a fair and transparent manner. The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereunder.
4. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through e-voting (votes cast during the AGM and votes cast through remote e-voting), count the votes and shall submit a consolidated Scrutinizer's Report of the votes cast in favour or against, if any, within stipulated timelines from the conclusion of the voting to the Chairman of the Company or a person authorised by him in writing who shall countersign the same. The Chairperson or a person authorised by him in writing shall declare the result of voting forthwith.
5. The results of the e-voting along with the consolidated Scrutinizer's report shall be communicated immediately to the BSE Limited, where the shares of the Company are listed and shall be placed on the Company's website at www.tulsyanec.in and on the website of CDSL www.evotingindia.com immediately after the results declared by the Chairman or any other person authorised by the Chairman

**By Order of the Board of Directors
For Tulsyan NEC Limited**

**Sd/-
Lalit Kumar Tulsyan
Executive Chairman
DIN: 00632823**

Place: Chennai
Date: 10-08-2026
Registered Office:
Tulsyan NEC Limited
Apex Plaza, I Floor, New No.77,
Old No.3, Nungambakkam High Road
Chennai-600034, Tamil Nadu
Email: investor@tulsyanec.in
Website: www.tulsyanec.in
Tel.: 044-6199 1060, Fax: 044-6199 1066

ADDITIONAL INFORMATION ON DIRECTOR SEEKING RE-APPOINTMENT AT THE 79TH AGM

[Pursuant to Regulation 36(3) of SEBI Listing Regulations and Secretarial Standard - 2 on General Meetings issued ICSI]

Name of the Director	Lalit Kumar Tulsyan (DIN: 00632823)
Date of Birth and Age	February 18, 1960 (Age: 66 Years)
Qualification, Experience and Nature of Expertise in specific functional areas	Mr. Lalit Kumar Tulsyan is a Commerce Graduate and serves as the Executive Chairman & Managing Director of Tulsyan NEC Ltd. With a family legacy in the steel business spanning over five decades, he began his career in steel trading and later transitioned into manufacturing and power production. He is actively involved in industry bodies such as the Indian Federation of Woven Technical Textiles and AIFIBC, and he is a former director of the Plastic Export Promotion Council. He also oversees the financial operations of the Company and other group entities engaged in trading.
Brief Profile of the Director	Same as above
Terms and conditions of appointment / re-appointment and remuneration sought to be paid and the remuneration last drawn	Mr. Lalit Kumar Tulsyan is liable to retire by rotation at this AGM. He is entitled to the same remuneration as he is drawing in the capacity of Managing Director (Executive Chairman) of the Company, which is approved by the Nomination and Remuneration Committee and the Board of Directors of the Company, from time to time, within the overall limits as per the Companies Act, 2013 and / or as approved by the Members of the Company from time to time.
Date of first appointment on the Board	12/07/1996
Shareholding in the Company	41,19,091 equity shares
Shareholding as a beneficial owner	-
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	Mr. Lalit Kumar Tulsyan is the elder brother of Mr. Sanjay Tulsyan, Managing Director of the Company.
The number of Meetings of the Board attended during the financial year 2025-26	Mr. Lalit Kumar Tulsyan have attended all the 4 (Four) Board Meetings held during the FY 2025-26.
Other Directorships, Membership/Chairmanship of Committees of other Boards	Mr. Lalit Kumar Tulsyan is also a Director in Chitrakoot Steel and Power Private Limited.
Names of listed entities (including this entity) in which the person also holds the directorship and the membership of Committees of the board along with listed entities from which the person has resigned in the past three years	Mr. Lalit Kumar Tulsyan holds the directorship in Tulsyan NEC Limited. However, he doesn't hold any membership of Committees of the Board of Tulsyan NEC Limited. Further, he neither holds directorship nor holds any membership of Committees of the Board in any other listed entities and he has not resigned from any listed entity in the past three years.
In case of independent directors, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements	Not applicable

Explanatory Statement

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

Item No. 3: To approve the appointment of M/s. SRBR and Associates LLP, Chartered Accountants (Firm Registration No. 004997S/ S200051), as the Statutory Auditors of the Company.

The Members of the Company are requested to take note that of the following details as required under Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"):

The Members at the 70th AGM of the Company held on September 28, 2017, approved the appointment of M/s. CNGSN & Associates LLP, Chartered Accountants (Firm Registration No. 004925S/ S200036), as the Statutory Auditors of the Company, to hold the office for a term of 4 (four) consecutive years from the conclusion of the 70th AGM till the conclusion of the 74th AGM of the Company held on September 30, 2021.

Subsequently, the Members at the 74th AGM of the Company held on September 30, 2021, approved the re-appointment of M/s. CNGSN & Associates LLP, Chartered Accountants (Firm Registration No. 004925S/ S200036), as the Statutory Auditors of the Company to hold the office for a second term of 5 (five) consecutive years from the conclusion of the 74th AGM till the conclusion of the 79th AGM of the Company.

Accordingly, the term of M/s. CNGSN & Associates LLP, as the Statutory Auditors of the Company, shall end at the conclusion of the ensuing 79th AGM of the Company.

Based upon the recommendation of the Audit Committee, the Board of Directors of the Company at their meeting held on August 10, 2026 approved and recommended the appointment of M/s. SRBR and Associates LLP, Chartered Accountants (Firm Registration No. 004997S/ S200051), as the Statutory Auditors of the Company for a first term of 5 (Five) consecutive years commencing from the conclusion of the ensuing 79th AGM till the conclusion of the 84th AGM of the Company to be held in the year 2031 at a proposed annual remuneration of Rs. 7.50 lacs (for the Financial Year 2026-27), payable in one or more tranches, plus applicable taxes, and reimbursement of out-of-pocket expenses as may be incurred in connection with the performance of duties, with the power of the Board/Audit Committee to alter and vary the terms and conditions of appointment, revision in the remuneration during the tenure of the Auditors, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

The Company has received Consent Letter along with Eligibility certificate from M/s. SRBR and Associates LLP, confirming eligibility and qualifications for appointment as Statutory Auditors. Further, there is no material change in the fee payable to M/s. SRBR and Associates LLP from that paid to M/s. CNGSN & Associates LLP.

The above remuneration is based on the scope of work, knowledge, industry experience, expertise, team size, time and efforts required to be put by M/s. SRBR and Associates LLP and is subject to approval of their appointment by the Members at this AGM.

Brief Profile: M/s. SRBR and Associates LLP is a limited liability partnership firm incorporated in India in 1983 with its registered office in Chennai and has offices across key cities in India. The Firm is registered with the Institute of Chartered Accountants of India ("ICAI") with Firm Registration No. 004997S/S200051. The Firm is primarily engaged in providing audit, financial, accounting, taxation compliance, start-up consultancy and corporate advisory services to its clients like public sector organisations, Banking & Financial Institutions and Corporate & Private Clients including for Companies having turnovers of more than Rs.250 crores and Non-Banking Finance Companies (NBFCs). The Firm has a valid Peer Review certificate. The Firm is having more than 4 decades of proven track-record in guiding organisations through ever-evolving and complex financial and regulatory landscape.

Accordingly, the Board of Directors recommends the resolution as set out at Item No. 3 of this AGM Notice for approval of the Members of the Company as an Ordinary Resolution.

None of the Director(s) or Key Managerial Personnel(s) of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in this Resolution, except to the extent of their shareholding, if any, in the Company.

Item No. 4: To ratify the remuneration payable to M/s. Murthy & Co. LLP, Cost Auditors of the Company, for the financial year 2026-2027:

The Members of the Company are requested to take note that the Board of Directors of the Company, on recommendation of the Audit Committee, at its meeting held on May 30, 2026, approved the appointment of M/s. Murthy & Co. LLP, Cost and Management Accountants, (Firm Registration Number with ICMAI: 000648), as the Cost Auditors of the Company, to conduct the audit of cost records of the Company



for the financial year ending on March 31, 2027 at a remuneration of Rs. 70,000 plus applicable taxes and out-of-pocket expenses as may be mutually agreed between the Company and the Cost Auditors.

In accordance with the provisions of Section 148 of the Act read with the Companies (Cost Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors is required to be ratified by the Members of the Company. Accordingly, ratification by the Members is sought for the remuneration payable to the Cost Auditors for the financial year ending March 31, 2027, by passing an Ordinary Resolution.

Accordingly, the Board of Directors recommends the resolution as set out at Item No. 4 of this AGM Notice for approval of the Members of the Company as an Ordinary Resolution.

None of the Director(s) or Key Managerial Personnel(s) of the Company or their relatives are, in any way, concerned or interested, financially or otherwise, in this Resolution.

**By Order of the Board of Directors
For Tulsyannec Limited**

**Sd/-
Lalit Kumar Tulsyannec
Executive Chairman
DIN: 00632823**

Place: Chennai

Date: 10-08-2026

Registered Office:

Tulsyannec Limited
Apex Plaza, I Floor, New No.77,
Old No.3, Nungambakkam High Road
Chennai-600034, Tamil Nadu
Email: investor@tulsyannec.in
Website: www.tulsyannec.in
Tel.: 044-6199 1060, Fax: 044-6199 1066

BOARD'S REPORT

Dear Members,

We are pleased to present the Seventy Ninth (79th) Board's Report along with the audited standalone and consolidated financial statements and the Auditor's Report of the Company for the financial year ended March 31, 2026.

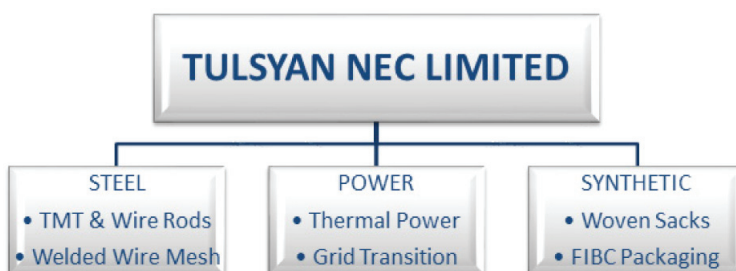
FINANCIAL HIGHLIGHTS

(Amount in Rs. Lakhs)

Particulars		Standalone		Consolidated	
		FY 2026	FY 2025	FY 2026	FY 2025
Total Revenue		76,009.85	80,083.08	83,975.05	87,178.37
Total Expenses excluding Interest & Depreciation		73,191.74	78,703.15	80,794.62	85,450.17
Profit Before Interest & Depreciation		2,818.11	1,379.93	3,180.43	1,728.20
Interest		7,092.58	6,414.63	7,382.93	6,689.97
Depreciation		2,169.53	2,234.91	2,230.74	2,294.12
Profit before tax and exceptional items		(6,443.99)	(7,269.61)	(6,433.23)	(7,255.89)
Exceptional Items		0.00	0.00	0.00	0.00
Tax Expenses	Current Tax	0.00	0.00	0.00	0.00
	Deferred Tax	0.00	0.00	0.00	0.00
	Income Tax Earlier Years	0.00	0.00	0.00	0.00
Profit for the year		(6,443.99)	(7,269.61)	(6,433.23)	(7,255.89)
Other comprehensive income, net		3.68	8.15	3.68	8.15
Total comprehensive income		(6,440.32)	(7,261.45)	(6,429.46)	(7,247.73)
Earnings per share (EPS)	Basic	(39.15)	(44.16)	(39.08)	(44.08)
	Diluted	(39.15)	(44.16)	(39.08)	(44.08)

STANDALONE AND CONSOLIDATED FINANCIAL STATEMENTS

The standalone and consolidated financial statements of the Company have been prepared in accordance with the Indian Accounting Standards ('Ind AS') as notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended. The financial highlights and the results of the operations, including major developments have been further discussed in detail in the Management Discussion and Analysis Report.

RESULTS OF OPERATIONS AND STATE OF THE COMPANY'S AFFAIRS AND FUTURE OUTLOOK

A. Steel Division

During F.Y. 2025–26, the Indian steel industry successfully consolidated its position as the world's second-largest steel producer, showcasing

structural resilience against global macroeconomic volatility. The fiscal period was defined by a domestic demand super cycle driven by aggressive government capital expenditure (Capex) and private sector infrastructure mobilization. Concurrently, corporate operating margins expanded in the latter half of the year due to global price stabilization and aggressive corporate cost-rationalization programs.

During the final quarter of financial year 2025–26, the Company has completed all the multiple capital-intensive projects aiming at improving operational efficiency and reducing long-term costs. These initiatives involved retrofitting and installation of new furnace, which, while essential for future gains, temporarily disrupted regular production processes. The capex work involved temporary shut downs in steel division which effected the production during the year. As a result, the Company's TMT sales volume declined to 1,16,767 tons, compared to 1,22,300 tons in the previous year, registering a 4.54% decrease. However, these strategic upgrades are expected to enhance production efficiency and contribute to improved margins in the coming years.

- **Capital Infrastructure Overhaul:**
The company completed 100% of its capital expenditure program during Q4 FY 2025–26, successfully retrofitting and upgrading **Furnace–A** and **Furnace–B**.
- **Capacity and Integration Boost:**
These upgrades expanded TMT production capacity by **36,000 tons per annum** and expanded internal billet manufacturing. Direct hot-billet charging to the rolling mill eliminated external procurement reliance and lowered power consumption.
- **Volume Impact:**
Planned maintenance shutdowns lowered TMT sales volumes by 4.54% to **1,16,767 tons** (down from 1,22,300 tons). This temporary volume dip positions the plant for higher operational margins moving forward.
- **Downstream Wire Mesh Growth:**
The automated Welded Wire Mesh facility expanded its market share with products ranging from 4.7mm to 12mm (cold rolled) and 5.5mm to 16mm (hot rolled). This product accelerates building schedules by removing the need for manual on-site cutting and bar-spacing.
- **Tata Steel Value Alliance:**
The division operates a strategic contract-manufacturing layout with **Tata Steel Limited**. Tulsiyan converts Tata's raw wire rod coils into finished Welded Wire Mesh for direct delivery to their commercial consumers.

B. Power Division

In the power segment, we have increased our power production by ~13% reducing shutdowns by 40%. Due to converting ourselves from Captive Power Plant to Independent Power Plant we have opened the gates of bidding the rates on power exchanges platform like IEX and able to supply power through GRID and we have also participated into Shakti Scheme for procuring Coal at standardize rate while committed to supply power to Tamil Nadu Power Distribution Corporation Limited (TNPDC) under long term contract of 5 years. Such contract shall begin from 2026-27 onwards.

- **IPP Commercial Re-alignment:**
Converting our setup from a Captive Power Plant (CPP) to an Independent Power Plant (IPP) lets us sell energy directly on public trading systems like the Indian Energy Exchange (IEX).
- **Operational Metrics:**
Power generation increased by ~13%, while distribution grid shutdowns fell by 40%.
- **Fuel Linkage Security:**
The company accepted a 5-year standardized coal supply contract under the modified **SHAKTI Scheme**, reducing exposure to open-market energy costs. Long-term delivery to the Tamil Nadu Power Distribution Corporation Limited (TNPDC) will begin in FY 2026–27.

C. Synthetic Division

- **Topline Performance:**
The division expanded turnover by **18% year-over-year**, driven by steady corporate demand for specialized industrial packaging solutions.

- **Macro Environment Management:**

This segment managed international trade friction and shifting corporate supply setups well. Looking forward, the division is tracking progress on the pending US-India Trade Deal to capture global export market share.

The loss after tax for the year stood at Rs.6,444 lakhs, as against a loss of Rs.7,270 lakhs in the previous year, marking a decrease of Rs.826 lakhs. Additionally, the Company's operations remained under pressure due to temporary shutdowns and substantial decline in steel prices.

Futuristic Strategic Blueprint Aligned with National Policies

A. Green Steel Taxonomy & 5-Star Carbon Performance

- **Industry Requirement:**

The global steel sector generates roughly 7% to 9% of direct greenhouse gas emissions, making decarbonisation an immediate corporate priority. The Ministry of Steel's Green Steel Taxonomy establishes strict, standardized definitions to curb "greenwashing" and drive deep decarbonisation across industrial plants.

- **Sector & Corporate Benefits:**

- **Global Market Entry:** Achieving a **5-Star Certification Rating** with emissions at **1.3 t-CO2e/tfs** positions the company ahead of international carbon regulations, such as the European Union's Carbon Border Adjustment Mechanism (CBAM).
- **Preferential Public Procurement:** Gives the company a competitive advantage in green public tenders, as government infrastructure projects increasingly mandate low-carbon materials.
- **Real Estate Premium Synergies:** Alignment with the **CII-GreenPro Ecolabel** and **LEED Standards** allows our TMT bars to secure a premium in sustainable civil engineering projects. This helps real estate developers secure higher property valuations and claim **100% depreciation tax incentives** on eligible green assets.

B. Specialty Steel Pivot under the Central PLI Framework

- **Industry Requirement:**

India has historically relied on imports for high-end specialty steel grades used in critical defense, aerospace, and advanced infrastructure projects. The Production Linked Incentive (PLI) scheme was designed to scale up domestic manufacturing capacities, attract large-scale capital investments, and reduce import dependencies.

- **Sector & Corporate Benefits:**

- **Direct Financial Incentives:** Provides tiered cash incentives ranging from **4% to 12% on incremental sales** over the base year for five consecutive years, directly boosting corporate cash flows.
- **Optimised Capital Allocation:** By retrofitting our active processing lines instead of funding a brand-new greenfield project, the company cuts initial capital expenditure requirements by **60% to 70%**.
- **Global Competitiveness:**
Helps the company move up the value chain from basic commodities to premium products, protecting corporate margins from regular steel price fluctuations.

C. Market Alignment via Fuel Security & Trade Safeguards

- **Industry Requirement:**

Thermal power generation face frequent issues with volatile open-market coal prices. The government modified the SHAKTI Policy to move away from non-transparent allocations to an auction-based linkage model, stabilizing domestic fuel distribution. Concurrently, local manufacturers require protection against cheap, subsidized foreign imports.

- **Sector & Corporate Benefits:**

- **SHAKTI Window-II Flexibility:** Securing a **5-year standardized coal linkage** under Window-II eliminates rigid Power Purchase Agreement (PPA) limitations. This allows the power division to optimize fuel costs and sell surplus power directly on the Indian Energy Exchange (IEX).

- **12% Tariff Shield:** The **12% safeguard duty on steel imports** levels the playing field, keeping domestic TMT prices stable and insulating local volumes from foreign dumping.
- **PM GatiShakti Efficiency:** Integrating our facility coordinates into the National Master Plan portal via BiSAG-N links our logistics directly with **22 high-impact multimodal transit projects**, bypassing local transportation bottlenecks.

Digitalisation, Factory Refurbishment & Environmental Sustainability

A. Industry 4.0 & High-Voltage Grid Upgrades

- **Industry Requirement:**
Metal manufacturing requires continuous energy-intensive processes where even minor power fluctuations or unexpected machinery failures can cause significant financial losses. Modern factories require real-time data visibility and robust power infrastructure to remain globally competitive.
- **Sector & Corporate Benefits:**
 - **Clean Power Delivery:** Replacing the 33kV network with a **110kV substation** improves overall power quality, prevents voltage drops, and increases furnace melt rates for better hourly productivity.
 - **Predictive Maintenance:** The **31 automated smart meters** collect energy data without human intervention. This allows our analytics software to identify asset strain early, preventing costly, unplanned mill shutdowns.

B. Plant Refurbishment & Scrap Processing Integration

- **Industry Requirement:**
Heavy industrial machinery degrades under continuous thermal load. Extending the operational life of existing capital assets is critical to avoid the massive costs of full equipment replacements. Additionally, fluctuating raw material qualities require tighter control over furnace inputs.
- **Sector & Corporate Benefits:**
 - **Life Extension:** Structural reinforcement and engineering overhauls successfully extended the core plant's useful life by **10 to 15 years**.
 - **Input Quality Control:** The upgraded **on-site scrap processing yard** ensures a steady supply of processed scrap, reducing reliance on third-party suppliers, lowering intermediate raw material costs, and minimizing input impurities.

C. Zero-Harm Environmental Sustainability

- **Industry Requirement:**
Industrial manufacturing faces growing regulatory pressure due to regional water scarcity and strict state pollution control board laws. Companies must build self-sustaining resource loops to protect long-term operations from environmental risks.
- **Sector & Corporate Benefits:**
 - **75% Green Energy Mix:** Sourcing three-quarters of our production energy from green sources directly lowers our carbon footprint, ensuring compliance with tightening environmental regulations.
 - **Water Security via ZWD:** Setting up rainwater harvesting networks and an internal Sewage Treatment Plant (STP) moves the facility toward **Zero Water Discharge (ZWD)**. This shields the plant from local groundwater depletion and ensures uninterrupted operations during dry seasons.

Details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year alongwith their status as at the end of the financial year:

- The Company has not made any application under Insolvency and Bankruptcy code 2016 for resolution during the year under review nor any application for insolvency proceeding has been made against the Company.
- The Company is a respondent in an application filed by the IRP of Cauvery Power Generation Chennai Private Limited seeking payment of Rs.174.01 Lakhs being the value of coal supplied by the said company to us. Whereas supply so made by the said company was towards amount due to the Company. The application is pending with the NCLT and we are confident that the claim is not maintainable and is not a preferential payment.

CREDIT RATINGS

The Company has not issued any instruments during the year requiring credit rating.

DETAILS OF SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES

As on March 31, 2026, the Company had following two subsidiary companies as follows:

- a) Chitrakoot Steel & Power Private Limited (Wholly Owned Subsidiary Company)
- b) Sapient Packing Private Limited (Subsidiary Company)

However, with effect from July 16, 2026, Sapient Packing Private Limited is ceased to be a Subsidiary of the Company due to disinvestment/ transfer of entire equity shares held in the said Company.

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013, a statement containing the salient features of the financial statements of the Subsidiaries in the prescribed **Form AOC-1** is annexed to this Report as an '**Annexure-A**'. The statement also provides the details of the performance of the Subsidiary Company, financial position of the subsidiary and its contribution to the overall performance of the Company during the period under report.

In accordance with the provisions of Section 136 of the Companies Act, 2013 and the amendments thereto, read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), the audited financial statements, including the consolidated financial statements and related information of the Company and financial statements of the subsidiary companies will be available on our website at www.tulsyanec.in.

The Company has also formulated a policy for determining 'Material Subsidiaries' pursuant to the provisions of the SEBI Listing Regulations. The policy is available on the website of the Company at www.tulsyanec.in.

A report of the salient features and a summary of the financial performance of each of the subsidiary companies is presented below:

Chitrakoot Steel and Power Private Limited

Chitrakoot Steel and Power Private Limited is a wholly owned subsidiary of Tulsyan NEC Limited. It was incorporated on October 21, 2003 and is engaged in the business of manufacturing of Sponge Iron.

Chitrakoot Steel and Power Private Limited registered a total revenue of Rs. 8,323.78 lakhs and a net profit of Rs. 10.76 lakhs during the FY 25-26 as against a total revenue of Rs. 9,956.88 lakhs and a net profit of Rs. 13.71 lakhs during the FY 24-25.

Sapient Packing Private Limited

Sapient Packing Private Limited was a subsidiary of Tulsyan NEC Limited till July 15, 2026.. It was incorporated on September 02, 2025 and is engaged in the business of manufacturing, buying, selling, importing, exporting, designing, and customizing all types of packaging materials.

There were no operations in Sapient Packing Private Limited during the F.Y. 2025-26. Only pre-operating expenses amounting to Rs.3.20 lakhs were incurred during the year.

PERSONNEL & INDUSTRIAL RELATIONS

Overall, the industrial relations in all our manufacturing units are harmonious and cordial in nature. Your Company strictly believes that maintaining cordial industrial relations is the key to progress of the firm, individuals, management, industry and nation.

CHANGE IN THE NATURE OF BUSINESS

There has been no change in the nature of business of the Company.

DIVIDEND

During the financial year, the Company has not recommended or declared any payment as dividend to its shareholders.

TRANSFER OF UNPAID AND UNCLAIMED AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND ('IEPF')

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority

(Accounting, Audit, Transfer and Refund) Rules, 2016 ['IEPF Rules'], all dividends which remains unpaid or unclaimed for a period of 7 (seven) years from the date of their transfer to the unpaid dividend account are required to be transferred by the Company to the Investor Education and Protection Fund ('IEPF'), established by the Central Government. Further, as per the IEPF Rules, the shares on which dividend has not been paid or claimed by the Members for 7 (seven) consecutive years or more shall also be transferred to the demat account of the IEPF Authority. Further, as per Rule 6(8) of the IEPF Rules, all benefits such as bonus shares, split, consolidation except rights issue, accruing on shares which are transferred to IEPF, shall also be credited to the demat account of the IEPF authority.

The Members may note that no further unpaid or unclaimed dividend amounts/shares are pending with the Company for transferring to the demat account of the IEPF Authority.

Mrs. Parvati Soni, Company Secretary of the Company is the Compliance Officer as well as the Nodal Officer of the Company for the purposes of verification of claims and coordination with IEPF Authority pursuant to the IEPF Rules.

TRANSFER TO RESERVES

No amount is proposed to be transferred to reserves for the financial year ended March 31, 2026.

DEPOSITS

The Company has not accepted any deposit, including from the public, and as such no amount of principal and interest was outstanding as at March 31, 2026.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 forms part of the notes to the Financial Statements provided in this Annual Report.

SHARE CAPITAL

The detailed capital structure of the Company as on March 31, 2026 is as follows:

Authorized Share Capital

The Authorized Share Capital of the Company is Rs.36,00,00,000/- (Rupees Thirty Six Crores) divided into 2,60,00,000 Equity Shares of Rs.10/- each and 1,00,00,000 6% Non-Convertible Redeemable Preference Shares of Rs.10/- each.

Issued Share Capital

The Issued Share Capital of the Company is Rs.25,30,44,070/- (Rupees Twenty Five Crores Thirty Lakhs Forty Four Thousand and Seventy) divided into 1,64,61,407 Equity Shares of Rs.10/- each and 88,43,000 6% Non-Convertible Redeemable Preference Shares of Rs.10/- each.

Subscribed and Paid-up Share Capital

The Subscribed Share Capital and Paid-up Share Capital of the Company is Rs.25,30,44,070/- (Rupees Twenty Five Crores Thirty Lakhs Forty Four Thousand and Seventy) divided into 1,64,61,407 Equity Shares of Rs.10/- each (Fully paid-up) and 88,43,000 6% Non-Convertible Redeemable Preference Shares of Rs.10/- each (Fully paid-up).

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

In compliance with the provisions of Section 135 of the Companies Act, 2013 read with the Rules made thereunder, the Board has formed a CSR Committee, which monitors and oversees various CSR initiatives and activities of the Company.

An Annual Report on Corporate Social Responsibility, setting out the disclosures as per Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, is annexed to this Report as an '**Annexure-B**'.

The CSR Policy developed and implemented by the Company including the composition of the CSR Committee have been uploaded on the Company's website at www.tulsiyannec.in.

The Profit after tax on Standalone basis computed as per Section 198 of the Companies Act, 2013, being negative, the Company was not required to spend any amount on CSR activities during the FY 2025-26.

RISK MANAGEMENT POLICY

The Company has developed and implemented a risk management policy including identification therein elements of risk, if any, which in the opinion of the Board may threaten the existence of the Company. The Board and the Audit Committee periodically undertake a review of the major risks affecting the Company's business and suggests steps to be taken to control and mitigate the same.

The Risk Management Policy of the Company is available on the Company's website and can be accessed at www.tulsiyannec.in/investors.

VIGIL MECHANISM POLICY

The Vigil Mechanism / Whistle Blower Policy, as envisaged in the Companies Act, 2013, the rules prescribed thereunder and the SEBI Listing Regulations, is implemented through the Company's Whistle Blower Policy to enable the Directors, Employees and all Stakeholders of the Company to report genuine concerns relating to unethical behaviour, actual or suspected fraud, or violation of the Company's Code of Conduct. The Policy also provides adequate safeguards against victimization of people who use such mechanisms and makes provision for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.

The Company adheres to uncompromising integrity in the conduct of its business and strictly abides by well-accepted norms of ethical, lawful and moral conduct. It has zero tolerance for any form of unethical conduct or behaviour.

The Whistle Blower Policy of the Company is available on the Company's website and can be accessed at www.tulsiyannec.in/investors.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to Regulation 34 of the SEBI Listing Regulations, the Management Discussion and Analysis Report for the financial year under review, is given under separate section and forms part of this Annual Report.

CORPORATE GOVERNANCE REPORT

The Company is committed to maintain the highest standards of corporate governance. We believe in adherence to good corporate practices, implementing effective policies and guidelines and developing a culture of the best management practices and compliance with the law at all levels. Our corporate governance practices strive to foster and attain the highest standards of integrity, transparency, accountability and ethics in all business matters to enhance and retain investor trust, long-term shareholder value and respect minority rights in all our business decisions.

The Corporate Governance Report along with the requisite certificate from the Practising Company Secretary, confirming compliance with the conditions of corporate governance as stipulated under Para C of Schedule V of the SEBI Listing Regulations forms part of this Annual Report.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

There were no materially significant related party transactions entered between the Company, Directors, Management and their relatives. All the contracts/arrangements/transactions entered by the Company with the related parties during FY 2025-26 were in the ordinary course of business and on an arm's length basis, and whenever required the Company has obtained necessary approvals as per the Related Party Transactions Policy of the Company and applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations.

Accordingly, there are no contracts or arrangements with related parties which are required to be disclosed under Section 134(3)(h) read with Section 188(1) of the Companies Act, 2013 in Form AOC-2 for the Financial Year 2025-26 and, hence, the same does not form part of the Board's Report.

The Company has formulated the policy on Related Party Transactions and the same is available on the website of the Company at: www.tulsiyannec.in/investors. The details of related party disclosures forms part of the notes to the Financial Statements provided in this Annual Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 is annexed to this Report as an 'Annexure-C'.

PARTICULARS OF DIRECTORS AND EMPLOYEES

A statement containing particulars in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment

and Remuneration of Managerial Personnel) Rules, 2014 forms part of this report and is annexed to this Report as an ‘Annexure-D’.

Further, a statement containing particulars in terms of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to the Company as none of the employees of the Company are drawing the remuneration in excess of the limits prescribed under the said rules.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134 of the Companies Act, 2013, the Directors, to the best of their knowledge and ability, hereby state and confirm that:

- a) in the preparation of the annual accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- b) they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts on a going concern basis;
- e) they have laid down internal financial controls based on the internal controls framework established by the Company, which were adequate and are operating effectively; and
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Company's policy on Appointment and Remuneration of Directors, Key Managerial Personnel and Other Employees focuses on having an appropriate mix of Executive, Non-Executive and Independent Directors to maintain the independence of the Board and separate its functions of governance and management. Assessment and appointment of Directors to the Board are based on a combination of criterion that includes ethics, personal and professional stature, domain expertise, gender diversity and specific qualifications required for the position.

For the purpose of selection of any Director, the Nomination and Remuneration Committee identifies persons of integrity who possess relevant expertise, experience and leadership qualities required for the position. A potential board member to be appointed as Independent Director is also assessed based on independence criteria defined in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI Listing Regulations.

In accordance with Section 178(3) of the Companies Act, 2013 and Regulation 19(4) of the SEBI Listing Regulations, as amended from time to time and on recommendation of the Nomination and Remuneration Committee, the Board has adopted a Remuneration Policy for Directors, Key Managerial Personnel, Senior Management and other employees. This policy is available on the website of the Company at – www.tulsiyannec.in/investors.

We affirm that the remuneration paid to Directors, Key Managerial Personnel, Senior Management and other employees is in accordance with the Remuneration Policy of the Company, the applicable provisions of the Companies Act, 2013 and the SEBI Listing Regulations. There has not been any change in the policy during the year under review.

DECLARATION BY INDEPENDENT DIRECTORS

All Independent Directors of the Company have submitted the requisite declarations confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 read with Regulation 16(1)(b) and 25(8) of the SEBI Listing Regulations. The Independent Directors have also confirmed that they have complied with Schedule IV of the Companies Act, 2013 and the Company's Code of Conduct.

They have further confirmed that they are not aware of any circumstances or situations which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties and that they are independent of the management. Further, the Independent Directors have also submitted their declaration in compliance with the provisions of Rule 6(3) of the Companies (Appointment and

Qualification of Directors) Rules, 2014, which mandated the inclusion of an Independent Director's name in the data bank of the Indian Institute of Corporate Affairs ('IICA') for a period of one year or five years or life-time till they continue to hold the office of an Independent Director.

In the opinion of the Board, all the Independent Directors possess the requisite expertise and experience and are persons of high integrity and repute. They fulfil the conditions specified in the Companies Act, 2013 read along with the Rules made thereunder and the SEBI Listing Regulations and are independent of the Management.

BOARD DIVERSITY

The Company recognises and embraces the importance of a diverse Board in contributing to its success. Adequate diversity on the Board is essential to meet the challenges of business globalisation, rapid deployment of technology, greater social responsibility, increasing emphasis on corporate governance and enhanced need for risk management. The Board enables efficient functioning through differences in perspective and skill, and fosters differentiated thought processes at the back of varied industrial and management expertise, gender, knowledge, ethnicity, country of origin and nationality. The Board has adopted a Diversity Policy that outlines its commitment to fostering a diverse and inclusive composition, setting forth the approach to achieving and maintaining diversity at the Board level. The policy is available on the website of the Company at www.tulsyannec.in/investors.

BOARD EVALUATION

Pursuant to the provisions of Section 134 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations, the annual performance evaluation of the Board, Board level Committees and individual Directors was conducted during the year to ensure that the Board and Board level Committees are functioning effectively and demonstrating good governance. For the FY 2025-26, the Board had undertaken this exercise through self-evaluation questionnaires. The evaluation process focused on Board dynamics and other aspects towards Board effectiveness. The process involved the evaluation of all the Directors including the Chairperson, the Managing Director and Chief Executive Officer, Board committees and the Board as a whole.

The evaluation was carried out based on the criteria and framework approved by the Nomination and Remuneration Committee. A detailed disclosure on the parameters and the process of Board evaluation has been provided in the Report on Corporate Governance, which forms part of this Annual Report.

DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Directors

As on March 31, 2026, the Board of Directors comprised of 8 (eight) Members, consisting of 4 (four) Executive Directors and 4 (four) Non-Executive Independent Directors including 1 (one) Non-Executive Independent Woman Director. The Board has an appropriate mix of Executive Directors and Non-Executive Independent Directors, which is in compliant with the provisions of the Companies Act, 2013, the SEBI Listing Regulations and is also aligned with the best practices of Corporate Governance.

Appointment / Re-appointment

As per the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Lalit Kumar Tulsyannec (DIN: 00632823), Executive Director of the Company, is liable to retire by rotation at the ensuing 79th AGM of the Company and being eligible, seeks re-appointment.

Based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, the Members of the Company at the 78th AGM of the Company held on September 17, 2025, approved:

- Appointment of Mr. Sanjay Agarwalla (DIN: 00632864), as a Director of the Company, liable to retire by rotation, as per the provisions of the Companies Act, 2013 and Articles of Association of the Company.
- Re-appointment of Mr. Somasundaram Ponsing Mohan Ram (DIN: 08883633), as an Independent Director of the Company, not liable to retire by rotation, for a second term of 5 (five) consecutive years on the Board of the Company commencing from September 19, 2025 till September 18, 2030 (both days inclusive).

In the opinion of the Board, all the Directors, as well as the Directors proposed to be appointed / re-appointed possess the requisite qualifications, experience, expertise and hold high standards of integrity and relevant proficiency.

None of the Directors of the Company are disqualified as per the provisions of Section 164(1) and (2) of the Companies Act, 2013. The Directors have made necessary disclosures, as required under various provisions of the Companies Act, 2013 and the SEBI Listing Regulations.

Resignation

Mr. S Chandrasekaran (DIN: 10207445) has stepped down from the position of Whole-time Director of the Company w.e.f. May 08, 2026, due to personal and unavoidable circumstances.

The Board placed on record its deep gratitude and appreciation for his extensive contribution and stewardship during his tenure as a Whole Time Director of the Company.

Key Managerial Personnel

There were no changes in the Key Managerial Personnel(s) of the Company during the FY 2025-26. The Key Managerial Personnel(s) of the Company as on March 31, 2026 are:

- Mr. Lalit Kumar Tulsyam, Managing Director (Executive Chairman);
- Mr. Sanjay Tulsyam, Managing Director;
- Mr. Sanjay Agarwalla, Whole Time Director;
- Mr. Shanthakumar R P, Chief Financial Officer; and
- Mrs. Parvati Soni, Company Secretary & Compliance Officer.

COMMITTEES OF THE BOARD

Currently, the Company has 4 (four) Board level Committees: Audit Committee ('AC'), Nomination and Remuneration Committee ('NRC'), Stakeholders' Relationship Committee ('SRC') and Corporate Social Responsibility Committee ('CSRC'). The detailed composition of such committees, as on March 31, 2026, are disclosed in the Corporate Governance Report, which forms part of this Annual Report.

MEETINGS OF THE BOARD AND ITS COMMITTEES

The meetings of the Board and its Committees are scheduled at regular intervals to discuss and decide on matters of business performance, policies, strategies and other matters of significance. The schedule of the meetings is circulated in advance, to ensure proper planning and effective participation. In certain exigencies, decisions of the Board / Committees are also accorded through circulation.

During the financial year 2025-26, the Board met 4 (four) times virtually on May 30, 2025; August 13, 2025; November 12, 2025; and February 13, 2026 respectively. The maximum interval between any 2 (two) meetings did not exceed 120 (One Hundred and Twenty) days, as prescribed in the Companies Act, 2013. Detailed information regarding the meetings of the Board and its Committees are included in the Corporate Governance Report, which forms part of this Annual Report.

AUDITORS

Statutory Auditors

The Members at the 74th Annual General Meeting ('AGM') held on September 30, 2021, approved the re-appointment of M/s. CNGSN & Associates LLP, Chartered Accountants (Firm ICAI Registration No: 004925S/S200036), Chennai, as the Statutory Auditors of the Company, for a second term of 5 (five) consecutive years to hold office from the conclusion of the 74th AGM till the conclusion of the 79th AGM of the Company to be held in the financial year 2026. Accordingly, their second term ends at the ensuing 79th AGM.

In this regard, the Audit Committee and the Board of Directors have recommended to the Members, at the ensuing 79th AGM of the Company, the appointment of M/s. SRBR and Associates LLP, Chartered Accountants (Firm Registration No. 004997S/S200051), as Statutory Auditors of the Company for a term of 5 (five) consecutive years to hold office from the conclusion of this ensuing 79th AGM till conclusion of the 84th AGM to be held in financial year 2031. The Company has received consent letter along with eligibility certificate from the proposed Statutory Auditors. Necessary resolution for approval of the Members forms part of the Notice of the ensuing AGM.

The Auditors' Report is enclosed with the financial statements forming part of this Annual Report. The Auditors' Report on the financial statements of the Company for the financial year ended March 31, 2026, is modified i.e. it contains the following qualification, reservation or adverse remark or disclaimer:

Sl. No.	Qualification, Reservation or Adverse Remark or Disclaimer made by the Statutory Auditors	Management's Reply
1	The Company has not received a substantial number of balance confirmations for trade receivables outstanding as at 31st March 2026. These receivables constitute approximately 59.48% in value of the confirmations sought. The management has represented that it undertook a comprehensive process of seeking balance confirmations from all customers and made multiple follow-up efforts. Despite these efforts, a significant portion of the older balances remain unconfirmed. The Company has also informed us that it remains confident of recovery of these balances and is evaluating an assignment of certain receivables as part of its recovery plan. Further, the Company has written off a small portion of the trade receivables during the year in respect of trade receivables and, based on its assessment, has not recorded any significant ECL provision beyond this. However, in the absence of direct confirmations and sufficient alternative audit evidence regarding the recoverability of these older balances, we are unable to determine whether any further adjustments are necessary to the carrying value of these receivables by way of additional provisioning, write-offs, or write-backs. Accordingly, our audit opinion on the financial results for the year ended 31st March 2026 is qualified to the extent of the possible effects of adjustments, if any, that may be required on account of the aforementioned matter.	As of 31 March 2026, the Company's outstanding trade receivables stood at ₹9,270.55 lakhs. During the year, management conducted a comprehensive exercise to confirm the validity and recoverability of these balances. Confirmation requests were sent repeatedly via physical and electronic channels, achieving 100% coverage. The Company received confirmations for a substantial portion of receivables outstanding for less than 180 days. However, direct responses remained low for balances exceeding 180 days—which comprise approximately 83% of total trade receivables by value—despite rigorous follow-ups. Management attributes this non-response primarily to customer apprehension regarding legal actions, following the Company's intensified recovery initiatives. Nevertheless, management has independently verified the genuineness of the underlying transactions and continues to maintain active commercial relationships with most of these counterparties. To accelerate cash flows, the Company is actively evaluating the assignment of specific overdue receivables. Based on an Expected Credit Loss (ECL) assessment under the applicable financial reporting framework, the Company wrote off a minor portion of trade receivables during the year and considers the existing provisions adequate, with no further material provisioning required as of the balance sheet date.
2	Emphasis of Matter: We draw attention to Note 5 to the Standalone Financial Results, which states that the Company has serviced the interest and principal payable on the Non-Convertible Debentures on time in all months upto September 2025. However, from October 2025 onwards, the coupon payments could not be serviced on the respective due dates. The pending coupon payments shall be paid subsequently in accordance with the due dates agreed for the respective coupon payments with the NCD holders. We draw reference to Note 6 to the Standalone Financial Results which states that there has been a revision in the terms of the Non-Convertible Debentures which states an agreed Moratorium for the Coupon payments on from 1st April 2026 till 31st August 2026 which shall be compensated by ramped-up coupon amounts subsequently monthly and final redemption date has been revised to 30th September 2027. Also, Entire Principal amount along-with Coupon and Redemption Premium to meet agreed Total IRR and outstanding Default/Penal Interest including other costs, charges, expenses, etc. as per the debenture trust deed are proposed to be paid at the Final Redemption Date.	Closure of power plant and/or inconsistent operations of the power plant led to financial constraints leading to delay/default in the interest servicing of the NCDs. The company is engaged actively with the debenture holders and the Terms of interest payment and the redemption were restructured. Accordingly, a revised schedule of interest payment and the redemption have been arrived at. The Company is confident of honoring its revised commitments with the power plant operations stabilizing after commencement of power plant operations to meet the newly signed PPA.

Reporting of Fraud by Auditors

During the year, the statutory auditors have not reported to the Audit Committee any material fraud on the Company by its officers or employees under Section 143(12) of the Companies Act, 2013, the details of which need to be provided in this report.

Cost Auditors

The Cost Records of the Company are maintained in accordance with the provisions of Section 148(1) of the Companies Act, 2013 as specified by the Central Government. The Cost Audit Report, for the financial year ended March 31, 2025, was filed with the Central Government within the prescribed time. The Board, based on recommendation of the Audit Committee, appointed M/s. Murthy & Co. LLP, Cost and Management Accountants (Firm Registration Number S200001), as the Cost Auditors to conduct the audit of the Company's cost records for the financial year ended on March 31, 2026. The Cost Auditors will submit their report to the Company for the Financial Year 2025-26 on or before the due date.

The Board, based on recommendation of the Audit Committee, at its meeting held on May 30, 2026, has appointed M/s. Murthy & Co. LLP, Cost and Management Accountants (Firm Registration Number S200001) as the Cost Auditors to conduct the audit of the Company's cost records for the FY 2026-27. The Cost Auditors have confirmed that their appointment is within the limits of Section 141(3)(g) of the Companies Act, 2013 and have also certified that they are free from any disqualifications specified under Section 141(3) and proviso to Section 148(3) read with Section 141(4) of the Companies Act, 2013. The Company has also received a certificate from the Cost Auditors certifying their independence and arm's length relationship with the Company.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, since the remuneration payable to the Cost Auditors is required to be ratified by the Members, the Board recommends the same for approval by Members at the ensuing 79th AGM of the Company.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Rules made thereunder, Regulation 24A of the SEBI Listing Regulations, as amended, M/s. M Damodaran & Associates LLP, Practicing Company Secretaries, bearing Firm Registration Number L2019TN006000 and holding Peer Review Certificate No: 3847/2023, were appointed as the Secretarial Auditors of the Company for a first term of 5 (Five) consecutive years commencing from the Financial Year 2025-26 till the Financial Year 2029-30, at the 78th AGM of the Company held on September 17, 2025. The Secretarial Audit Report for the FY 2025-26 issued by Mr. Kalaiyarasi Janakiraman (M. No. 29861, CP No. 19385), Partner at M/s. M Damodaran & Associates, LLP, in the prescribed **Form MR-3** is annexed to this Report as an **'Annexure-E'**.

The Secretarial Audit Report for the FY 2025-26 contains the following qualification, reservation or adverse remark or disclaimer:

Sl. No.	Observations by Secretarial Auditors	Management's Reply
1.	The Company submitted the disclosure of related party transactions for the half year ended March 31, 2025 in XBRL mode (Integrated Filing – Financial) to the BSE, as required under third proviso to Regulation 23(9) of SEBI (LODR), with a delay of one day.	The Board Meeting concluded at 07.05 p.m. i.e. after trading hours, on May 30, 2025. However, due to an inadvertent oversight arising from system synchronization issues / technical glitches in the BSE XBRL utility / heavy server load on the day of publication of the standalone and consolidated financial results in PDF format, i.e., May 30, 2025, the Company could complete and submit the XBRL filing (Integrated Filing – Financial including RPT) only on the following day, i.e., May 31, 2025.

2.	The Company submitted the audited/unaudited Standalone and Consolidated Financial Results for the financial year ended March 31, 2025, and for the quarter ended June 30, 2025, respectively, in XBRL mode (Integrated Filing – Financial) to the BSE, as required under BSE Circular No. 20250402-15 dated April 2, 2025, with a delay of one day.	The Board Meeting concluded at 07.05 p.m. i.e. after trading hours, on May 30, 2025. The Company submitted the outcome of the said Board Meeting along with the financial results (in PDF Mode) on the same day to the BSE. However, due to an inadvertent oversight arising from system synchronization issues / technical glitches in the BSE XBRL utility / heavy server load on the day of publication of the standalone and consolidated financial results in PDF format, i.e., May 30, 2025, the Company could complete and submit the XBRL filing (Integrated Filing – Financial including RPT) only on the following day, i.e., May 31, 2025. The Board Meeting concluded at 06.00 p.m. i.e. after trading hours, on August 13, 2025. The Company submitted the outcome of the said Board Meeting along with the financial results (in PDF Mode) on the same day to the BSE. However, due to procedural/technical constraints in the XBRL utility and validation process, the XBRL filing (Integrated Filing – Financial) could not be completed on the same day as the submission of the financial results in PDF mode. Consequently, the XBRL filing (Integrated Filing – Financial) was submitted to the BSE on the following day, i.e., August 14, 2025.
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INTERNAL FINANCIAL CONTROL

The Company has a proper and adequate system of internal financial controls with reference to the financial statements and which is commensurate with its size and nature of operations for ensuring the orderly and efficient conduct of business, including adherence to its policies, safeguarding of its assets, prevention and detection of frauds and errors, the accuracy and completeness of accounting records and the timely preparation of reliable financial information.

The Company is staffed by experienced and qualified professionals who play an important role in designing, implementing, maintaining and monitoring our internal control systems.

Quarterly internal audits are carried out by the Internal Auditors of the Company to provide reasonable assurance of internal control effectiveness and advise the Company on industry-wide best practices. The Audit Committee, consisting of Independent Directors, reviews important issues raised by the internal and statutory auditors regularly and the status of rectification measures to ensure that risks are mitigated appropriately on a timely basis.

MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year March 31, 2026 of the Company and the date of this Report.

SIGNIFICANT / MATERIAL ORDERS PASSED BY THE REGULATORS

During the financial year under review, there are no significant and material orders passed by the regulators, courts or tribunals, impacting the going concern status of the Company and its operations in the future.

ANNUAL RETURN

The Annual Return of the Company as per the provisions of Sections 134(3)(a) and 92(3) of the Companies Act, 2013, is available on the website of the Company at www.tulsiyanec.in.

SECRETARIAL STANDARDS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA (ICSI)

In terms of Section 118(10) of the Companies Act, 2013, the Company has complied with the applicable Secretarial Standards i.e. SS-1

and SS-2, relating to the 'Meetings of the Board' and 'General Meetings', respectively, as specified by the Institute of Company Secretaries of India (ICSI) and approved by the Central Government.

SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company is dedicated to fostering a workplace that is safe, inclusive, and free from harassment, bias, or victimization, irrespective of an individual's gender, race, religion, origin, sexual orientation, pregnancy status, disability, or economic background.

The Company upholds a Prevention of Sexual Harassment (PoSH) Policy, ensuring a zero-tolerance approach to any form of harassment or discrimination. To support this commitment, the Company has constituted an Internal Complaints Committee ('ICC') as required under the aforesaid Act to address complaints and promote awareness of workplace sexual harassment issues in a fair and confidential manner. The Policy is gender neutral.

During the financial year under review:

(a) number of complaints of sexual harassment received in the year: Nil

(b) number of complaints disposed off during the year: Nil

(c) number of cases pending for more than ninety days: Nil

COMPLIANCE OF THE PROVISIONS RELATING TO THE MATERNITY BENEFIT ACT, 1961

During the financial year under review, the Company is compliant with the provisions relating to the Maternity Benefit Act, 1961. The Company has also extended leaves and flexi working hours, wherever required, after legally approved maternity leaves.

CORPORATE CODES AND POLICIES

The details of the policies approved and adopted by the Board as required under the Companies Act, 2013, SEBI Listing Regulations, and other applicable laws, are available on the website of the Company at www.tulsyannec.in under the head "Policies" of the Investors Section.

GREEN INITIATIVE

We request all the Members to support the 'Green Initiative' of the Ministry of Corporate Affairs and the Company's continuance towards a greener environment by enabling the service of the Annual Report, AGM Notice, and other documents electronically to your email address registered with your Depository Participant / the Registrar and Share Transfer Agent of the Company.

In support of the 'Green Initiative', the Company encourages Members to register their email addresses with their Depository Participant or the Registrar and Share Transfer Agent of the Company to receive soft copies of the Annual Report, Notices and other information disseminated by the Company, on a real-time basis without any delay.

ACKNOWLEDGEMENT

We place on record our appreciation for the committed services by every Member of the Tulsyann family whose contribution was significant to the growth and success of the Company. We would like to thank all our shareholders, customers, suppliers, investors, vendors, executives, staffs and workers at all levels, investors, bankers, and other business associates for their continued support and encouragement during the year.

We also thank the Government of India and Government of Tamil Nadu, Ministry of Corporate Affairs, Central Board of Indirect Taxes and Customs, Income Tax Department, and all other regulatory authorities and agencies for their assistance and co-operation during the year and look forward to their continued support in the future.

By Order of the Board of Directors
For Tulsyann NEC Limited

Sd/-
Lalit Kumar Tulsyann
Executive Chairman
DIN: 00632823

Place: Chennai
Date: 10-08-2026

Annexure-A
Form AOC-1

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

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures
Part "A" Subsidiaries

(Amount in Rupees)

Sl. No.	Particulars	As on March 31, 2026	
1	Name of the Subsidiary	Chitrakoot Steel and Power Private Limited	Sapient Packing Private Limited
2	The date since when the subsidiary was acquired / incorporated	October 21, 2003	September 02, 2025
3	Reporting period	April - March	September-March
4	Reporting currency	INR	INR
5	Share Capital	6,48,92,000	1,00,000
6	Reserves and Surplus	(23,37,65,123)	0
7	Total assets	23,05,94,958	4,20,263
8	Total Liabilities	23,05,94,958	4,20,263
9	Investments	2,500	0
10	Turnover	83,23,78,837	0
11	Profit / (Loss) before taxation	10,76,254	0
12	Provision for taxation	0	0
13	Profit / (Loss) after taxation	10,76,254	0
14	Proposed dividend	0	0
15	Extent of shareholding (in percentage)	100%	99.80%

Notes:

- Names of the Subsidiaries which are yet to commence operations: Sapient Packing Private Limited.
- Names of subsidiaries which have been liquidated or sold during the year: Nil

Part "B" Associates and Joint Ventures: Not Applicable

For and on behalf of the Board
For Tulsyan NEC Limited

For CNGSN & ASSOCIATES LLP
Chartered Accountants
(FRN No. 004915S/ S200036)

Sd/-
Sanjay Tulsyan
Managing Director
DIN: 00632802

Sd/-
Lalit Kumar Tulsyan
Executive Chairman
DIN: 00632823

Sd/-
E. K. Srivatsan
Partner
M. No. 225064

Sd/-
M. Parthasarathy
Independent Director
DIN: 08277111

Sd/-
Shanthakumar R P
Chief Financial Officer

Sd/-
Parvati Soni
Company Secretary

Place: Chennai
Date: 30-05-2026

ANNUAL REPORT ON CSR ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. Brief outline on CSR Policy of the Company:

Tulsyan NEC Limited has adopted CSR as a strategic tool for sustainable growth. For Tulsyan NEC Limited, CSR means not only investment of funds for social activity and relief to the under-privileged sections of the society but also integration of Business processes with social processes.

The CSR Policy was framed by the Company on June 30, 2014 and later got amended on August 13, 2021, with approvals of the CSR Committee and the Board of Directors. The Policy, inter alia, covers the Guiding Principles for selection, implementation and monitoring of activities as well as formulation of the Annual Action Plan.

2. Composition of CSR Committee:

Sl. No.	Name of the Committee Member	Position held in the Committee	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Sanjay Agarwalla	Chairman	0	0
2.	Manogyanathan Parthasarathy	Member	0	0
3.	J Sumathi	Member	0	0

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: www.tulsyanec.in/investors
4. Details of executive summary along with web-links of Impact Assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014: Not applicable.
5. (a) Average net profit of the company as per section 135(5): The Company's average net Profit after tax on Standalone basis was negative.
 (b) Two percent of average net profit of the company as per section 135(5): Nil
 (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: Nil
 (e) Total CSR obligation for the financial year (b+c-d): Nil
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): Nil
 (b) Amount spent in Administrative Overheads: Nil
 (c) Amount spent on Impact Assessment, if applicable: Not Applicable
 (d) Total amount spent for the Financial Year (a+b+c): Nil
 (e) CSR amount spent or unspent for the Financial Year: Nil
 (f) Excess amount for set-off, if any: Nil
7. Details of Unspent CSR amount for the preceding three financial years: Nil
8. Whether any capital assets have been created or acquired through CSR amount spent in the financial year: Nil
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.

For and on behalf of the Board
For Tulsyan NEC Limited

Sd/-

Sanjay Agarwalla

(Whole Time Director and Chairman of CSR Committee)

DIN: 00632864

Sd/-

Sanjay Tulsyan

(Managing Director)

DIN: 00632802

Place: Chennai

Date: 10-08-2026

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

[Information disclosed pursuant to Section 134(3) (m) of the Companies Act, 2013 read with rule 8(3) of the Companies (Accounts) Rules, 2014]

(A) Conservation of Energy:

- (I) **The Steps taken or impact on conservation of energy:** The Company engages outside Professionals / Consultants for conservation of energy from time to time and implementing their recommendations and observations. The Consultants use thermography and other technologies to monitor the health of electrical systems and their consumption pattern and arrest energy losses and optimize the energy utilization from time to time.

During the Financial Year 2024–25, two key projects were initiated to support energy conservation and improve operational efficiency:

- **Installation of 22 Ton Furnace A (Completed)**

The installation and commissioning of a new 22 Ton Furnace A were successfully completed during the financial year 2024-25. This upgrade has resulted in an approximate **9% reduction in power consumption** during the billet manufacturing process.

- **Installation of 22 Ton Furnace B (Completed)**

The installation work for another 22 Ton Furnace B is completed during the last Quarter of Financial Year 2025–26. Upon commissioning, this furnace is expected to contribute an **additional 10% reduction in power consumption** during billet production.

- **110 KV Line Installation under Steel Division (Completed)**

As part of the infrastructure upgrades, the installation of a 110 kV line was initiated under the Power Department. This project aims to **reduce power transmission losses to the grid**, thereby improving overall energy efficiency. The project is completed in the Financial Year 2025–26.

- (II) **The steps taken by the Company for utilizing alternate sources of energy:** The Company produced 170085200 units of energy during the financial year 2025-2026.

Further, the company has initiated sourcing more than 75% of its energy requirements for the Steel Division from alternate sources, specifically Solar and Wind power through third-party agreements. This strategic shift towards renewable energy not only supports environmental sustainability but also contributes to cost optimization. While solar and wind power offer cleaner and more sustainable energy solutions, thermal power continues to serve as a reliable energy source. Therefore, the ideal energy mix for the company involves a balanced combination of renewable and thermal power sources—ensuring reliability, cost-effectiveness, and reduced environmental impact.

- (III) **The Capital investment on energy conservation equipments:** During the financial year 2025–26, the company made significant capital investments towards energy conservation initiatives. The major components of the investment include Installation of 22 Ton Furnace ₹ 775.63 Lakhs. This initiative contributes to improved energy efficiency in billet manufacturing, targeting substantial reduction in power consumption. Installation of 110 KV Line ₹ 928.41 Lakhs, This infrastructure upgrade supports optimized power distribution and further efficiency in operations. Total Capital Investment in Energy Conservation Equipment ₹ 1,704.04 Lakhs. These investments reinforce the company's commitment to sustainable operations, improved energy efficiency, and long-term cost savings.

(B) Technology Absorption:

- (I) **The efforts made towards technology absorption:** Not Applicable
- (II) **The benefits derived like product improvement, cost reduction, product development or import substitution:** Not Applicable
- (III) **In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):** Not Applicable

(IV) The expenditure incurred on Research and Development: Not Applicable

(C) Foreign Exchange Earnings and Outgo:

The details of Foreign Exchange earned in terms of actual inflows during the year and the details of Foreign Exchange outgo in terms of actual outflows during the year are given in the Notes to Accounts of the financial statements which forms part of this Annual Report.

By Order of the Board of Directors
For Tulsiyan NEC Limited

Sd/-
Lalit Kumar Tulsiyan
Executive Chairman
DIN: 00632823

Place: Chennai
Date: 10-08-2026

PARTICULARS OF REMUNERATION

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

- 1) **The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2025-26:**

Name	Designation	Ratio
Lalit Kumar Tulshyan	Executive Chairman	1:40
Sanjay Tulshyan	Managing Director	1:40
Sanjay Agarwalla	Whole Time Director	1:20
S. Chandrasekaran *	Whole Time Director	1:40
Manogyanathan Parthasarathy	Non-Executive Independent Director	N.A.
Somasundaram Ponsing Mohan Ram	Non-Executive Independent Director	N.A.
Ravi Muthusamy	Non-Executive Independent Director	N.A.
J Sumathi	Non-Executive Independent Woman Director	N.A.

Note:

- a) The remuneration paid to Non-Executive Independent Directors includes sitting fees and is based on the meetings attended by them during the FY 2025-26.
- b) Mr. S. Chandrasekaran is resigned from the office of Whole Time Director of the Company w.e.f. May 08, 2026.
- 2) **The percentage increase in remuneration of each director, Chief Financial Officer and Company Secretary, in the financial year 2025-26:**

Sl. No.	Name of Directors / KMPs and their designation	Remuneration / Sitting Fees to Directors / KMPs for the financial year 2024-2025	Remuneration / Sitting Fees to Directors / KMPs for the financial year 2025-2026	% increase in Remuneration for the Financial year 2025-2026
1.	Lalit Kumar Tulshyan (Executive Chairman)	1,20,00,000	1,20,00,000	-
2.	Sanjay Tulshyan (Managing Director)	1,20,00,000	1,20,00,000	-
3.	Sanjay Agarwalla (Whole Time Director)	55,00,000	60,00,000	4.5%
4.	S. Chandrasekaran (Whole Time Director)	16,50,000	12,00,000	-
5.	Manogyanathan Parthasarathy (Non-Executive Independent Director)	4,00,000	4,00,000	N.A.
6.	Somasundaram Ponsing Mohan Ram (Non-Executive Independent Director)	4,00,000	4,00,000	N.A.
7.	Ravi Muthusamy (Non-Executive Independent Director)	4,00,000	4,00,000	N.A.
8.	J Sumathi (Non-Executive Independent Woman Director)	4,00,000	4,00,000	N.A.
9.	Shanthakumar R P (Chief Financial Officer)	31,44,000	31,44,000	-
10.	Parvati Soni (Company Secretary and Compliance Officer)	10,28,400	12,60,000	22.52%

- 3) **The Percentage increase in the median remuneration of employees in the financial year 2025-26:** There was an increase of 70% in the median remuneration of employees in the financial year 2025-26.

- 4) **Number of permanent employees on the rolls of Company:** 358
- 5) **Average percentile increase / (decrease) already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:** The average increase in employee remuneration other than managerial personnel was 68%. The increase in managerial remuneration is in line with the measures to attract and retain the best talent.
- 6) **The key parameters for any variable component of remuneration availed by the directors:** Nil
- 7) It is hereby affirmed that the remuneration paid for the financial year 2025-26 was as per the Company's Policy on Director's Appointment and Remuneration.

By Order of the Board of Directors
For Tulsiyan NEC Limited

Sd/-
Lalit Kumar Tulsiyan
Executive Chairman
DIN: 00632823

Place: Chennai

Date: 10-08-2026

FORM MR-3**SECRETARIAL AUDIT REPORT**FOR THE FINANCIAL YEAR ENDED **MARCH 31, 2026**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A (1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,

The Members,

TULSYAN NEC LIMITED

CIN - L28920TN1947PLC007437

1st Floor, Apex Plaza, Old No.3,

New No.77, Nungambakkam High Road,

Chennai- 600034.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. TULSYAN NEC LIMITED** (hereinafter called "the Company"). The 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.

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 **March 31, 2026** ('Audit Period') 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 herein.

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 March 31, 2026 according to the provisions of:

- (i) The Companies Act, 2013 ("the Act") and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):- (to the extent applicable)
 - (a) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
 - (b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Companies Act and dealing with client;
 - (e) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
 - (f) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI (LODR)]
- (vi) Other laws as may be applicable specifically to the company – NIL.

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

- (i) The Listing Agreement entered into by the Company with BSE Limited ('BSE') under the SEBI (LODR);
- (ii) Secretarial Standards (SS-1) for Board Meeting and Secretarial Standards (SS-2) – for General Meeting issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the applicable provisions of the Act, Rules, Regulations, Circulars, Notifications, Guidelines, Secretarial Standards, etc. mentioned above subject to the following observation:

- a. *The Company submitted the disclosure of related party transactions for the half year ended March 31, 2025 in XBRL mode (Integrated Filing – Financial) to the BSE, as required under third proviso to Regulation 23(9) of SEBI (LODR), with a delay of one day.*
- b. *The Company submitted the audited/unaudited Standalone and Consolidated Financial Results for the financial year ended March 31, 2025, and for the quarter ended June 30, 2025, respectively, in XBRL mode (Integrated Filing – Financial) to the BSE, as required under BSE Circular No. 20250402-15 dated April 2, 2025, with a delay of one day.*

We further report that the Board of Directors of the Company is constituted with Executive Directors and Non-Executive cum Independent Directors. There was no change in the composition of the Board of Directors during the period under review.

Adequate notice was given to all the Directors to schedule the Board & Committee meetings. Agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice with the consent of all the Directors, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

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, Sapient Packing Private Limited, was incorporated as a subsidiary of the Company, having its Registered office situated in Gummidipundi, Tamil Nadu, pursuant to the Certificate of Incorporation issued by the ROC on September 02, 2025.

We further report that during the audit period, the shareholders of the Company at the 78th Annual General Meeting held on September 17, 2025, inter alia, had

- a. passed an ordinary resolution under Sections 179, 204 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder, and pursuant to Regulation 24A and other applicable provisions of the SEBI LODR, for appointment of M/s. M Damodaran & Associates LLP, Practicing Company Secretaries, Chennai (Firm Registration No.L2019TN006000) (Peer review Certificate No.3847/2023) as the Secretarial Auditors of the Company for a first term of five (5) consecutive years, commencing from the FY 2025-26 till the FY 2029-30.
- b. passed a special resolution under sections 149, 150 and 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and Regulations 16 and 17 and other applicable regulations of the SEBI LODR, for re-appointment of Mr. Somasundaram Ponsing Mohan Ram (DIN: 08883633) as an Independent (Non-Executive) Director to hold the office for a second term of 5 (Five) consecutive years on the Board of the Company with effect from September 19, 2025 to September 18, 2030 (both days inclusive).

For **M DAMODARAN & ASSOCIATES LLP**

Sd/-

Kalaiyarasi Janakiraman

Partner

Membership No.: 29861

COP. No.: 19385

FRN: L2019TN006000

PR 3847/2023

ICSI UDIN: A029861H001058341

Place: Chennai

Date: 10-08-2026

*(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,

TULSYAN NEC LIMITED

CIN - L28920TN1947PLC007437

1st Floor, Apex Plaza, Old No.3,

New No.77, Nungambakkam High Road,

Chennai – 600 034.

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

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

For **M DAMODARAN & ASSOCIATES LLP**

Sd/-

Kalaiyarasi Janakiraman

Partner

Membership No.: 29861

COP. No.: 19385

FRN: L2019TN006000

PR 3847/2023

ICSI UDIN: A029861H001058341

Place: Chennai

Date: 10-08-2026

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

This Management Discussion and Analysis Report is operating and financial review of the company and is intended to convey the Management's perspective on the financial and operating performance of the Company at the end of the Financial Year 2025-26. This Report is to be read in conjunction with the Company's financial statements, the schedules and notes thereto and other information included elsewhere in the Integrated Report. The Company's financial statements have been prepared in accordance with the Indian Accounting Standards ('Ind AS') complying with the requirements of the Companies Act, 2013, as amended and regulations issued by the Securities and Exchange Board of India ('SEBI') from time to time.

I. INDUSTRY STRUCTURE AND DEVELOPMENTS

The Company operates across three key divisions — **Steel, Power, and Synthetic Division**.

In the **Steel Division**, the Company manufactures TMT Bars, Sponge Iron, Billets, and Ingots. TMT Bars are primarily used in the construction sector.

The **Power Division** operates under an Independent Power Producer (IPP) model, supplying thermal power through power exchanges and third-party agreements.

The **Synthetic Division** produces PP Woven Sacks, FIBC (Flexible Intermediate Bulk Containers), and Woven Fabric, catering to the packaging needs of industries such as cement, fertilizers, food grains, sugar, among others.

Raw Materials

Steel manufacturing relies on M.S. Scrap and Sponge Iron, while Billets serve as the raw material for producing TMT Bars.

Power generation is primarily fueled by Coal, Dolomitic, and other biofuels.

The synthetic packaging products are produced using PP Granules, which are abundantly available domestically and can also be freely imported.

Being engaged in commodity-driven markets, the Company consistently undertakes initiatives to optimize costs and enhance operational efficiencies to sustain its profitability margins.

STEEL INDUSTRY

During F.Y. 2025–26, the Indian steel industry successfully consolidated its position as the world's second-largest steel producer, showcasing structural resilience against global macroeconomic volatility. The fiscal period was defined by a domestic demand supercycle driven by aggressive government capital expenditure (Capex) and private sector infrastructure mobilization. Concurrently, corporate operating margins expanded in the latter half of the year due to global price stabilization and aggressive corporate cost-rationalization programs.

1. Industry Performance Indicators (F.Y. 2025–26)

Provisional data for the full fiscal year underscores aggressive volume expansion across the board, alongside a notable turnaround in the nation's steel trade balance.

- **Crude Steel Production:** Scaled to **168.4 million tonnes**, exhibiting a robust **10.7% year-on-year (YoY) growth** rate.
- **Finished Steel Consumption:** Reached approximately **147.72 million tonnes** (climbing toward 164 million tonnes total industry volume), an expansion of **7.5% to 8% YoY**.
- **Finished Steel Exports:** Surged by **35.9% YoY**, closing at **6.60 million tonnes**, as major producers capitalized on Western structural shifts and product premiums.
- **Finished Steel Imports:** Compressed sharply by **31.7% YoY** down to **5.62 million tonnes**, successfully restoring India's status as a **net steel exporter**.

2. Macroeconomic Growth Drivers:

The primary consumption engines were highly localized, insulating Indian operations from weaker industrial growth seen across Europe and China.

END-USE CONSUMPTION SHARE	% OF CONSUMPTION IN F.Y. 2025-26
Building & Construction	63%
Infrastructure & Rail	21%
Automotive & Capital	16%

Government Infrastructure Outlays:

Core consumption was propelled by the ₹11.21 lakh crore central government capital expenditure budget. This sustained the high physical execution of massive infrastructure pipelines like **Bharatmala Phase-II** and **PMAY (Urban) 2.0**.

Segment Breakdown:

The **Building & Construction** sector seized a commanding **63% share** of total finished steel consumption. This was followed closely by heavy transport logistics infrastructure, rolling stock modernization in Railways, and regional infrastructure development.

Value-Added Migration:

Under the government's Production Linked Incentive (PLI) scheme for specialty steel, major manufacturers successfully scaled production of high-grade import-substitutes for defense and aerospace.

3. Margins and Pricing Dynamics:

- **Price Movement:** Steel prices hit a cyclical bottom in late 2025 before a gradual structural recovery unfolded in early 2026.
- **Cost Pressures:** Margins faced intense headwinds from firm raw material inputs, with international **coking coal staying stubborn above \$200/tonne** and iron ore lingering over \$100/tonne.
- **Protective Interventions:** Margins were further defended by a three-year sliding safeguard duty (ranging from 11% to 12%) implemented by the Indian Government to prevent the dumping of low-cost Chinese Hot Rolled Coils (HRC).

4. Strategic Focus, Risks, and Outlook

Management reports outline a structural transition phase prioritizing logistics optimization, environmental compliance, and capacity scaling.

Structural Risks:

- **Energy Disruptions:** Unstable gas supplies coming from the Middle East created sudden industrial fuel shortages (specifically LPG), forcing secondary mills to adjust thermal profiles.
- **Carbon Adjustments:** The impending execution of Europe's Carbon Border Adjustment Mechanism (CBAM) forced immediate capital reallocations into decarbonization projects to protect long-term export margins.

The Indian steel industry in F.Y. 2025–26 has proven its structural resilience, successfully navigating intense global margin compression to emerge as a vital engine of national macroeconomic expansion. By registering double-digit production growth, turning the trade balance back to a net-exporter status, and committing to a historic \$156 billion capital expenditure cycle, the sector has demonstrated that its growth trajectory is firmly decoupled from weaker global markets. Looking forward, the industry's long-term enterprise value will be defined by how efficiently it executes backward integration to secure raw materials, deploys green manufacturing technologies to mitigate CBAM risks, and expands domestic specialty steel capacity. Backed by an unyielding ₹11.21 lakh crore government infrastructure pipeline and a rapidly urbanizing economy, the sector is fundamentally well-positioned to scale toward its National Steel Policy target of 300 million tonnes by 2030, offering a highly attractive and resilient outlook for stakeholders and investors alike.

Global Scenario

The global steel industry is navigating a structural divergence phase characterized by localized demand cycles and uneven macroeconomic recoveries. While global crude steel production contracted by 2.0% in 2025 to ~1.8 billion metric tonnes due to structural slowdowns in mature regions, the World Steel Association (worldsteel) reports that the market is beginning to bottom out in early 2026. Global steel

demand is projected to edge up marginally by 0.3% to 1.3% in 2026 to reach approximately 1,724–1,773 million tonnes, supported by easing financial conditions and public infrastructure frameworks.

A. Global Performance Indicators & Supply Shifts

Supply dynamics reflect an accelerating polarization between declining historic steel superpowers and highly resilient emerging markets. In 2024, the world crude steel production was 1,886.7 and in 2025, it reached 1,850.2 million tonnes (MT) as per data released by World Steel Association.

World Steel Association in its Short-Range Outlook, released in April 2026, forecasted that steel demand shall grow by 0.3% in 2026 to reach 1,724 MT while in 2027, it is expected to register a growth of 2.2% and reach 1,762 MT.

India is the second largest producer of crude steel. China was world's largest crude steel producer in 2025 (960.8 MT) followed by India (164.9 MT), the USA (81.9 MT) and Japan (80.7 MT). (Source: World Steel Association and the data is provisional)

Per capita finished steel consumption in 2024 was 215 kg for world and 604 kg for China as per data released by World Steel Association (source: SSY-2025). The same for India is 115.5 kg in 2025-26 (Source: JPC).

Diverging Production Output (Early 2026 Trends)

- **China:** Retains its position as the largest global producer but continues structural contraction, with output **dropping by 6.3% YoY to 87.0 Mt** in March 2026, following an overall 10.3% drop in late 2025.
- **United States:** Capitalizing on localized supply dynamics, production **expanded by 5.2% YoY to 7.2 Mt** in March 2026.
- **Emerging Asia:** Vietnam officially entered the **world's top 10 steel-producing nations** for the first time, reaching 8.5 million tonnes in early 2026.
- **Geopolitical Disruption:** The Middle East saw massive contractions (e.g., **down 27.6% in April 2026**) after military flare-ups severely damaged primary processing assets in Iran.

B. Macroeconomic Drivers & Regional Realities

Management boards are tailoring corporate strategy to three distinct economic realities across major trading blocks:

Region	Expected Demand Growth (2026)	Primary Structural Drivers & Headwinds
China	Continuing Contraction	Decelerating real estate sector; government focus shifting to manufacturing exports rather than domestic construction.
European Union & UK	+1.3% to +3.2%	Recovery supported by massive increases in defence spending and public infrastructure; persistent energy price risks.
United States	+1.7% to +1.8%	Driven by robust private manufacturing investments, gradual housing recovery, and aggressive domestic tariff structures.
Developing Markets (ex. India)	Moderate Expansion	Fueled by strong urbanization trends across the ASEAN and MENA corridors.

C. Operational Challenges & Management Strategies

Global steel corporate management teams from major international players—such as ArcelorMittal and POSCO—face a highly complicated operating landscape:

- **Overcapacity and Export Dumping:** Sluggish domestic demand in China has resulted in heavy subsidized state exports flowing into global channels. This has prompted an unprecedented wave of trade friction, with the U.S. and Europe moving to increase steel tariffs up to 50% to prevent market disruption.
- **The “Green” Tariff Imperative:** Managing director discussions are intensely focused on compliance timelines for Europe's **Carbon Border Adjustment Mechanism (CBAM)**. Producers outside Europe are scrambling to adjust asset portfolios, allocating heavy capital expenditure toward lower-emission Electric Arc Furnaces (EAF) to protect access to premium Western markets.

- **Profitability and Price Squeezes:** Global asset utilization risks dipping if planned expansion outpaces demand. With international raw materials (coking coal and scrap metal) remaining stubborn, global operating margins are experiencing localized squeezes outside heavily protected trade blocks.

D. Global Trade and Geopolitics

The global steel scenario during 2025–26 marks the definitive end of China-centric market expansion and the beginning of a fragmented, multi-polar era. While global volume metrics remain relatively flat, underlying structures are changing rapidly as western markets leverage protective tariffs and decarbonization metrics. Corporate entities that prioritize energy efficiency, sustainable green-steel supply chains, and localized premium product portfolios will capture stable enterprise margins despite wider macroeconomic volatility.

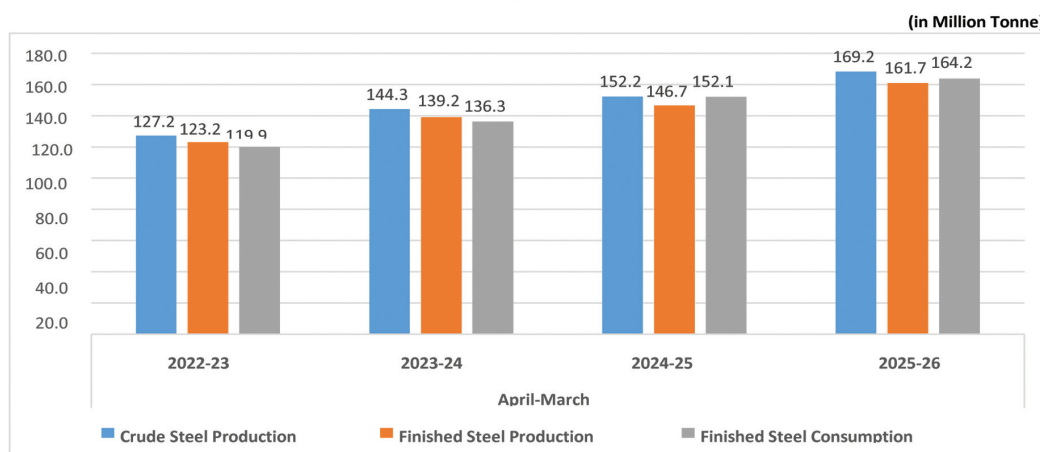
Domestic Scenario

Production

Steel Sector

1. According to WSA (World Steel Association) estimates on overall global production, the global steel industry witnessed diverse trends across key producing countries in March '26. India's crude steel production for the year 2025-26 reached 169.2 million tons, marking a 10.4% growth over 2024-25. This growth highlights India's resilience and continued strength in steel production despite global fluctuations.
2. The production of Finished Steel during April 2025- March 2026 is 161.7 million tonnes (Mt) (9.7% increase from the corresponding period of last year.)
3. The consumption of finished Steel during April 2025- March 2026 is 164.2 million tonnes (Mt) (7.6% increase from the corresponding period of last year).

Production and Consumption (April-March)



Demand - Availability

1. **Demand Trends:** During F.Y. 2025–26, India's domestic steel market demonstrated a prominent "decoupling" phenomenon, maintaining high-single-digit demand acceleration while broader international steel consumption contracted, primarily driven by:
 - **Total Apparent Consumption:** Finished steel consumption escalated to a record 147.72 million tonnes (with industry aggregate volume scaling up to 163.7–164.0 million tonnes inclusive of minor processing routes).
 - **Year-on-Year (YoY) Growth:** Real domestic demand logged a structural growth rate of 7.5% to 8.0% YoY. While lower than the 10-11% breakout spike seen in F.Y. 2024–25, the expansion yielded an incremental volumetric demand of 11 to 12 million tonnes per

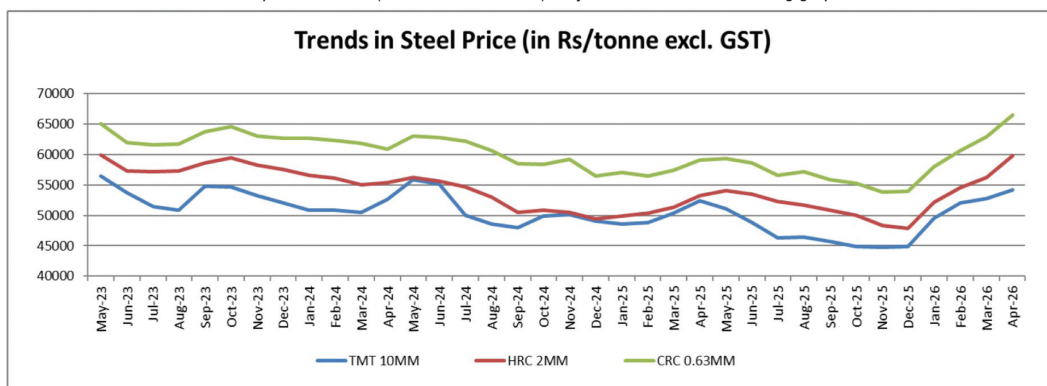
annum, easily absorbed by fresh capacity additions.

2. **Granular End-Use Segment Analysis:** India's installed TMT bar production capacity remained adequate to meet the rising demand, but regional supply imbalances were observed:

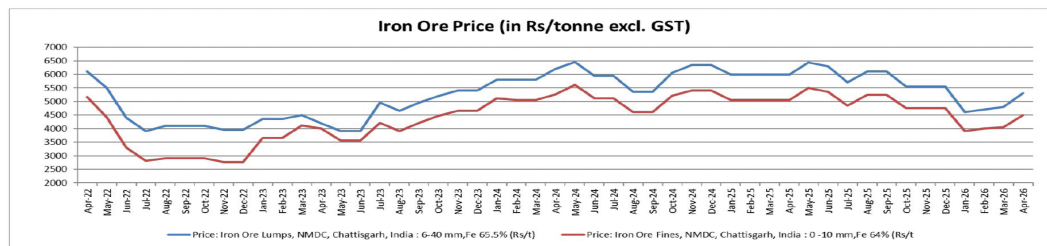
- Eastern and Central India (Jharkhand, Chhattisgarh, Odisha) had sufficient supply due to proximity to integrated steel plants.
- Western and Southern India witnessed tightness in supply, especially from small and medium-scale re-rollers, due to:
 - Rising input costs (sponge iron, billets).
 - Logistics constraints during monsoon and festive periods.
 - Lower capacity utilization by secondary producers.
- Overall availability was stable but under pressure during Q3 FY 2024–25 due to:
 - High scrap prices and billet shortages.
 - Temporary shutdowns in some induction and re-rolling units.
 - Shifting production priorities of integrated mills toward long products with better margins.

3. Price Dynamics

- TMT bar prices remained volatile, averaging between ₹45,000–₹51,000 per tonne in major markets during FY 2025–26.
- Prices softened during Q1 due to subdued global steel sentiments and oversupply of billets in some zones but firmed up in Q4 with improved demand.
- The fluctuations in retail prices of steel (TMT, HRC and CRC) may be seen from the following graph:



- Iron ore prices showed wide fluctuations during the last three years. Prices, however, have generally moved upwards since December 2022. In 2025, prices remained flat in the beginning, from January to April 2025, followed by ups and downs, as may be seen from the graph below:



4. Demand–Supply Gap

- Although no major nationwide shortage was reported, localized shortfalls occurred, especially in the southern and northeastern regions.
- Total Capacity Pool: India’s total installed crude steel capacity reached approximately 220.00 million tonnes per annum (MTPA) by the close of the fiscal year.
- Aggregated Industry Output: Total crude steel production successfully scaled to 170.15 million tonnes (MT) to support downstream manufacturing.
- National Steel Intake: Domestic finished steel consumption grew to 164.36 million tonnes (MT) to meet nationwide infrastructure mandates.
- Asset Operating Velocity: The domestic steel industry maintained a healthy asset utilization rate, averaging approximately 81% capacity utilization.
- Year-on-Year Expansion Curve: Total market demand for finished steel registered a robust structural expansion rate of 7.4% year-on-year.
- Overall, the TMT market remained supply-constrained in some periods, particularly for specific sizes (8mm–12mm) and customized grades.

5. Strategic Outlook

- Integrated players focused on expanding long product capacity, including TMT bars, to meet rising demand.
- Small and medium mills were affected by high working capital costs, impacting production consistency.
- Government’s continued focus on “Housing for All”, Smart Cities, and urban renewal programs is expected to sustain robust demand in coming years.

Exports & Imports

India was a net exporter of total finished steel from 2020-21 to 2022-23, but the country became net importer of finished steel in 2023-24 and 2024-25. In 2025-26, India is a net exporter of finished steel, according to provisional data from JPC. The table below contains the details:

Item	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26
Export	10784	13494	6716	7487	4858	6601
Imports	4752	4669	6021	8320	9551	6524
Net Exports/Imports	6032	8825	695	(833)	(4693)	77

Source: JPC

Month-wise data from January 2025 to April 2026 indicate that India functioned as an importer during January–May, July–September, and December 2025, as well as February and April 2026, while it remained a net exporter in June, October, and November 2025, and in January and March 2026.



Important Policies and initiatives of Government of India

- Steel is a de-regulated sector, Government acts as a facilitator, by creating conclusive policy environment for development of the steel sector. The Government of India has notified National Steel Policy, 2017 which envisages development of a technologically advanced and globally competitive steel industry that provides environment for attaining self-sufficiency in steel production by providing policy support and guidance to steel producers. National Steel Policy covers all aspects of the steel sector such as steel demand, steel capacity, raw material security, infrastructure and logistics, Research & Development (R&D) and energy efficiency. Overall projections of domestic crude steel capacity, production and per capita finished steel consumption value envisaged in the National Steel Policy (NSP) 2017 are shown below:-

S. No.	Parameter	Projections (2030-31)
1.	Total Crude Steel Capacity	300 mt
2.	Total Crude Steel demand/Production	255 mt
3.	Per Capita Finished Steel Consumption	158 kg
Sources: National Steel Policy (NSP) 2017 mt: Million Tonnes		

- Production Linked Incentive (PLI) Scheme for Specialty Steel was launched by the Union Cabinet on 29.07.2021, with financial outlay of Rs. 6,322 crore to promote the manufacturing of 'Specialty Steel' within the country by attracting capital investment, generate employment and promote technology up-gradation in the steel sector.
- The third round of the Production-Linked Incentive (PLI) Scheme for Specialty Steel (PLI 1.2) was launched on 4 November 2025 to attract fresh investments in advanced and emerging categories such as super alloys, CRGO steel, stainless steel (long and flat products), titanium alloys, etc. A total of 118 applications were received from companies. Ministry of Steel has signed Memorandum of Understanding (MoUs) with 60 companies for 85 eligible applications under PLI Scheme 1.2. This round is expected to attract a committed investment of ₹11887 crore and a committed capacity of 8.29 million tonnes.

So far, the Ministry has disbursed ₹236 crore as incentives under the PLI Scheme for Specialty Steel.

Opportunities for growth of Iron and Steel in Private Sector: The New Industrial Policy Regime

Steel Quality Control Order (Steel QCO): Ministry of Steel has introduced (Steel QCO) thereby banning sub-standard / defective steel products both from domestic & imports to ensure the availability of quality steel to the industry, users and public at large. As per the Order, it is ensured that only quality steel conforming to the relevant BIS standards is made available to the end users. As on date, 151 Indian Standards stands notified under the QCO covering carbon steel, alloy steel and stainless steel.

Suspension of 55 standards from Quality Control Order (QCO) Order date 20/11/2025: Ministry of Steel, after consultations with the Bureau of Indian Standards (BIS) has issued the Steel and Steel Products (Quality Control) Amendment Order, 2025, thereby adopting a calibrated approach and suspending QCO enforcement for 55 standards (42 standards for three years and 13 standards relating to specialty steel under PLI 1.2 for one year). The remaining standards have been retained on grounds of unfair trade practices, national security, adequate domestic capacity, and the need to protect small steel producers.

Research & Development (R&D): The Ministry of Steel is operating an R&D Scheme viz. "Promotion of Research & Development in Iron & Steel Sector". Through this scheme, Ministry is providing financial assistance for Research & Development (R&D) by supporting collaborative projects with academic institutions, research laboratories, and steel companies to address technological challenges in the iron and steel sector. In accordance with DoE guidelines, a third-party evaluation of the scheme has been completed, and the scheme has been revised and continued further for the next 5 years till 31 March 2031.

- An annual budget of ₹5-10 crore has been earmarked under the R&D Scheme to promote innovation in the steel sector.
- The thrust areas for providing financial assistance under the R&D Scheme, are development of new alternate processes & technologies to address the burning issues faced by the Iron & Steel Sector such as climate change (low emission steel production, H2 based iron & steel production, CCUS etc.), waste utilization, energy & resource efficiency etc.
- Till date, total of 75 projects have been approved under the scheme. Of these, 35 R&D projects have been completed out of which six have been successfully adopted by the industry, 23 have achieved success at the laboratory scale, while six did not yield the

desired outcomes. At present, 23 projects are ongoing, and another 17 are nearing completion.

4. During the F.Y. 2025-26, an expenditure of Rs. 7.00 Crore incurred. BE for FY 2026-27 is Rs. 6 crore, first transaction of Rs. 1.37 Crore released on 22.04.2026. Six new proposals were received and evaluated during the EG (Evaluation Group) meeting held on 25.03.2026.

Steel Import Monitoring System (SIMS)

SIMS, introduced in 2019, provides detailed data related to imports of steel in India. Based on industry feedback, the Ministry has revamped the portal to develop a more effective SIMS. It is a significant step forward in monitoring steel imports and promoting the growth of the domestic steel industry. Availability of such detailed data not only provides input for policy making but also signals areas for production and growth to the domestic steel industry.

In an effort to simplify the process of compulsory registration under the SIMS for imports of 'small consignments' pertaining to iron and steel items by MSMEs and other small importers; and imports made under Advance Authorization, SEZ and EOU route for 'export purposes', a new facility of 'SARAL SIMS' has been introduced with effect from 21.11.25. Further, the registration process under the regular SIMS has also been significantly simplified by substantially reducing the number of fields to be filled by importers for facilitating the Ease of Doing Business.

The New Industrial policy opened up the Indian iron and steel industry for private investment by

- a. removing it from the list of industries reserved for public sector and
- b. exempting it from compulsory licensing. Imports of foreign technology as well as foreign direct investment are now freely permitted up to certain limits under an automatic route. Ministry of Steel plays the role of a facilitator, providing broad directions and assistance to new and existing steel plants, in the liberalized scenario.

Tulsyan NEC's performance vis-a-vis Indian Steel Industry Performance

Annual	Industry Finished Steel Production (India)	Growth Year Previous Year	Tulsyan NEC TMT Production In MTs	Growth Year Previous Year
2020-21	96.200		82,565	
2021-22	113.600	18.09%	1,03,049	24.81%
2022-23	125.320	10.32%	1,37,632	33.56%
2023-24	138.825	10.77%	1,39,851	1.6%
2024-25	146.560	5.57%	1,29,667	(7.28%)
2025-26	161.700	10.33%	1,22,561	(5.48%)

Since F.Y. 2024-25 the company has performed adverse to the steel industry. In the year 2021-22 when the industry growth was 18.09% Tulsyan NEC achieved a growth of 24.81%. In the year 2022-23 when the industry growth was 10.32% Tulsyan NEC achieved a growth of 33.56%. In the Financial year 2023-24 the growth was limited to 1.6% due to continuous drop in selling prices. The growth rate of overall steel industry has declined to 5.57% which has affected the company's overall growth dropping by 7.28%. Similarly, during the year 2025-26 when Industry has shown the growth of 10.33% whereas the company has dropped its production growth to 5.48% consecutively. The company has also upgraded its machineries and equipments which lead increase in finance cost and operational loss during the year.

Outlook

In summary, the Indian steel industry demonstrated robust structural health during F.Y. 2025–26, with domestic supply comfortably pacing the country's high-growth consumption demands. The minimal gap between a crude steel output of 170.15 MT and a finished consumption profile of 164.36 MT underscores a well-calibrated market. Strong public sector capital expenditure on mega infrastructure remains a highly effective buffer against broader global slowdowns.

Looking forward, corporate resilience will hinge on managing international coking coal volatility and executing timely green-transition upgrades. Companies that successfully optimize their asset utilization rates and insulate their operations against carbon border tariffs are structurally best positioned to capture India's expanding long-term demand curve.

POWER INDUSTRY

1. Executive Summary & Strategic Pivot

During the fiscal years, the Company initiated a transformative structural pivot by transitioning its primary power generation assets from a Captive Power Plant (CPP) configuration to an Independent Power Plant (IPP) operational framework.

Historically, our generation infrastructure was optimized solely to insulate core industrial operations from grid volatility. While this successfully mitigated operational risks, it restricted our energy assets to a cost-center framework with zero external monetization capabilities. By restructuring as an IPP, the Company has successfully unlocked merchant power capabilities. This transition turns our generation fleet into a distinct, high-margin revenue engine. It allows us to actively participate in national energy markets, leverage government-backed commercial coal schemes, and bid for lucrative long-term power and fuel supply tenders.

2. Macroeconomic & Industry Overview

The Indian power sector is undergoing an unprecedented structural expansion, driven by rapid industrialization, urban migration, and the government's intense focus on energy security. Key Sector Drivers Sustained Demand Velocity: Base energy demand and peak power deficits continue to scale upward, driven by a growing manufacturing sector and expanding infrastructure. Grid Modernisation Mandates: Structural overhauls within State Electricity Boards (SEBs) and national transmission infrastructure have significantly improved power evacuation efficiency and reduced transmission losses. Thermal-Renewable Balancing Act: While renewable energy capacities are expanding rapidly, high-PLF (Plant Load Factor) thermal assets remain critical for base-load stability and grid balancing.

3. The Strategic Disruption: Transitioning from CPP to IPP

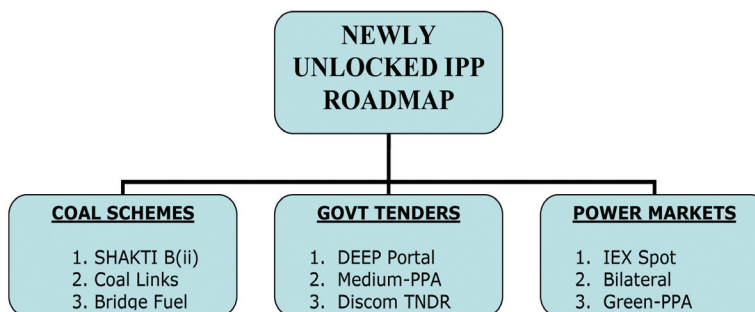
Operating under a CPP framework placed structural limits on our asset efficiency, resource procurement, and financial returns. The shift to an IPP framework eliminates these constraints and repositions the Company within the national energy matrix.

Key Benefits of the Shift

- **Asset Optimization:** Generation assets are no longer bound by internal factory operational schedules. Operating as an IPP allows the fleet to run at maximum technical efficiency and achieve optimal Plant Load Factors (PLFs).
- **De-Risked Cost Structures:** Internal production downturns no longer result in underutilized power infrastructure. Excess power is continuously evacuated directly to regional and national grids.
- **Commercial Scale:** Transitioning to an IPP gives the Company the legal and regulatory standing required to participate in broad utility-scale energy commerce.

4. Newly Unlocked Multi-Channel Commercial Opportunities

The transition to an IPP framework opens up several lucrative revenue streams and fuel-security mechanisms that were previously unavailable to us as a captive consumer.



- A. Strategic Coal Linkage & Fuel Schemes: As an IPP, the Company qualifies for priority fuel supply allocations from public mining enterprises under several core schemes:

- **SHAKTI Scheme Access:** We can now bid for long-term coal linkages under Paragraph B(ii) of the SHAKTI Policy, which is reserved specifically for IPPs with pre-established or upcoming Power Purchase Agreements (PPAs).
- **Exclusive Fuel Auction Tranches:** This shift allows us to participate in premium fuel auction windows, which offer highly competitive floor prices compared to expensive open-market or imported coal.
- **Bridge Linkage Allocations:** The Company is now eligible to apply for interim fuel allocations during development gaps, ensuring optimal fuel security and preventing generation disruptions.

B. High-Volume Government Power Tenders: The IPP status enables the Company to actively bid on institutional power procurement portals:

- **DEEP (Discovery of Efficient Electricity Price) Portal:** We can now participate in competitive electronic bidding for short-term, medium-term, and long-term power procurement tenders issued by state-owned DISCOMs.
- **Medium-Term PPA Opportunities:** The Company is well-positioned to bid for medium-term structural PPAs, securing predictable cash flows while retaining asset flexibility.
- **State Utility Open Tenders:** We can directly enter supply arrangements with power-deficient states, capturing premium tariffs during peak seasonal demand spikes.

C. Merchant Power & Open Access Revenues

- **Power Exchange Monetization:** Uncontracted merchant capacity can be traded in real-time on leading platforms like the Indian Energy Exchange (IEX) and Power Exchange India Limited (PXIL) to capitalize on daily spot price spikes.
- **Bilateral Group Open Access:** The Company can bypass traditional utility channels to sell power directly to high-tariff commercial and industrial (C&I) clients through open-access corridors, maximizing margin realizations.

5. Risk Management & Operational Monitorables

While the transition to an IPP opens up significant commercial potential, it also introduces a new set of institutional risk variables that require systematic management:

- **DISCOM Receivable Cycle Volatility:** Selling power to state utilities can expose the company to working capital pressures if payment timelines stretch. We mitigate this risk by prioritizing tenders backed by Letters of Credit (LC) and stringent payment security mechanisms.
- **Merchant Tariff Fluctuations:** Merchant Tariff Fluctuations: Merchant power prices on spot exchanges can be highly volatile. To counter this, the management targets a balanced mix of 70% locked-in medium/long-term PPAs and 30% open merchant exposure.
- **Logistical Infrastructure Constraints:** Maximizing generation output requires consistent coal supply lines. The Company is actively optimizing its supply chain by upgrading private rail sidings and expanding automated coal-handling infrastructure to prevent fuel bottlenecks.

6. Forward-Looking Outlook

The transition from a Captive Power Plant to an Independent Power Plant represents a major milestone in the Company's value creation journey. This pivot protects our core asset base while positioning us to capitalize on India's evolving energy landscape.

By actively pursuing upcoming SHAKTI coal linkages and participating in competitive utility bidding processes, the management is focused on securing long-term revenue visibility, optimizing fuel costs, and delivering sustainable, long-term returns for our shareholders

II. Strategic Opportunities

- **Infrastructure-Led TMT Consumption:** The Government of India's ₹12.2 lakh crore infrastructure allocation acts as a strong demand floor. High-volume demand remains resilient through structural pipelines like **PM Awas Yojana 2.0**, urban metro expansions, and dedicated freight corridors. This provides continuous volume traction for high-tensile structural steel (Fe 550D / Fe 600).

- **Thermal Efficiency via WHRS Integration:** Companies running integrated Electric Arc or Induction Furnaces can mitigate conversion costs by leveraging **Waste Heat Recovery Systems (WHRS)**. Generating captive power from waste kiln gases bypasses expensive commercial grid tariffs. This lowers net processing costs and provides structural insulation against macro energy shocks.
- **Decarbonization & Green Steel Premiums:** The structural shift toward a lower carbon footprint allows nimble operators to secure pricing premiums. Utilizing high-yield domestic scrap blends alongside renewable open-access power creates a distinct marketing advantage. This directly addresses the green procurement mandates of large institutional developers.

Structural Threats

- **Import Dumping & Pricing Squeezes:** A persistent influx of lower-priced finished steel imports from overseas manufacturers entering major Indian ports restricts domestic price flexibility. This capacity imbalance limits the ability of local primary and secondary steel mills to pass raw material cost increases down the consumer value chain.
- **Volatile Input Sourcing Cycles:** The financial stability of the sector is exposed to volatile international price cycles for essential raw inputs, specifically low-ash coking coal and heavy melting scrap. Geopolitical disruptions in supply routes lead to rapid price swings, squeezing operating margins and creating working capital variance.
- **Grid Tariffs & Compliance Outlays:** Manufacturing setups relying on external power configurations face high industrial grid tariffs and changing cross-subsidization surcharges. Concurrently, the implementation phases of the **Indian Carbon Credit Trading Scheme (CCTS)** mandate significant non-revenue generating capital expenditure to upgrade emissions equipment at legacy captive power plants.

Management Outlook & Strategic Directive

To defend financial margins in FY 2025–26, executive strategy must prioritize maximizing internal WHRS captive power generation to lower conversion costs. Concurrently, production mix profiles should pivot from generic commodity structural steel toward specialized, high-performance certified TMT grades to shield profitability from import price volatility.

III. SEGMENT-WISE/ PRODUCT-WISE PERFORMANCE

The production of steel rods was 122561 MT compared to 129667 MT in the previous year which showed a drop by 5.48%.

The production of power was 1907.27 Lac units compared to 1674.24 Lac units in the previous year registering an increase of 13.92% mainly due to shift from Captive Power Plant to Independent Power Plant.

The production of synthetic products was 2129 MT compared to 2372 MT in the previous year, a decline of about 10% over previous year. The reduction in the production was on account of drop in exports due to tariff disruptions and demand volatility connected to the markets in the sector.

IV. OUTLOOK

Going forward, coal-based power generation plants must focus on four key considerations to remain competitive and sustainable.

- First, preparing for flexible operation is essential as the increased penetration of renewable energy will require thermal plants to operate more flexibly. This will necessitate additional capital and operational expenditures, along with changes in control systems.
- Second, there must be a focus on adopting more efficient and sustainable technologies. Future capacity additions will likely involve high-efficiency ultra-supercritical and advanced ultra-supercritical units, along with investments in SO_x and NO_x reduction equipment and evaluations of cost-effective carbon capture and storage solutions.
- Third, digitalisation will play a critical role, with data-driven decision-making powered by AI/ML for performance optimisation and predictive maintenance, IIoT initiatives for equipment performance monitoring and the use of analytics to enhance market participation. Investments in emerging technologies such as AR/VR, drones and robotics will also be important.
- Finally, achieving operational excellence will be crucial, with a focus on optimising heat rate, auxiliary power consumption and oil consumption, as well as maintaining adequate coal stock, which has recently averaged seven to ten days.

The outlook for thermal generation remains stable, supported by several positive developments. An improvement in the thermal PLF has been observed, alongside a reduction in outstanding dues from state discoms, driven by the implementation of the late payment surcharge rules. Additionally, sustained growth in electricity demand is expected to enhance the prospects for signing new power purchase agreements for thermal independent power producers, providing greater visibility and stability for the sector in the coming years.

V. RISK AND CONCERNS

The thermal generation sector faces major challenges, particularly in maintaining a stable coal supply. Seasonal rainfall disrupts coal production and transportation, leading to critically low stocks, risking plant availability and potential blackouts. The sector's heavy reliance on coal makes any supply disruption impactful.

Another challenge is the issue of stranded or stressed assets, where significant investments in TPPs remain underutilised, creating financial burdens. Tighter environmental regulations are also on the horizon, which, while necessary, may increase operational costs and complicate long-term planning. Additionally, the growing presence of renewable energy requires TPPs to operate more flexibly, straining equipment and increasing maintenance costs.

The persistent practice of providing free or highly subsidized electricity by various state governments. While politically motivated, this approach undermines the financial stability of distribution companies (DISCOMs) and risks broader market disruption.

Key implications include:

- **Financial Strain on DISCOMs:** Reduced revenue collection hampers the ability of DISCOMs to maintain infrastructure, invest in modernization, and meet operational costs.
- **State Government Fiscal Stress:** Continued free electricity policies can strain state budgets, limiting resources available for development and other essential services.
- **Market Disruption:** Unsustainable subsidies can lead to sectoral inefficiencies, increased debt, and potential disruptions in electricity supply.
- **Policy Non-Compliance:** Deviations from established electricity reforms and policies threaten sectoral reforms' objectives, risking long-term sustainability.

Addressing this issue requires:

- Strong political will to align policies with sector reform goals.
- Implementation of targeted subsidy schemes rather than widespread free supply.
- Regulatory measures to ensure adherence to reform frameworks.
- Public awareness campaigns to understand the importance of sustainable power policies.

Ultimately, a balanced approach that considers social equity while ensuring financial viability is essential for the power sector's stability and growth. The company is conscious of the risks involved and has put in place a mechanism for minimizing and mitigating the same. The process is reviewed periodically.

VI. INTERNAL CONTROL SYSTEMS AND ITS ADEQUACY

The company has proper and adequate system of internal controls commensurate with internal control system encompasses policies, procedures, and measures designed to safeguard assets, ensure the accuracy and reliability of financial reporting, promote operational efficiency, and ensure compliance with laws and regulations. In a power and steel company, which operates in complex, capital intensive, and regulated environments, a robust internal control system is vital.

Key Components of Internal Control Systems :

1. Control Environment	- Establishing a strong organizational culture emphasizing integrity, ethical behavior, and accountability. - Clear organizational structure with defined authority and responsibility.
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2. Risk Assessment	- Identifying risks related to operational, financial, regulatory, and environmental factors. - Implementing measures to mitigate identified risks.
3. Control Activities	- Segregation of duties to prevent fraud and errors. - Authorization and approval processes for transactions. - Physical controls over assets like machinery, raw materials, and finished goods. - Regular reconciliations and verification procedures.
4. Information and Communication	- Reliable information systems for financial reporting and operational data. - Effective communication channels across departments and levels of management.
5. Monitoring	- Ongoing internal and external audits. - Periodic review of control procedures and corrective measures.

The internal control system in the company is comprehensive, dynamically updated, and effectively implemented to deal with sector-specific risks. Its adequacy significantly impacts operational efficiency, financial integrity, regulatory compliance, and overall organizational resilience. Continuous review and strengthening of controls are essential to adapt to evolving challenges and ensure sustainable growth.

VII. FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

During the year under review, the Company has achieved a Sales Turnover of Rs. 79,742.68 Lakhs which was reduced by 16.60 % over last year's turnover of Rs. 95,599.52 Lakhs. The Comparative performance of major financial parameters during the financial years 2025-26 and 2024-25 is given below:

Particulars	Amount (Rs in Lacs)	
	2025-26	2024-25
Sales Turnover	72882	79743
Other Income	3128	340
Total Income	76010	80083
Profit before Interest, Depreciation, exceptional/abnormal items and Tax (EBIDTA)	2818	1380
Less: Interest	7092	6415
Less: Depreciation	2170	2235
Profit before Tax (PBT) before exceptional / abnormal items	(6444)	(7270)
Less: Exceptional items	0	0
Profit before Tax & OCI	(6444)	(7270)
Profit After Tax	(6444)	(7270)
Net worth	20891	27328
EBIDTA to Net sales (%)	3.87%	1.73%
PAT to Net worth	(31%)	(25%)
Debtors	9271	9896
Debtors Turnover (In days)	46	45
Inventory	5817	6995
Inventory Turnover (In days)	29	32
EBIT	(4274)	(5035)
Interest Coverage Ratio	0.40	0.22
Current Assets	18800	20773
Current Liabilities	23774	30893
Current Ratio	0.79	0.67

Debt	38457	35047
Debt Equity Ratio	1.84	1.28
Operating Profit Margin (%)	(8.84%)	(9.12%)

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

Your Company believes that Human Resources are the driver to its continued success by helping to meet the challenges of providing quality products to the customers across the length and breadth of the country and penetrating key markets abroad. In order to strengthen its human capital base, your Company continues to invest in human resources by retaining and developing its existing talent and also attracting competent and talented manpower across functions.

Your Company maintained cordial and harmonious Industrial relations in all our manufacturing units. Several HR and industrial relations initiatives implemented by the Company have significantly helped in improving the work culture, enhancing productivity and enriching the quality of life of the workforce. All the above initiatives have contributed significantly to achieving and maintaining the market leadership, your Company enjoy today. The total employee strength as on 31st March, 2026 is 358.

IX. CAUTIONARY STATEMENT

The above Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be "forward looking Statement" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include external economic conditions affecting demand/supply influencing price conditions in the market in which the Company operates, changes in Government regulations, statutes, tax laws and other incidental factors.

By Order of the Board of Directors
For Tulsyan NEC Limited

Sd/-
Lalit Kumar Tulsyan
Executive Chairman
DIN: 00632823

Place: Chennai

Date: 10-08-2026

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The corporate governance philosophy of the Company believes in and adheres to good corporate governance practices, implements policies and guidelines and develops a culture of the best management practices and compliance with the law coupled with the highest standards of integrity, transparency, accountability, ethics and values in all facets of its business operations.

All the employees of Tulshyan NEC Limited ("TNECL" or "the Company") are committed to a balanced corporate governance system, which provides the framework for achieving the Company's objectives encompassing practically every sphere of management, from action plans and internal controls to corporate disclosures.

TNECL also believes that sound corporate governance is critical to enhance and retain investor trust. Hence, our business policies are based on ethical conduct, health, safety and a commitment to building long term sustainable relationships with relevant stakeholders. The Company continues to strengthen its governance principles to generate long term value for all its stakeholders on a sustainable basis thus ensuring ethical and responsible leadership both at the Board and at the Management levels.

Our corporate governance framework ensures that we make timely disclosures and share accurate information regarding our financials and performance, as well as disclosures related to the leadership and governance of the Company.

TNECL's focus is not only to ensure compliance with the requirements as stipulated under SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") as amended from time to time, regarding corporate governance, but is also committed to sound corporate governance principles and practices and constantly strives to adopt emerging best corporate governance practices being followed nationwide.

A report on compliance with corporate governance principles as prescribed under Regulations 17 to 27 and Regulation 46 read with Schedule V of SEBI Listing Regulations, as applicable, is given below.



BOARD OF DIRECTORS

(a) Governance Structure

The governance structure of the Company comprises of the Board, as the apex decision making body and the Senior Management Personnel, being experts from various functions with rich knowledge and experience in the industry for providing strategic guidance

and directions in running and managing the Company. The Board has the ultimate responsibility for the development of strategy, management, general affairs, direction, performance and long-term success of business as a whole. The Board exercises independent judgement and plays a vital role in the oversight of the Company's affairs. To sum up, the Board's key purpose is to ensure the Company's prosperity by collectively directing the Company's affairs, while meeting the appropriate interests of its shareholders and other stakeholders.

The Company's day-to-day affairs are managed under the overall supervision of the Board. The Board is committed to representing the long-term interests of the stakeholders and in providing effective governance over the Company's affairs and exercising reasonable business judgement on the affairs of the Company.

(b) Composition and Category of the Board

Our Board represents an appropriate mix of Executive Directors ('EDs') and Non-Executive Independent Directors ('IDs'), which is in compliant with the provisions of the Companies Act, 2013 ('the Act') and the SEBI Listing Regulations and is also aligned with the best practices of Corporate Governance.

The Board periodically evaluates the need for change in its composition and size. As on March 31, 2026, the Board comprised of 8 (eight) members, consisting of 4 (four) Executive Directors and 4 (four) Non-Executive Independent Directors. Out of the total members, 1 (one) member is an Independent Woman Director.

The detailed profile of our Directors is available on our website at <https://tulsyanec.in/investors/> under the "Board of Directors" section.

None of the Directors on the Board holds the office of Director in more than 20 (twenty) companies, including 10 (ten) public companies, as disclosed under Section 184 of the Act read with Rules framed thereunder. None of the Directors serve as a Director in more than 7 (seven) listed companies. Further, none of the Directors serve as an ID in more than 7 (seven) listed companies or 3 (three) listed companies in case he/she serves as an ED in any listed company. Further, none of our IDs serve as Non-Independent Director of any company on the board of which any of our Non-Independent Directors is an ID.

None of the Directors of the Company, is a Member of more than 10 (ten) Committees or Chairperson of more than 5 (five) Committees, across all public companies in which he/she is a Director.

Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that all the Independent Directors meet the criteria of independence as mentioned under Section 149 of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management. The Independent Directors have also confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. The Company has also received confirmation from all the existing Independent Directors of their registration on the Independent Directors Database maintained by the Indian Institute of Corporate Affairs pursuant to Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

The statutory details of the Directors, including the directorships held by them in other listed companies and their committee memberships/ chairpersonships in other public companies as on March 31, 2026, are listed in the table below:

Name and DIN of the Director	Category	Attendance of the Director in the last AGM held on 17/09/2025	Total No. of Directorships in other Companies	Total No. of Committee Membership or Chairmanship in other Companies	Names of other listed entities including this listed entity where the person is a director and the category of directorship	No. of Shares held by the Director
Lalit Kumar Tulsyan (DIN: 00632823)	Promoter & Managing Director (Executive Chairman)	Yes	1	Nil	1 Promoter & Managing Director (Executive Chairman) in Tulsyan NEC Limited	41,19,091

Sanjay Tulsyan (DIN: 00632802)	Promoter & Managing Director	Yes	2	Nil	1 Promoter & Managing Director in Tulsyan NEC Limited	44,75,481
Sanjay Agarwalla (DIN: 00632864)	Whole Time Director	Yes	1	2	1 Whole Time Director in Tulsyan NEC Limited	15,098
S. Chandrasekaran* (DIN: 10207445)	Whole Time Director	Yes	Nil	Nil	1 Whole Time Director in Tulsyan NEC Limited	2,000
Manogyanathan Parthasarathy (DIN: 08277111)	Non-Executive Independent Director	Yes	Nil	2	1 Non-Executive Independent Director in Tulsyan NEC Limited	N.A.
J Sumathi (DIN: 10752449)	Non-Executive Independent Woman Director	Yes	Nil	2	1 Non-Executive Independent Woman Director in Tulsyan NEC Limited	N.A.
Somasundaram Ponsing Mohan Ram (DIN: 08883633)	Non-Executive Independent Director	Yes	Nil	1	1 Non-Executive Independent Director in Tulsyan NEC Limited	N.A.
Ravi Muthusamy (DIN: 08066520)	Non-Executive Independent Director	Yes	7	2	3 a) Tulsyan NEC Limited - Non-Executive Independent Director b) Swelect Energy Systems Limited - Non-Executive - Independent Director c) Coromandel Engineering Company Limited - Non-Executive - Independent Director	N.A.

Note:

1. *Mr. Lalit Kumar Tulsyam and Mr. Sanjay Tulsyam are related to each other as Brothers.*
2. *During the Financial Year under review, the Members of the Company, upon recommendation of Nomination and Remuneration Committee and the Board, at their 78th AGM held on September 17, 2025, approved the re-appointment of Mr. Somasundaram Ponsing Mohan Ram as an Independent (Non-Executive) Director of the Company for a second term of 5 consecutive years commencing from September 19, 2025 till September 18, 2030 (both days inclusive).*
3. *Mr. S. Chandrasekaran has stepped down from the position of Whole-time Director of the Company w.e.f. May 08, 2026, due to personal and unavoidable circumstances.*
4. *As required under Regulation 26(1)(b) of the SEBI Listing Regulations, Committees considered are Audit Committee and Stakeholders Relationship Committee, in all Indian public limited companies, including that of Tulsyam NEC Limited. A Director, wherever she/he is the Chairperson of the Committee, is also considered as a Member of the Committee.*

(c) Board Membership Criteria and Selection Process

The responsibility for identifying and evaluating a candidate for the Board is discharged by the Nomination and Remuneration Committee ("NRC") as mandated under Section 178 of the Companies Act, 2013 read with Regulation 19 of the SEBI Listing Regulations. During the candidate selection process, the NRC reviews and evaluates the Board's composition and diversity of the Board / Committee to ensure that it possesses the requisite blend of skills, experience, independence, and knowledge to sustain effectiveness. Diversity, from the NRC's perspective, encompasses a broad spectrum of factors including but not limited to perspective, skills, knowledge, experience, education, background, ethnicity, nationality, age, gender and other personal attributes. These attributes extend to encompass professional experience, functional expertise, educational and professional backgrounds.

Annually, the Independent Directors furnish a Certificate of Independence in accordance with the relevant laws, which is duly taken on record by the Board. Encouraging collaboration and communication, all Board members are urged to engage and interact with the management. Furthermore, Board Members are actively invited to pivotal meetings to contribute to strategic insights and guidance.

(d) Board Procedure

The Board and Committee Meetings are pre-scheduled based on the availability of the Director(s) to facilitate planning of their schedule and ensure participation in the meetings. However, in case of urgent matters, subject to regulatory conditions, the Board's approval is taken by passing resolutions by circulation. The Board meets at least once in a quarter to review and approve the quarterly financial results/statements alongside addressing other pertinent agenda items. The Committees of the Board usually meet prior on the same day of the Board meeting. The recommendations stemming from Committees deliberations are duly presented and placed before the Board for necessary approval/noting. During the year under review, there was no situation / matter where the Board has not accepted recommendation of the Committee.

The Board/Committee Agenda and related notes are made available to the Directors, at least 7 (seven) days in advance of the meetings, electronically through e-mail. All material information is incorporated in the agenda along with supporting documents. Where it is not practicable to attach any document to the agenda, the same is tabled at the meeting with specific reference to this effect in the agenda. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted.

The Board reviews strategy and business plans, annual operating plans and capital expenditure budgets, investment and exposure limits, compliance reports of all laws applicable to the Company, as well as steps taken by the Company to rectify instances of non-compliances, if any. To enable the Board to discharge its responsibilities effectively, the Chairperson provides an overview of the overall performance of the Company at the meeting of the Board of directors. The Board also reviews major legal issues, if any, minutes of meetings of various committees of the Board and subsidiary companies, significant transactions and arrangements entered into by the subsidiary companies, approval of financial results and statements, transactions pertaining to purchase or disposal of properties, major accounting provisions and write-offs, material defaults, if any, in financial obligations, fatal or serious accidents, any material effluent or pollution problems, claims of substantial nature and such other information as required under Regulation 17(7) read with Schedule II Part A of the SEBI Listing Regulations, as amended.

At the Board and Committee Meetings, apart from Board Members and the Company Secretary, the management team members are invited to present the Company's performance in key areas such as the major business segments and their operations, subsidiaries and key functions.

The Company Secretary records Minutes of the proceedings of each Board and Committee meeting. Draft Minutes are circulated

to Board / Committee Members within prescribed timelines as per the Act and Secretarial Standards. Directors communicate their comments (if any) in writing on the draft minutes within 7 (seven) days from the date of circulation. The Minutes are entered in the Minute Books within 30 (thirty) days from the conclusion of the Meeting and signed by the Chairperson. The copy of the signed Minutes are made available to all the Directors.

The guidelines governing Board and Committee Meetings facilitate an effective post meeting follow-up, review and reporting process for decisions taken by the Board and its Committees thereof. Important decisions taken at Board/Committee Meetings are promptly communicated to the concerned departments/ divisions. Action Taken Report on decisions or the Minutes of the previous meeting(s) is placed at the subsequent meeting of the Board/Committee for acknowledgement and review. This practice not only ensures that actions are implemented in a timely manner but also provides a mechanism for ongoing assessment and improvement.

(e) Meetings of the Board

During the financial year 2025-26, the Board met 4 (four) times virtually on May 30, 2025; August 13, 2025; November 12, 2025; and February 13, 2026 respectively.

The Board met at least once in every calendar quarter and the gap between 2 (two) meetings did not exceed 120 (one hundred and twenty) days.

The attendance of the Directors at these Board Meetings are mentioned in the table below:

Sl. No.	Name of the Director	Category	Number of Board Meetings	
			Director was entitled to attend	Attended
1.	Lalit Kumar Tulshyan	Promoter & Managing Director (Executive Chairman)	4	4
2.	Sanjay Tulshyan	Promoter & Managing Director	4	4
3.	Sanjay Agarwalla	Whole Time Director	4	4
4.	S. Chandrasekaran	Whole Time Director	4	4
5.	Manogyanathan Parthasarathy	Non-Executive Independent Director	4	4
6.	Somasundaram Ponsing Mohan Ram	Non-Executive Independent Director	4	4
7.	Ravi Muthusamy	Non-Executive Independent Director	4	4
8.	J Sumathi	Non-Executive Independent Woman Director	4	4

(f) Meeting of the Independent Directors

Pursuant to Schedule IV of the Companies Act, 2013 and Regulation 25(3) of the SEBI Listing Regulations, the Independent Directors of the Company met once on February 13, 2026 without the presence of Non-Independent Directors and Members of the management. They had discussed, reviewed and assessed–

- the performance of Non-Independent Directors and the Board as a whole;
- the performance of the Chairperson of the Company after taking into account the views of the Executive Directors;
- the quality, quantity and timeliness of flow of information between the Company management and the Board, that is necessary for the Board to perform their duties effectively and reasonably.

The evaluation of Independent Directors is done by the entire Board of Directors of the Company which includes:

- Performance of such directors; and
- Fulfilment of the Independence criteria and their Independence from the management.

(g) Details of Familiarization Program imparted to Independent Directors

The familiarisation programme for our Directors is customised to suit their individual interests and area of expertise.

Throughout the Financial Year in review, Independent Directors received comprehensive updates at regular intervals, ensuring they remained well-informed about industry trends, the Company's business model, strategic initiatives, market dynamics, risk management practices, group structure, subsidiaries, operational activities, etc. These updates were delivered by the Senior Management team, providing a holistic understanding of the Company's operations and external environment.

To uphold governance standards, Independent Directors were kept abreast of all regulatory and policy changes, along with their associated roles, rights, and responsibilities. Directors engaged in meaningful interactions with Members of the Senior Management Team, fostering a collaborative environment and facilitating a smooth integration into the Company's culture and operations.

The Company also encourages the Directors to visit the plant / branch offices of the Company to feel the experiences and also directly interact with the concerned operations team personnel.

The details of familiarization policy and the details of programs imparted to Independent Directors of the Company are available on the following web link of the Company: www.tulshyannec.in/investors.

(h) Board Evaluation

One of the key functions of the Board is to monitor and review the Board evaluation framework. The Nomination and Remuneration Committee, in consultation with the Board, laid down the evaluation criteria for the performance of the Chairperson, Board, Committees of the Board, and Non-Executive Independent Directors through peer evaluation, excluding the Director being evaluated, which includes the following:

The Board: Composition, quality & culture, agenda, dynamics, strategy, business performance, succession planning, risk management, Board and management relations, continuous improvement, among others.

The Committees: Composition, process & dynamics, effectiveness, structure, meetings, independence of the committee, contribution to decision making of the Board, among others.

Individual Directors (including Chairperson, Managing Director, Independent Directors and Non-Independent Directors): Qualification & Experience, Leadership, Governance, Commitment, Contribution, Expertise, Independence, Integrity, Attendance, Responsibility, among others.

For FY 2025-26, the Board had undertaken the performance evaluation exercise through self-evaluation questionnaires. These questionnaires focused on critical aspects such as board composition, board dynamics, execution and performance of specific duties amongst other key criteria.

The feedback-cum-assessment of individual Directors, the Board and its Committees, were compiled and the performance evaluation report was discussed by the Independent Directors and the Board / Committees. In order to further uphold the effectiveness of the Board's governance, an overview of the suggestions as drawn from the evaluation exercise was deliberated and recommended for implementation in due course of time.

The outcome of the performance evaluation process for FY 2025-26 and the actions thereon are summarised below:

The Board has exhibited a strong sense of fiduciary and governance responsibility and has helped the Company navigate financial and performance seasonality. Overall, Board Members are positive about Board functioning with progressive changes implemented. Trust and mutual respect are evident between Board Members and between Board and Management. The Chair leads with informed views and openness to diverse perspectives. The Board's balanced and diverse composition continues to offer valuable guidance, and its Committees remain effective in terms of its composition, functioning and contributions.

(i) Key expertise and attributes of the Board of Directors

The Board of Directors of the Company comprises of qualified personnel who possess relevant skills, expertise and competence for the effective functioning of the Company. In compliance with the SEBI Listing Regulations, the Board has identified the following key qualifications / skills / expertise / competencies fundamental for the effective functioning of the Company which are taken into consideration by the Nomination and Remuneration Committee while recommending appointment / re-appointment of any candidate to the Board of the Company.

The skills which are currently available with the Board have been mapped below:

Board of Directors	Areas of Expertise						
	Audit / Finance & Risk Management	Manufacturing / R&D / Operations	Global business experience	Leadership and Strategy	Technology	Board service and Governance including Risk Management	Sales and marketing
Lalit Kumar Tulsyam	✓	✓	✓	✓	✓	✓	✓
Sanjay Tulsyam	✓	✓	✓	✓	✓	✓	✓
Sanjay Agarwalla	✓	✓	✓	✓	✓	✓	✓
Manogyanathan Parthasarathy	✓	✓	✓	✓	✓	✓	-
J Sumathi	✓	✓	✓	✓	✓	✓	-
Somasundaram Ponsing Mohan Ram	✓	✓	✓	✓	✓	✓	-
Ravi Muthusamy	✓	✓	✓	✓	✓	✓	-

(j) Role of Company Secretary

The Company Secretary acts as the Compliance Officer and plays a key role in ensuring that effective board procedures are followed and reviewed periodically. The Company Secretary is primarily responsible to ensure compliance with the provisions of the Companies Act, 2013, SEBI Listing Regulations and provisions of all other laws applicable to the Company. The Company Secretary ensures that all relevant information, details and documents are made available to the Board of Directors for effective decision-making at the meetings. The Company Secretary is also the interface between the management and regulatory authorities for governance matters. All the Directors of the Company have access to the advice and services of the Company Secretary.

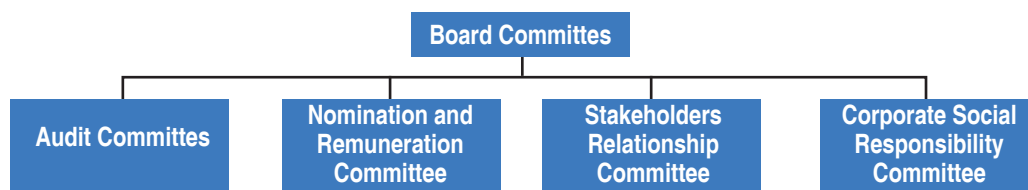
COMMITTEES OF THE BOARD

The Board has constituted various committees, each tasked with addressing specific areas and making well-informed decisions within their designated scope. Each committee is directed by its charter which outlines their scope, roles, responsibilities and authorities. All decisions and recommendations originating from these Committees are subsequently placed before the Board for its approval, ensuring alignment with the Company's overarching objectives.

The Company's guidelines pertaining to the Board Meetings are extended to the Committee Meetings to the fullest extent feasible, ensuring consistency and adherence to best practices. Moreover, each Committee possesses the autonomy to enlist the expertise of external professionals, advisors and legal counsels as deemed necessary to augment their functions and decision-making processes.

To facilitate comprehensive discussions and informed decisions, senior officers and functional heads are invited to present relevant details requested by the Committee during its sessions. This collaborative approach ensures that the Committees have access to pertinent information and expertise, ultimately enhancing their effectiveness in fulfilling their mandates.

The Company Secretary of the Company acted as the Secretary to all Committees of the Board as detailed below:



A. Audit Committee

(a) Brief description of Terms of Reference:

The Board has constituted an Audit Committee ("AC") which acts as a link between the management, external and internal auditor and the Board of Directors of the Company. The committee's role flows directly from the board's oversight function and delegation to various committees. It acts as an oversight body for transparent, effective anti-fraud and risk management mechanisms, and efficient Internal Audit and External Audit functions and Financial Reporting. The Audit Committee also considers the matters which are specifically referred to it by the Board of Directors besides considering the mandatory requirements of the Regulation 18 read with Part C of Schedule II of the SEBI Listing Regulations and provisions of Section 177 of the Act. The brief description of the terms of reference of the Committee is given below:

The terms of reference and responsibilities of the committee include review of the quarterly, half- yearly and annual financial results/statements before submission to the Board, review of compliance of internal control system, approval or any subsequent modification of transactions with related parties, oversight of the financial reporting process to ensure transparency, sufficiency, fairness and credibility of financial statements, recommendation for appointment, remuneration and terms of appointment of auditors of the Company, etc. The Committee also reviews the adequacy and effectiveness of internal audit function and control systems. The committee meets at least once in a calendar quarter.

During the financial year under review, 4 (four) meetings of the Audit Committee were held virtually on May 30, 2025; August 13, 2025; November 12, 2025; and February 13, 2026 respectively.

(b) Composition of the Committee and attendance details:

Composition of the Committee and attendance details of the Members for the year ended March 31, 2026, are given below:

Sl. No.	Name of the Member	Category	Position	Number of Meetings	
				Member was entitled to attend	Attended
1.	Manogyanathan Parthasarathy	Non-Executive Independent Director	Chairman	4	4
2.	Sanjay Agarwalla	Whole Time Director	Member	4	4
3.	Somasundaram Ponsing Mohan Ram	Non-Executive Independent Director	Member	4	4
5.	Ravi Muthusamy	Non-Executive Independent Director	Member	4	3
6.	J Sumathi	Non-Executive Independent Woman Director	Member	4	4

The members of the Committee possess sound knowledge of accounts, finance, audit and governance. Senior staffs from the Finance & Accounts Department and representatives of the Statutory and Internal Auditors attend the Audit Committee meetings, whenever required.

The Committee, as a good governance practice, also meets external auditors and internal auditors of the Company, separately, to understand their independent opinion on the performance of the Company.

B. Nomination and Remuneration Committee

(a) Brief description of Terms of Reference:

The Company has a Nomination and Remuneration Committee ("NRC") pursuant to the provisions of Regulation 19, read with Part D of Schedule II of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013. The NRC has been vested with the authority to recommend nominations for Board Membership, succession planning for the Senior Management and the Board, develop and recommend policies with respect to composition of the Board commensurate with the size, nature of the business and operations of the Company, establish criteria for selection of Board Members with respect to competencies, qualifications, experience, track record,

integrity, devise appropriate succession plans and determine overall compensation policies of the Company.

The scope of the NRC also includes review of the market practices, decision on the remuneration to the Executive Director(s) and laying down of performance parameters for the Chairperson, Managing Director, Executive Director(s), Key Managerial Personnel(s) and Senior Management(s).

In addition to the above, the NRC's role includes identifying persons who may be appointed to a Senior Management position in accordance with the criteria laid down, recommending to the Board their appointment and removal.

The NRC also formulates the criteria for determining qualifications, positive attributes and independence of a Director. The Committee on a periodical basis, recommends to the Board, policies relating to the remuneration of Directors, Key Managerial Personnel and Senior Management. The Policy on Director's Appointment and Remuneration is available on our website at: www.tulsiyannec.in/investors.

The NRC undertakes the exercise to evaluate the performance of individual Directors. Feedback is sought by way of structured questionnaires covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution & performance of specific duties, obligations and governance. Performance evaluation is carried out based on the responses received from all the Directors.

The performance evaluation of Independent Directors is based on various criteria including experience and expertise, independent judgement, ethics & values, adherence to the corporate governance norms, interpersonal relationships, attendance and contribution at meetings, amongst others.

During the financial year under review, two (2) meetings of the NRC were held virtually on May 30, 2025; and August 13, 2025.

(b) Composition of the Committee and attendance details:

Composition of the Committee and attendance details of the Members, for the year ended March 31, 2026, are given below:

Sl. No.	Name of the Member	Category	Position	Number of Meetings	
				Member was entitled to attend	Attended
1.	Manogyanathan Parthasarathy	Non-Executive Independent Director	Chairman	2	2
2.	Somasundaram Ponsing Mohan Ram	Non-Executive Independent Director	Member	2	2
3.	Ravi Muthusamy	Non-Executive Independent Director	Member	2	2
4.	J Sumathi	Non-Executive Independent Woman Director	Member	2	2

C. Stakeholders' Relationship Committee

(a) Brief description of Terms of Reference:

The Company has constituted a Stakeholders' Relationship Committee ("SRC") pursuant to the provisions of Regulation 20 of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013.

The SRC is primarily responsible for redressal of the grievances of shareholders / investors / other security holders whilst reviewing measures and initiatives taken to reduce the quantum of unclaimed dividends, ensure timely receipt of dividend / annual report / notices and other information by shareholders, ensures effective exercise of voting rights by the shareholders / investors. It also ensures that service standards adopted by the Company in respect of services rendered by the Registrar and Share Transfer Agent are met and takes note of Internal Annual Audit Report and observations along with action taken in this regard.

During the financial year under review, one (1) meeting of the SRC was held virtually on November 12, 2025.

(b) Composition of the Committee and attendance details:

Composition of the Committee and attendance details of the Members, for the year ended March 31, 2026, are given below:

Sl. No.	Name of the Member	Category	Position	Number of Meetings	
				Member was entitled to attend	Attended
1.	Manogyanathan Parthasarathy	Non-Executive Independent Director	Chairman	1	1
2.	Sanjay Agarwalla	Whole Time Director	Member	1	1
3.	J Sumathi	Non-Executive Independent Woman Director	Member	1	1

Mrs. Parvati Soni, Company Secretary of the Company, acts as the Compliance Officer of the Company under SEBI Listing Regulations and Company's Insider Trading Code framed under the SEBI (Prohibition of Insider Trading) Regulations, 2015. She also acts as the Nodal Officer of the Company for the purposes of verification of claims and coordination with Investor Education and Protection Fund Authority ('IEPF Authority') pursuant to the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules').

Following are the details of the complaints received and disposed off during the year ended March 31, 2026:

- Remaining unsolved at the beginning of the year: 0
- Received during the year: 0
- Disposed off during the year: 0
- Not solved to the satisfaction of shareholders: Nil
- Remaining unsolved at the end of the year: 0

The quarterly statement on investor complaints received and disposed off was filed with Stock Exchange within the prescribed timeline and the statement filed was also placed before the subsequent meeting of the Board of Directors.

Further, with regards to the unpaid or unclaimed dividend, the Company has sent out reminders to the shareholders to claim their unpaid or unclaimed dividends which are transferred to Investor Education and Protection Fund ('IEPF').

D. Corporate Social Responsibility Committee
a) Brief description of Terms of Reference:

The Company has constituted a Corporate Social Responsibility Committee ("CSRC") pursuant to the provisions of Section 135 of the Companies Act, 2013. The CSRC is primarily responsible to assist the Board in discharging its social responsibilities by way of formulating, monitoring and implementing a framework in line with the Corporate Social Responsibility Policy of the Company.

The terms of reference of the CSRC are in line with the provisions of Section 135 of the Companies Act, 2013, which inter alia includes the following:

- Identifying the areas of CSR activities, its implementation and monitoring;
- Formulate and amend the CSR Policy, from time to time;
- Adoption of the Annual Action Plan or modification thereof;
- Oversee the Company's CSR program, strategy, initiatives, execution and disclosures;
- Reporting progress of various initiatives with respect to CSR.

During the financial year under review, no meeting of the Committee was held.

(b) Composition of the Committee and attendance details:

Composition of the Committee and attendance details of the Members, for the year ended March 31, 2026 are given below:

Sl. No.	Name of the Member	Category	Position	Number of Meetings	
				Member was entitled to attend	Attended
1.	Sanjay Agarwalla	Whole Time Director	Chairman	0	0
2.	Manogyanathan Parthasarathy	Non-Executive Independent Director	Member	0	0
3.	J Sumathi	Non-Executive Independent Woman Director	Member	0	0

PARTICULARS OF SENIOR MANAGEMENT PERSONNEL

Pursuant to Regulation 16(1)(d) of the SEBI Listing Regulations, as amended, following persons are considered under the Senior Management Personnels of the Company as on March 31, 2026:

- 1) Mr. Shanthakumar R P, Chief Financial Officer (KMP)
- 2) Mrs. Uma M, (GM-Finance)
- 3) Mrs. Parvati Soni, Company Secretary & Compliance Officer (KMP)
- 4) Mr. Gudur Venkata Suresh Babu (Vice President – Power Plant)
- 5) Mr. G. Nagesh, President (Operation)

Note: Mr. G. Nagesh, President (Operation) is resigned from the office with effect from May 31, 2026.

REMUNERATION TO DIRECTORS AND REMUNERATION POLICY

The Company has a well-defined policy for remuneration of the Directors, Key Managerial Personnel and Senior Management. The policy of the Company is designed to create a high-performance culture and enables the Company to attract, retain and motivate employees to achieve results. The policy is available on the Company's website at www.tulsiyannec.in/investors.

As an abundant caution, approval of the Members was obtained at the 78th AGM of the Company held on September 17, 2025 for payment of remuneration to the Executive Directors, in situation of absence or inadequacy of profits for a further period of 2 (two) years.

During the year under review, there was no pecuniary relationship or transactions of the Non-Executive cum Independent Directors vis-a-vis the Company, which has potential conflict with the interest of the organisation at large. The criteria of making payment to non-executive directors are available in the aforesaid Policy and can be accessed from the company's website at www.tulsiyannec.in/investors.

An Independent Director are not entitled to any stock option and receives sitting fee for attending meetings of the Board or Committees thereof (subject to certain limits prescribed under the Companies Act, 2013 and the relevant Rules made thereunder) and reimbursement of expenses for participation in the Board and other meetings and profit related commission, if any, and as may be approved by the Members.

While deciding on the remuneration for Directors, the Board and the Nomination and Remuneration Committee consider the performance of the Company, the current trends in the industry, the qualifications of the appointee(s), their experience, past performance and other relevant factors. The Board and the NRC regularly tracks the market trends in terms of compensation levels and practices in relevant industries through participation in structured surveys. This information is used to review the Company's remuneration policies.

At the time of appointment or re-appointment of the Executive Directors, they shall be paid such remuneration as may be mutually agreed between the Company and the Director and as recommended by the NRC and approved by the Board within the overall limits as prescribed under the Companies Act, 2013 subject to approval of the Members of the Company in General Meeting.

Detailed information of Directors Remuneration / Sitting fees paid for the financial year ended March 31, 2026 are given below:

Name of the Director	Category	Total Remuneration	Sitting fees
Lalit Kumar Tulsiyan	Managing Director (Executive Chairman)	12,000,000	-
Sanjay Tulsiyan	Managing Director	12,000,000	-
Sanjay Agarwalla	Whole-time Director	60,00,000	-
S. Chandrasekaran	Whole-time Director	12,00,000	-
Manogyanathan Parthasarathy	Non-Executive Independent Director	-	4,00,000
Somasundaram Ponsing Mohan Ram	Non-Executive Independent Director	-	4,00,000
Ravi Muthusamy	Non-Executive Independent Director	-	4,00,000
J Sumathi	Non-Executive Independent Woman Director	-	4,00,000

Disclosure with respect to remuneration pursuant to item (iv) of third proviso of section II of Part II of Schedule V to the Companies Act, 2013 read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as amended:

Sl. No.	Particulars	Details
1.	All elements of remuneration package such as salary, benefits, bonus, stock option, pension, etc. of all the Directors.	The information relating to remuneration package such as salary, benefits, bonus, stock option, pension, etc., of all the Directors has been stated in the above table.
2.	Details of fixed Component and performance linked incentives along with the performance criteria.	The total remuneration includes all perquisites & other benefits. No performance linked incentives were paid to the Directors.
3.	Service Contract, notice period, severance fees.	As on March 31, 2026, the Board comprised of 8 (eight) Members, including 4 (four) Executive Directors and 4 (four) Non-Executive Independent Directors. All executive directors are employees of the Company. Hence, the provision for payment of severance fees to them are as per the terms mentioned in the Company's Policy. However, other Directors are not subject to any notice period and severance fees.
4.	Stock option details, if any and whether the same had been issued at a discount as well as the period over which accrued and over which exercisable.	Not Applicable

GENERAL BODY MEETINGS

I. Annual General Meetings

The date, time, location of Annual General Meetings held during the last 3 (three) years and the special resolutions passed thereat are as follows:

Year	Date & Time	Venue*	Special Resolution(s) Passed
2022-2023	September 15, 2023 at 11.30 a.m.	Through Video Conferencing (VC) / Other Audio-Visual Means (OAVM)	a) Re-appointment of Mr. Manogyanathan Parthasarathy (DIN: 08277111), as an Independent (Non-Executive) Director of the Company for a second term of 5 (five) consecutive years with effect from November 13, 2023 till November 12, 2028 (both days inclusive).

			b) Regularisation of appointment of Mr. Ravi Muthusamy (DIN: 08066520) as an Independent (Non-Executive) Director of the Company for a term of 5 (five) consecutive years with effect from June 21, 2023 till June 20, 2028 (both days inclusive). c) Regularisation of appointment of Mr. S. Chandrasekaran (DIN: 10207445) as a Whole Time Director of the Company for a term of 5 (five) consecutive years with effect from June 21, 2023 till June 20, 2028 (both days inclusive). d) Approval of the Related Party Transactions with M/s. Tulsiyan Smelters Private Limited for a period of 2 years starting from the conclusion of 76th AGM till the conclusion of the 78th AGM of the Company. e) Approval of the Related Party Transactions with M/s. Chitrakoot Steel and Power Private Limited for a period of 2 years starting from the conclusion of 76th AGM till the conclusion of the 78th AGM of the Company.
2023-2024	September 25, 2024 at 11.30 a.m.	Through Video Conferencing (VC) / Other Audio-Visual Means (OAVM)	a) Regularisation of appointment of Mrs. J Sumathi (DIN: 10752449) as an Independent (Non-Executive) Woman Director of the Company for a term of 5 consecutive years with effect from August 25, 2024 to August 24, 2029 (both days inclusive).
2024-2025	September 17, 2025 at 11.30 a.m.	Through Video Conferencing (VC) / Other Audio-Visual Means (OAVM)	a) Re-appointment of Mr. Somasundaram Ponsing Mohan Ram (DIN: 08883633), as an Independent Director of the Company for a second term of 5 (Five) consecutive years on the Board of the Company with effect from September 19, 2025 to September 18, 2030 (both days inclusive). b) Approval for payment of remuneration to Mr. Lalit Kumar Tulsiyan (DIN: 00632823), Managing Director (Executive Chairman) of the Company, for a further of period of 2 (Two) years commencing from July 11, 2025 to July 10, 2027 (both days inclusive), in case of absence or inadequacy of profits in any Financial Year of the Company. c) Approval for payment of remuneration to Mr. Sanjay Tulsiyan (DIN: 00632802), Managing Director of the Company, for a further of period of 2 (Two) years commencing from September 30, 2025 to September 29, 2027 (both days inclusive), in case of absence or inadequacy of profits in any Financial Year of the Company. d) Approval for payment of remuneration to Mr. Sanjay Agarwalla (DIN: 00632864), Whole Time Director of the Company, for a further of period of 2 (Two) years commencing from September 21, 2025 to September 20, 2027 (both days inclusive), in case of absence or inadequacy of profits in any Financial Year of the Company. e) Approval of the Related Party Transactions with M/s. Tulsiyan Smelters Private Limited for a period of 3 (Three) years commencing from the conclusion of the 78th AGM till the conclusion of the 81st AGM of the Company.

			f) Approval of the Related Party Transactions with Chitrakoot Steel and Power Private Limited for a period of 3 (Three) years commencing from the conclusion of the 78th AGM till the conclusion of the 81st AGM of the Company.
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*The AGM held on September 17, 2025, September 25, 2024, and September 15, 2023 were in compliance with the applicable provisions of the Companies Act, 2013 and rules made thereunder, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with all applicable circulars on the matter issued by the Ministry of Corporate Affairs ('MCA') and SEBI. The deemed venue for the meeting was registered office of the Company situated at Tulsiyan NEC Limited, 1st Floor, Apex Plaza, Old No.3, New No.77, Nungambakkam High Road, Chennai-600034, India.

During the financial year under review, no Special Resolution was passed by the Company through Postal Ballot. None of the business requiring passing of a Special Resolution have been proposed to be conducted through Postal Ballot.

II. Means of Communication

- (a) **Financial Results:** The quarterly, half yearly and annual financial results are normally published in daily newspapers viz., Trinity Mirror (English Language) and Makkal Kural (Vernacular Language) and are also displayed on the Company's website at www.tulsiyanec.in.
- (b) **News Releases and Presentations:** Official news/press releases are disclosed to the Stock Exchange i.e. the BSE Limited from time to time and are also displayed on the Company's website at www.tulsiyanec.in.
- (c) **Presentations to Institutional Investors / Analysts:** No presentations were made to institutional investors / financial analysts during the year under review.
- (d) **Website:** The website of the Company i.e. www.tulsiyanec.in contains a separate and dedicated "Investors" section to serve shareholders, by giving complete information pertaining to the Board of Directors and its Committees, annual reports along with supporting documents, financial results including subsidiaries financials, stock exchange disclosures and compliances such as shareholding pattern, integrated corporate governance report and press releases, Notice of the Board and General Meetings, contact details of Registrar and Share Transfer Agent, details of unclaimed or unpaid dividend and Investor Education and Protection Fund ('IEPF') related information, amongst others. These are made available on the website in a user-friendly and downloadable form.
- (e) **BSE Listing Centre:** BSE Listing Centre is a web-based application designed by BSE for the Corporates for smooth filing of information with the stock exchange. All periodical compliance filings like Integrated Filing (Governance), Integrated Filing (Financial), shareholding pattern, press releases, and other disclosures under SEBI Listing Regulations are electronically filed on BSE Listing Centre.
- (f) **SEBI Complaints Redress System ('SCORES'):** Investor complaints are processed through a centralized web-based complaints redressal system. Centralised database of all complaints received, online upload of the Action Taken Reports ('ATRs') by the Company, online viewing by investors of actions taken on the complaint and the current status are updated/resolved electronically in the SEBI SCORES system.

GENERAL SHAREHOLDERS INFORMATION

- (a) **Company Registration Details:** The registered office of the Company is Tulsiyan NEC Limited, 1st Floor, Apex Plaza, Old No.3, New No.77, Nungambakkam High Road, Chennai-600034 and it is registered in the State of Tamil Nadu, India. The Corporate Identity Number ('CIN') allotted to the Company by the Ministry of Corporate Affairs ('MCA') is L28920TN1947PLC007437.
- (b) **Annual General Meeting:**

Day, Date and Time	Saturday, September 19, 2026, at 11.30 a.m. (IST)
Venue*	The 79th AGM will be held through Video Conferencing (VC) or Other Audio-Visual Means (OAVM)
Financial Year	April 01, 2025 – March 31, 2026

E-Voting start and end date	Wednesday, September 16, 2026 (9:00 a.m. IST) and ends on Friday, September 18, 2026 (5:00 p.m. IST).
Cut Off date (e-voting)	Saturday, September 12, 2026
Listed on Stock Exchanges	BSE Limited PJ Towers, Dalal Street, Mumbai- 400 001
Stock Code	BSE – 513629
International Securities Identification Number ("ISIN")	INE463D01016
Payment of Annual listing fees to the Stock Exchange	Paid

- (c) **Dividend Payment Date:** The Company has not declared any interim/final dividend during the financial year under review.

Unclaimed Dividend: The shareholders may note that no further amount of unpaid / unclaimed dividend and corresponding shares are pending with the Company in order to transfer to the IEPF.

Dividend remitted to IEPF during the financial year 2025-26: Nil

Shares transferred to IEPF during the financial year 2025-26: Nil

- (d) **Share Transfer System:** The Company has a Stakeholders Relationship Committee to review and resolve the complaints by shareholders which may arise from time to time and the status of such complaints or requests is placed before the Board. The Company has complied with the requirements as specified under Regulation 40 of the SEBI Listing Regulations for effecting transfer of securities of the Company.

Physical transfer of shares of the listed Companies is barred by SEBI and transfers are mandated only in dematerialised form. However, shareholders are not barred from holding shares in physical form. Further, transmission or transposition of securities held in physical or dematerialised form shall be effected only in dematerialised form.

Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form.

Shareholders holding shares in physical mode have been requested to furnish PAN, contact details, bank account details and specimen signature for their corresponding folios. Shareholders may contact the RTA at investor@cameoindia.com in this regard.

- (e) **Dematerialization of Shares and Liquidity:** As on March 31, 2026, 94.76% of the equity shares were in electronic form. Trading in equity shares of the Company is permitted only in dematerialized form. The Company's equity shares are actively traded on the BSE Limited.

Further, as mandated by the SEBI, existing Members of the Company, who hold securities in physical form and intend to transfer their securities, can do so only in dematerialised form. Hence, shareholders who hold shares in physical form are requested to dematerialise their shares to ensure such shares are freely transferable.

- (f) **Distribution of shareholding (category wise) as on March 31, 2026 is as under:**

Sl. No.	Category	No. of Equity Shares	Percentage to Total Equity Share Capital
1.	Promoters (Indian)	1,05,67,415	64.20
2.	Resident	25,92,645	15.75
3.	NRI	1,32,486	0.80
4.	Corporate Body	12,87,719	7.82
5.	Alternative Investment Funds	16,66,666	10.12
6.	IEPF	2,14,476	1.30
	Total	1,64,61,407	100.00

(g) **Distribution of Shareholding as on March 31, 2026:**

Shareholdings in Rs.	Total Number of Equity Shareholders	Percentage of Total Equity Shareholders	Equity Share Capital in Rs.	Percentage of Total Equity Share Capital
10 to 5000	4099	86.9169	42,45,400	2.7323
5001 to 10000	238	5.0466	18,68,290	1.2418
10001 to 20000	147	3.1170	21,78,100	1.2645
20001 to 30000	54	1.1450	13,67,380	0.8305
30001 to 40000	25	0.5301	9,17,010	0.4830
40001 to 50000	25	0.5301	11,64,170	0.6784
50001 to 100000	46	0.9754	34,81,760	2.0785
100001 & above	82	1.7388	14,93,91,960	90.6905
Total	4716	100.0000	16,46,14,070	100.0000

(h) **Outstanding Global Depository Receipts (GDRs) or American Depository Receipts (ADRs) or Warrants or any Convertible Instruments, Conversion Date and likely impact on Equity:** The Company has not issued any ADRs/GDRs/warrants or any convertible instruments as on the date of this report.

(i) **Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:** Foreign Exchange Risks for the Company arise from (a) payment obligations arising from imports of raw materials / capital goods, services availed from overseas service providers and foreign currency loans, (b) export transactions. The details of foreign currency exposure and hedging are disclosed in Notes to Standalone Financial Statements. Any risk not disclosed in the Notes to Standalone Financial Statements is either not relevant risk or immaterial risk and no hedging activities is required to be undertaken by the Company.

(j) **Plant locations:**

Steel Division	D-4, SIPCOT Industrial Complex, Gummidipoondi-601201, Tiruvallur District, Tamil Nadu
Power Plant	No.17, Sithurnatham Village, Gummidipoondi-601201, Tamil Nadu
Synthetics Division	7-A, Doddaballapura Industrial Area, Kasba Hobli, Karnataka

(k) **Address for correspondence:**

Registered Office:

Tulsyannec Limited,

Apex Plaza, 1st Floor, Old No.3, New No.77,

Nungambakkam High Road,

Chennai - 600034, Tamil Nadu

Phone: 044-61991060

Fax: 044-61991066,

E-mail: investor@tulsyannec.in

Website: www.tulsyannec.in

Registrar and Share Transfer Agents ('RTA'):

Cameo Corporate Services Limited (CAMEO)

Subramanian Building, No.1, Club House Road

Anna Salai, Chennai – 600 002, Tamil Nadu

Phone: 044-2846 0390

Fax: 044-2846 0129

Email: investor@cameoindia.com

(l) **Credit Ratings:**

The Company has not issued any instruments during the year requiring credit rating.

OTHER DISCLOSURES

(a) **Materially Significant Related Party Transactions:**

During the financial year under review, no materially significant related party transactions or arrangements were entered into between the Company and its Promoters, Management, Directors or their relatives, Subsidiaries, etc. that may have potential conflict with the interests of the Company at large.

The Company has formulated a policy on materiality of Related Party Transactions and on dealing with such Transactions, which specifies the manner of entering into Related Party Transactions. This policy has also been hosted on the website of the Company at: www.tulsiyannec.in/investors.

(b) **Whistle Blower Policy/Vigil Mechanism:**

The Vigil Mechanism / Whistle Blower Policy as envisaged in the Companies Act, 2013, the rules prescribed thereunder, and the SEBI Listing Regulations is implemented through the Company's Whistle Blower Policy to adequately safeguard against victimisation of persons who use such mechanism. During the year, no personnel was denied access to the Chairman of the Audit Committee. The directors in all cases and employees, vendors, suppliers or other stakeholders associated with the Company in appropriate cases have direct access to the Chairman of the Audit Committee to report any matter of concern.

Vigil Mechanism / Whistle Blower Policy of the Company is available on the Company's website at www.tulsiyannec.in/investors.

During the year, no complaint was received under the above mechanism.

(c) **Policy for determining Material Subsidiary:**

The Company has formulated a policy for determining material subsidiaries as defined under the SEBI Listing Regulations. This policy is also placed on the Company's Website at: www.tulsiyannec.in/investors.

The Company does not have any material subsidiary as on the date of this report.

(d) **Details of non-compliance:**

During the last 3 (three) years, following instances of non-compliances, delays or discrepancies arose:

Financial Year	Details of Non compliances / delay / discrepancies	Fine Imposed by the BSE Limited	Action taken by the Company
2023-2024	a) Delay in submission of the annual audited financial results for the financial year ended 31.03.2023 to the BSE Limited.	Fine amount of Rs. 1,29,800/- was levied by the BSE Limited on June 30, 2023	The Management stated that the delay in submission of the annual audited financial results for the financial year ended 31.03.2023 to the BSE was due to the technical issue in transition of the existing accounting software from ERP to SAP during the first year of implementation. The delay was unintentional and subsequently it was complied with. The Company has paid the fine amount levied to the BSE within the due date.
	b) Non-submission of in-principle listing application to the BSE before the issuance of 16,66,666 equity shares on a preferential basis.	Fine amount of Rs. 59,000/- was levied by the BSE Limited on June 15, 2023	The Management stated that the non-compliance was unintentional and caused due to inadvertence. It has occurred without any malafide intention on the part of the Company. Condonation of delay application was submitted to the SEBI and BSE. Thereafter, the Company has received the listing approval from BSE on August 22, 2024. The Company has paid the fine amount levied to the BSE within the due date.
	c) Delay of 25 days in filing of listing application with the BSE after allotment of 16,66,666 equity shares on March 31, 2023.	Fine amount of Rs. 5,90,000/- was levied by the BSE Limited on September 26, 2023	The Management stated that the delay was unintentional and caused due to inadvertence. It has occurred without any malafide intention on the part of the Company. The Company has received the listing approval from BSE on August 22, 2024. The Company has paid the fine amount levied to the BSE within the due date.

2024-2025	The Company has delayed in submission of the disclosure with respect to default in payment of interest/principal towards unlisted Non-convertible Debentures with the stock exchange as required under Regulation 30 read with Part A of Schedule III of the SEBI Listing Regulations and Section V-B of SEBI Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024.	NIL	The Management stated that the Company was trying its best efforts for making the payment of principal/interest overdue amount at the earliest and simultaneously was under the process of seeking waiver from the NCD holders. Therefore, the Company delayed and submitted the disclosure on January 08, 2025 to the BSE with respect to default in payment of interest/principal towards unlisted Non-convertible Debentures. Thereafter, the Company also informed the BSE on January 09, 2025, that it has obtained the approval from the NCD holders to reschedule the interest and Principal redemption time lines in order to suit the current market conditions and that the final confirmation shall be received from the NCD holders within a fortnight and the Company would not be in default thereafter. The Company assures to comply with the revised terms of re-payment and coupon servicing of NCDs in due course of time.
2025-2026	a) The Company submitted the disclosure of related party transactions for the half year ended March 31, 2025 in XBRL mode (Integrated Filing – Financial) to the BSE, as required under third proviso to Regulation 23(9) of SEBI (LODR), with a delay of one day.	NIL	The Board Meeting concluded at 07.05 p.m. i.e. after trading hours, on May 30, 2025. However, due to an inadvertent oversight arising from system synchronization issues / technical glitches in the BSE XBRL utility / heavy server load on the day of publication of the standalone and consolidated financial results in PDF format, i.e., May 30, 2025, the Company could complete and submit the XBRL filing (Integrated Filing – Financial including RPT) only on the following day, i.e., May 31, 2025.
	b) The Company submitted the audited unaudited Standalone and Consolidated Financial Results for the financial year ended March 31, 2025, and for the quarter ended June 30, 2025, respectively, in XBRL mode (Integrated Filing – Financial) to the BSE, as required under BSE Circular No. 20250402-15 dated April 2, 2025, with a delay of one day.	NIL	The Board Meeting concluded at 07.05 p.m. i.e. after trading hours, on May 30, 2025. The Company submitted the outcome of the said Board Meeting along with the financial results (in PDF Mode) on the same day to the BSE. However, due to an inadvertent oversight arising from system synchronization issues / technical glitches in the BSE XBRL utility / heavy server load on the day of publication of the standalone and consolidated financial results in PDF format, i.e., May 30, 2025, the Company could complete and submit the XBRL filing (Integrated Filing – Financial including RPT) only on the following day, i.e., May 31, 2025. The Board Meeting concluded at 06.00 p.m. i.e. after trading hours, on August 13, 2025. The Company submitted the outcome of the said Board Meeting along with the financial results (in PDF Mode) on the same day to the BSE. However, due to procedural/technical constraints in the XBRL utility and validation process, the XBRL filing (Integrated Filing – Financial) could not be completed on the same day as the submission of the financial results in PDF mode. Consequently, the XBRL filing (Integrated Filing – Financial) was submitted to the BSE on the following day, i.e., August 14, 2025.

Apart from the above, there were no other instances of non-compliances by the Company related to capital markets and no penalty or strictures were imposed on the Company by the Stock Exchange or SEBI or any statutory authorities. Further, the securities of the Company were not suspended from trading at any time during the year.

(e) Details of compliance with mandatory and discretionary requirements

The Company has complied with all mandatory requirements prescribed by the SEBI Listing Regulations and the Company has also complied with below mentioned discretionary requirements as stated under Part E of Schedule II to the SEBI Listing Regulations, as under:

- Modified opinion(s) in audit report: During the financial year under review, there was modified opinion in your Company's audit report and the Company has given required disclosure in the prescribed format to the BSE on such modified opinion.
- Reporting of Internal Auditors: The Internal Audit Report provided by the Internal Auditors are being reviewed by the Audit Committee on a quarterly basis.

(f) Details of utilization of funds raised through Preferential Allotment or Qualified Institutional Placement as specified under Regulation 32 (7A):

During the financial year under review, the Company has not raised any funds through Preferential Allotment and Qualified Institutional Placement as specified under Regulation 32(7A).

(g) Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditors of the Company:

The details of payment made to the statutory auditors on consolidated basis are available under Note No. 36(a) of the notes to Consolidated Financial Statements which forms part of this Annual Report.

(h) Certificate from a Company Secretary in Practice:

As required under Regulation 34(3) read with Clause 10(i), Part C of Schedule V of the SEBI Listing Regulations, the Company has received a Certificate from Mr. M. Damodaran, Managing Partner in M/s. M Damodaran & Associates, LLP, Company Secretaries in Practice, Chennai, certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Company by the SEBI or Ministry of Corporate Affairs or any such statutory authority. This certificate is annexed as "Annexure-I" to this report.

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

The disclosure regarding the complaints of sexual harassment is given in the Board's Report which forms part of this Annual Report.

(j) 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:

The details of loans and advances in the nature of loans to firms / companies in which directors are interested, if any, are available in the notes to Financial Statements which forms part of this Annual Report.

(k) Disclosures with respect to demat suspense account/unclaimed suspense account:

The Company does not have any securities in the demat suspense account/unclaimed suspense account.

(l) Code of Conduct:

The Code of Conduct ('the Code') for Board Members and Senior Management Personnel, as adopted by the Board, is a comprehensive Code applicable to Directors and Senior Management Personnel. The Code lays down in detail, the standards of business conduct, ethics and strict governance norms for the Board and Senior Management Personnel. A copy of the Code is available on the website of the Company at www.tulshyannec.in/investors. The Code has been circulated to Directors and Senior Management Personnel and its compliance is affirmed by them annually. It is hereby declared that the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the code of conduct.

(m) Code of Conduct for Prevention of Insider Trading:

The Company has formulated a comprehensive Code of Conduct for Prevention of Insider Trading for its designated persons, in compliance with Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time

to time. The Directors, officers, designated persons and other connected persons of the Company are governed by the Code. The Code is also hosted on the website of the Company at www.tulshyanec.in/investors.

(n) **Disclosure by Senior Management Personnel:**

The Senior Management Personnel of the Company have made disclosures to the Board confirming that there are no material, financial and commercial transactions where they have personal interest that may have a potential conflict of interest with the Company at large.

(o) **CEO and CFO Certification:**

As required under Regulation 17(8) read with Schedule II Part B of the SEBI Listing Regulations, the Executive Chairman and the Chief Financial Officer of the Company have furnished to the Board, the requisite Compliance Certificate for the financial year ended March 31, 2026, which forms part of this Annual Report.

(p) **Certificate for Compliance with Corporate Governance:**

The Company has complied with the requirements of corporate governance specified in Regulations 17 to 27 and clause (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations.

The Company has obtained a certificate from Mr. M. Damodaran, Managing Partner in M/s. M Damodaran & Associates, LLP, Company Secretaries in Practice, Chennai, regarding compliance with conditions of Corporate Governance and is annexed as "Annexure-II" to this Report

(q) **Agreement on compensation of profit sharing in connection with dealings in securities of the Company:**

During the financial year under review, no employee including Key Managerial Personnel or Director or Promoter of the Company had entered into any agreement, either for themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in securities of the Company.

(r) **Disclosure of Certain Types of Agreements Binding Listed Entities:**

The Company has not received any intimation/notification concerning agreements entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the Company or of its holding, subsidiary or associate company, among themselves or with the Company or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to impact the management or control of the Company or impose any restriction or create any liability upon the Company.

(s) **Declaration on Code of Conduct:**

Tulshyan NEC Limited is committed in conducting its business in accordance with the applicable laws, rules and regulations and with highest standards of business ethics. The Company has adopted a "Code of Conduct and Ethics" which is applicable to all Directors and employees, amongst others.

I hereby confirm that all the Members of the Board of Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct and Ethics with respect to the financial year 2025-26.

By Order of the Board of Directors
For Tulshyan NEC Limited

Sd/-
Lalit Kumar Tulshyan
Executive Chairman
DIN: 00632823

Place: Chennai
Date: 10-08-2026

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members of **TULSYAN NEC LIMITED**
(CIN-L28920TN1947PLC007437)
1st Floor, Apex Plaza, Old No.3, New No.77,
Nungambakkam High Road, Chennai - 600034.

We, M Damodaran & Associates LLP, Practicing Company Secretaries have examined the relevant registers, records, forms, returns and disclosures received from the Directors of TULSYAN NEC LIMITED having CIN - L28920TN1947PLC007437 and having registered office at 1st Floor, Apex Plaza, Old No.3, New No.77, Nungambakkam High Road, Chennai - 600 034 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Mr. SanjayTulshyan	00632802	01/10/1996
2.	Mr. Lalit Kumar Tulshyan	00632823	12/07/1996
3.	Mr. Sanjay Agarwalla	00632864	22/09/2011
4.	Mr. Manogyanathan Parthasarathy	08277111	13/11/2018
5.	Mr. Somasundaram Ponsing Mohan Ram	08883633	19/09/2020
6.	Mr.Ravi Muthusamy	08066520	21/06/2023
7.	Ms. Jagannathan Sumathi	10752449	25/08/2024

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

For **M DAMODARAN & ASSOCIATES LLP**

Sd/-
M. DAMODARAN
Managing Partner
Membership No.: 5837
COP. No.: 5081
FRN: L2019TN006000
PR 3847/2023
ICSI UDIN : F005837H000679444

Place: Chennai
Date: 24-06-2026

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members,
TULSYAN NEC LIMITED
CIN - L28920TN1947PLC007437
1st Floor, Apex Plaza, Old No.3,
New No.77, Nungambakkam High Road,
Chennai – 600 034.

We, M Damodaran & Associates LLP, Practicing Company Secretaries have examined the compliance of the conditions of Corporate Governance by M/s. Tulshyan NEC Limited ("the Company"), for the year ended **March 31, 2026**, as stipulated in Regulations 17 to 27, clauses (b) to (i) and (t) of Regulation 46(2), and paragraphs C, D and E of Schedule V of Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance stipulated under the aforesaid Listing Regulations during the financial year ended March 31, 2026, except for a minor deviation relating to the third proviso to Regulation 23(9) for the half year ended March 31, 2025.

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

For **M DAMODARAN & ASSOCIATES LLP**

Sd/-
M. Damodaran
Managing Partner
FCS No.: 5837
COP. No.: 5081
FRN: L2019TN006000
PR 3847/2023
ICSI UDIN: F005837H000679235

Place: Chennai
Date: 24-06-2026

COMPLIANCE CERTIFICATE

[Pursuant to Regulation 17(8) read with Part B of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

We, Lalit Kumar Tulsiyan, Executive Chairman and Shanthakumar R P, Chief Financial Officer, responsible for the finance function of the Company, hereby certify that:

- A. We have reviewed the financial statements and the cash flow statement for the year ended on March 31, 2026 and that to the best of our 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 year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken to rectify these deficiencies.
- D. We have indicated to the auditors and the audit committee that during the year-
 - i. there have not been any significant changes in internal control over financial reporting;
 - ii. there have not been any significant changes in accounting policies and that the same have been disclosed in the notes to the financial statements; and
 - iii. there have not been any instances of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

**By Order of the Board of Directors
For Tulsiyan NEC Limited**

**Sd/-
Lalit Kumar Tulsiyan
Executive Chairman
DIN: 00632823**

**Sd/-
Shanthakumar R P
Chief Financial Officer**

**Place: Chennai
Date: 10-08-2026**

INDEPENDENT AUDITOR'S REPORT

To
The Members
TULSYAN NEC LIMITED
Chennai

Report on the Audit of the Standalone Ind AS Financial Statement**Qualified Opinion**

We have audited the accompanying standalone Ind AS financial statements of TULSYAN NEC LIMITED ("the Company"), which comprise the Balance Sheet as at 31 March 2026, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of the material accounting policy information and other explanatory information. In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, net loss, its changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion**Balance confirmations and ECL Provisioning:**

The Company has not received a substantial number of balance confirmations for trade receivables outstanding as at 31st March 2026. These receivables constitute approximately 59.48% in value of the confirmations sought.

The management has represented that it undertook a comprehensive process of seeking balance confirmations from all customers and made multiple follow-up efforts. Despite these efforts, a significant portion of the older balances remain unconfirmed.

The Company has also informed us that it remains confident of recovery of these balances and is evaluating an assignment of certain receivables as part of its recovery plan. Further, the Company has written off a small portion of the trade receivables during the year in respect of trade receivables and, based on its assessment, has not recorded any significant ECL provision beyond this.

However, in the absence of direct confirmations and sufficient alternative audit evidence regarding the recoverability of these older balances, we are unable to determine whether any further adjustments are necessary to the carrying value of these receivables by way of additional provisioning, write-offs, or writebacks.

Accordingly, our audit opinion on the financial statements for the year ended 31st March 2026 is qualified to the extent of the possible effects of adjustments, if any, that may be required on account of the aforementioned matter.

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

Emphasis of Matter:

We draw attention to Note 52 to the Standalone Financial Statements, which states that the Company has serviced the interest and principal payable on the Non-Convertible Debentures on time in all months upto September 2025. However, from October 2025 onwards, the coupon payments could not be serviced on the respective due dates. The pending coupon payments shall be paid subsequently in accordance with the due dates agreed for the respective coupon payments with the NCD holders.

We draw reference to Note 52 to the Standalone Financial Statements which states that there has been a revision in the terms of the Non-Convertible Debentures which states an agreed Moratorium for the Coupon payments on from 1st April 2026 till 31st August 2026 which shall be compensated by ramped-up coupon amounts subsequently monthly and final redemption date has been revised to 30th September 2027. Also, Entire Principal amount along-with Coupon and Redemption Premium to meet agreed Total IRR and outstanding Default/Penal Interest including other costs, charges, expenses, etc. as per the debenture trust deed are proposed to be paid at the Final Redemption Date.

Our audit opinion is not modified in respect of the above matter.

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 financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis of Qualified Opinion section we have determined the matters described below to be the key audit matters to be communicated in our report.

S.No	Key Audit Matter	Auditor's Response
1.	<i>Litigations - Contingencies</i> Assessment of litigations and related disclosure of contingent liabilities [Refer to Note 2 (a) to the Standalone financial statements– “Critical accounting estimates and management judgments – Provisions and contingencies”, Note 44 to the Standalone Financial Statements – “Commitments and contingent liabilities”. As at March 31, 2026, the Company has exposures towards litigations relating to various matters as set out in the aforesaid Notes. Significant management judgement is required to assess such matters to determine the probability of occurrence of material outflow of economic resources and whether a provision should be recognized, or a disclosure should be made. The management judgement is also supported with legal advice in certain cases as considered appropriate. As the ultimate outcome of the matters are uncertain and the positions taken by the management are based on the application of their best judgement, related legal advice including those relating to interpretation of laws/regulations, it is considered to be a key audit matter.	<i>Principal Audit Procedures</i> Our audit procedures included the following: • We understood, assessed, and tested the design and operating effectiveness of key controls surrounding assessment of litigations relating to the relevant laws and regulations; We understood, assessed, and tested the design and operating effectiveness of key controls surrounding assessment of litigations relating to the relevant laws and regulations; • We discussed with management the recent developments and the status of the material litigations which were reviewed and noted by the audit committee;• We performed our assessment on a test basis on the underlying calculations supporting the contingent liabilities/ other significant litigations made in the Standalone Financial Statements; • We considered external opinions, where relevant, obtained by management; • We evaluated management's assessments and assessed the reliability of the management's past estimates/judgements; • We assessed the adequacy of the Company's disclosures. Based on the above work performed, assessment in respect of litigations and related disclosures relating to contingent liabilities/ other significant litigations in the Standalone Financial Statements are considered to be reasonable.

Information other than the financial statements and Auditor's Report thereon

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

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

Auditor's Responsibilities for the Audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 explaining our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures 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 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.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those

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

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

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 (the 'Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure B, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, based on our audit and subject to our Qualified Opinion Paragraph 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 purpose of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except that reporting under Rule 11(g) is separately commented upon in paragraph (i)(v).
 - c) The standalone financial statements dealt with by this report are in agreement with the books of account;
 - d) In our opinion, except for the matter described below, the Company has, in all material respects, complied with the accounting standards specified under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015. The Company has not implemented the revised wage structure mandated under the Code on Wages, 2019 in respect of its operations at one of its locations. As a consequence, the employee compensation data furnished to the actuary for valuation of defined benefit obligations was based on the pre-revised wage structure. The actuary has noted this inconsistency in the valuation report. This has resulted in an understatement of provisions for gratuity, compensated absences, and bonus. The aggregate impact is not material to the financial statements of the Company as a whole.
 - e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of Section 164(2) of the Act;
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in Annexure "A". Our report expresses and unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting; and
 - g) In our opinion and according to the information and explanations given to us, the remuneration paid/provided by the Company to its directors during the year is in excess of the limits prescribed under Section 197 read with Schedule V of the Act. However, the Company has obtained approval of the shareholders by way of special resolution at the Annual General Meeting held on 30th September 2022, and accordingly the remuneration paid/provided is in compliance with Section 197 read with Schedule V of the Act..
 - h) The modification relating to maintenance of accounts and other matters connected therewith are as stated in paragraph (b) on reporting under Sec. 143(3)(b) and para (i)(v) below on reporting under Rule 11(g).
 - 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 Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in the standalone financial statements – refer note 44 to the financial statements;
 - ii. The Company does not have any long-term contracts including derivative contracts for which there are no material foreseeable losses.

- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2025;
 - iv. (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
 - b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
 - (ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
 - a. directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
 - b. provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
 - (iii) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (i) and (ii) contain any material misstatement.
 - v. Based on our examination carried out in accordance with the Implementation Guidance on Reporting on Audit Trail under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (Revised 2025 Edition) issued by the Institute of Chartered Accountants of India, which included test checks, we report that the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.
- Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.
- Our examination of the audit trail was in the context of an audit of financial statements carried out in accordance with the Standard of Auditing and only to the extent required by Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014. We have not carried out any audit or examination of the audit trail beyond the matters required by the aforesaid Rule 11(g) nor have we carried out any standalone audit or examination of the audit trail.
- j) The company has not declared or paid any dividend during the year.

For **M/s. CNGSN & ASSOCIATES LLP**
CHARTERED ACCOUNTANTS
 Firm Registration No: 004915S/S200036

Sd/-
E.K.Srivatsan
 Partner
 Membership No: 225064
 UDIN:25225064BMJMQQ8467

Place: Chennai
Date: 30th May, 2026

Annexure A to the Independent Auditors' Report

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory requirements' section of our report to the Members of Tulsyan NEC Limited of even date)

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”)

Management's Responsibility for Internal financial Controls

The Company's Board of Directors 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 the Company's 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 Internal Financial Controls over Financial Reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India 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 were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Controls 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's Internal Financial Controls over Financial Reporting.

Meaning of Internal financial Controls over financial Reporting

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

Inherent Limitations of Internal financial Controls 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 Internal Financial Controls over Financial Reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 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 **M/s. CNGSN & ASSOCIATES LLP**
CHARTERED ACCOUNTANTS
Firm Registration No: 004915S/S200036

Sd/-
E.K.Srivatsan
Partner
Membership No: 225064
UDIN:25225064BMJMQQ8467

Place: Chennai

Date: 30th May, 2026

Annexure B to The Independent Auditor's Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2025:

- i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and equipment;
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) We are informed that the company has formulated a programme for physical verification of all Property, Plant and equipment over a period of three year which, in our opinion is reasonable considering the size of the company and the nature of its assets. Accordingly, the Property, Plant and equipment have been physically verified by the management during the year and no material discrepancies were noticed on such verification.
- (c) The title deeds of immovable properties are held in the name of the company.
- (d) The Company has not revalued the Property, Plant and equipment or Intangible assets during the year.
- (e) According to information and explanation given to us, no proceeding has been initiated or are pending against the company for holding any Benami property under the Benami Transactions (prohibitions) Act, 1988(45 of 1988) and rules made thereunder.
- ii) (a) Physical verification of inventory has been conducted at reasonable intervals by the management and in our opinion, the coverage and procedure of such verification by the management is appropriate; Discrepancies noticed were less than 10% for each class of inventory.
- (b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions and hence reporting under clause (ii)(b) of the Order is not applicable.
- iii) The Company has not made investments in, provided guarantee or security and granted loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, in respect of which:
 - a) The Company has provided advances in the nature of loans and guarantee during the year and details of which are given below:

	Loans	Advances in nature of loans	Guarantees (Rs in Lakh)	Security
A. Aggregate amount granted / provided during the year:				
- Subsidiaries		3.2		
- Joint Ventures				
- Associates				
- Others		9.92	26.85	
B. Balance outstanding as at balance sheet date in respect of above cases:*				
- Subsidiaries		3.2	2,500	
- Joint Ventures				
- Associates				
- Others		21.92	60.85	

The Company has not provided any loan or security to any other entity during the year.

- (b) In our opinion, and based on the information and explanations provided to us, Guarantee provided, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.
- (c) In respect of loans granted or advances in the nature of loans provided by the Company, since the schedule of repayment of principal and payment of interest has not been stipulated, we are unable to comment on the regularity of the repayments of principal amounts and payment of interest.
- (d) According to information and explanations given to us and based on the audit procedures performed, since the repayment schedule has not been stipulated, the overdue amount cannot be determined..
- (e) According to information and explanations given to us and based on the audit procedures performed, since advances in the nature of loans granted by the Company do not have a repayment schedule, we are unable to ascertain whether any dues have become overdue during the year. No fresh loans have been granted during the year to settle the overdues of existing loans given to the same parties.
- (f) The Company has granted Loans or advances in the nature of loans which are repayable on demand or without specifying any terms or period of repayment details of which are given below:.

Amount (Rs. In Lakhs)

	All Parties	Promoters	Related Parties
Aggregate amount of loans/advances in nature of loans			
- Repayable on demand (A)	13.12	NIL	6.2
- Agreement does not specify any terms or period of repayment (B)	NIL	NIL	NIL
Total (A+B)	13.12	NIL	6.2
Percentage of loans/advances in nature of loans to the total loans	100%	NIL	47.25%

- iv) In our opinion, and based on the information and explanations provided to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees provided, as applicable.
- v) According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. Accordingly, reporting under clause (v) of the Order does not arise.

- vi) We have reviewed the cost records maintained by the company as prescribed by the central government under section 148(1) of the Companies Act 2013 and are of the opinion that prima facie the prescribed cost records are made and maintained. We have, however not made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii) (a) According to the information and explanations given to us and on the basis of our examination of the books of account and records, the Company has not been regular in depositing undisputed statutory dues in respect of Provident Fund, Employees' State Insurance, Tax Deducted at Source, Professional Tax and Goods and Service Tax with the appropriate authorities. The delays, however, have not been serious. In respect of all other statutory dues, the Company has been generally regular in its deposits with the appropriate authorities..

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Incometax, Sales Tax, Service Tax, duty of Custom, Duty of Excise, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2026 for a period of more than six months from the date they became payable.

- b) According to the records of the company and the information and explanation given to us the details of disputed dues not deposited are as follows:

Nature of Due	Amount in Lakh	Period to which it relates/Due Date	From whom the Dispute is pending
Excise/Service Tax	123.93	April 2013 - June 2017	CESTAT Bangalore
TNEB	2,312.85	2004-14	TANGEDCO
Income Tax Appeals	47.11	FY 2010-11	CIT (Appeals)
VAT	128.52	2012-13	VAT AC - HC
Cancellation of FIBC and demand for repayment of Duty Drawback	168.18	February 2010 to September 2011	Ministry of Finance - Secretary

- viii) According to the information and explanations given by the management, we have not come across any transactions not recorded in the books of account, which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings, or in the payment of interest thereon to any lender during the year, except as under:

Nature of Borrowing, including debt securities	Name of Lender	Amount not paid on due date	Whether Principal or Interest	No of days delay or unpaid
Non- Convertible Debentures	Edelweiss	1,478.19	Interest	151

- (b) According to the information and explanations given to us, we report that the company has not been declared as willful defaulter by any bank or financial institution or government or any government authority.
- (c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us, and on an overall examination of the financial statements of the company, we report that no funds raised on short term basis have been utilized for long term purposes. Accordingly, clause 3(ix)(d) of the Order is not applicable.
- (e) According to the information and explanation given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Accordingly, clause 3(ix)(e) of the Order is not applicable.

- (f) According to the information and explanation given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and hence reporting on clause 3(ix)(f) of the order is not applicable.
- x) (a) Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions of Clause (x) of the Order is not applicable to the Company.
- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- xi) (a) In our opinion and according to the information and explanation given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (b) No report under sub-section (12) of section 143 of the 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.
- (c) No Whistle-blower complaints have been received during the year.
- xii) The Company is not a Nidhi Company and accordingly, paragraph (xii) of the order is not applicable to the Company.
- xiii) According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with section 177 and 188 of the Act. The details of transactions during the year have been disclosed in **Note 49** of the Standalone Financial statements as required by the applicable accounting standards.
- xiv) (a) In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the Internal Audit Reports of the company for the period under audit.
- xv) According to the information and explanations given to us in our opinion during the year, the company has not entered into non cash transactions with directors or persons connected with its Directors and hence provisions of Section 192 of the Companies Act 2013 are not applicable to the company.
- xvi) (a) According to the information and explanations given to us and based on our examination of the records of the company, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.
- (b) According to information and explanation given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Hence, Clause (xvi)(b) of the Order is not applicable.
- (c) According to information and explanation given to us, the company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence Clause (xvi)(c) does not apply.
- (d) According to information and explanation given to us the Company does not have any CIC, accordingly the requirements of Clause (xvi)(d) is not applicable.
- xvii) The Company has incurred cash losses amounting to Rs. 4156.11 Lakhs in the current financial year covered by our audit and Rs. 5232.88 Lakhs in the immediately preceding financial year.
- xviii) There has been no resignation of Statutory Auditors during the year and accordingly this clause is not applicable.
- xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the 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 was not having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year and hence, provisions of Section 135 of the Act are not applicable to the Company during the year. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year..
- xxi) Reporting under this clause will be applicable only in Independent Auditor's report of Consolidated Ind AS Financial Statements

For **M/s CNGSN & ASSOCIATES LLP**
CHARTERED ACCOUNTANTS
Firm Registration No: 004915S/S200036

Sd/-
E.K.Srivatsan
Partner
Membership No: 225064
UDIN:25225064BMJMQQ8467

Place: Chennai
Date: 30th May, 2026

**Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted
along-with Annual Audited Financial Results - (Standalone)**

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2026 [See Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]				
Amount (Rs in Lacs)				
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1	Turnover / Total income	76,009.85	76,009.85
	2	Total Expenditure	82,453.84	82,453.84
	3	Net Profit/(Loss)	(6,443.99)	(6,443.99)
	4	Earnings Per Share	(39.15)	(39.15)
	5	Total Assets	78,900.03	78,900.03
	6	Total Liabilities	58,008.92	58,008.92
	7	Net Worth	20,891.11	20,891.11
	8	Any other financial item(s) (as felt appropriate by the management)	0.00	0.00

II. Audit Qualification (each audit qualification separately):

a. Details of Audit Qualification:

The Company has not received a substantial number of balance confirmations for trade receivables outstanding as at 31st March 2026. These receivables constitute approximately 59.48% in value of the confirmations sought.

The management has represented that it undertook a comprehensive process of seeking balance confirmations from all customers and made multiple follow-up efforts. Despite these efforts, a significant portion of the older balances remain unconfirmed.

The Company has also informed us that it remains confident of recovery of these balances and is evaluating an assignment of certain receivables as part of its recovery plan. Further, the Company has written off a small portion of the trade receivables during the year in respect of trade receivables and, based on its assessment, has not recorded any significant ECL provision beyond this.

However, in the absence of direct confirmations and sufficient alternative audit evidence regarding the recoverability of these older balances, we are unable to determine whether any further adjustments are necessary to the carrying value of these receivables by way of additional provisioning, write-offs, or write-backs.

Accordingly, our audit opinion on the financial results for the year ended 31st March 2026 is qualified to the extent of the possible effects of adjustments, if any, that may be required on account of the aforementioned matter.

b. Type of Audit Qualification: (Qualified Opinion / Disclaimer of Opinion / Adverse Opinion)

Qualified Opinion

c. Frequency of qualification: (Whether appeared first time / repetitive / since how long continuing)

Repetitive

d. For Audit Qualification(s) where the impact is quantified by the Auditor, Management's Views:

Not quantified by the Auditor

e. For Audit Qualification(s) where the impact is not quantified by the Auditor:

(i) Management's estimation on the impact of audit qualification:

Management has not made an estimate of the impact.

(ii) If management is unable to estimate the impact, reasons for the same:

As of 31 March 2026, the Company's outstanding trade receivables stood at ₹ 9,270.55 lakhs. During the year, management conducted a comprehensive exercise to confirm the validity and recoverability of these balances. Confirmation requests were sent repeatedly via physical and electronic channels, achieving 100% coverage.

The Company received confirmations for a substantial portion of receivables outstanding for less than 180 days. However, direct responses remained low for balances exceeding 180 days—which comprise approximately 83% of total trade receivables by value—despite rigorous follow-ups. Management attributes this non-response primarily to customer apprehension regarding legal actions, following the Company's intensified recovery initiatives.

Nevertheless, management has independently verified the genuineness of the underlying transactions and continues to maintain active commercial relationships with most of these counterparties. To accelerate cash flows, the Company is actively evaluating the assignment of specific overdue receivables. Based on an Expected Credit Loss (ECL) assessment under the applicable financial reporting framework, the Company wrote off a minor portion of trade receivables during the year and considers the existing provisions adequate, with no further material provisioning required as of the balance sheet date.

(iii) Auditors' Comments on (i) or (ii) above:

Management should take considerable efforts to estimate the impact of qualification.

For and on behalf of the Board
For **Tulsyar NEC Limited**

Sd/-
Sanjay Tulsyar
Managing Director
DIN: 00632802

Sd/-
M. Parthasarathy
Independent Director and
Audit Committee Chairman
DIN : 08277111

Sd/-
Shanthakumar R P
Chief Financial Officer

As per our report of even date attached
For **CNGSN & ASSOCIATES LLP**
Chartered Accountants
(FRN No. 004915S/ S200036)

Sd/-
E. K. Srivatsan
Partner
M.No. 225064

Place : Chennai.
Date : 30th May, 2026

TULSIYAN NEC LIMITED **BALANCE SHEET AS AT MARCH 31, 2026**

(Rs. In Lakhs)

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
ASSETS			
Non-current assets			
Property, plant and equipment	4	50,063.73	52,006.41
Intangible assets	4	26.19	43.06
Capital work in progress	5	12.00	709.23
Lease Assets - ROU	4	81.26	87.23
Asset Held For Sale			
Financial assets			
Investments	6	648.92	648.92
Other financial assets	7	3,338.74	3,115.44
Deferred Tax Assets	7.1	5,723.47	5,723.47
Other non-current assets	8	205.45	225.89
Total non-current assets		60,099.76	62,559.65
Current assets			
Inventories	9	5,817.00	6,995.13
Financial assets			
Investments	10	37.71	35.22
Trade receivables	11	9,270.55	9,895.93
Cash and cash equivalents	12	135.58	26.96
Bank balances other than above	13	5.43	4.94
Loans		3.20	-
Other financial assets	14	-	-
Other current assets	15 (a)	3,530.80	3,376.61
Asset Held For Sale	15 (b)	-	438.22
Total current assets		18,800.26	20,773.02
Total Assets		78,900.03	83,332.67
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16	1,646.14	1,646.14
Other equity	17	19,244.96	25,681.62
Total equity		20,891.10	27,327.76
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	18	31,463.20	22,601.07
Other financial liabilities	19(a)	2,407.77	2,182.05
Lease Asset Liability	19(b)	-	2.64
Provisions	20	363.67	326.30
Deferred Tax Liabilities (net)	21	-	-
Total non-current liabilities		34,234.64	25,112.07
Current liabilities			
Financial liabilities			
Borrowings	22	6,993.87	12,445.74
Trade payables	23	12,039.68	14,331.45
Other financial liabilities	24(a)	2,438.20	1,224.40
Lease Asset Liability	24(b)	2.64	4.19
Provisions	25	52.96	52.50
Other current liabilities	26	2,246.93	2,834.56
Total current liabilities		23,774.28	30,892.85
Total liabilities		58,008.92	56,004.91
Total Equity and Liabilities		78,900.03	83,332.67

The accompanying notes form an integral part of the financial statements

For and on behalf of the Board
For **Tulsiyan NEC Limited**

Sd/-
Sanjay Tulsiyan
Managing Director
DIN: 00632802

Sd/-
Lalit Kumar Tulsiyan
Executive Chairman
DIN : 00632823

Sd/-
CA Shantha Kumar RP
Chief Financial Officer

Place : Chennai.
Date : 30th May, 2026

Sd/-
M. Parthasarathy
Director
DIN : 08277111

Sd/-
Parvati Soni
Company Secretary

As per our report of even date attached
For **CNGSN & ASSOCIATES LLP**
Chartered Accountants
(FRN No. 004915S/ S200036)

Sd/-
E.K.Srivatsan
Partner
M.No. 225064

TULSYAN NEC LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2026

(All amounts are in lakh of Indian Rupees, unless otherwise stated) (Rs. In Lakhs)

Particulars	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
Continuing Operations			
A Income			
Income from Operations	27	72,881.47	79,742.68
Other Income	28	3,128.38	340.41
Total income		76,009.85	80,083.08
B Expenses			
Cost of materials consumed	29	57,330.32	63,252.18
Purchases of stock in trade	30	909.30	689.35
Changes in inventories of finished goods	31	698.71	(276.11)
Employee benefits expense	32	2,287.40	2,217.23
Power & fuel	33	7,182.48	8,418.26
Depreciation and amortisation expense	34	2,169.53	2,234.91
Finance costs	35	7,092.58	6,414.63
Other expenses	36	4,783.52	4,402.24
Total expenses		82,453.84	87,352.69
C Profit before exceptional items and tax		(6,443.99)	(7,269.61)
Exceptional items	37	--	--
D Profit/ (Loss) before tax from continuing operations		(6,443.99)	(7,269.61)
Income tax expense	38		
Current tax		--	--
Deferred tax credit/ (charge)		--	--
Income tax Earlier Years		--	--
Profit/ (Loss) for the year		(6,443.99)	(7,269.61)
E Other comprehensive income			
Items that will be reclassified to profit or loss			
Remeasurement of post employment benefit obligations		3.68	8.15
Income tax relating to these items			
Other comprehensive income for the year, net of tax		3.68	8.15
Total comprehensive income/ (Loss) for the year		(6,440.32)	(7,261.45)
Earnings per share	39		
Basic earnings per share		(39.15)	(44.16)
Diluted earnings per share		(39.15)	(44.16)

The accompanying notes form an integral part of the financial statements

For and on behalf of the Board
For **Tulsyan NEC Limited**

As per our report of even date attached
For **CNGSN & ASSOCIATES LLP**
Chartered Accountants
(FRN No. 004915S/ S200036)

Sd/-
Sanjay Tulsyan
Managing Director
DIN: 00632802

Sd/-
Lalit Kumar Tulsyan
Executive Chairman
DIN : 00632823

Sd/-
M. Parthasarathy
Director
DIN : 08277111

Sd/-
E.K.Srivatsan
Partner
M.No. 225064

Place : Chennai.
Date : 30th May, 2026

Sd/-
CA Shantha Kumar RP
Chief Financial Officer

Sd/-
Parvati Soni
Company Secretary

TULSYAN NEC LIMITED

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

(All amounts are in lakh of Indian Rupees, unless otherwise stated)

(Rs. In Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Cash Flow From Operating Activities		
Profit before income tax	(6,443.99)	(7,269.61)
Adjustment for Other Comprehensive Income	3.68	8.15
Depreciation and amortisation expense	2,169.53	2,234.91
(Profit)/ loss on sale of fixed assets	(2,847.92)	(178.34)
Profit on sale of Investments	-	1.25
Finance cost	7,092.58	6,414.63
Interest Income	(115.71)	(123.97)
NCD Redemption Premium	3.66	(2,148.14)
Operating Profit before Working Capital Changes	(138.18)	(1,061.11)
Change in operating assets and liabilities		
(Increase) / Decrease in loans	-	-
(Increase) / Decrease in other financial assets	(226.51)	(121.60)
(Increase) / Decrease in inventories	1,178.13	907.55
(Increase) / Decrease in trade receivables	625.38	887.85
(Increase) / Decrease in other assets	(133.74)	157.26
Increase / (Decrease) in provisions, other financial liabilities and other liabilities	(326.72)	2,886.16
Increase / (Decrease) in trade payables	(1,079.52)	(102.03)
Cash generated from operations	(101.16)	3,554.08
Less : Income taxes paid (net of refunds)	-	-
Net cash from/ (used in) operating activities (A)	(101.16)	3,554.08
Cash Flows From Investing Activities		
Purchase of PPE (including changes in CWIP)	(930.03)	(1,222.27)
Sale proceeds of PPE	4,709.39	269.85
(Investments in)/ Maturity of fixed deposits with banks (net)	(0.49)	(2.50)
(Purchase)/ disposal proceeds of Investments (net)	(2.49)	--
Interest received	115.71	123.97
Net cash from/ (used in) investing activities (B)	3,892.10	(830.95)
Cash Flows From Financing Activities		
Proceeds from issue of equity share capital (net of share application money)	-	--
Proceeds from/ (repayment of) long term borrowings (net)	8,862.13	697.05
Proceeds from/ (repayment of) short term borrowings (net)	(5,451.86)	2,906.04
Finance cost	(7,092.58)	(6,414.63)
Net cash from/ (used in) financing activities (C)	(3,682.31)	(2,811.55)
Net increase (decrease) in cash and cash equivalents (A+B+C)	108.62	(88.37)
Cash and cash equivalents at the beginning of the financial year	26.96	115.32
Cash and cash equivalents at end of the year	135.58	26.96

Notes:

1. The above cash flow statement has been prepared under indirect method prescribed in Ind AS 7 "Cash Flow Statements".

2. Components of cash and cash equivalents

Balances with banks

- in current accounts

Cash on hand

	115.47	21.44
	20.11	5.52
	135.58	26.96

The accompanying notes form an integral part of the financial statements

For and on behalf of the Board
For Tulsyan NEC Limited

As per our report of even date attached
For **CNGSN & ASSOCIATES LLP**
Chartered Accountants
(FRN No. 004915S/ S200036)

Sd/-
Sanjay Tulsyan
Managing Director
DIN: 00632802

Sd/-
Lalit Kumar Tulsyan
Executive Chairman
DIN : 00632823

Sd/-
M. Parthasarathy
Director
DIN : 08277111

Sd/-
E.K.Srivatsan
Partner
M.No. 225064

Place : Chennai.
Date : 30th May, 2026

Sd/-
CA Shantha Kumar RP
Chief Financial Officer

Sd/-
Parvati Soni
Company Secretary

TULSYAN NEC LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2026
 (All amounts are in lakh of Indian Rupees, unless otherwise stated)

(A) Equity Share Capital	
Balance at the end of March 31, 2024	1,655.14
Changes in equity share capital during the year (Forfeiture of 2,05,259 Partly Paid Shares of Rs. 9,00,222/-)	(9.00)
Balance at the end of March 31, 2025	1,646.14
Changes in equity share capital during the year	
Balance at the end of March 31, 2026	1,646.14

(B) Other Equity

Particulars	General Reserve	Capital Reserve	Investment Allowance reserve	Securities Premium Reserve	Other Comprehensive Income	Profit and Loss Account	Total
Balance as at April 1, 2024	2,390.00	-	59.39	12,373.96	(296.71)	20,555.54	35,082.18
Additions/ (Deductions) during the year	-	(3.66)	-	-	-	(2,144.48)	(2,148.14)
Total Comprehensive Income for the year	-	9.00	-	-	8.15	(7,269.61)	(7,252.45)
Balance as at March 31, 2025	2,390.00	5.35	59.39	12,373.96	(288.55)	11,141.45	25,681.59
Additions/ (Deductions) during the year	-	3.66	-	-	-	-	3.66
Total Comprehensive Income for the year	-	-	-	-	3.68	(6,443.99)	(6,440.32)
Balance as at March 31, 2026	2,390.00	9.01	59.39	12,373.96	(284.87)	4,697.45	19,244.94

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For and on behalf of the Board
 For **Tulsyan NEC Limited**

Sd/-
Sanjay Tulsyan
 Managing Director
 DIN: 00632802

Sd/-
CA Shantha Kumar RP
 Chief Financial Officer
 Place : Chennai.
 Date : 30th May, 2026

Sd/-
Lalit Kumar Tulsyan
 Executive Chairman
 DIN : 00632823

Sd/-
Parvati Soni
 Company Secretary

Sd/-
M. Parthasarathy
 Director
 DIN: 08277111

Sd/-
E.K.Srivatsan
 Partner
 M.No. 225064

For **CNGSN & ASSOCIATES LLP**
 Chartered Accountants
 (FRN No. 004915S/ S200036)

Tulsyam NEC Limited

Notes to Financial Statements for the year ended March 31, 2026

1. Corporate Information

"The company is engaged in the manufacturing of TMT bars, Coal Based Power Plant and Synthetics Woven fabrics and sacks. It has manufacturing plants at Chennai (Gummudipoondi) and Bangalore (Doddaballapura)."

2. Basis of preparation of financial statements

Statement of compliance

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ("the Act") (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods.

Functional and presentation currency

"These financial statements are presented in Indian Rupees (INR), which is the Company's functional currency All financial information presented in INR has been rounded to the nearest Lakhs (up to two decimals).

The financial statements are approved for issue by the Company's Board of Directors on 30th May, 2026."

2A Critical accounting estimates and management judgments

In application of the accounting policies, which are described in note 2, the management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and assumptions are based on historical experience and other factors that are considered to be relevant.

Information about significant areas of estimation, uncertainty and critical judgements used in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

Property, Plant and Equipment (PPE)

Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life on straight line method. The depreciable amount for assets is the cost of an asset. Once the asset is depreciated to its residual value, it is carried on in its residual value.

The residual values and estimated useful life of PPEs are assessed by the technical team at each reporting date by taking into account the nature of asset, the estimated usage of the asset, the operating condition of the asset, past history of replacement and maintenance support. Upon review, the management accepts the assigned useful life and residual value for computation of depreciation/amortisation.

Intangible assets and amortization

Recognition and measurement

Intangible assets are recognized when the asset is identifiable, is within the control of the Company, it is probable that the future economic benefits that are attributable to the asset will flow to the Company and cost of the asset can be reliably measured.

Intangible assets acquired by the Company that have finite useful lives are measured at cost less accumulated amortization and any accumulated impairment losses. Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level.

Subsequent measurement

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates.

Amortization

Amortization is calculated over the cost of the asset, or other amount substituted for cost, less its residual value. Amortization is recognized in statement of profit and loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the assets.

Intangible Assets are amortized over a period of five years.

Current tax

Calculations of income taxes for the current period are done based on applicable tax laws and management's judgement by evaluating positions taken in tax returns and interpretations of relevant provisions of law.

Deferred Tax Assets

Significant management judgement is exercised by reviewing the deferred tax assets at each reporting date to determine the amount of deferred tax assets that can be retained/ recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Fair value

Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available. In applying the valuation techniques, management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

Impairment of Trade Receivables

The impairment for trade receivables are done based on assumptions about risk of default and expected loss rates. The assumptions, selection of inputs for calculation of impairment are based on management judgement considering the past history, market conditions and forward looking estimates at the end of each reporting date.

Impairment of Non-financial assets - PPE

The impairment of non-financial assets is determined based on estimation of recoverable amount of such assets. The assumptions used in computing the recoverable amount are based on management judgement considering the timing of future cash flows, discount rates and the risks specific to the asset.

Defined Benefit Plans and other long term employee benefits

The cost of the defined benefit plan and other long term employee benefits, and the present value of such obligation are determined by the independent actuarial valuer. An actuarial valuation involves making various assumptions that may differ from actual developments in future. Management believes that the assumptions used by the actuary in determination of the discount rate, future salary increases, mortality rates and attrition rates are reasonable. Due to the complexities involved in the valuation and its long term nature, this obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities could not be measured based on quoted prices in active markets,

management uses valuation techniques including the Discounted Cash Flow (DCF) model, to determine its fair value. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is exercised in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

Provisions and contingencies

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the reporting date. The actual outflow of resources at a future date may therefore vary from the figure estimated at end of each reporting period.

2B Recent accounting pronouncements

MCA (Ministry of Corporate Affairs) notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from 1st April 2021. MCA issued notifications on 24th March 2021 to amend Schedule III to the Companies Act 2013 to enhance the disclosures required to be made by the company in its financial statements. These amendments are applicable to the company for the financial year starting 1st April 2021.

3. Significant Accounting Policies

a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- i) Expected to be realised or intended to be sold or consumed in normal operating cycle
- ii) Held primarily for the purpose of trading
- iii) Expected to be realised within twelve months after the reporting period, or
- iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- i) It is expected to be settled in normal operating cycle
- ii) It is held primarily for the purpose of trading
- iii) It is due to be settled within twelve months after the reporting period, or
- iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified 6 months as its operating cycle.

b) Fair value measurement

The Company has applied the fair value measurement wherever necessitated at each reporting period.

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

- i) In the principal market for the asset or liability;

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

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 : Quoted (unadjusted) market prices in active market for identical assets or liabilities;

Level 2 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

Level 3 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company has designated the respective team leads to determine the policies and procedures for both recurring and non-recurring fair value measurement. External valuers are involved, wherever necessary with the approval of Company's board of directors. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

For the purpose of fair value disclosure, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risk of the asset or liability and the level of the fair value hierarchy as explained above. The component wise fair value measurement is disclosed in the relevant notes.

c) Revenue Recognition

Sale of goods

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue on sale of goods is recognised when the risk and rewards of ownership is transferred to the buyer, which generally coincides with the despatch of the goods or as per the incoterms agreed with the customers.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment. It comprises of invoice value of goods including excise duty and after deducting discounts, volume rebates and applicable taxes on sale. It also excludes value of self-consumption.

Sale of services

Income from sale of services is recognised when the services are rendered as per the terms of the agreement and when no significant uncertainty as to its determination or realisation exists.

Power Generation

Power generated from windmills that are covered under wheeling and banking arrangement with the State Electricity Board/ Electricity

Distribution Companies are consumed at factories. The monetary values of such power generated that are captively consumed are not recognised as revenue.

Export entitlements

In respect of the exports made by the Company, the related export entitlements from Government authorities are recognised in the statement of profit and loss when the right to receive the incentives/ entitlements as per the terms of the scheme is established and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

Interest Income

Interest income is recorded using the effective interest rate (EIR) method. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividend income

Dividend income is recognized when the company's right to receive dividend is established by the reporting date, which is generally when shareholders approve the dividend.

d) Property, plant and equipment and capital work in progress

Presentation

Property, plant and equipment and capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs of a qualifying asset, if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

Advances paid towards the acquisition of tangible assets outstanding at each balance sheet date, are disclosed as capital advances under long term loans and advances and the cost of the tangible assets not ready for their intended use before such date, are disclosed as capital work in progress.

Component Cost

All material/ significant components have been identified and have been accounted separately. The useful life of such component are analysed independently and wherever components are having different useful life other than plant they are part of, useful life of components are considered for calculation of depreciation.

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of repairs and maintenance are recognised in the statement of profit and loss as incurred.

Machinery spares/ insurance spares that can be issued only in connection with an item of fixed assets and their issue is expected to be irregular are capitalised. Replacement of such spares is charged to revenue. Other spares are charged as revenue expenditure as and when consumed.

Derecognition

Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

e) Depreciation on property, plant and equipment

Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life on straight line method. The depreciable amount for assets is the cost of an asset. Once the asset is depreciated to its residual value, it is carried on in its residual value.

Depreciation is provided on straight line method, over the useful lives specified in Schedule II to the Companies Act, 2013.

Depreciation for PPE on additions is calculated on pro-rata basis from the date of such additions. For deletion/ disposals, the depreciation is calculated on pro-rata basis up to the date on which such assets have been discarded/ sold. Additions to fixed assets, costing 5000 each or less are fully depreciated retaining its residual value.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

f) Inventories

Raw materials, Components, Stores and Spares and Work-in-Progress are valued at cost. Finished goods are valued at cost or realizable value whichever is less. The basis of determining cost for various categories of inventories are as follows:

- (i) **Raw materials, components, stores and spares:** At lower of weighted average cost and net realizable value.
- (ii) **Work-in-process :** At lower of cost of raw material and component including related overheads and net realizable value.
- (iii) **Finished goods:** At lower of cost and net realizable value. Cost includes raw material components and related overheads.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

g) Financial Instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instruments.

Financial Assets

Initial recognition and measurement

All financial assets are recognised initially at fair value. However, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified on the basis of their contractual cash flow characteristics and the entity's business model of managing them.

Financial assets are classified into the following categories:

- Financial instruments (other than equity instruments) at amortised cost
- Financial Instruments (other than equity instruments) at Fair value through Other comprehensive income (FVTOCI)
- Other Financial Instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Financial instruments (other than equity instruments) at amortised cost

The Company classifies a financial instruments (other than equity instruments) at amortised cost, if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is

calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Financial Instruments (other than equity instruments) at FVTOCI

The Company classifies a financial instrument (other than equity instrument) at FVTOCI, if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

The financial instruments included within the FVTOCI category are measured as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes finance income, impairment losses and reversals and foreign exchange gain or loss in the profit and loss statement. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit and loss. Interest earned whilst holding FVTOCI financial instrument is reported as interest income using the EIR method.

Financial instruments (other than equity instruments) at FVTPL

The Company classifies all financial instruments, which do not meet the criteria for categorization as at amortized cost or as FVTOCI, as at FVTPL.

Financial instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. Where the Company makes an irrevocable election of equity instruments at FVTOCI, it recognises all subsequent changes in the fair value in other comprehensive income, without any recycling of the amounts from OCI to profit and loss, even on sale of such investments.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Financial assets are measured at FVTPL except for those financial assets whose contractual terms give rise to cash flows on specified dates that represents SPPI, are measured as detailed below depending on the business model:

Classification	Name of the financial asset
Amortised cost	"Trade receivables, deposits, interest receivable, and other advances recoverable in cash."
FVTOCI	"Equity investments in companies other than subsidiaries and associates if an option exercised at the time of initial recognition."
FVTPL	"Other investments in equity instruments"

Derecognition

A financial asset is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained

substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets other than equity instruments, and that are measured at amortised cost e.g., loans, deposits, trade receivables and bank balance.
- b) Financial assets, other than equity instruments that are measured at FVTOCI
- c) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18.

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 17

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime Expected Credit Loss (ECL) at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12 months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 months ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, the Company considers all contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument and Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the profit and loss. The balance sheet presentation of ECL for various financial instruments is described below:

- **Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables:** ECL is presented as an allowance, which reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- **Financial instruments, other than equity instruments, measured at FVTOCI:** Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

For impairment purposes, significant financial assets are tested on individual basis at each reporting date. Other financial assets are assessed collectively in groups that share similar credit risk characteristics. Accordingly, the impairment testing is done on the following basis:

Name of the financial asset	Impairment Testing Methodology
Trade Receivables	Expected Credit Loss model (ECL) is applied. The ECL over lifetime of the assets are estimated by using a provision matrix which is based on historical loss rates reflecting current conditions and forecasts of future economic conditions which are grouped on the basis of similar credit characteristics such as nature of industry, customer segment, past due status and other factors that are relevant to estimate the expected cash loss from these assets.
Other financial assets	When the credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. When there is significant change in credit risk since initial recognition, the impairment is measured based on probability of default over the life time. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12 month ECL.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL and as at amortised cost.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings and financial guarantee contracts.

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to profit and loss. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The company has not designated any financial liability as at fair value through profit and loss.

Classification	Name of the financial liability
Amortised cost	Borrowings, trade payables, interest accrued, unclaimed / disputed dividends, security deposits and other financial liabilities not for trading.
FVTPL	Foreign Exchange Forward contracts being derivative contracts do not qualify for hedge accounting under Ind AS 109 and other financial liabilities held for trading. The Company does not take forward contract.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and, if not designated as at fair value through profit or loss, are subsequently measured at higher of (i) The amount of loss allowance determined in accordance with impairment requirements of Ind AS 109 – Financial Instruments and (ii) The amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18 –Revenue.

Derivative financial instruments

The Company does not hold any derivative financial instruments such as foreign exchange forward and options contracts to mitigate the risk of changes in exchange rates on foreign currency exposures.

Derivatives fair valued through profit or loss

This category has derivative financial assets or liabilities which are not designated as hedges.

Although the Company believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the Statement of Profit and Loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income. Assets / liabilities in this category are presented as current assets / current liabilities if they are either held for trading or are expected to be realized within 12 months after the Balance Sheet date. However the company does not deal in any derivate/hedging. Hence the above will not be applicable to the company.

Derecognition of financial liabilities

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

Reclassification of financial assets

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

The following table shows various reclassification and how they are accounted for:

S.No	Original classification	Revised classification	Accounting treatment
1	Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L.
2	FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.

3	Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
4	FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
5	FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
6	FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

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

h) Foreign currency transactions and translations

Transactions and balances

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.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

The Company enters into forward exchange contract to hedge its risk associated with foreign currency fluctuations wherever it deems necessary that such coverage is appropriate. The premium or discount arising at the inception of a forward exchange contract is amortized as expense or income over the life of the contract. In case of monetary items which are covered by forward exchange contract, the difference between the year end rate and rate on the date of the contract is recognized as exchange difference. Any profit or loss arising on cancellation of a forward exchange contract is recognized as income or expense for that year.

i) Borrowing Costs

Borrowing cost include interest computed using Effective Interest Rate method, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are directly attributable to the acquisition, construction, production of a qualifying asset are capitalised as part of the cost of that asset which takes substantial period of time to get ready for its intended use. The Company determines the amount of borrowing cost eligible for capitalisation by applying capitalisation rate to the expenditure incurred on such cost. The capitalisation rate is determined based on the weighted average rate of borrowing cost applicable to the borrowings of the Company which are outstanding during the period, other than borrowings made specifically towards purchase of the qualifying asset. The amount of borrowing cost that the Company capitalises during the period does not exceed the amount of borrowing cost incurred during that period. All other borrowings costs are expensed in the period in which they occur.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

k) Taxes

Current Income Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Where there is deferred tax assets arising from carry forward of unused tax losses and unused tax created, they are recognised to the extent of deferred tax liability.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

l) Retirement and other employee benefits

Short-term employee benefits

A liability is recognised for short-term employee benefit in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Defined contribution plans

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined benefit plans

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Compensated absences

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

Other long term employee benefits

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by the employees up to the reporting date.

m) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to April 1, 2016, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. All other leases are operating leases.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

n) Impairment of non financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

o) Provisions, contingent liabilities and contingent asset**Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are discounted, if the effect of the time value of money is material, using pre-tax rates that reflects the risks specific to the liability. When discounting is used, an increase in the provisions due to the passage of time is recognised as finance cost. These provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Necessary provision for doubtful debts, claims, etc., are made, if realisation of money is doubtful in the judgement of the management.

Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. Contingent liabilities are disclosed separately.

Contingent Assets

Where an inflow of economic benefits is probable, the Company discloses a brief description of the nature of the contingent assets at the end of the reporting period, and, where practicable, an estimate of their financial effect.

Contingent assets are disclosed but not recognised in the financial statements.

p) Cash and Cash Equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances with original maturity of less than 3 months, highly liquid investments that are readily convertible into cash, which are subject to insignificant risk of changes in value.

q) Cash Flow Statement

Cash flows are presented using indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

Bank borrowings are generally considered to be financing activities. However, where bank overdrafts which are repayable on demand form an integral part of an entity's cash management, bank overdrafts are included as a component of cash and cash equivalents for the purpose of Cash flow statement.

r) Earnings per share

The basic earnings per share are computed by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted EPS is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

TULSYAN NEC LIMITED

Notes to Financial Statements for the year ended March 31, 2026

(All amounts are in lakh of Indian Rupees, unless otherwise stated)

4. Property, plant and equipment

Particulars	Tangible Assets							Intangible Asset		Total
	Land	Factory Buildings	Plant and Machinery	Vehicles	Works Equipments	Lab Equipments	Office Premises	Office and Other Equipments	Computer Software	
Deemed Cost as at April 1, 2024	7,381.24	13,335.87	59,761.35	150.24	188.97	41.62	20.64	636.94	97.79	81,614.66
Additions	70.00	15.97	598.63	1.38	3.15		7.72	43.88	0.59	741.32
Disposals/Discarded	(24.98)		(597.19)	(85.38)						(707.55)
Asset held for Sale	(438.22)									(438.22)
Cost as at April 1, 2025	6,988.04	13,351.84	59,762.79	66.24	192.12	41.62	28.36	680.82	98.38	81,210.21
Additions	33.96	5.19	1,586.77	-	-			6.59	-	1,632.52
Disposals/Discarded	(1,295.35)	(541.47)	(1,027.23)	(15.78)				(142.93)		(3,022.76)
Asset held for Sale - Added Back (Cancelled)	180.13							-		180.13
Cost as at March 31, 2026	5,906.78	12,815.56	60,322.33	50.46	192.12	41.62	28.36	544.48	98.38	80,000.10
Depreciation/Amortisation										
As at March 31, 2024	-	4,876.36	21,829.78	119.13	100.27	31.25	16.62	533.06	37.73	27,544.21
Charge for the year	-	451.29	1,719.42	3.50	10.00	3.73	0.39	27.24	17.59	2,233.17
Disposals/Discarded	-		(533.79)	(82.83)		-			-	(616.62)
Reversal	-									-
As at March 31, 2025	-	5,327.65	23,015.41	39.80	110.27	34.98	17.01	560.30	55.32	29,160.75
Charge for the year	-	524.61	1,571.76	4.11	9.76	3.35	8.06	25.03	16.87	2,163.55
Disposals/Discarded	-	(300.85)	(969.37)	(8.62)				(135.28)		(1,414.13)
Reversal	-									-
As at March 31, 2026	-	5,551.41	23,617.79	35.29	120.04	38.33	25.08	450.05	72.19	29,910.17
Net Block										
As at March 31, 2025	6,988.04	8,024.19	36,747.38	26.44	81.85	6.64	11.35	120.52	43.06	52,049.46
As at March 31, 2026	5,906.78	7,264.16	36,704.54	15.17	72.08	3.29	3.28	94.43	26.19	50,089.92

Notes :

- The title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the financial statements, the lease agreements are in the name of the Company.
- The Company has not revalued its property, plant and equipment (including right-of-use asset) during the year, since the Company has adopted cost model as its accounting policy to an entire class of Property, Plant and Equipment in accordance with Ind AS 16.
- The Company has not revalued its intangible asset, since the Company has adopted cost model as its accounting policy to an entire class of Intangible Asset in accordance with Ind AS 38.
- Out of the ₹438.22 lakhs classified as 'Assets Held for Sale' on 31 March 2025, the company sold a portion with a carrying amount of ₹258.09 lakhs during FY 2025-26. Due to the cancellation of the sale agreement for the remaining asset, the balance of ₹180.13 lakhs has been reverted to Property, Plant, and Equipment in compliance with Ind AS 105.

Notes - (Contd)

Note No. 4a

a) RIGHT-OF-USE ASSETS

PARTICULARS	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Carrying amounts of			
Lease hold Assets	81.26	87.23	80.53
Total	81.26	87.23	80.53

GROSS CARRYING VALUE	Lease hold Assets	Total
Balance as at March 31, 2022	95.47	95.47
Additions	-	-
Deletions	-	-
Balance as at March 31, 2023	95.47	95.47
Additions	-	-
Deletions	-	-
Balance as at March 31, 2024	95.47	95.47
Additions	8.45	8.45
Deletions	-	-
Balance as at March 31, 2025	103.92	103.92
Additions	-	-
Deletions	-	-
Balance as at March 31, 2026	103.92	103.92

ACCUMULATED AMORTISATION	Lease hold Assets	Total
Balance as at April 1, 2021 (Deemed Cost)	12.30	12.30
Amortisation	0.88	0.88
Eliminated on disposals	-	-
Balance as at March 31, 2022	13.18	13.18
Amortisation	0.88	0.88
Eliminated on disposals	-	-
Balance as at March 31, 2023	14.06	14.06
Amortisation	0.88	0.88
Eliminated on disposals	-	-
Balance as at March 31, 2024	14.94	14.94
Amortisation	1.75	1.75
Eliminated on disposals	-	-
Balance as at March 31, 2025	16.69	16.69
Amortisation	5.98	5.98
Eliminated on disposals	-	-
Balance as at March 31, 2026	22.66	22.67

Notes - (Contd)

PARTICULARS	Lease hold Assets	Total
Carrying amount as on April 1, 2022	83.17	83.17
Carrying amount as on March 31, 2022	82.29	82.29
Carrying amount as on March 31, 2023	81.41	81.41
Carrying amount as on March 31, 2024	80.53	80.53
Carrying amount as on March 31, 2025	87.23	87.23
Carrying amount as on March 31, 2026	81.26	81.26

b) BREAK-UP OF CURRENT AND NON-CURRENT LEASE LIABILITIES :

The following is the break-up of current and non-current lease liabilities as at year ended:

PARTICULARS	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Current lease liabilities	2.64	4.19	-
Non-current lease liabilities	-	2.64	-
Total	2.64	6.83	-

c) MOVEMENT IN LEASE LIABILITIES :

The following is the movement in lease liabilities during the year ended:

PARTICULARS	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Opening Balance	6.83	-	-
Reclassified on account of adoption of IND AS 116	-	-	-
Additions through acquisition of subsidiary	-	8.45	-
Additions	-	-	-
Additions	-	-	-
Finance costs accrued during the period	0.49	0.33	-
Deletions	-	-	-
Payment of Lease liabilities	(4.68)	(1.95)	-
Foreign currency translation	-	-	-
Closing Balance	2.64	6.83	-

d) The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis

PARTICULARS	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Less than one year	-	-	-
One to five years	2.64	6.83	-
More than five years	-	-	-
Total	2.64	6.83	-

e) Others

PARTICULARS	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Interest on lease liabilities	0.49	0.33	-
Amortisation of right to use assets	4.19	1.75	-
Expenses relating to short-term leases	-	-	-
Total cash outflows for leases	4.68	1.95	-

Notes - (Contd)

f) Critical judgements in determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For leases of buildings, the following factors are normally the most relevant:

- (i) If there are significant penalties to terminate (or not extend), the Company is typically reasonably certain not terminate (or to extend).

The lease term is reassessed if an option is actually exercised (or not exercised) or the Company becomes obliged to exercise (or not exercise it). The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects the assessment, and that is within the control of the lessee. During the current financial year, there was no revision in the lease terms.

g) Variable lease payments

The Group has not entered into any lease contracts that include variable lease options.

h) Extension and termination options

Extension and termination options are included in a number of property leases. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The majority of extension and termination options held are exercisable only by the Company and not with the respective lessor.

Note No. 5	As at March 31, 2026	As at March 31, 2025
Capital Work-in-progress		
Capital work in progress	12.00	709.23
	12.00	709.23

Note No. 6	As at March 31, 2026	As at March 31, 2025
Non-current investments		
Investments in Equity Instruments at FVTPL		
Unquoted		
i. Investments in Subsidiaries		
Chitrakoot Steel & Power P Limited (64,89,200 Equity Shares of Rs.10/- each)	648.92	648.92
ii. Investments in Other Companies	-	-
Investments in Debt Instruments at FVTPL		
Unquoted		
	-	-
	648.92	648.92
Total non-current investments		
Aggregate amount of quoted investments	-	-
Aggregate market value of quoted investments	-	-
Aggregate cost of unquoted investments	648.92	648.92
Aggregate amount of impairment in value of investments	-	-

Note No. 7	As at March 31, 2026	As at March 31, 2025
Other non-current financial assets		
(Unsecured, considered good)		
Deposits	3,277.89	3,081.44
Fixed Deposits towards Bank Guarantee	60.85	34.00
Other non-current financial assets	3,338.74	3,115.44

Notes - (Contd)

Note No. 7(1)	As at March 31, 2026	As at March 31, 2025
Deferred Tax Assets		
Expenses allowable for tax purposes when paid		
Voluntary retirement scheme payment to be allowed		
On account of forward of losses	5,723.47	5,723.47
	5,723.47	5,723.47

Note No. 8	As at March 31, 2026	As at March 31, 2025
Other non-current assets		
(Unsecured, considered good)		
Advance for fixed assets		
Advance income-tax and TDS (net of provision for tax)	127.42	81.31
Advance Fringe Benefit tax	-	-
Advance TCS	42.43	111.19
Other non-current assets	35.60	33.39
	205.45	225.89

Note No. 9	As at March 31, 2026	As at March 31, 2025
Inventories		
(Valued at lower of cost and net realisable value)		
Raw Materials	862.83	1,284.90
Finished Goods	3,082.12	3,780.84
Goods in Transit	-	-
Stores	1,872.04	1,929.39
	5,817.00	6,995.13

Note No. 10	As at March 31, 2026	As at March 31, 2025
Current Investments		
Investments in Equity Instruments at FVTPL		
Investments in companies other than subsidiaries, associates and joint ventures		
Quoted		
Canara Bank (Formerly Syndicate Bank) (864 Equity Shares of Rs.10 each)	5.33	3.84
Unquoted		
Invest In Equity Share Capital of Power Solar & Wind Vendor	31.31	31.31
Shamrao Vithal Co-op Bank Ltd (50 Shares of Rs.100/- each)	0.05	0.05
Sapient Packing Private Limited (9980 Shares of Rs. 10/- each)	1.00	-
Investments in Debt Instruments at FVTPL		
Unquoted		
National Savings Certificates	0.02	0.02
	37.71	35.22

Notes - (Contd)

Note No. 11	As at March 31, 2026	As at March 31, 2025
Trade receivables		
(Unsecured, considered good)		
Trade Receivables outstanding for a period less than six months from the date they are due for payment	-	-
Unsecured, considered good	3,782.12	4,371.71
Unsecured, considered doubtful	-	-
Trade Receivables outstanding for a period exceeding six months from the date they are due for payment	-	-
Unsecured, considered good	5,488.43	5524.22
Unsecured, considered doubtful	-	-
	9,270.55	9895.93
Allowance for Expected credit Loss	-	-
	9,270.55	9895.93

Annexure to Note 11

Trade Receivables ageing Schedule	Outstanding for the following periods from due date of Payment					
	Less than 6 Months	6 Months to 1 Year	1 to 2 Years	2 to 3 years	3 years and above	Total
(i) Undisputed Trade Receivables Considered Good	3,188.76	568.21	211.07	88.18	4,997.48	9,053.70
(ii) Undisputed Trade Receivables Considered Doubtful	-	-	-	-	55.65	55.65
(iii) Disputed Trade Receivables Considered Good	-	-	-	-	161.20	161.20
(iv) Disputed Trade Receivables Considered Doubtful	-	-	-	-	-	-
	3,188.76	568.21	211.07	88.18	5,214.33	9,270.55

Note No. 12	As at March 31, 2026	As at March 31, 2025
Cash and cash equivalents		
Cash on Hand	20.11	5.52
Cheque and Demand Drafts on Hand	-	-
Balances with Banks		
- In Current Account	115.47	21.44
	135.58	26.96

Note No. 13	As at March 31, 2026	As at March 31, 2025
Other Bank Balances		
In fixed deposits	1.13	1.13
In margin money with banks	4.29	3.81
	5.43	4.94

Notes - (Contd)

Note No. 14	As at March 31, 2026	As at March 31, 2025
Other current financial assets		
(Unsecured, considered good)		
Loan to Subsidiaries	3.20	-
	3.20	-

Note No. 15(a)	As at March 31, 2026	As at March 31, 2025
Other current assets		
(Unsecured, considered good)		
Income and claims receivable		
Interest accrued on Deposits		
Advance recoverable in cash or in kind or for value to be received		
Advance for Supplies and expenses	2,088.59	1,945.51
Staff advances & Prepaid expenses	22.04	20.14
Special Premium Accrued - NCD (Refer Note 52)	236.07	354.10
Vendor Deposit	-	-
Advance Paid	433.38	433.38
Deposits	193.58	
Drawback	-	19.12
Excise	13.87	13.87
Balances with Statutory Authorities	543.28	590.50
	3,530.80	3,376.61

Note No. 15 (b)	As at March 31, 2026	As at March 31, 2025
Asset Held for Sale		
Asset Held for Sale	-	438.22
	-	438.22

Note No. 16	As at March 31, 2026	As at March 31, 2025
Capital		
Authorised Share Capital		
2,60,00,000 (2,60,00,000) Equity shares of Rs. 10/- each	2,600.00	2,600.00
1,00,00,000 (1,00,00,000) 6% Non convertible redeemable preference shares of Rs. 10/- each	1,000.00	1,000.00
	3,600.00	3,600.00
Issued Share Capital		
1,64,61,407 (previous year 1,64,61,407) Equity shares of Rs. 10/- each	1,646.14	1,646.14
	1,646.14	1,646.14
Paid up & Subscribed Share Capital		
1,64,61,407 (previous year 1,64,61,407) Equity shares of Rs. 10/- each (fully paid up)	1,646.14	1,646.14
	1,646.14	1,646.14

Notes - (Contd)

Notes:

i. Reconciliation of number of equity shares subscribed

Balance as at the beginning of the year	16,461,407	16,666,666
Add: Issued during the year	-	-
Less: Partly Paid Equity Shares Forfeited During The Year	-	(205,259)
Balance at the end of the year	16,461,407	16,461,407

ii. Shares issued for consideration other than cash

There are no shares which have been issued for consideration other than cash during the last 5 years.

iii. Redeemable Preference Shares

6% Non convertible redeemable preference shares issued by the company are classified as financial liabilities (non-current borrowings) [refer note 18] in accordance with Ind AS.

iv. Shares held by promoters at the end of the year

Name of the share holder	No. of Shares	% Total Shares	% Change During The Year Due To Forfeiture Of Shares
SANJAY TULSIYAN	4,475,481	27.19	1.26%
LALIT KUMAR TULSIYAN	4,046,645	24.58	1.24%
PRIYA TULSIYAN	954,982	5.80	1.22%

v. Rights, preferences and restrictions in respect of equity shares issued by the Company

- The company has issued only one class of equity shares having a par value of Rs. 10 each. The equity shares of the company having par value of Rs. 10/- rank pari-passu in all respects including voting rights and entitlement to dividend.
- All equity shares issued carry equal rights for dividend declared by the Company. There are no restrictions attached to any of the shares. However as far as the share held by the promoters/ promoters group is concerned, the same has been pledged in favour of the lenders as part of CDR compliance. Subsequently on Compromise Settlement, the Pledge of Shares are being released from Lenders and are being pledged to Debenture Trustees (*Refer Note: 47*).
- The Company has not issued any securities with the right / option to convert the same into equity shares at a later date.
- The dividend proposed if any, by the Board of Directors, is subject to the approval of the shareholders in the ensuing Annual General Meeting. During the year, the Company proposed a dividend of Rs. Nil per equity share held (previous year Rs. Nil per equity share held).
- In the event of liquidation, the Equity Share holders are eligible to receive the remaining assets of the company after distribution of all preferential amounts in proportion of their share holding.

Notes - (Contd)

Note No. 17	As at March 31, 2026	As at March 31, 2025
Other Equity		
General Reserve	2,390.00	2,390.00
Investment Allowance reserve	59.39	59.39
Securities Premium Reserve	12,373.96	12,373.96
Other Comprehensive Income	(284.88)	(288.56)
Foreign Currency Valuation Reserve	0.00	(3.66)
Capital Reserve	9.00	9.00
Profit and Loss Account	4,697.46	11,141.45
	19,244.96	25,681.62
a) General reserve		
Balance at the beginning and end of the year	2,390.00	2,390.00
b) Investment Allowance Reserve		
Balance at the beginning and end of the year	59.39	59.39
c) Securities Premium Reserve		
Balance at the beginning of the year	12,373.96	12,373.96
Additions during the year	-	-
Balance at the end of the year	12,373.96	12,373.96
d) Other Comprehensive Income		
Balance at the beginning of the year	(288.56)	(296.71)
Additions during the year	3.68	8.15
Deductions/Adjustments during the year		
Balance at the end of the year	(284.88)	(288.56)
Foreign Currency Valuation Reserve		
Balance at the beginning of the year	(3.66)	-
Additions during the year	3.66	(3.66)
Deductions/Adjustments during the year	-	
Balance at the end of the year	0.00	(3.66)
e) Capital Reserve	9.00	9.00
f) Retained earnings		
Balance at the beginning of the year	11,141.45	20,555.54
Net profit for the period	(6,443.99)	(7,269.61)
Transfer from Other Comprehensive Income	-	-
Ind AS Adjustments-NCD Redemption Premium	-	(2,149.48)
Dividend paid (including tax on dividends)	-	-
Tulsiyan Power Pvt Ltd - Investment Sales	-	5.00
Balance at the end of the year	4,697.46	11,141.45

Notes - (Contd)

Note No. 18	As at March 31, 2026	As at March 31, 2025
Non-Current Liabilities - Financial Liabilities: Borrowings		
Secured		
Preference Shares		
6% Non convertible redeemable preference shares	884.30	884.30
Term Loans *		
From Banks	-	-
NCD Debentures (Refer Note 52)	29,047.85	25,733.88
Vehicle Loans	-	-
Unsecured		
From Directors	1,531.04	1,482.90
Total	31,463.20	28,101.07
Less: Current maturities of long-term debt (included in note 22)	-	(5,500.00)
	31,463.20	22,601.07

* Refer Note 47 for terms and conditions and security details)

Note No. 19(a)	As at March 31, 2026	As at March 31, 2025
Other non current financial liabilities		
Premium on redemption of preference shares payable	2,407.77	2,182.05
Unamortised rental income	-	-
Unamortised Interest income	-	-
Premium on redemption of NCD	-	-
	2,407.77	2,182.05

Note No. 19(b)	As at March 31, 2026	As at March 31, 2025
Other non current Lease Asset liabilities		
Lease Asset Liability	-	2.64
	-	2.64

Note No. 20	As at March 31, 2026	As at March 31, 2025
Provisions (Non-current)		
Provision for employee benefits		
Gratuity	319.35	280.64
Compensted absence	44.32	45.66
(Refer Note 50)	363.67	326.30

Notes - (Contd)

Note No. 21	As at March 31, 2026	As at March 31, 2025
Deferred Tax Liability/ (Asset) - Net		
Deferred tax liabilities	-	-
Related to Fixed Assets	-	-
Related to Others	-	-
	-	-

Note No. 22	As at March 31, 2026	As at March 31, 2025
Current liabilities - Financial Liabilities: Borrowings *		
Secured		
From banks - Working capital term loans	-	-
Current maturities of long-term debt	-	5,500.00
Loans from others	1,583.38	1,413.03
Unsecured		
Loans from body corporate	5,410.50	5,532.71
	6,993.87	12,445.74

(* Refer Note 47 for terms and conditions and security details)

Note No. 23	As at March 31, 2026	As at March 31, 2025
Trade payables *		
Supplies and Services	12,039.68	14,331.45
Expenses and others	-	-
Creditors for Capital Exp	-	-
	12,039.68	14,331.45

* Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management represents the principal amount payable to these enterprises. There are no interest due as at the reporting date. (Refer Note 43).

Annexure to Note 23

Trade Payables Ageing Schedule	Outstanding for the following periods from due date of Payment					
	Less than 6 Months	6 Months to 1 Year	1 to 2 Years	2 to 3 years	3 years and above	Total
(i) MSME	673.60	160.62	49.16	2.04	-	885.41
(ii) Others	9,183.57	1,448.69	502.56	66.61	(47.17)	11,154.26
(iii) Disputed MSME	-	-	-	-	-	-
(iv) Disputed Others	-	-	-	-	-	-
	9,857.17	1,609.31	551.72	68.65	(47.17)	12,039.67

Notes - (Contd)

Note No. 24(a)	As at March 31, 2026	As at March 31, 2025
Other current financial liabilities		
Interest Payable	2,209.16	982.75
Employee Payables	229.04	241.65
	2,438.20	1224.40

Note No. 24(b)	As at March 31, 2026	As at March 31, 2025
Other current Lease Asset Liability		
Lease Asset Liability	2.64	4.19
	2.64	4.19

Note No. 25	As at March 31, 2026	As at March 31, 2025
Provisions (Current)		
Provision for proposed equity dividend	-	-
Provision for tax on proposed equity dividend	-	-
Provision for Expenses / Tax	52.96	52.50
	52.96	52.50

Note No. 26	As at March 31, 2026	As at March 31, 2025
Other current liabilities		
Interest Payable	-	-
Statutory Dues Payable	173.30	322.16
Advanced & deposits from customer etc.	1,473.33	420.60
Other current liabilities	52.19	1323.50
Power Payable	548.11	768.30
Employee Payables	-	-
	2,246.93	2,834.56

Note No. 27	As at March 31, 2026	As at March 31, 2025
Income from Operations		
Domestic sales FG	69,635.23	74,114.62
High sea sales	84.00	-
Export sales	1,807.63	2,560.55
Power Revenue	-	-
Domestic Sales RM	1,178.30	3,007.33
Processing charges	166.38	57.67
Sale of Export Scrips	9.93	2.50
	72,881.47	79,742.68

Notes - (Contd)

Note No. 28	As at March 31, 2026	As at March 31, 2025
Other Income		
Income from windmills	-	19.94
Interest		
Interest on term deposit	0.50	-
Other interest income	115.21	123.97
Corporate Guarantee Commission	-	-
Profit on sale of Fixed asset	2,848.85	182.17
Compensation for power	-	-
Remeasurement of Investment	-	-
Foreign Exchange Fluctuation	158.37	22.21
Miscellaneous Income	5.44	12.06
Less: Income from wind mill set-off against Power & Fuel	-	(19.94)
	3,128.38	340.41

Note No. 29	As at March 31, 2026	As at March 31, 2025
Cost of Materials Consumed		
Raw Materials		
Opening inventory of raw materials	1,284.90	2,204.14
Raw Materials purchased	53,616.04	58,435.35
Inter Unit Transfer	-	-
Materials Inward	941.94	1,089.72
Customs Duty	-	-
Less: Discount/Licence/Provision Written Back	425.63	524.94
Less: Closing Stock	862.83	1,284.90
Captive consumption	-	-
	54,554.41	59,919.37
Stores		
Opening Stock	1,929.39	2,193.81
Purchases	2,717.93	3,068.05
Materials Inward	0.63	0.35
Less: Re-classified to PPE		
Less : Closing Stock	1,872.04	1,929.39
	2,775.91	3,332.82
Total cost of materials consumed	57,330.32	63,252.18

Notes - (Contd)

(Rs. in Lacs)

Note No. 30	As at March 31, 2026	As at March 31, 2025
Purchase of stock-in-trade - Traded goods		
Purchase of stock-in-trade - Traded goods	909.30	689.35
	909.30	689.35

Note No. 31	As at March 31, 2026	As at March 31, 2025
Changes in inventories of finished goods		
Closing balance	3,082.12	3,780.84
Opening balance	3,780.84	3,504.72
	698.71	(276.10)

Note No. 32	As at March 31, 2026	As at March 31, 2025
Employee benefit expenses		
Salaries and Wages	2,205.90	2,110.14
Welfare Expenses	29.91	49.12
Contribution to provident and other funds	51.58	57.97
	2,287.40	2,217.23

Note No. 33	As at March 31, 2026	As at March 31, 2025
Power & Fuel		
Power & Fuel expense	7,182.48	8,418.26
	7,182.48	8,418.26

Note No. 34	As at March 31, 2026	As at March 31, 2025
Depreciation and amortization expense		
Depreciation on property, plant and equipment	2,169.53	2,234.91
	2,169.53	2,234.91

Note No. 35	As at March 31, 2026	As at March 31, 2025
Finance costs		
Interest to Bank	-	-
Other Interest	7,092.58	6,414.63
Service Charges for Finance	-	-
	7,092.58	6,414.63

Notes - (Contd)

Note No. 36	As at March 31, 2026	As at March 31, 2025
Other expenses		
Power Plant Charges	914.72	990.40
Repairs		
Machinery	139.21	123.13
Building	6.09	12.79
Other Manufacturing Expenses	926.21	939.42
Processing Charges	167.14	147.63
Insurance	33.51	15.08
Rent	48.80	52.65
Loss on sale of fixed assets	0.93	3.83
Rates & Taxes	75.44	77.54
Legal & consultancy charges	330.76	259.47
Payment to auditors	9.50	9.50
Transport charges	624.59	327.81
Brokerage & commission	184.05	108.42
Selling & administration expenses	1,101.75	1,322.96
Excise duty expenses	-	-
Bank charges	6.25	6.65
Foreign exchange loss (net)	0.00	-
Account Balance Written Off	214.57	4.95
	4,783.52	4,402.23

Note No. 36 (a)	As at March 31, 2026	As at March 31, 2025
Payment to auditors		
Statutory Audit fees	7.50	7.50
Taxation fee	2.00	2.00
Other Certifications		
	9.50	9.50

Note No. 37	As at March 31, 2026	As at March 31, 2025
Exceptional Items		
Exceptional Item	-	-
	-	-

Notes - (Contd)

Note No. 38	As at March 31, 2026	As at March 31, 2025
Income tax expense		
(a) Income tax expense		
Current tax		
Current tax on profits for the year	-	-
MAT credit entitlement/reversal	-	-
Adjustments for current tax of prior periods	-	-
Total current tax expense	-	-
Deferred tax		
Deferred tax adjustments	-	-
Total deferred tax expense/(benefit)	-	-
Income tax expense	-	-
b) The income tax expense for the year can be reconciled to the accounting profit as follows:		
Profit before tax from continuing operations income Deferred tax	(6,443.99)	(7,269.61)
c) Income tax recognized in Other comprehensive income		
Remeasurement of defined benefit obligation	0.00	0.00
Total income tax recognised in other comprehensive income	0.00	0.00

d) Movement of deferred tax expense during the year ended March 31, 2026

Deferred tax (liabilities)/assets in relation to:	Opening balance	Recognised in profit or loss	Recognised in Other comprehensive income	Closing balance
Property, plant, and equipment and Intangible Assets	-	-	-	-
Expenses allowable on payment basis under the Income Tax Act	-	-	-	-
Remeasurement of financial instruments under Ind AS	-	-	-	-
Other temporary differences	-	-	-	-
MAT Credit entitlement	-	-	-	-
Total	-	-	-	-

Notes - (Contd)

e) Movement of deferred tax expense during the year ended March 31, 2025

Deferred tax (liabilities)/assets in relation to:	Opening balance	Recognised in profit or loss	Recognised in Other comprehensive income	Closing balance
Property, plant, and equipment and Intangible Assets	-	-	-	-
Expenses allowable on payment basis under the Income Tax Act	-	-	-	-
Remeasurement of financial instruments under Ind AS	-	-	-	-
Other temporary differences	-	-	-	-
MAT Credit entitlement	-	-	-	-
Total	-	-	-	-

Note No. 39	As at March 31, 2026	As at March 31, 2025
Earnings per share		
Profit/ (loss) for the year attributable to owners of the Company	(6,443.99)	(7,269.61)
Weighted average number of ordinary shares outstanding	1,646.14	1,646.14
Basic earnings per share (Rs)	(39.15)	(44.16)
Diluted earnings per share (Rs)	(39.15)	(44.16)

Note No. 40	As at March 31, 2026	As at March 31, 2025
Earnings in foreign currency		
FOB value of exports	1,163.45	2,404.35
	1,163.45	2,404.35

Note No. 40(a)	As at March 31, 2026	As at March 31, 2025
Expenditure in foreign currency		
Exchange in foreign currency for other matters	-	4.19
	-	4.19

Note No. 41	As at March 31, 2026	As at March 31, 2025
CIF value of imports		
Raw Materials/Consumables	2,066.37	9,921.69
	2,066.37	9,921.69

Notes - (Contd)

42. Value of imported and indigenous Raw material, Stores and Coal Consumed during the financial year and the percentage of each to the total consumption

Particulars	Year ended March 31, 2026		Year ended March 31, 2025	
	Rs. In Lakhs	Percentage (%)	Rs. In Lakhs	Percentage (%)
Raw Materials				
Imported				
Steel scrap*	2,060.17	4.46	10,026.07	19.30
Ingot, billet and re-rollable	-	-	-	-
PP/HDPE Granules	-	-	87.91	0.17
Others				
Steel scrap	28,178.82	61.06	27,230.33	52.43
Ingot, billet and re-rollable	13,932.38	30.19	12,021.62	23.15
PP/HDPE Granules	1,979.32	4.29	2,574.27	4.96
Coal				
Imported				
Others	8,403.72	100.00	7,979.17	100.00
Stores				
Imported	-	-	-	-
Others	6.20	0.22	8.17	0.25
Add Inter Unit Transfers	2,769.71	99.78	3,324.63	99.75
	-	-	-	-
Total consumption	57,330.33		63,252.18	

* Raw Materials purchased on High Sea Basis also considered as Import Purchases

43. Disclosures required by the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 are as under

Particulars	As at March 31, 2026	As at March 31, 2025
(a) The principal amount remaining unpaid at the end of the year	885.41	815.68
(b) The delayed payments of principal amount paid beyond the appointed date during the year	-	-
(c) Interest actually paid under Section 16 of MSMED Act	-	-
(d) Normal Interest due and payable during the year, for all the delayed payments, as per the agreed terms	-	-
(e) Total interest accrued during the year and remaining unpaid	-	-

*This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

The information required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. There are no over dues to parties on account of principal amount and/or interest and accordingly no additional disclosures have been made

Notes - (Contd)

44. Commitments and contingent liabilities

Nature of Dues	Amount in Lacs.	Period to which it relates	Forum where the Dispute is pending
Excise/Service Tax	123.93	April 2013 - June 2017	CESTAT Bangalore
Income Tax Appeals	47.11	A.Y. 2011-12	CIT (APPEALS)
VAT	128.52	2012-13	VAT AC - HC
Cancellation of FIBC and demand for repayment of Duty Drawback	168.18	February 2010 to September 2011	Ministry of Finance - Secretary
TNEB	2,312.85	2004-14	TANGEDCO

Notes:

Contingent Liabilities:

- The Company has executed in Apr 2021 Corporate Guarantee in favour of the Shamrao Vithal Co-operative Bank Limited, Mumbai for the loan taken by M/s. Chitrakoot Steel and Power Pvt Ltd., wholly owned subsidiary of the Company, for Rs. 20.60 crores.
- The company has received a notice from the office of the Director General of Foreign Trade, Bangalore, asking to show cause as to why penalty upto 5 times of the CIF value of goods imported of a value of Rs.44.34 Crores imposed in respect of 44 Advance licenses for alleged non completion of the export obligations in respect of those licenses. Post issue of the notice, the company's name was added in the "Denied Entity List". The Company had represented to the said authority that the Export obligation in individual case or when clubbed with other license/licenses in accordance with the Foreign trade Policy and procedures with or without relaxation of the norms as may be applicable has been completed. Out of 44 Licences for which the notice was issued, Export obligations Discharge certificate has been received in respect of 42 Licences the CIF Value of which is Rs.44.20 Crore leaving 2 licences with a CIF Value of Rs.0.14 Crores pending. Export obligation in respect of the said 2 licences have indeed been completed and the company is hopeful of obtaining the Export obligations Discharge certificate in the course of time. Based on the representation given by the company the name of the company was removed from the Denied Entity List, however company has not received any communication from the DGFT in this regard dropping the show cause notice.
- The liability in respect of Excise and VAT is subject to the levy of additional interest till the date adjudication from the due date, in case the liability is confirmed by the Appellate Authority. However, no estimation of such interest payable, if any, has been made or has not been provided. Hence, no liability will accrue in respect of the interest, if the order is in favour of the company and in the opinion of the management, the decision will be in the favour of the company
- Resurgent Power projects Limited (Formerly Enmas GB Power Systems Projects Limited) has demanded payment of Rs.13,25,31,282/- as dues for the Power Project I and II executed by them and has issued a notice under section 9 of the Insolvency and Bankruptcy Code, 2016. In view of the substandard performance of 1st Turbine and delayed implementation of Power Plant 2 the company has debited the 11,78,32,463/- as liquidated damages payable to the said party as per the books of accounts is nil. Accordingly, the company has disputed the amount and has sought to invoke the arbitration proceedings against the party to settle the matter. The liquidated damages debited to the party has been credited to the cost of the project. Pending these matters no provision has been made against the claim in the books of accounts.
- The company was assessed to Income Tax and an order was passed u/sec 143(3) on 29/12/2019 for AY 2017-18. In completing the captioned assessment a sum of Rs 48,91,37,362/- was added back. The addition was on account of the Company's transactions with Tanishi Commotrades Pvt Limited (sales and other transactions), Subham Trading /Neeraj Trading Company(purchases) and a sum of Rs. 68,29,701 for delayed remittance of PF/ESI. The company was assessed to Income Tax and an order was passed u/sec 143(3) on 27/03/2014 for AY 2011-12. In completing the captioned assessment a sum of Rs. 47,11,498/- was disallowed and the same was added back. The Company is hopeful of its success at the appellate forums on the captioned additions.

Notes - (Contd)

45. Operating Segments

The business of the Company falls under three segments i.e., (a) Steel Division; (b) Synthetic Division; and (c) Power in accordance with Ind AS 108 "Operating Segments" and segment information is given below:

Particulars	As at March 31, 2026	As at March 31, 2025
Segment Revenue		
Steel Division	57,509.50	63,230.24
Synthetic Division	2,904.41	3,514.08
Power	12,467.56	12,998.36
Revenue from operations (Net)	72,881.47	79,742.68
Segment Results		
Profit (+) / Loss (-) before tax and finance cost		
Steel Division	(341.29)	(996.19)
Synthetic Division	1792.18	(436.06)
Power	(802.30)	577.27
Total	648.58	(854.97)
Add/ Less : Finance Cost	7,092.58	6,414.63
Profit/(Loss) from continuing operations	(6,443.99)	(7,269.61)
Profit/(Loss) from discontinuing operations	-	-
Profit Before Tax	(6,443.99)	(7,269.61)
Segment Assets		
Steel Division	25,976.37	27,950.77
Synthetic Division	6,922.15	8,294.15
Power	46,001.50	47,087.74
Other unallocable corporate assets		
Total assets	78,900.03	83,332.66
Segment Liabilities		
Steel Division	85,082.04	33,939.16
Synthetic Division	8,594.36	11,469.41
Power	(35,667.47)	10,596.33
Other unallocable corporate assets		
Total liabilities	58,008.93	56,004.90
Capital Employed (Segment assets-Segment liabilities)		
Steel Division	(59,105.67)	(5,988.40)
Synthetic Division	(1,672.20)	(3,175.26)
Power	81,668.97	36,491.41
Total capital employed in segments	20,891.10	27,327.76
Unallocable corporate assets less corporate liabilities	-	-
Total Capital Employed	20,891.10	27,327.76

Information relating to geographical areas

(a) Revenue from external customers

Particulars	As at March 31, 2026	As at March 31, 2025
India	71,718.02	77,338.33
Outside India	1,163.45	2,404.35
Total	72,881.47	79,742.68

Notes - (Contd)

(b) Non current assets

The manufacturing facilities of the Company is situated in India and no non-current assets are held outside India

(c) Information about major customers

Particulars	As at March 31, 2026	As at March 31, 2025
Number of external customers each contributing more than 10% of total revenue	-	-
Total revenue from the above customers	-	-
Total	-	-

46. Operating lease arrangements

Particulars	As at March 31, 2026	As at March 31, 2025
As Lessor		
The Company has not entered into any operating lease arrangements as lessor.	-	-
As Lessee		
The Company has not entered into operating lease arrangements for certain facilities . The leases are cancellable at the option of either party to lease and may be renewed based on mutual agreement of the parties.	-	-
Lease payments recognised in the Statement of Profit and Loss	-	-
Towards Amortisation of ROU	4.23	1.75
Towards Interest	0.49	0.33

47. Borrowing Details

Schedule for long term borrowings from banks and financial institutions:

Particulars	As at March 31, 2026	As at March 31, 2025
i. From Banks		
a. Term Loans	-	-
b. Working Capital Term Loan/ Funded Interest Term Loan	-	-
ii. From Financial Institutions		
Non Convertible Debentures	29,047.85	20,233.88
Total	29,047.85	20,233.88

Schedule for short term borrowings:

Particulars	As at March 31, 2026	As at March 31, 2025
Secured		
Non Convertible Debentures	-	5,500.00
Loans from others	1,583.38	1,413.03
Unsecured		
Loans from body corporate	5,410.50	5,532.71
Total Short term borrowings	6,993.86	12,445.74

Notes - (Contd)

Terms and conditions of Secured Non Convertible Debentures / Loans * (Previous years)

1. Exclusive hypothecation of the present and future current assets of the Company
2. Exclusive charge on the land, manufacturing plant and other fixed assets of the Company (including all non-core assets)
3. Pledge of shares of the Company held by promoters and promoters' group (currently holding 63.40% of total shareholding).
4. Personal Guarantee of Promoters Sri Lalit Kumar Tulshyan and Sri Sanjay Tulshyan
5. Corporate Guarantees of Tulshyan Smelters Limited, Chitrakoot Steel & Power Private Limited

48 Financial Instruments

Capital management

The Company manages its capital to ensure that entities in the Company 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 determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity, long-term borrowings and other short-term borrowings.

For the purposes of the Company's capital management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders.

Categories of Financial Instruments	As of March 31, 2026	As of March 31, 2025
Financial assets		
a. Measured at amortised cost		
Other non-current financial assets	3,338.74	3,115.44
Trade receivables	9,270.55	9,895.93
Cash and cash equivalents	135.58	26.96
Bank balances other than above	5.43	4.94
Other financial assets	3.20	-

b. Mandatorily measured at fair value through profit or loss (FVTPL)	As of March 31, 2026	As of March 31, 2025
Investments	649.92	648.92

Financial liabilities	As of March 31, 2026	As of March 31, 2025
a. Measured at amortised cost		
Long term borrowings	31,463.20	22,601.07
Other non-current financial liabilities	2,407.77	2,182.05
Short term borrowings	6,993.87	12,445.74
Trade payables	12,039.68	14,331.45
Other current financial liabilities	2,438.20	1,224.40

Financial risk management objectives

The treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

Notes - (Contd)

Market risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Company actively manages its currency and interest rate exposures through its finance division.

Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Company actively manages its currency rate exposures through a treasury division and uses natural hedging principles to mitigate the risks from such exposures.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

As on March 31, 2026 (all amounts are in equivalent Rs. in lakhs)

Currency	Liabilities			Assets			Net overall exposure on the currency - net assets / (net liabilities)
	Gross exposure	Exposure hedged using derivatives	Net liability exposure on the currency	Gross exposure	Exposure hedged using derivatives	Net asset exposure on the currency	
USD	-	-	-	1,673,717.38	-	1,673,717.38	1,673,717.38
EUR	-	-	-	-	-	-	-
GBP	-	-	-	-	-	-	-
In INR	-	-	-	1,509.09	-	1,509.09	1,509.09

As on March 31, 2025 (all amounts are in equivalent Rs. in lakhs)

Currency	Liabilities			Assets			Net overall exposure on the currency - net assets / (net liabilities)
	Gross exposure	Exposure hedged using derivatives	Net liability exposure on the currency	Gross exposure	Exposure hedged using derivatives	Net asset exposure on the currency	
USD	-	-	-	1,667,077.22	-	1,667,077.22	1,667,077.22
EUR	-	-	-	-	-	-	-
GBP	-	-	-	-	-	-	-
in INR	-	-	-	1,314.26	-	1,314.26	1,314.26

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 simultaneous parallel foreign exchange rates shift in the foreign exchange rates of each currency by 2%, which represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 2% change in foreign currency rates. The sensitivity analysis includes external loans as well as loans to foreign operations within the Company where the denomination of the loan is in a currency other than the functional currency of the lender or the borrower.

Notes - (Contd)

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

Interest rate risk management

The Company is exposed to interest rate risk because it borrow funds at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings and 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 are applied. Further, in appropriate cases, the Company also effects changes in the borrowing arrangements to convert floating interest rates to fixed interest rates.

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 25 basis point increase or decrease 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.

Company has no floating rate liabilities and thus does not have the risk of increase or decrease in the rate of interest. The Secured Non Convertible Debentures issued during the year carry a Fixed Rate of Interest and thus no risk of Decrease or increase cost of funds.

Credit risk management

Credit risk arises when a customer or counterparty does not meet its obligations under a customer contract or financial instrument, leading to a financial loss. The Company is exposed to credit risk from its operating activities primarily trade receivables and from its financing/ investing activities, including deposits with banks and foreign exchange transactions. The Company has no significant concentration of credit risk with any counterparty.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure is the total of the carrying amount of balances with banks, short term deposits with banks, trade receivables, margin money and other financial assets excluding equity investments.

(a) Trade Receivables

Trade receivables are consisting of a large number of customers. The Company has credit evaluation policy for each customer and, based on the evaluation, credit limit of each customer is defined. Wherever the Company assesses the credit risk as high, the exposure is backed by either bank, guarantee/letter of credit or security deposits.

The Company does not have higher concentration of credit risks to a single customer. As per simplified approach, the Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default in payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk.

(b) Investments, Cash and Cash Equivalents and Bank Deposits

Credit risk on cash and cash equivalents, deposits with the banks/financial institutions is generally low as the said deposits have been made with the banks/financial institutions, who have been assigned high credit rating by international and domestic rating agencies.

Investments of surplus funds are made only with approved financial institutions/ counterparty. Investments primarily include bank deposits. These bank deposits and counterparties have low credit risk. The Company has standard operating procedures and investment policy for deployment of surplus liquidity, which allows investment in bank deposits and restricts the exposure in equity markets. Investments of surplus funds does not arise in the case of the Company.

Notes - (Contd)

Offsetting related disclosures

Offsetting of cash and cash equivalents to borrowings as per the loan agreement is available only to the bank in the event of a default. Company does not have the right to offset in case of the counter party's bankruptcy, therefore, these disclosures are not required.

Liquidity risk management

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.

Liquidity tables

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

March 31, 2026	Due in 1st year	Due after 1st Year	Carrying amount
Trade payables	11,466.48	573.20	12,039.68
Borrowings	-	31,463.20	31,463.20
	11,466.48	32,036.40	43502.88

March 31, 2025	Due in 1st year	Due after 1st Year	Carrying amount
Trade payables	12,130.52	2,200.93	14,331.45
Borrowings	5,500.00	22,601.70	28,101.70
	17,630.52	24,802.63	42433.15

	March 31, 2026	March 31, 2025
Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required):	Nil	Nil

49. Related party disclosure

a) List of related parties	
Subsidiaries	Chitrakoot Steel & Power P Ltd
Key management personnel	Shri Lalit Kumar Tulsiyan (Executive Chairman) Shri Sanjay Tulsiyan (Managing Director) Shri Sanjay Agarwalla (Whole Time Director) Shri S. Chandrasekaran (Whole Time Director) Shri Shantha Kumar RP (Chief Financial Officer) Shmt Parvati Soni (Company Secretary)
Companies in which Directors are interested	Tulsiyan Smelters Private Ltd

Notes - (Contd)

b) Transactions during the year

S.No.	Nature of transactions	As of March 31, 2025	As of March 31, 2025
1	Purchase of goods		
	Chitrakoot Steel & Power P Ltd	358.58	2,860.47
	Sapient Packing Private Ltd	-	-
	Tulsiyan Smelters Private Ltd	0.59	1,611.52
2	Sale of Goods	-	-
	Chitrakoot Steel & Power P Ltd	7.60	1.14
	Sapient Packing Private Ltd	-	-
	Tulsiyan Smelters Private Ltd	14,218.36	21,517.89
3	Short term borrowings during the year	-	-
4	Services Received		
	Chitrakoot Steel & Power P Ltd	-	-
	Sapient Packing Private Ltd	-	-
	Tulsiyan Smelters Private Ltd	-	-
5	Managerial Remuneration		
	Lalit Kumar Tulsiyan	120.00	120.29
	Sanjay Tulsiyan	120.29	120.29
	Sanjay Agarwalla	60.00	55.29
	S. Chandrasekaran	12.00	16.90
	Shantha Kumar RP	31.44	31.44
	Alka Tulsiyan	17.03	17.03
	Aditya Bhartia	17.99	17.99
	Parvati Soni	12.60	10.28

c) Balances with related parties

S.No.	Name of the Related Party	As of March 31, 2026	As of March 31, 2025
1	Outstanding Receivables		
	Chitrakoot Steel & Power P Ltd	1.24	53.79
	Sapient Packing Private Ltd	3.20	-
	Tulsiyan Smelters Private Ltd	2,224.17	2,304.06
2	Outstanding Payables		
	Chitrakoot Steel & Power P Ltd	-	-
	Tulsiyan Smelters Private Ltd	-	-
	Lalit Kumar Tulsiyan	1,329.82	1,281.67
	Sanjay Tulsiyan	201.04	201.04
	Alka Tulsiyan	203.76	162.86
	Priya Tulsiyan	50.00	-
	Lalit Kumar Tulsiyan (HUF)	0.18	0.18

Notes - (Contd)

d) Guarantees and Collaterals

Chitrakoot Steel and Power P Ltd executed Corporate Guarantee in favour of Tulsiyan NEC Limited to comply the CDR Terms.

The Company has executed on April 2021 Corporate Guarantee in favour of the Shamrao Vithal Co-operative Bank Limited, Mumbai for the loan taken by M/s. Chitrakoot Steel and Power Pvt. Ltd., wholly owned subsidiary of the Company, for Rs. 20.60 Crores.

50 Retirement benefit plans

Defined contribution plans

In accordance with Indian law, the Company makes contributions to Provident Fund, Superannuation Fund and Employee State Insurance Scheme, which are defined contribution plans, for qualifying employees.

The total expense recognized in OCI of Rs. 3.68 lakh (previous year Rs. 8.15 lakh) represents Actuarial Gains/Losses arising on re-measurement of Net Defined Benefit Liability.

Defined benefit plans

(a) Gratuity

Gratuity is payable as per Payment of Gratuity Act, 1972. In terms of the same, gratuity is computed by multiplying last drawn salary (basic salary including dearness Allowance if any) by completed years of continuous service with part thereof in excess of six months and again by 15/26. The Act provides for a vesting period of 5 years for withdrawal and retirement and a monetary ceiling on gratuity payable to an employee on separation, as may be prescribed under the Payment of Gratuity Act, 1972, from time to time. However, in cases where an enterprise has more favourable terms in this regard the same has been adopted.

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the market yields on government bonds denominated in Indian Rupees. If the actual return on plan asset is below this rate, it will create a plan deficit.
Interest risk	A decrease in the bond interest rate will increase the plan liability. However, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	March 31, 2026	March 31, 2025
Mortality Table	Indian Assured Lives Mortality(2012-14)	Indian Assured Lives Mortality(2012-14)
Attrition Rate	5.00% p.a.	5.00% p.a.
Discount Rate	7.51% p.a.	6.84% p.a.
Rate of increase in compensation level	6.00% p.a.	6.00% p.a.

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

Notes - (Contd)

	March 31, 2026 Rs. Lakh	March 31, 2025 Rs. Lakh
Amounts recognised in total comprehensive income in respect of these defined benefit plans are as follows:		
Amount recognised under Employee Benefits Expense in the Statement of Profit and Loss:		
Current service cost	32.02	29.11
Net interest expense	23.37	24.79
Past Service Cost	20.98	0.00
Return on plan assets (excluding amounts included in net interest expense)	-	-
Components of defined benefit costs recognised in profit or loss	76.37	53.90
Amount recognised in Other Comprehensive Income (OCI) for the Year:		
Remeasurement on the net defined benefit liability comprising:		
Actuarial (gains)/losses recognised during the period	(1.65)	0.68
Components of defined benefit costs recognised in other comprehensive income	(1.65)	0.68
Total	74.72	54.58

	March 31, 2026	March 31, 2025
The amount included in the balance sheet arising from the Company's obligation in respect of its defined benefit plans is as follows:		
Present value of defined benefit obligation	369.19	335.81
Fair value of plan assets	-	-
Net liability arising from defined benefit obligation	369.19	335.81
Non - Funded	369.19	335.81
	369.19	335.81

The above provisions are reflected under 'Provision for employee benefits- Gratuity' (Long-term provisions and Short-term provisions) [Refer note 20 and note 25 respectively].

	Rs. Lakh	Rs. Lakh
Movements in the present value of the defined benefit obligation in the current year were as follows:		
Opening defined benefit obligation	335.81	376.79
Current service cost	32.02	29.11
Interest cost	23.37	24.79
Actuarial (gains)/losses	(1.65)	0.68
Benefits paid	(41.34)	(95.55)
Past Service Cost	20.98	0.00
Closing defined benefit obligation	369.19	335.81

Notes - (Contd)

Sensitivity Analysis

In view of the fact that the Company for preparing the sensitivity analysis considers the present value of the defined benefit obligation which has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

(b) Compensated absences

Company is following the practice of valuing the compensated absence as per Ind AS 19 "Employee Benefits" based on the leave balance outstanding on the employees account on March 31st every year by an independent actuary and has provided the same in the accounts. The payment is done as and when claims are received from the employees or on the date of retirement/ relieving from the service of the company.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	March 31, 2026	March 31, 2025
Mortality Table	Indian Assured Lives Mortality(2012-14)	Indian Assured Lives Mortality(2012-14)
Attrition Rate	5.00% p.a.	5.00% p.a.
Discount Rate	7.23% p.a.	6.72% p.a.
Inter Valuation leave accrual		
Rate of increase in compensation level	6.00% p.a.	6.00% p.a.
Expected Average Remaining Working Lives of Employees (years)		

	March 31, 2026 Rs. Lakh	March 31, 2025 Rs. Lakh
Amounts recognised in total comprehensive income in respect of these defined benefit plans are as follows:		
Amount recognised under Employee Benefits Expense in the Statement of Profit and Loss:		
Current service cost	6.71	6.63
Net interest expense	1.86	2.07
Benefits Paid	-	-
Components of defined benefit costs recognised in profit or loss	8.57	8.70

Amount recognised in Other Comprehensive Income (OCI) for the Year:		
Remeasurement on the net defined benefit liability comprising:		
Actuarial (gains)/losses recognised during the period	(2.03)	(8.84)
Components of defined benefit costs recognised in other comprehensive income	(2.03)	(8.84)
Total	6.54	(0.14)

The amount included in the balance sheet arising from the Company's obligation in respect of its defined benefit plans is as follows:	March 31, 2026 Rs. Lakh	March 31, 2025 Rs. Lakh
Present value of defined benefit obligation	47.45	42.98
Net liability arising from defined benefit obligation	47.45	42.98
Non - Funded	47.45	42.98
	47.45	42.98

Notes - (Contd)

The above provisions are reflected under 'Provision for employee benefits- Leave Encashment' (Long-term provisions and Short-term provisions) [Refer note 20 and note 25 respectively].

	March 31, 2026	March 31, 2025
Movements in the present value of the defined benefit obligation in the current year were as follows:		
Opening defined benefit obligation	42.98	47.17
Current service cost	6.71	6.63
Interest cost	1.86	2.07
Actuarial (gains)/losses	(2.03)	(8.84)
Benefits Paid	(2.07)	(4.05)
Closing defined benefit obligation	47.45	42.98

51 : OTHER STATUTORY INFORMATION

- (i) (i) There are no proceedings initiated or pending against the Group as at March 31, 2026, under Prohibition of Benami Property Transaction Act, 1988 (As amended in 2026)
- ii) The Group do not have any transactions with companies struck off as per Section 248 of the Companies Act, 2013 and Section 560 of the Companies Act, 1956.
- (iii) The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period
- (iv) The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi) The Group have 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:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (vii) The Group have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 such as, search or survey or any other relevant provisions of the Income Tax Act, 1961
- (viii) The Group is not declared a wilful defaulter by any bank or financial institutions or vendor.
- (ix) Title deeds of all immovable properties were held in the name of the Group.

52 Note on Issue of Securities/ Borrowing and Creation of Charges:

During the year the company has issued 2690 Secured Non-convertible Debentures of Rs.10 Lacs each to Alternate investment Funds amounting to Rs.269 Crores. The debentures so issued are secured by Exclusive hypothecation of the present and future current assets of the Company and Exclusive charge on the land, manufacturing plant and other fixed assets of the Company (including all non-core assets) Pledge of promoters shares and further secured by the personal guarantee of the promoters. The Charges in favour of the debenture trustee is being registered with the registrar of companies during FY 23-24. The brief particulars of these debentures are as follows:

Notes - (Contd)

The Company has serviced the interest and principal payable on the Non-Convertible Debentures on time in all months upto September 2025. However, from October 2025 onwards, the coupon payments could not be serviced on the respective due dates. The pending coupon payments shall be paid subsequently in accordance with the due dates agreed for the respective coupon payments with the NCD Holders.

There has been a revision in the terms of the Non-Convertible Debentures which states an agreed Moratorium for the Coupon payments on from 1st April 2026 till 31st August 2026 which shall be compensated by ramped-up coupon amounts subsequently monthly and final redemption date has been revised to 30th September 2027. Also, Entire Principal amount along-with Coupon and Redemption Premium to meet agreed Total IRR and outstanding Default/Penal Interest including other costs, charges, expenses, etc. as per the debenture trust deed are proposed to be paid at the Final Redemption Date.

Sr. No.	Particulars	Reference
i.	Date of passing of board resolution;	16-Mar-2023
ii.	Date of passing of resolution in the general meeting, authorizing the offer of securities;	23-Mar-2023
iii.	Kinds of securities offered	2,690 unlisted, secured, unrated, redeemable, non-convertible Debentures of face value of INR 10,00,000 (Indian Rupees Ten Lakhs) each aggregating to INR 269,00,00,000 (Indian Rupees Two Hundred and Sixty Nine Crores), on a private placement basis
iv.	Price at which the security Was offered including the premium, if any, along with justification of the price;	Issued at Face value of INR 10,00,000 (Indian Rupees Ten Lakhs) each Debenture
v.	The class or classes of persons to whom the allotment is be made;	Category II Alternative Investment Funds ("AIFs")
vi.	Amount which the Company raised by way of offer of securities;	INR 269,00,00,000 (Indian Rupees Two Hundred and Sixty Nine Crores)
vii.	Terms of raising of securities:	
	(a) duration; if applicable	a) Duration: 5 (five) years
	(b) rate of dividend;	b) Rate of Dividend: Not Applicable
	(c) rate of interest;	c) Rate of Interest: Coupon 14% p.a.p.m IRR 22%
	(d) mode of payment; and	d) Special Premium – Rs.6 Crores
	(e) Repayment.	e) Upfront Interest 0.5%
		f) Repayment: Structured Repayment
viii.	Purposes and objects of the issue;	To repay all the existing facilities and capital expenditure for the enhancement of the project of the Company
ix.	Principle terms of assets charged as security, if applicable;	1. Exclusive hypothecation of the present and future current assets of the Company
		2. Exclusive charge on the land, manufacturing plant and other fixed assets of the Company (including all non-core assets)

		3. Pledge of shares of the Company held by promoters and promoters' group (currently holding 70.45% of total shareholding).
		4. Personal Guarantee of Promoters
		5. Corporate Guarantees of Tulshyan Smelters Limited, Chitrakoot Steel & Power Private Limited
x	Debenture Trustee for the issue	Vistra ITCL (India) Limited
		Address IL&FS Financial Center, Plot No. C-22, G Block, 6th Floor, Bandra Kurla Complex, Bandra (East), Mumbai 400051
		Email: ITCLComplianceofficer@vistra.com

In line with the prescribed IND AS 32,107 and 109 which deals with Financial Instruments, an entity shall measure a financial liability at its fair value minus transaction costs that are directly attributable to issuing of the financial liability. The transaction cost of Rs. 1,37,50,000/- has been adjusted against the proceeds of Rs.2,69,00,00,000/- and the same has not been charged to the Profit and Loss account. The workings for the same are as under:

Transaction cost for the NCD	137.50
Fair Value of NCD as disclosed in the financial statement	26,762.50
Total	26,900.00

	India Special Assets Fund III (a scheme of ISAF III)	ISAF III Onshore Fund	Total
Initial recognition at fair value	18,465.13	8,297.37	26,762.50
Special Premium A/c	318.78	143.22	462.00
Interest expense as per IND AS	6993.3	3142.6	10,135.90
Instalment paid	(4173.93)	(1875.57)	(6049.50)
	21,603.28	9,707.62	31,310.90

53 Corporate Social Responsibility

In accordance with the provisions of section 135 of the Companies Act, 2013, at least 2% of the average net profits of the three immediately preceding financial years should be spent towards CSR. The CSR net profit shall be calculated in accordance with the provisions of Section 198 of the Act. The Company was not having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year and hence, provisions of Section 135 of the Act are not applicable to the Company during the year.. The calculation of CSR for the financial year ended 31-3-2026 is as under::

Notes - (Contd)

Year Ended 31st Mar ----->	2023	2024	2025
Profit after Tax	24792.98	(5017.05)	(7269.61)
Provision for Taxation	5656.33	(188.93)	0.00
Profit before tax	19,136.64	(4828.12)	(7269.61)
Add			
- Depreciation / impairment as per books	2590.75	2487.85	2234.91
- Amortisation of expenses relating to raising / repayment of loans	-	-	-
- Provision for diminution in value of investment	-	-	-
	21,727.39	(2340.27)	(5034.70)
Deduct			
- Depreciation as per section 350 of the Companies Act 1956	2590.75	2487.85	2234.91
- Capital profit on sale of fixed asset and investment	68.30	1,709.09	182.17
- Expenses relating to raising / repayment of loan	-	-	-
- Income of Capital In Nature	14873.59		
(I) the excess of expenditure over income, which had arisen in computing the net profits in accordance with this section in any year which begins at or after the commencement of this Act, in so far as such excess has not been deducted in any subsequent year preceding the year in respect of which the net profits have to be ascertained;	4178.15	(2340.27)	(5034.70)
Net Profit	16.60	(4196.94)	(2417.08)
Average		(2,199.14)	

54: During the financial year, the Company entered into an agreement dated 13 March 2026 for power generation and supply arrangements. Under the agreement, the Company shall act as the developer and owner of a power station with a contracted capacity of at least 60 MW for a period of 5 years. Pursuant to the arrangement, the Company shall develop and supply power to Tamil Nadu Power Distribution Corporation Limited through Manikaran Power Limited, being the supplier under the said agreement.

55. The Company entered into a fuel supply agreement dated 12 May 2026 with Mahanadi Coalfields Limited, a subsidiary of Coal India Limited, for the purchase and supply of coal for power generation purposes. The arrangement is expected to ensure a stable supply of coal in the upcoming years at a comparatively lower cost than the imported coal procured by the Company in earlier years.

56. Previous Year's figures have been re-grouped wherever necessary to conform to the Current Year's classification

The accompanying notes form an integral part of the financial statements

For and on behalf of the board
For **Tulsiyan NEC Limited**

Sd/-
Sanjay Tulsiyan
Managing Director
DIN: 00632802

Sd/-
Lalit Kumar Tulsiyan
Executive Chairman
DIN : 00632823
Sd/-
CA Shantha Kumar RP
Chief Financial Officer

Sd/-
M. Parthasarathy
Director
DIN: 08277111
Sd/-
Parvati Soni
Company Secretary

As per our report of even date attached
For **CNGSN & ASSOCIATES LLP**
Chartered Accountants
(FRN No. 004915S/ S200036)
Sd/-
E.K.Srivatsan
Partner
M.No. 225064

Place : Chennai.
Date : 30th May, 2026

Disclosure Of Ratios By Companies as per new Schedule III Amendment

S.No.	Ratio	Formula	CY	PY	Variation	Reasons for Changes
1	Current Ratio	Current Assets/Current Liabilities	0.79	0.67	18%	Reduction on current ratio is on account of sale of assets held for sale.
2	Debt - Equity Ratio	Total Debt/Total Equity	1.84	1.28	44%	Variance attributes to the losses incurred during the year resulting in reduced total equity.
3	Debt Service Coverage Ratio	Net Operating Income/ Total Debt Service	0.07	0.04	86%	Losses incurred during the year, reducing the ability to service debt obligations.
4	Return on Equity	Net Income/Avg Shareholder's Equity	(0.31)	(0.27)	16%	Loss incurred during the year due to sale of windmill and power operations shut down for eight months resulting in lesser income generation and increase in the purchase power and fuel resulting in increase in respective expenses, leading to lower return on equity.
5	Inventory Turnover Ratio	Cost of Goods Sold/Avg Inventory	2.27	2.15	6%	Variance attributable to lower consumptions made during the year resulting in lesser sales, despite the lower inventory level held.
6	Trade Recievable Turnover Ratio	Annual Credit Sales/Avg Trade Recievable	1.90	1.97	(3%)	Variance attributable to decrease in sales and decrease in trade receivables in comparison with the previous year.
7	Trade Payable Turnover Ratio	Annual Credit Purchases/Avg Trade Payables	1.07	1.16	(8%)	Variance attributable to decrease in purchases and increase in trade payable in comparison with the previous year leading to negative result.
8	Net Capital Turnover Ratio	Annual Net Sales/ Working Capital	(14.65)	(7.88)	86%	Variance attributable to decrease in sales and net increase in current liabilities arising due to Interest payable on account of NCD moratorium and power charges being payable and increase in unsecured Borrowings of the company during the current financial year.
9	Net Profit Ratio	Net Profit/ Net Sales	(0.09)	(0.09)	(3%)	Variance attributable to losses incurred during the year due to sale of windmill and power operations shut down for eight months resulting in lesser income generation and increase in cost due to power being purchased.
10	Return on Capital Employed	EBIT/ (Total Assets - Current Liabilities)	0.01	(0.02)	(172%)	Variance attributable to losses incurred during the year due to sale of windmill and power operations shut down for eight months resulting in lesser income generation and increase in cost due to power being purchased.
11	Return on investment	Return From Investment/Cost of Investment	NA	NA	NA	NA

INDEPENDENT AUDITOR'S REPORT

To
The Members
TULSYAN NEC LIMITED
Chennai

Report on the Audit of the Consolidated Ind AS Financial Statements**Qualified Opinion**

We have audited the accompanying consolidated Ind AS financial statements of TULSYAN NEC LIMITED ("the Company") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March 2026, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended and notes to the Consolidated Financial statements, including a summary of the material accounting policy information and other explanatory information (hereinafter referred to as "the Consolidated statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the 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 as at March 31, 2026, Consolidated loss, Consolidated Total Comprehensive loss, consolidated changes in equity and its Consolidated cash flows for the year then ended.

Basis for Qualified Opinion:**Balance confirmations and ECL Provisioning:**

The Company has not received a substantial number of balance confirmations for trade receivables outstanding as at 31st March 2026. These receivables constitute approximately 59.48% in value of the confirmations sought.

The management has represented that it undertook a comprehensive process of seeking balance confirmations from all customers and made multiple follow-up efforts. Despite these efforts, a significant portion of the older balances remain unconfirmed.

The Company has also informed us that it remains confident of recovery of these balances and is evaluating an assignment of certain receivables as part of its recovery plan. Further, the Company has written off a small portion of the trade receivables during the year in respect of trade receivables and, based on its assessment, has not recorded any significant ECL provision beyond this.

However, in the absence of direct confirmations and sufficient alternative audit evidence regarding the recoverability of these older balances, we are unable to determine whether any further adjustments are necessary to the carrying value of these receivables by way of additional provisioning, write-offs, or writebacks.

Accordingly, our audit opinion on the financial statements for the year ended 31st March 2026 is qualified to the extent of the possible effects of adjustments, if any, that may be required on account of the aforementioned matter.

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

Emphasis of Matter:

We draw attention to Note 52 to the Consolidated Financial Statements, which states that the Company has serviced the interest and principal payable on the Non-Convertible Debentures on time in all months upto September 2025. However, from October 2025 onwards, the coupon payments could not be serviced on the respective due dates. The pending coupon payments shall be paid subsequently in accordance with the due dates agreed for the respective coupon payments with the NCD holders.

We draw reference to Note 52 to the Consolidated Financial Statements which states that there has been a revision in the terms of the Non-Convertible Debentures which states an agreed Moratorium for the Coupon payments on from 1st April 2026 till 31st August 2026 which shall be compensated by ramped-up coupon amounts subsequently monthly and final redemption date has been revised to 30th September 2027. Also, Entire Principal amount along-with Coupon and Redemption Premium to meet agreed Total IRR and outstanding Default/Penal Interest including other costs, charges, expenses, etc. as per the debenture trust deed are proposed to be paid at the Final Redemption Date.

Our audit opinion is not modified in respect of the above matter.

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 financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis of Qualified Opinion section we have determined the matters described below to be the key audit matters to be communicated in our report.

S.No	Key Audit Matter	Auditor's Response
1.	Litigations – Contingencies Assessment of litigations and related disclosure of contingent liabilities [Refer to Note 2 (a) to the consolidated financial statements– “Critical accounting estimates and management judgments – Provisions and contingencies”, Note 44 to the Standalone Financial Statements – “Commitments and contingent liabilities”. As at March 31, 2026, the Company has exposures towards litigations relating to various matters as set out in the aforesaid Notes. Significant management judgement is required to assess such matters to determine the probability of occurrence of material outflow of economic resources and whether a provision should be recognised, or a disclosure should be made. The management judgement is also supported with legal advice in certain cases as considered appropriate. As the ultimate outcome of the matters are uncertain and the positions taken by the management are based on the application of their best judgement, related legal advice including those relating to interpretation of laws/regulations, it is considered to be a key audit matter.	Principal Audit Procedures Our audit procedures included the following: • We understood, assessed, and tested the design and operating effectiveness of key controls surrounding assessment of litigations relating to the relevant laws and regulations; • We discussed with management the recent developments and the status of the material litigations which were reviewed and noted by the audit committee; • We performed our assessment on a test basis on the underlying calculations supporting the contingent liabilities/ other significant litigations made in the Consolidated Financial Statements; • We considered external opinions, where relevant, obtained by management; • We evaluated management's assessments and assessed the reliability of the management's past estimates/judgements; • We assessed the adequacy of the Company's disclosures. Based on the above work performed, assessment in respect of litigations and related disclosures relating to contingent liabilities/ other significant litigations in the Consolidated Financial Statements are considered to be reasonable.

Other Matters:

We did not audit the Financial Statements of subsidiaries whose financial statements reflect Total assets of Rs. 2,310.13 lakhs as at 31st March 2026, Total Revenues of Rs. 8,232.49 lakhs and Total Net Profit after tax of Rs. 10.76 lakhs for the year ended on that date as considered in the Consolidated Financial Statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the company's Financial Statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiaries and our reports in terms of sub sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is solely based on the Report of the other Auditor.

We bring to the attention of the users that the audit of the Consolidated financial statements has been performed in the aforesaid conditions.

Our audit opinion is not modified in respect of the above.

Information other than the financial statements and Auditor's Report thereon

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Consolidated financial statements that give a true and fair view of the Consolidated state of affairs (financial position), Consolidated net loss (financial performance including other comprehensive income), Consolidated changes in equity and Consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act. The respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the respective 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 Directors of the Company as aforesaid.

In preparing the Consolidated financial statements, the respective Board of Directors of the Companies included in the Group are responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the Companies included in the Group are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 explaining our opinion on whether the Company, its Subsidiaries have adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures 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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future event or events may cause the Subsidiaries 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 audit evidence regarding the financial statements of the entities or Business Activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision, and performance of the audit of the financial statements of such entities included in the Consolidated Financial statements of which we are the Independent Auditors. For the other entities included in the Consolidated Financial Statements which have been audited by other Auditors, such other auditors remain responsible for the direction, supervision and performance of the Audits carried out by them. We remain solely responsible for our Audit opinion.

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 financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance of the Company and such other entities included in the Consolidated Financial Statements of which we are the Independent Auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated financial statements 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.

Our opinion on the Consolidated financial statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of the matters with respect to our Reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on other Legal and Regulatory Requirements

As required by Section 143 (3) of the Act, based on our audit and subject to our Qualified Opinion Paragraph 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 purpose 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 by the Company so far as it appears from our examination of those books and the reports of the other auditors, except that reporting under Rule 11(g) is separately commented upon in paragraph (i)(iv).
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Consolidated Total Comprehensive Loss and the Consolidated Cash Flow Statement dealt with by this report agree with relevant books of account maintained for the purpose of preparation of consolidated financial statements;
- d) In our opinion, the aforesaid consolidated Financial Statements comply with the Ind AS specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015.

- e) On the basis of the written representations received from the directors of the Company as on 31st March 2026 taken on record by the Board of Directors of the Company and the reports of the Statutory Auditors of its Subsidiary Companies, none of the directors of the Group Companies is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure "A".
- g) In our opinion and according to the information and explanations given to us, the remuneration paid/provided by the Company to its directors during the year is in excess of the limits prescribed under Section 197 read with Schedule V of the Act. However, the Company has obtained approval of the shareholders by way of special resolution at the Annual General Meeting held on 30th September 2022, and accordingly the remuneration paid/provided is in compliance with Section 197 read with Schedule V of the Act.
- h) The modification relating to maintenance of accounts and other matters connected therewith are as stated in paragraph (b) on reporting under Sec. 143(3)(b) and para (i)(iv) below on reporting under Rule 11(g).
- 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 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 Consolidated Financial Statements disclose the impact of pending litigations on the Consolidated Financial position of the Group – Refer Note. 44 to the Consolidated financial statements;
 - ii. The Company does not have any long-term contracts including derivative contracts for which there are no material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31st March 2026;
 - iv. Based on our examination carried out in accordance with the Implementation Guidance on Reporting on Audit Trail under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (Revised 2025 Edition) issued by the Institute of Chartered Accountants of India, which included test checks, we report that the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software.

Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

Our examination of the audit trail was in the context of an audit of financial statements carried out in accordance with the Standard of Auditing and only to the extent required by Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014. We have not carried out any audit or examination of the audit trail beyond the matters required by the aforesaid Rule 11(g) nor have we carried out any standalone audit or examination of the audit trail.

- j) According to the information and explanations given to us, and based on the CARO report issued by the auditor of the subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, provided to us by the Management of the Company and based on the identification of matters of qualifications or adverse remarks in their CARO report by the component auditor and provided to us, we report that the auditor of such company have not reported any qualifications or adverse remarks in their CARO report.

For **M/s CNGSN & ASSOCIATES LLP**
CHARTERED ACCOUNTANTS
Firm Registration No: 004915S/S200036

Sd/-
E.K.Srivatsan
Partner

Membership No: 225064
UDIN: 26225064IWIGKO8793

Place: Chennai
Date: 30th May, 2026

Annexure A 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 Tulshyan NEC Limited of even date)

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”)

In conjunction with our Audit of the Consolidated Financial statements of the Group as of and for the year ended 31st March 2026, we have audited the Internal Financial Controls over Financial reporting of Tulshyan NEC Limited (hereinafter referred to as the Company) and its subsidiaries as of that date.

Management's Responsibility for Internal financial Controls

The Respective Board of Directors of the Company and its Subsidiary companies are 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 the Company's 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 statements, 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 its Subsidiaries. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India 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 were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Controls 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's Internal Financial Controls over Financial Reporting of the Company and its Subsidiaries which are Companies incorporated in India

Meaning of Internal financial Controls over financial Reporting

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

Inherent Limitations of Internal financial Controls 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 Internal Financial Controls over Financial Reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company, its Subsidiaries have in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2026, based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting 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 over financial reporting in so far as it relates to of its subsidiary companies is based on the corresponding reports of the auditors of such companies incorporated in India.

For **M/s CNGSN & ASSOCIATES LLP**
CHARTERED ACCOUNTANTS
Firm Registration No: 004915S/S200036

Sd/-
E.K.Srivatsan
Partner
Membership No: 225064
UDIN: 26225064IWIGKO8793

Place: Chennai

Date: 30th May, 2026

**Statement on Impact of Audit Qualifications (for audit report with modified opinion)
submitted along-with Annual Audited Financial Results - (Consolidated)**

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2026 [Regulation 33 of the SEBI (LODR) (Amendment) Regulations, 2016]				
				Amount (Rs. in Lacs)
I.	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1	Turnover / Total income	83,975.05	83,975.05
	2	Total Expenditure	90,408.28	90,408.28
	3	Net Profit/(Loss)	(6,433.23)	(6,433.23)
	4	Earnings Per Share	(39.08)	(39.08)
	5	Total Assets	80,555.84	80,555.84
	6	Total Liabilities	62,002.42	62,002.42
	7	Net Worth	18,553.41	18,553.41
	8	Any other financial item(s) (as felt appropriate by the management)	0.00	0.00
II.	Audit Qualification (each audit qualification separately):			
	a. Details of Audit Qualification:			
	The Company has not received a substantial number of balance confirmations for trade receivables outstanding as at 31st March 2026. These receivables constitute approximately 59.48% in value of the confirmations sought. The management has represented that it undertook a comprehensive process of seeking balance confirmations from all customers and made multiple follow-up efforts. Despite these efforts, a significant portion of the older balances remain unconfirmed. The Company has also informed us that it remains confident of recovery of these balances and is evaluating an assignment of certain receivables as part of its recovery plan. Further, the Company has written off a small portion of the trade receivables during the year in respect of trade receivables and, based on its assessment, has not recorded any significant ECL provision beyond this. However, in the absence of direct confirmations and sufficient alternative audit evidence regarding the recoverability of these older balances, we are unable to determine whether any further adjustments are necessary to the carrying value of these receivables by way of additional provisioning, write-offs, or write-backs. Accordingly, our audit opinion on the financial results for the year ended 31st March 2026 is qualified to the extent of the possible effects of adjustments, if any, that may be required on account of the aforementioned matter.			
	b. Type of Audit Qualification: (Qualified Opinion / Disclaimer of Opinion / Adverse Opinion)			
	Qualified Opinion			
	c. Frequency of qualification: (Whether appeared first time / repetitive / since how long continuing)			
	Repetitive.			
	d. For Audit Qualification(s) where the impact is quantified by the Auditor, Management's Views:			
	Not quantified by the Auditor			
	e. For Audit Qualification(s) where the impact is not quantified by the Auditor:			
	. (i) Management's estimation on the impact of audit qualification:			
	Management has not made an estimate of the impact.			

(ii) If management is unable to estimate the impact, reasons for the same:

As of 31 March 2026, the Company's outstanding trade receivables stood at ₹ 9,720.46 lakhs. During the year, management conducted a comprehensive exercise to confirm the validity and recoverability of these balances. Confirmation requests were sent repeatedly via physical and electronic channels, achieving 100% coverage.

The Company received confirmations for a substantial portion of receivables outstanding for less than 180 days. However, direct responses remained low for balances exceeding 180 days—which comprise approximately 79% of total trade receivables by value—despite rigorous follow-ups. Management attributes this non-response primarily to customer apprehension regarding legal actions, following the Company's intensified recovery initiatives.

Nevertheless, management has independently verified the genuineness of the underlying transactions and continues to maintain active commercial relationships with most of these counterparties. To accelerate cash flows, the Company is actively evaluating the assignment of specific overdue receivables. Based on an Expected Credit Loss (ECL) assessment under the applicable financial reporting framework, the Company wrote off a minor portion of trade receivables during the year and considers the existing provisions adequate, with no further material provisioning required as of the balance sheet date.

(iii) Auditors' Comments on (i) or (ii) above:

Management should take considerable efforts to estimate the impact of qualification.

For and on behalf of the Board
For **Tulsyan NEC Limited**

As per our report of even date attached
For **CNGSN & ASSOCIATES LLP**
Chartered Accountants
(FRN No. 004915S/ S200036)

Sd/-
Sanjay Tulsyan
Managing Director
DIN: 00632802

Sd/-
M. Parthasarathy
Independent Director and
Audit Committee Chairman
DIN : 08277111

Sd/-
Shanthakumar R P
Chief Financial Officer

Sd/-
E.K.Srivatsan
Partner
M.No. 225064

Place : Chennai.
Date : 30th May, 2026

TULSYAN NEC LIMITED

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2026

(All amounts are in lakh of Indian Rupees, unless otherwise stated)

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
ASSETS			
Non-current assets			
Property, plant and equipment	4	50,823.26	52,766.10
Intangible assets	4	26.34	43.24
Capital work in progress	5	12.00	709.23
Lease Assets - ROU	4(a)	81.26	87.23
Financial assets			
Investments	6	0.03	0.03
Other financial assets	7(a)	3,338.74	3,115.44
Deferred Tax Asset	7(b)	6,522.52	6,522.52
Other non-current assets	8	289.00	297.29
Total non-current assets		61,093.15	63,541.07
Current assets			
Inventories	9	5,959.72	7,331.88
Financial assets			
Investments	10	36.71	35.22
Trade receivables	11	9,720.46	10,233.05
Cash and cash equivalents	12	137.66	28.73
Bank balances other than above	13	5.43	4.94
Other financial assets	14	-	-
Other current assets	15(a)	3,602.72	3,467.42
Assets held for Sale	15 (b)	-	438.22
Total current assets		19,462.69	21,539.46
Total Assets		80,555.84	85,080.53
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16	1,646.14	1,646.14
Other equity	17	16,907.27	23,333.19
Total Equity		18,553.41	24,979.33
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	18	31,640.06	22,805.65
Other financial liabilities	19(a)	2,407.77	2,182.05
Lease Asset Liability	19(b)	-	2.64
Provisions	20	363.67	326.30
Deferred Tax Liabilities (net)	21	-	-
Total non-current liabilities		34,411.50	25,316.65
Current liabilities			
Financial liabilities			
Borrowings	22	8,978.50	14,430.72
Trade payables	23	13,557.21	15,981.89
Other financial liabilities	24(a)	2,438.20	1,224.40
Lease Asset Liability	24(b)	2.64	4.19
Provisions	25	52.96	52.50
Other current liabilities	26	2,561.41	3,090.87
Total current liabilities		27,590.93	34,784.56
Total liabilities		62,002.42	60,101.19
Total Equity and Liabilities		80,555.84	85,080.53

The accompanying notes form an integral part of the financial statements

For and on behalf of the Board
For **Tulsyar NEC Limited**

As per our report of even date attached
For **CNGSN & ASSOCIATES LLP**
Chartered Accountants
(FRN No. 004915S/ S200036)

Sd/-
Sanjay Tulsyar
Managing Director
DIN: 00632802

Sd/-
Lalit Kumar Tulsyar
Executive Chairman
DIN : 00632823

Sd/-
M. Parthasarathy
Director
DIN: 08277111

Sd/-
E.K.Srivatsan
Partner
M.No. 225064

Place : Chennai.
Date : 30th May, 2026

Sd/-
CA Shantha Kumar RP
Chief Financial Officer

Sd/-
Parvati Soni
Company Secretary

TULSIYAN NEC LIMITED
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2026

(All amounts are in lakh of Indian Rupees, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
Continuing Operations			
A Income			
Revenue from Operations	27	80,755.38	86,832.22
Other Income	28	3,219.67	346.15
Total income		83,975.05	87,178.38
B Expenses			
Cost of materials consumed	29	64,264.40	69,249.28
Purchases of stock in trade	30	1,146.19	926.68
Changes in inventories of finished goods	31	692.51	(235.80)
Employee benefits expense	32	2,347.48	2,269.92
Power & fuel	33	7,331.09	8,583.73
Depreciation and amortisation expense	34	2,230.74	2,294.12
Finance costs	35	7,382.93	6,689.96
Other expenses	36	5,012.94	4,656.37
Total expenses		90,408.28	94,434.26
C Profit before exceptional items and tax		(6,433.23)	(7,255.89)
Exceptional items	37	-	-
D Profit/ (Loss) before tax from continuing operations		(6,433.23)	(7,255.89)
Income tax expense	38	-	-
Current tax		-	-
Deferred tax credit/ (charge)		-	-
Income tax earlier years		-	-
Profit/ (Loss) for the year		(6,433.23)	(7,255.89)
E Other comprehensive income			
Items that will be reclassified to profit or loss			
Remeasurement of post employment benefit obligations		3.68	8.15
Income tax relating to these items		-	-
Other comprehensive income for the year, net of tax		3.68	8.15
Total comprehensive income/ (Loss) for the year		(6,429.56)	(7,247.74)
Earnings per share	39		
Basic earnings per share		(39.08)	(44.08)
Diluted earnings per share		(39.08)	(44.08)

The accompanying notes form an integral part of the financial statements

For and on behalf of the Board
For **Tulsiyan NEC Limited**

As per our report of even date attached
For **CNGSN & ASSOCIATES LLP**
Chartered Accountants
(FRN No. 004915S/ S200036)

Sd/-
Sanjay Tulsiyan
Managing Director
DIN: 00632802

Sd/-
Lalit Kumar Tulsiyan
Executive Chairman
DIN: 00632823

Sd/-
M. Parthasarathy
Director
DIN: 08277111

Sd/-
E.K.Srivatsan
Partner
M.No. 225064

Sd/-
CA Shantha Kumar RP
Chief Financial Officer

Sd/-
Parvati Soni
Company Secretary

Place : Chennai.
Date : 30th May, 2026

TULSYAN NEC LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2026

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Cash Flow From Operating Activities		
Profit before income tax	(6,433.23)	(7,255.89)
Adjustments for Comprehensive Income	3.68	
Depreciation and amortisation expense	2,230.74	2,294.12
(Profit)/ loss on sale of fixed assets	(2,847.92)	(178.34)
Profit on sale of Investments	-	1.20
Finance cost	7,382.93	6,689.97
Interest Income	(116.86)	(125.68)
NCD Redemption Premium	-	(2,149.48)
Operating Profit before Working Capital Changes	219.33	(724.11)
Change in operating assets and liabilities		
(Increase) / Decrease in loans	-	-
(Increase) / Decrease in other financial assets	(223.30)	(121.60)
(Increase) / Decrease in inventories	1372.16	817.25
(Increase) / Decrease in trade receivables	512.59	818.11
(Increase) / Decrease in other assets	(127.01)	138.81
Increase / (Decrease) in provisions, other financial liabilities and other liabilities	945.25	1,406.15
Increase / (Decrease) in trade payables	(2426.23)	1,569.89
Cash generated from operations	272.80	3,904.51
Less : Income taxes paid (net of refunds)	0.00	0.00
Net cash from/ (used in) operating activities (A)	272.80	3,904.51
Cash Flows From Investing Activities		
Purchase of PPE (including changes in CWIP)	(991.06)	(1,411.27)
Sale proceeds of PPE	4,709.39	269.85
(Investments in)/ Maturity of fixed deposits with banks (net)	(0.49)	(2.50)
(Purchase)/ disposal proceeds of Investments (net)	(1.49)	1.24
Interest received	116.86	125.68
Net cash from/ (used in) investing activities (B)	3,833.22	(1,017.00)
Cash Flows From Financing Activities		
Proceeds from issue of equity share capital (net of share application money)	-	(9.00)
Proceeds from/ (repayment of) long term borrowings (net)	8,834.41	806.44
Proceeds from/ (repayment of) short term borrowings (net)	(5,452.22)	2,931.93
Finance cost	(7,382.93)	(6,689.97)
Direct Transferred to Retained Earnings	3.66	(18.50)
Net cash from/ (used in) financing activities (C)	(3,997.08)	(2,979.11)
Net increase (decrease) in cash and cash equivalents (A+B+C)	108.95	(91.60)
Cash and cash equivalents at the beginning of the financial year	28.73	120.33
Cash and cash equivalents at end of the year	137.66	28.73

Notes:

- The above cash flow statement has been prepared under indirect method prescribed in Ind AS 7 "Cash Flow Statements".
- Components of cash and cash equivalents

Balances with banks		
- in current accounts	117.55	23.21
Cash on hand	20.11	5.52
	137.66	28.73

The accompanying notes form an integral part of the financial statements

As per our report of even date attached
For **CNGSN & ASSOCIATES LLP**
Chartered Accountants
(FRN No. 004915S/ S200036)

For and on behalf of the Board
For **Tulsyam NEC Limited**

Sd/-
Sanjay Tulsyam
Managing Director
DIN: 00632802

Sd/-
Lalit Kumar Tulsyam
Executive Chairman
DIN : 00632823

Sd/-
CA Shantha Kumar RP
Chief Financial Officer

Sd/-
M. Parthasarathy
Director
DIN: 08277111

Sd/-
E.K.Srivatsan
Partner
M.No. 225064

Place : Chennai.
Date : 30th May, 2026

TULSIYAN NEC LIMITED **STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2026** (All amounts are in lakhs of Indian Rupees, unless otherwise stated)

(A) Equity Share Capital	TNL	Chitrakoot	Color Peppers	Inter Company	Total
Balance at the end of March 31, 2024	1646.14	648.92	-	648.92	1,646.14
Changes in equity share capital during the year (Forfeiture of 2,05,259 Partly Paid Shares of Rs. 9,00,222/-)	(9.00)	-	-	-	-
Balance at the end of March 31, 2025	1646.14	648.92	-	648.92	1,646.14
Changes in equity share capital during the year	-	-	-	-	-
Balance at the end of March 31, 2026	1,646.14	648.92	-	648.92	1,646.14

(B) Other Equity

Particulars	General Reserve	Capital Reserve	Investment Allowance reserve	Securities Premium Reserve	Other Comprehensive Income	Profit and Loss Account	Total
Balance as at March 31, 2024	2,390.00	-	59.39	12,373.96	(296.71)	18,193.16	32,720.04
Additions/ (Deductions) during the year	-	(3.66)	-	-	-	(2,144.46)	(2,148.12)
Total Comprehensive Income for the year	-	9.00	-	-	8.15	(7,255.89)	(7,238.73)
Balance as at March 31, 2025	2,390.00	5.34	59.39	12,373.96	(288.56)	8,792.82	23,333.19
Additions/ (Deductions) during the year	-	3.66	-	-	-	-	3.66
Total Comprehensive Income for the year	-	-	-	-	3.68	(6,433.23)	(6,429.59)
Balance as at March 31, 2026	2,390.00	9.00	59.39	12,373.96	(284.88)	2,359.58	16,907.27

The accompanying notes form an integral part of the financial statements
For and on behalf of the Board
For **Tulsiyan NEC Limited**

As per our report of even date attached
For **CNGSN & ASSOCIATES LLP**
Chartered Accountants
(FRN No. 004915S/ S200036)

Sd/-
Sanjay Tulsiyan
Managing Director
DIN: 06632802

Sd/-
Lalit Kumar Tulsiyan
Executive Chairman
DIN : 00632823

Sd/-
M. Parthasarathy
Director
DIN: 08277111

Sd/-
E.K.Srivatsan
Partner
M.No. 225064

Sd/-
CA Shantha Kumar RP
Chief Financial Officer
Place : Chennai.
Date : 30th May, 2026

Tulshyan NEC Limited
Notes to Financial Statements for the year ended March 31, 2026
1. Corporate Information

The company is engaged in the manufacturing of TMT bars, Coal Based Power Plant and Synthetics Woven fabrics and sacks. It has manufacturing plants at Chennai (Gummudipoondi) and Bangalore (Doddaballapura). The Company has one Sponge Iron Manufacturing Company called Chitrakoot Steel and Power P Ltd., at Gummudipoondi and one newly incorporated company Sapient Packing Pvt Ltd.

2. Basis of preparation of financial statements
Statement of compliance

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods.

Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded to the nearest Lakhs (up to two decimals).

The financial statements are approved for issue by the Company's Board of Directors on 30th May, 2026.

2A. Critical accounting estimates and management judgments

In application of the accounting policies, which are described in note 2, the management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and assumptions are based on historical experience and other factors that are considered to be relevant.

Information about significant areas of estimation, uncertainty and critical judgements used in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

Property, Plant and Equipment (PPE)

Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life on straight line method. The depreciable amount for assets is the cost of an asset. Once the asset is depreciated to its residual value, it is carried on in its residual value.

The residual values and estimated useful life of PPEs are assessed by the technical team at each reporting date by taking into account the nature of asset, the estimated usage of the asset, the operating condition of the asset, past history of replacement and maintenance support. Upon review, the management accepts the assigned useful life and residual value for computation of depreciation/amortisation.

Intangible assets and amortization
Recognition and measurement

Intangible assets are recognized when the asset is identifiable, is within the control of the Company, it is probable that the future economic benefits that are attributable to the asset will flow to the Company and cost of the asset can be reliably measured.

Intangible assets acquired by the Company that have finite useful lives are measured at cost less accumulated amortization and any

accumulated impairment losses. Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level.

Subsequent measurement

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates.

Amortization

Amortization is calculated over the cost of the asset, or other amount substituted for cost, less its residual value. Amortization is recognized in statement of profit and loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the assets.

Intangible Assets are amortized over a period of five years.

Current Tax

Calculations of income taxes for the current period are done based on applicable tax laws and management's judgement by evaluating positions taken in tax returns and interpretations of relevant provisions of law.

Deferred Tax Assets

Significant management judgement is exercised by reviewing the deferred tax assets at each reporting date to determine the amount of deferred tax assets that can be retained/ recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

Fair value

Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available. In applying the valuation techniques, management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

Impairment of Trade Receivables

The impairment for trade receivables are done based on assumptions about risk of default and expected loss rates. The assumptions, selection of inputs for calculation of impairment are based on management judgement considering the past history, market conditions and forward looking estimates at the end of each reporting date.

Impairment of Non-financial assets - PPE

The impairment of non-financial assets is determined based on estimation of recoverable amount of such assets. The assumptions used in computing the recoverable amount are based on management judgement considering the timing of future cash flows, discount rates and the risks specific to the asset.

Defined Benefit Plans and other long term employee benefits

The cost of the defined benefit plan and other long term employee benefits, and the present value of such obligation are determined by the independent actuarial valuer. An actuarial valuation involves making various assumptions that may differ from actual developments in future. Management believes that the assumptions used by the actuary in determination of the discount rate, future salary increases, mortality rates and attrition rates are reasonable. Due to the complexities involved in the valuation and its long term nature, this obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities could not be measured based on quoted prices in active markets, management uses valuation techniques including the Discounted Cash Flow (DCF) model, to determine its fair value. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is exercised in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

Provisions and contingencies

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and

on past experience and circumstances known at the reporting date. The actual outflow of resources at a future date may therefore vary from the figure estimated at end of each reporting period.

2B Recent accounting pronouncements

MCA (Ministry of Corporate Affairs) notifies new standards or amendments to the existing standards. MCA issued notifications on 31st March 2023. These amendments are applicable to the company for the financial year starting 1st April 2023.

3. Material Accounting Policy Information

a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- i) Expected to be realised or intended to be sold or consumed in normal operating cycle
- ii) Held primarily for the purpose of trading
- iii) Expected to be realised within twelve months after the reporting period, or
- iv) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- i) It is expected to be settled in normal operating cycle
- ii) It is held primarily for the purpose of trading
- iii) It is due to be settled within twelve months after the reporting period, or
- iv) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents.

The Company has identified 6 months as its operating cycle.

b) Fair value measurement

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

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

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 : Quoted (unadjusted) market prices in active market for identical assets or liabilities;

Level 2 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

Level 3 : Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

The Company has designated the respective team leads to determine the policies and procedures for both recurring and non - recurring fair value measurement. External valuers are involved, wherever necessary with the approval of Company's board of directors. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

For the purpose of fair value disclosure, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risk of the asset or liability and the level of the fair value hierarchy as explained above. The component wise fair value measurement is disclosed in the relevant notes.

c) Revenue Recognition

Sale of Goods

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue on sale of goods is recognised when the risk and rewards of ownership is transferred to the buyer, which generally coincides with the despatch of the goods or as per the inco-terms agreed with the customers.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment. It comprises of invoice value of goods including excise duty and after deducting discounts, volume rebates and applicable taxes on sale. It also excludes value of self-consumption.

Sale of Services

Income from sale of services is recognised when the services are rendered as per the terms of the agreement and when no significant uncertainty as to its determination or realisation exists.

Power Generation

Power generated from windmills that are covered under wheeling and banking arrangement with the State Electricity Board/ Electricity Distribution Companies are consumed at factories. The monetary values of such power generated that are captively consumed are not recognised as revenue.

Export Entitlements

In respect of the exports made by the Group, the related export entitlements from Government authorities are recognised in the statement of profit and loss when the right to receive the incentives/ entitlements as per the terms of the scheme is established and where there is no significant uncertainty regarding the ultimate collection of the relevant export proceeds.

Interest Income

Interest income is recorded using the effective interest rate (EIR) method. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividend Income

Dividend income is recognized when the Group's right to receive dividend is established by the reporting date, which is generally when shareholders approve the dividend.

d) Property, plant and equipment and capital work in progress

Presentation

Property, plant and equipment and capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing part of the plant and equipment and borrowing costs of a qualifying asset, if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in profit or loss as incurred.

Advances paid towards the acquisition of tangible assets outstanding at each balance sheet date, are disclosed as capital advances under long term loans and advances and the cost of the tangible assets not ready for their intended use before such date, are disclosed as capital work in progress.

Component Cost

All material/ significant components have been identified and have been accounted separately. The useful life of such component are analysed independently and wherever components are having different useful life other than plant they are part of, useful life of components are considered for calculation of depreciation.

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of repairs and maintenance are recognised in the statement of profit and loss as incurred.

Machinery spares/ insurance spares that can be issued only in connection with an item of fixed assets and their issue is expected to be irregular are capitalised. Replacement of such spares is charged to revenue. Other spares are charged as revenue expenditure as and when consumed.

Derecognition

Gains or losses arising from derecognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

e) Depreciation on property, plant and equipment

Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life on straight line method. The depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less 5% being its residual value.

Depreciation is provided on straight line method, over the useful lives specified in Schedule II to the Companies Act, 2013.

Depreciation for PPE on additions is calculated on pro-rata basis from the date of such additions. For deletion/ disposals, the depreciation is calculated on pro-rata basis up to the date on which such assets have been discarded/ sold. Additions to fixed assets, costing 5000 each or less are fully depreciated retaining its residual value.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

f) Inventories

Raw materials, Components, Stores and Spares and Work-in-Progress are valued at cost. Finished goods are valued at cost or realizable value whichever is less. The basis of determining cost for various categories of inventories are as follows:

(i) Raw materials, components, stores and spares: At lower of weighted average cost and net realizable value.

(ii) Work-in-process : At lower of cost of raw material and component including related overheads and net realizable value.

(iii) Finished goods: At lower of cost and net realizable value. Cost includes raw material components and related overheads. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

g) Financial Instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instruments.

Financial Assets

Initial recognition and measurement

All financial assets are recognised initially at fair value. However, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent Measurement

For purposes of subsequent measurement, financial assets are classified on the basis of their contractual cash flow characteristics and the entity's business model of managing them.

Financial assets are classified into the following categories:

- Financial instruments (other than equity instruments) at amortised cost
- Financial Instruments (other than equity instruments) at Fair value through Other comprehensive income (FVTOCI)
- Other Financial Instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Financial instruments (other than equity instruments) at amortised cost

The Group classifies a financial instruments (other than equity instruments) at amortised cost, if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are Solely Payments of Principal and Interest (SPPI) on the principal amount outstanding.

Such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Financial Instruments (other than equity instruments) at FVTOCI

The Group classifies a financial instrument (other than equity instrument) at FVTOCI, if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

The financial instruments included within the FVTOCI category are measured as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes finance income, impairment losses and reversals and foreign exchange gain or loss in the profit and loss statement. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to profit and loss. Interest earned whilst holding FVTOCI financial instrument is reported as interest income using the EIR method.

Financial instruments (other than equity instruments) at FVTPL

The Company classifies all financial instruments, which do not meet the criteria for categorization as at amortized cost or as FVTOCI, as at FVTPL.

Financial instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. Where the Company makes an irrevocable election of equity instruments at FVTOCI, it recognises all subsequent

changes in the fair value in other comprehensive income, without any recycling of the amounts from OCI to profit and loss, even on sale of such investments.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Financial assets are measured at FVTPL except for those financial assets whose contractual terms give rise to cash flows on specified dates that represents SPPI, are measured as detailed below depending on the business model:

Classification	Name of the financial asset
Amortised cost	Trade receivables, deposits, interest receivable, and other advances recoverable in cash.
FVTOCI	Equity investments in companies other than subsidiaries and associates if an option exercised at the time of initial recognition.
FVTPL	Other investments in equity instruments

Derecognition

A financial asset is primarily derecognised when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets other than equity instruments, and that are measured at amortised cost e.g., loans, deposits, trade receivables and bank balance.
- Financial assets, other than equity instruments that are measured at FVTOCI
- Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18.

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 17

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime Expected Credit Loss (ECL) at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12 months ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 months ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, the Company considers all contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument and Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECL allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the profit and loss. The balance sheet presentation of ECL for various financial instruments is described below:

- **Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables:** ECL is presented as an allowance, which reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- **Financial instruments, other than equity instruments, measured at FVTOCI:** Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

For impairment purposes, significant financial assets are tested on individual basis at each reporting date. Other financial assets are assessed collectively in groups that share similar credit risk characteristics. Accordingly, the impairment testing is done on the following basis:

Name of the financial asset	Impairment Testing Methodology
Trade Receivables	Expected Credit Loss model (ECL) is applied. The ECL over lifetime of the assets are estimated by using a provision matrix which is based on historical loss rates reflecting current conditions and forecasts of future economic conditions which are grouped on the basis of similar credit characteristics such as nature of industry, customer segment, past due status and other factors that are relevant to estimate the expected cash loss from these assets.
Other financial assets	When the credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. When there is significant change in credit risk since initial recognition, the impairment is measured based on probability of default over the life time. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12 month ECL.

Financial Liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL and as at amortised cost.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings and financial guarantee contracts.

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition

as at fair value through profit or loss. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to profit and loss. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The company has not designated any financial liability as at fair value through profit and loss.

Classification	Name of the financial liability
Amortised cost	Borrowings, trade payables, interest accrued, unclaimed / disputed dividends, security deposits and other financial liabilities not for trading.
FVTPL	Foreign Exchange Forward contracts being derivative contracts do not qualify for hedge accounting under Ind AS 109 and other financial liabilities held for trading. The Company does not take forward contract.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and, if not designated as at fair value through profit or loss, are subsequently measured at higher of (i) The amount of loss allowance determined in accordance with impairment requirements of Ind AS 109 – Financial Instruments and (ii) The amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18 – Revenue.

Derivative financial instruments

The Company does not hold any derivative financial instruments such as foreign exchange forward and options contracts to mitigate the risk of changes in exchange rates on foreign currency exposures.

Derivatives fair valued through profit or loss

This category has derivative financial assets or liabilities which are not designated as hedges.

Although the Company believes that these derivatives constitute hedges from an economic perspective, they may not qualify for hedge accounting under Ind AS 109, Financial Instruments. Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial asset or financial liability, at fair value through profit or loss.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in net profit in the Statement of Profit and Loss when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income. Assets / liabilities in this category are presented as current assets / current liabilities if they are either held for trading or are expected to be realized within 12 months after the Balance Sheet date. However the Group does not deal in any derivate/hedging. Hence the above will not be applicable to the Group

Derecognition of financial liabilities

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

Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as

a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

S.No	Original classification	Revised classification	Accounting treatment
1	Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in P&L.
2	FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
3	Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
4	FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
5	FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
6	FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to P&L at the reclassification date.

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

h) Foreign currency transactions and translations

Transactions and balances

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.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

The Company enters into forward exchange contract to hedge its risk associated with foreign currency fluctuations wherever it deems necessary that such coverage is appropriate. The premium or discount arising at the inception of a forward exchange contract is amortized as expense or income over the life of the contract. In case of monetary items which are covered by forward exchange contract, the difference between the year end rate and rate on the date of the contract is recognized as exchange difference. Any profit or loss arising on cancellation of a forward exchange contract is recognized as income or expense for that year.

i) Borrowing Costs

Borrowing cost include interest computed using Effective Interest Rate method, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs that are directly attributable to the acquisition, construction, production of a qualifying asset are capitalised as part of the cost of that asset which takes substantial period of time to get ready for its intended use. The Company determines the amount of

borrowing cost eligible for capitalisation by applying capitalisation rate to the expenditure incurred on such cost. The capitalisation rate is determined based on the weighted average rate of borrowing cost applicable to the borrowings of the Company which are outstanding during the period, other than borrowings made specifically towards purchase of the qualifying asset. The amount of borrowing cost that the Company capitalises during the period does not exceed the amount of borrowing cost incurred during that period. All other borrowings costs are expensed in the period in which they occur.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

k) Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Where there is deferred tax assets arising from carry forward of unused tax losses and unused tax created, they are recognised to the extent of deferred tax liability.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

l) Retirement and other employee benefits

Short-term employee benefits

A liability is recognised for short-term employee benefit in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Defined contribution plans

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution

already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Defined benefit plans

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Compensated absences

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using projected unit credit method on the additional amount expected to be paid / availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognized in the period in which the absences occur.

Other long term employee benefits

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by the employees up to the reporting date.

m) Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to April 1, 2016, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease. All other leases are operating leases.

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

n) Impairment of non financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

o) Provisions, contingent liabilities and contingent asset

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are discounted, if the effect of the time value of money is material, using pre-tax rates that reflects the risks specific to the liability. When discounting is used, an increase in the provisions due to the passage of time is recognised as finance cost. These provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Necessary provision for doubtful debts, claims, etc., are made, if realisation of money is doubtful in the judgement of the management.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. Contingent liabilities are disclosed separately.

Contingent assets

Where an inflow of economic benefits is probable, the Company discloses a brief description of the nature of the contingent assets at the end of the reporting period, and, where practicable, an estimate of their financial effect.

Contingent assets are disclosed but not recognised in the financial statements.

p) Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances with original maturity of less than 3 months, highly liquid investments that are readily convertible into cash, which are subject to insignificant risk of changes in value.

q) Cash Flow Statement

Cash flows are presented using indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

Bank borrowings are generally considered to be financing activities. However, where bank overdrafts which are repayable on demand form an integral part of an entity's cash management, bank overdrafts are included as a component of cash and cash equivalents for the purpose of Cash flow statement.

r) Earnings per share

The basic earnings per share are computed by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted EPS is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

TULSIYAN NEC LIMITED

Notes to Financial Statements for the year ended March 31, 2026

(All amounts are in lakh of Indian Rupees, unless otherwise stated)

4. Property, plant and equipment

Particulars	Tangible Assets								Intangible Assets	
	Land	Factory Buildings	Plant and Machinery	Vehicles	Works Equipments	Lab Equipments	Office Premises	Office and Other Equipments	Software	Total
Deemed Cost as at March 31, 2024	7,487.39	14,178.52	61,281.30	217.10	262.15	52.11	20.64	673.14	100.94	84,273.29
Additions	70.00	15.97	598.63	12.02	3.15	-	7.72	43.88	0.59	751.96
Disposals/Discarded	(24.98)	0.00	(597.19)	(85.38)	-	-	-	-	-	(707.55)
Asset held for Sale	(438.22)	0.00	-	-	-	-	-	-	-	(438.22)
Cost as at March 31, 2025	7,094.19	14,194.49	61,282.75	143.74	265.30	52.11	28.36	717.02	101.53	83,879.48
Additions	33.96	5.19	1,647.80	-	-	-	-	6.59	-	1,693.55
Disposals/Discarded	(1,295.35)	(541.47)	(1,027.23)	(15.78)	-	-	-	(142.93)	-	(3,022.76)
Asset held for Sale	180.13	-	-	-	-	-	-	-	-	180.13
Cost as at March 31, 2026	6,012.92	13,658.21	61,903.32	127.96	265.30	52.11	28.36	580.68	101.53	82,730.39
Depreciation/Amortisation										
As at March 31, 2024	-	5,327.94	23,131.54	145.99	121.28	41.68	16.62	588.95	40.38	29,394.39
Charge for the year	-	474.26	1,744.65	11.81	12.25	3.73	0.39	27.38	17.90	2,292.37
Disposals/discarded	-	0.00	(533.79)	(82.83)	-	-	-	-	-	(616.62)
As at March 31, 2025	-	5,802.19	24,342.40	74.97	133.53	45.41	17.01	596.33	58.28	31,070.14
Charge for the year	-	547.58	1,594.18	13.33	16.30	3.35	8.06	25.07	16.91	2,224.78
Disposals/discarded	-	(300.85)	(969.37)	(8.62)	-	-	-	(135.28)	-	(1,414.13)
As at March 31, 2026	-	6,048.92	24,967.20	79.68	149.84	48.76	25.08	486.12	75.19	31,880.80
Net Block										
As at March 31, 2025	7,094.19	8,392.30	36,940.35	68.76	131.77	6.70	11.35	120.69	43.25	52,809.35
As at March 31, 2026	6,012.92	7,609.29	36,936.11	48.28	115.46	3.35	3.28	94.56	26.34	50,849.60

Notes :

- The title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the financial statements, the lease agreements are in the name of the Company.
- The Company has not revalued its property, plant and equipment (including right-of-use asset) during the year, since the Company has adopted cost model as its accounting policy to an entire class of Property, Plant and Equipment in accordance with Ind AS 16.
- The Company has not revalued its intangible asset, since the Company has adopted cost model as its accounting policy to an entire class of Intangible Asset in accordance with Ind AS 38.
- Out of the ₹ 438.22 lakhs classified as 'Assets Held for Sale' on 31 March 2025, the company sold a portion with a carrying amount of ₹ 258.09 lakhs during FY 2025-26. Due to the cancellation of the sale agreement for the remaining asset, the balance of ₹ 180.13 lakhs has been reverted to Property, Plant, and Equipment in compliance with Ind AS 105.

Notes - (Contd)

Note No. 4a

a) RIGHT-OF-USE ASSETS

PARTICULARS	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Carrying amounts of			
Lease hold Assets	81.26	87.23	80.53
Total	81.26	87.23	80.53

GROSS CARRYING VALUE	Lease hold Assets	Total
Balance as at March 31, 2022	95.47	95.47
Additions	-	-
Deletions	-	-
Balance as at March 31, 2023	95.47	95.47
Additions	-	-
Deletions	-	-
Balance as at March 31, 2024	95.47	95.47
Additions	8.45	8.45
Deletions	-	-
Balance as at March 31, 2025	103.92	103.92
Additions	-	-
Deletions	-	-
Balance as at March 31, 2026	103.92	103.92

ACCUMULATED AMORTISATION	Lease hold Assets	Total
Balance as at April 1, 2021 (Deemed Cost)	12.30	12.30
Amortisation	0.88	0.88
Eliminated on disposals	-	-
Balance as at March 31, 2022	13.18	13.18
Amortisation	0.88	0.88
Eliminated on disposals	-	-
Balance as at March 31, 2023	14.06	14.06
Amortisation	0.88	0.88
Eliminated on disposals	-	-
Balance as at March 31, 2024	14.94	14.94
Amortisation	1.75	1.75
Eliminated on disposals	-	-
Balance as at March 31, 2025	16.69	12.10
Amortisation	5.98	5.98
Eliminated on disposals	-	-
Balance as at March 31, 2026	22.66	12.10

Notes - (Contd)

PARTICULARS	Lease hold Assets	Total
Carrying amount as on April 1, 2021	83.17	83.17
Carrying amount as on March 31, 2022	82.29	82.29
Carrying amount as on March 31, 2023	81.41	81.41
Carrying amount as on March 31, 2024	80.53	80.53
Carrying amount as on March 31, 2025	87.24	87.24
Carrying amount as on March 31, 2026	81.26	81.26

b) BREAK-UP OF CURRENT AND NON-CURRENT LEASE LIABILITIES :

The following is the break-up of current and non-current lease liabilities as at year ended:

PARTICULARS	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Current lease liabilities	2.64	4.19	-
Non-current lease liabilities	-	2.64	-
Total	2.64	6.83	-

c) MOVEMENT IN LEASE LIABILITIES :

The following is the movement in lease liabilities during the year ended:

PARTICULARS	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Opening Balance	6.83	-	-
Reclassified on account of adoption of IND AS 116	-	-	-
Additions through acquisition of subsidiary	-	8.45	-
Additions	-	-	-
Additions	-	-	-
Finance costs accrued during the period	0.49	0.33	-
Deletions	-	-	-
Payment of Lease liabilities	(4.68)	(1.95)	-
Foreign currency translation	-	-	-
Closing Balance	2.64	6.83	-

d) The table below provides details regarding the contractual maturities of lease liabilities

On an undiscounted basis

PARTICULARS	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Less than one year	-	-	-
One to five years	2.64	6.83	-
More than five years	-	-	-
Total	2.64	6.83	-

Notes - (Contd)

e) Others

PARTICULARS	As at March 31, 2026	As at March 31, 2025	As at March 31, 2024
Interest on lease liabilities	0.49	0.33	-
Amortisation of right to use assets	4.19	1.75	-
Expenses relating to short-term leases	-	-	-
Total cash outflows for leases	4.68	1.95	-

f) Critical judgements in determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For leases of buildings, the following factors are normally the most relevant:

- If there are significant penalties to terminate (or not extend), the Company is typically reasonably certain not terminate (or to extend).
- If any lease hold improvements are expected to have a significant remaining value the Company is typically reasonably certain to extend (or not terminate).
- Otherwise, the Company considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset

The lease term is reassessed if an option is actually exercised (or not exercised) or the Company becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects the assessment, and that is within the control of the lessee. During the current financial year, there was no revision in the lease terms.

g) Variable lease payments

The Group has not entered into any lease contracts that include variable lease options.

h) Extension and termination options

Extension and termination options are included in a number of property leases. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The majority of extension and termination options held are exercisable only by the Company and not with the respective lessor.

Note No. 5	As at March 31, 2026	As at March 31, 2025
Capital Work-in-progress		
Capital work in progress	12.00	709.23
	12.00	709.23

Notes - (Contd)

Note No. 6	As at March 31, 2026	As at March 31, 2025
Non-current investments		
Investments in Equity Instruments at FVTPL		
Unquoted		
i. Investments in Subsidiaries		
Chitrakoot Steel & Power P Limited (64,89,200 Equity Shares of Rs.10/- each)	-	-
Color Peppers Media P Lt (50,000 Equity Shares of Rs. 10 each) (Refer Note 56)	-	-
ii. Investments in Other Companies	-	-
Investments in Debt Instruments at FVTPL		
Unquoted		
Shamrao Vithal Co-op Bank Ltd (25 Shares of Rs.100/- each)	0.03	0.03
	0.03	0.03
Total non-current investments		
Aggregate amount of quoted investments	-	-
Aggregate market value of quoted investments	-	-
Aggregate cost of unquoted investments	0.03	0.03
Aggregate amount of impairment in value of investments	-	-

Note No. 7(a)	As at March 31, 2026	As at March 31, 2025
Other non-current financial assets		
(Unsecured, considered good)		
Unamortised finance expense	3,277.89	3,081.44
Fixed Deposits towards Bank Guarantee	60.85	34.00
	3,338.74	3,115.44
Other non- current financial assets	-	-

Note No. 7(b)	As at March 31, 2026	As at March 31, 2025
Deferred Tax Assets		
Expenses allowable for tax purposes when paid		
Voluntary retirement scheme payment to be allowed		
On account of forward of losses	6,522.52	6,522.52
	6,522.52	6,522.52

Notes - (Contd)

Note No. 8	As at March 31, 2026	As at March 31, 2025
Other non-current assets		
(Unsecured, considered good)		
Advance to Suppliers	-	-
Advance income-tax and TDS (net of provision for tax)	173.40	115.14
MAT Credit Entitlement	37.57	37.57
Advance recoverable in cash or in kind or for value to be received		
Advance TCS	-	-
Other non-current assets	42.43	111.19
	35.60	33.39
	289.00	297.27

Note No. 9	As at March 31, 2026	As at March 31, 2025
Inventories		
(Valued at lower of cost and net realisable value)		
Raw Materials	871.68	1,377.31
Finished Goods	3,170.30	3,861.79
Stock-in-trade (acquired for trading)	-	108.61
Stores	1,917.73	1,984.17
	5,959.72	7,331.88

Note No. 10	As at March 31, 2026	As at March 31, 2025
Current Investments		
Investments in Equity Instruments at FVTPL		
Investments in companies other than subsidiaries, associates and joint ventures		
Quoted		
Canara Bank (Formerly Syndicate Bank) (864 Equity Shares of Rs.10 each)	5.33	3.84
Unquoted		
Shamrao Vithal Co-op Bank Ltd (50 Shares of Rs.100/- each)	0.05	0.05
Sapient Packing Private Ltd (9980 Shares of Rs.10/- each)	-	-
Investment In Equity Share Capital of Power Solar & Wind Vendor	31.31	31.31
Investments in Debt Instruments at FVTPL		
Unquoted		
National Savings Certificates	0.02	0.02
	36.71	35.22

Notes - (Contd)

Note No. 11	As at March 31, 2026	As at March 31, 2025
Trade receivables		
(Unsecured, considered good)		
Trade Receivables outstanding for a period less than six months from the date they are due for payment	4,311.03	4,787.83
Outstanding for a period exceeding six months from the date they are due for payment	5,488.43	5,524.22
Other debts	9,799.46	10,312.05
Allowance for Expected credit Loss	(79.00)	(79.00)
	9,720.46	10,233.05

Annexure to Note 11

Trade Receivables ageing Schedule	Outstanding for the following periods from due date of Payment					
	Less than 6 Months	6 Months to 1 Year	1 to 2 Years	2 to 3 years	3 years and above	Total
(i) Undisputed Trade Receivables Considered Good	3,599.78	568.21	211.07	88.18	5,036.36	9,503.60
(ii) Undisputed Trade Receivables Considered Doubtful	-	-	-	-	55.65	55.65
(iii) Disputed Trade Receivables Considered Good	-	-	-	-	161.20	161.20
(iv) Disputed Trade Receivables Considered Doubtful	-	-	-	-	-	-
	3,599.78	568.21	211.07	88.18	5,253.21	9,720.45

Note No. 12	As at March 31, 2026	As at March 31, 2025
Cash and cash equivalents		
Cash on Hand	20.11	5.52
Cheque and Demand Drafts on Hand		
Balances with Banks		
- In Current Account	117.55	23.21
- In Collection Account	-	-
- In Deposit Account	-	-
	137.66	28.73

Notes - (Contd)

Note No. 13	As at March 31, 2026	As at March 31, 2025
Other Bank Balances		
In fixed deposits	1.13	1.13
In margin money with banks	4.29	3.81
In Earmarked Accounts		
- Unpaid Dividend Account		
- Unpaid Interest Account		
	5.43	4.94

Note No. 14	As at March 31, 2026	As at March 31, 2025
Other current financial assets		
(Unsecured, considered good)		
Deposits	-	-
	-	-

Note No. 15(a)	As at March 31, 2026	As at March 31, 2025
Other current assets		
(Unsecured, considered good)		
Income and claims receivable	-	-
Interest accrued on Deposits	-	-
Advance recoverable in cash or in kind or for value to be received	-	-
Advance for Supplies and expenses	2,088.59	1,980.49
Staff advances & Prepaid expenses	48.02	42.02
Special Premium Accrued - NCD (Refer Note 52)	236.29	354.26
Advances for Fixed Assets		
Advance Paid	475.90	467.20
Advances for Fixed Assets	-	(0.03)
CVD	-	-
Deposits	193.58	-
Dividend	-	-
Drawback	-	19.12
Excise	13.87	13.87
Import Licence	-	-
Balances with Statutory Authorities	543.28	590.50
Service tax	-	-
VAT	-	-
	3,602.72	3,467.42

Notes - (Contd)

Note No. 15 (b)	As at March 31, 2026	As at March 31, 2025
Asset Held for Sale	-	438.22

Note No. 16	As at March 31, 2026	As at March 31, 2025
Share Capital		
Authorised Share Capital		
2,60,00,000 (2,60,00,000) Equity shares of Rs. 10/- each	2,600.00	2,600.00
1,00,00,000 (1,00,00,000) 6% Non convertible redeemable preference shares of Rs. 10/- each	1,000.00	1,000.00
	3,600.00	3,600.00
Issued Share Capital		
1,64,61,407 (previous year 1,64,61,407) Equity shares of Rs. 10/- each	1,646.14	1,646.14
	1,646.14	1,646.14
Paid up & Subscribed Share Capital		
1,64,61,407 (previous year 1,64,61,407) Equity shares of Rs. 10/- each (fully paid up)	1,646.14	1,646.14
	1,646.14	1,646.14

Notes:

i.

Reconciliation of number of equity shares subscribed

Balance as at the beginning of the year	16,461,407	16,666,666
Add: Issued during the year	-	-
	-	(205,259)
Balance at the end of the year	16,461,407	16,461,407

ii. Shares issued for consideration other than cash

There are no shares which have been issued for consideration other than cash during the last 5 years.

iii. Redeemable Preference Shares

6% Non convertible redeemable preference shares issued by the company are classified as financial liabilities (non-current borrowings) [refer note 18] in accordance with Ind AS.

iv. Shares held by promoters at the end of the year

Name of the share holder	No. of Shares	% Total Shares	% Change During The Year
SANJAY TULSYAN	4,475,481	27.19	1.26%
LALIT KUMAR TULSYAN	4,119,091	25.02	1.24%
PRIYA TULSYAN	954,982	5.80	1.22%

Notes - (Contd)

v. Rights, preferences and restrictions in respect of equity shares issued by the Company

- The company has issued only one class of equity shares having a par value of Rs. 10 each. The equity shares of the company having par value of Rs. 10/- rank pari-passu in all respects including voting rights and entitlement to dividend.
- All equity shares issued carry equal rights for dividend declared by the Company. There are no restrictions attached to any of the shares. However as far as the share held by the promoters/ promoters group is concerned, the same has been pledged in favour of the lenders as part of CDR compliance. Subsequently on Compromise Settlement, the Pledge of Shares are being released from Lenders and are being pledged to Debenture Trustees (*Refer Note 47*)
- The Company has not issued any securities with the right / option to convert the same into equity shares at a later date.
- The dividend proposed if any, by the Board of Directors, is subject to the approval of the shareholders in the ensuing Annual General Meeting. During the year, the Company proposed a dividend of Rs.NIL per equity share held (previous year Rs. Nil per equity share held)
- In the event of liquidation, the Equity Share holders are eligible to receive the remaining assets of the company after distribution of all preferential amounts in proportion of their share holding.

Note No. 17	As at March 31, 2026	As at March 31, 2025
Other Equity		
General Reserve	2,390.00	2,390.00
Investment Allowance reserve	59.39	59.39
Securities Premium Reserve	12,373.96	12,373.96
Other Comprehensive Income	(284.88)	(292.22)
Capital Reserve	9.00	9.00
Profit and Loss Account	2,359.81	8,793.05
	16,907.27	23,333.19
a) General Reserve		
Balance at the beginning and end of the year	2,390.00	2,390.00
b) Investment Allowance Reserve		
Balance at the beginning and end of the year	59.39	59.39
c) Securities Premium Reserve		
Balance at the beginning of the year	12,373.96	12,373.96
Additions during the year	-	-
Balance at the end of the year	12,373.96	12,373.96
d) Other Comprehensive Income		
Balance at the beginning of the year	(292.22)	(296.71)
Additions during the year	3.68	8.15
Deductions/Adjustments during the year	3.66	(3.66)
Balance at the end of the year	(284.88)	(292.22)
e) Capital Reserve	9.00	9.00
f) Retained Earnings		
Balance at the beginning of the year	8793.05	18193.42
Previous year Provision for Taxation Reversed	-	-

Notes - (Contd)

Net profit for the period	(6,433.23)	(7,255.89)
Transfer from Other Comprehensive Income	-	(2,149.48)
Ind AS Adjustments	-	5.00
Dividend paid (including tax on dividends)		
Balance at the end of the year	2,359.81	8,793.05

Note No. 18	As at March 31, 2026	As at March 31, 2025
Non-Current Liabilities - Financial Liabilities: Borrowings		
Secured		
Preference Shares		
6% Non convertible redeemable preference shares	884.30	884.30
Term Loans *		
From Banks	-	2.65
Non Convertible Debentures (Refer Note 52)	29,047.85	25,733.88
Vehicle Loans		
HDFC Bank Ltd	45.54	73.13
Unsecured		
From Body Corporate		
From Directors	1,531.04	1,482.90
From others	-	-
	-	-
Interest Liability reversed as per Compromise Agreement	157.11	154.59
	31,665.85	28,331.44
Less: Current maturities of long-term debt (included in note 22)	(25.79)	(5,525.79)
	31,640.06	22,805.65

* (refer note 47) for terms and conditions and security details

Note No. 19(a)	As at March 31, 2026	As at March 31, 2025
Other non current financial liabilities		
Premium on redemption of preference shares payable	2,407.77	2,182.05
	2,407.77	2,182.05

Note No. 19(b)	As at March 31, 2026	As at March 31, 2025
Lease Asset Liability	-	2.64
	-	2.64

Notes - (Contd)

Note No. 20	As at March 31, 2026	As at March 31, 2025
Provisions (Non-current)		
Provision for employee benefits		
Gratuity	319.35	280.64
Compensated absence	44.32	45.66
(Refer Note 50)	363.67	326.30

Note No. 21	As at March 31, 2026	As at March 31, 2025
Deferred Tax Liability/ (Asset) - Net		
Deferred tax liabilities		
Related to Fixed Assets	-	-
Related to Others	-	-
	-	-
Deferred tax assets		
Related to Fixed Assets	-	-
Related to Others	-	-
	-	-
Net deferred tax liability/ (asset)	-	-

Note No. 22	As at March 31, 2026	As at March 31, 2025
Current liabilities - Financial Liabilities: Borrowings *		
Secured		
From banks - Working capital term loans	1,984.63	1,984.98
Current maturities of long-term debt	-	5,500.00
Loan from others	1,583.38	1,413.03
Unsecured		
Loans from body corporate	5,410.49	5,532.71
Loan from others	-	-
Inter Corporate Deposits	-	-
Interest Liability reversed as per Compromise Agreement	-	-
	8,978.50	14,430.71

* (refer note 47) for terms and conditions and security details

Note No. 23	As at March 31, 2026	As at March 31, 2025
Trade payables *		
Supplies and Services	13,557.21	15,981.89
Expenses and others	-	-
For Project	-	-
	13,557.21	15,981.89

* Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information

Notes - (Contd)

collected by the management represents the principal amount payable to these enterprises. There are no interest due and outstanding as at the reporting date. (Refer Note 43).

Annexure to Note 23

Trade Payables Ageing Schedule	Outstanding for the following periods from due date of Payment					Total
	Less than 6 Months	6 Months to 1 Year	1 to 2 Years	2 to 3 years	3 years and above	
(i) MSME	1,248.60	160.62	49.16	2.04	0.00	1,460.41
(ii) Others	9,183.57	2,391.23	502.56	66.61	(47.17)	12,096.80
(iii) Disputed MSME	-	-	-	-	-	-
(iv) Disputed Others	-	-	-	-	-	-
	10432.17	2551.85	551.72	68.65	(47.17)	13,557.21
Less : Inter Company						-
						13,557.21

Note No. 24(a)	As at March 31, 2026	As at March 31, 2025
Other current financial liabilities		
Interest Payable	2,209.16	982.75
Employee's Payable	229.04	241.65
	2438.20	1224.40

Note No. 24(b)	As at March 31, 2026	As at March 31, 2025
Lease Asset Liability		
	2.64	4.19
	2.64	4.19

Note No. 25	As at March 31, 2026	As at March 31, 2025
Provisions (Current)		
Provision for proposed equity dividend	-	-
Provision for tax on proposed equity dividend	-	-
Provision for Expenses / Tax	52.96	52.50
Provision - others	-	-
	52.96	52.50

Notes - (Contd)

Note No. 26	As at March 31, 2026	As at March 31, 2025
Other current liabilities		
Current maturities of long-term debt	25.79	25.79
Interest accrued but not due on secured loans	-	-
Interest Payable	-	-
Statutory Dues Payable	202.78	399.15
Advanced & deposits from customer etc.	1,657.72	498.60
Employee	-	-
TDS	-	-
Calamity Relief Fund	-	-
Power Charges Payable	548.11	768.30
Other current liabilities	127.01	1,399.03
Employee Payables	-	-
	2,561.41	3,090.87

Note No. 27	As at March 31, 2026	As at March 31, 2025
Revenue from Operations		
Domestic sales FG	77,159.01	78,932.99
High sea sales	84.00	-
Export sales	1,807.63	2,560.55
Excise duty	-	-
Domestic Sales RM	1,178.29	3,036.26
Domestic Sales - Stores	350.13	2,242.25
Sale of Export Scripts	9.93	2.50
Processing charges	166.38	57.67
	80,755.38	86,832.22

Note No. 28	As at March 31, 2026	As at March 31, 2025
Other Income		
Income from windmills	-	19.94
Interest		
Interest on term deposit	0.50	-
Other interest income	116.86	125.68
Corporate Guarantee Commission	89.52	-
Profit on sale of Fixed asset	2,848.85	182.17
Profit on sale of Investment	-	-
Compensation for Power	-	-
Foreign Exchange Fluctuation	158.37	26.24
Miscellaneous Income	5.56	12.06
Less: Income from wind mill set-off against Power & Fuel	-	(19.94)
	3,219.67	346.15

Notes - (Contd)

Note No. 29	As at March 31, 2026	As at March 31, 2025
Cost of Materials Consumed		
Raw Materials		
Opening inventory of raw materials	1,381.07	2,262.14
Raw Materials purchased	60,379.21	64,365.34
Inter Unit Transfer	-	(0.02)
Materials Inward	941.95	1,089.72
Customs Duty/Coal Cess	-	-
Less: Discount/Licence/Provision Written back	425.63	524.94
Less: Closing Stock	872.71	1,381.07
Captive consumption	-	-
	61,403.89	65,811.17
Stores		
Opening Stock	1,929.39	2,193.81
Purchases	2,802.54	3,173.31
Materials Inward	0.63	0.35
Less: Closing Stock	1,872.04	1,929.39
	2,860.52	3,438.07
Total cost of materials consumed	64,264.41	69,249.28

Note No. 30	As at March 31, 2026	As at March 31, 2025
Purchase of stock-in-trade - Traded goods		
Purchase of stock-in-trade - Traded goods	1,146.19	926.68
	1,146.19	926.68

Note No. 31	As at March 31, 2026	As at March 31, 2025
Changes in inventories of finished goods		
Closing balance	3,169.26	3,861.79
Opening balance	3,861.79	3,625.98
	692.51	(235.80)

Note No. 32	As at March 31, 2026	As at March 31, 2025
Employee benefit expenses		
Salaries and Wages	2,264.85	2,161.68
Contribution to provident and other funds	30.10	49.44
Welfare Expenses	52.52	58.80
	2,347.48	2,269.92

Notes - (Contd)

Note No. 33	As at March 31, 2026	As at March 31, 2025
Power & Fuel		
Power & Fuel expense	7,331.09	8,583.73
	7,331.09	8,583.73

Note No. 34	As at March 31, 2026	As at March 31, 2025
Depreciation and amortization expense		
Depreciation on property, plant, equipment and Right to Use of Asset	2,230.74	2,294.12
	2,230.74	2,294.12

Note No. 35	As at March 31, 2026	As at March 31, 2025
Finance costs		
Interest	253.82	264.84
Other Finance Charges	7,129.10	6,425.13
Service Charges for Finance	-	-
	7,382.92	6,689.97

Note No. 36	As at March 31, 2026	As at March 31, 2025
Other expenses		
Power Plant Charges	914.72	990.40
Repairs		
Machinery	146.33	135.57
Building	6.09	13.21
Other Manufacturing Expenses	1,109.25	1,138.51
Processing Charges	167.14	147.63
Insurance	33.51	15.08
Rent	48.80	52.65
Loss on sale of fixed assets	0.93	3.83
Rates & Taxes	75.44	77.54
Legal & consultancy charges	330.76	259.47
Payment to auditors	9.50	9.50
Transport charges	624.59	327.81
Brokerage & commission	184.05	108.42
Selling & administration expenses	1,141.01	1,365.14
Excise duty expenses	-	-
Bank charges	6.25	6.65
Foreign exchange loss (net)	-	-
Sundry Balances Written off	214.57	4.95
	5,012.94	4,656.37

Notes - (Contd)

Note No. 36 (a)	As at March 31, 2026	As at March 31, 2025
Payment to auditors		
Statutory Audit fees	7.50	7.50
Taxation fee	2.00	2.00
	9.50	9.50

Note No. 37	As at March 31, 2026	As at March 31, 2025
Exceptional Items		
Exceptional Item	-	-
	-	-

Note No. 38	As at March 31, 2026	As at March 31, 2025
Income tax expense		
(a) Income tax expense		
Current tax	-	-
Current tax on profits for the year	-	-
MAT credit entitlement/reversal		
Adjustments for current tax of prior periods		
Total current tax expense	-	-
Deferred tax		
Deferred tax adjustments	-	-
Total deferred tax expense/(benefit)	-	-
Income tax expense	-	-
b) The income tax expense for the year can be reconciled to the accounting profit as follows:		
Profit before tax from continuing operations income Deferred Tax	(6,433.23)	(7,255.89)
c) Income tax recognized in Other comprehensive income		
Remeasurement of defined benefit obligation	-	-
Total income tax recognised in other comprehensive income	-	-

Note No. 39	As at March 31, 2026	As at March 31, 2025
Earnings per share		
Profit/ (loss) for the year attributable to owners of the Company	(6,433.23)	(7,255.89)
Weighted average number of ordinary shares outstanding	16,461,407	16,461,407
Basic earnings per share (Rs)	(39.08)	(44.08)
Diluted earnings per share (Rs)	(39.08)	(44.08)

Notes - (Contd)

Note No. 40	As at March 31, 2026	As at March 31, 2025
Earnings in foreign currency		
FOB value of exports	1,163.45	2,404.35
	1,163.45	2,404.35

Note No. 40(a)	As at March 31, 2026	As at March 31, 2025
Expenditure in foreign currency		
Exchange in foreign currency for other matters	-	4.19
	-	4.19

Note No. 41	As at March 31, 2026	As at March 31, 2025
CIF value of imports		
Raw Materials	2,066.37	9,921.69
	2,066.37	9,921.69

42. Value of imported and indigenous Raw material, Stores and Coal Consumed during the financial year and the percentage of each to the total consumption

Particulars	As at March 31, 2026		As at March 31, 2025	
	Rs. In Lakhs	Percentage (%)	Rs. In Lakhs	Percentage (%)
Raw Materials				
Imported				
Steel scrap*	2,060.17	4.06	10,026.07	17.52
Ingot, billet and re-rollable	-	-	-	-
PP/HDPE Granules	-	-	87.91	0.15
Others				
Steel scrap	28,178.82	55.53	27,230.33	47.58
Ingot, billet and re-rollable	13,932.38	27.45	12,021.62	21.00
PP/HDPE Granules	1,979.32	3.90	2,574.27	4.50
Iron Ore	4,565.45	9.00	5,274.08	9.21
Dolomite	31.58	0.06	20.13	0.04
Coal				
Imported	8,403.72	78.86	7,979.19	93.03
Others	2,252.48	21.14	597.62	6.97
		-		-
Stores				
Imported	6.20	0.22	8.17	0.25
Others	2,854.29	99.78	3,324.63	99.75
Add Inter unit Transfers	-	-	105.26	-
Total consumption	64,264.41		69,249.29	

* Raw Materials purchased on High Sea Basis also considered as Import Purchases

Notes - (Contd)

43. Disclosures required by the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 are as under

Particulars	As at March 31, 2026	As at March 31, 2025
(a) The principal amount remaining unpaid at the end of the year	1,460.41	1,399.75
(b) The delayed payments of principal amount paid beyond the appointed date during the year	-	-
(c) Interest actually paid under Section 16 of MSMED Act	-	-
(d) Normal Interest due and payable during the year, for all the delayed payments, as per the agreed terms	-	-
(e) Total interest accrued during the year and remaining unpaid	-	-

*This information has been determined to the extent such parties have been identified on the basis of information available with the Company.

The information required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. There are no over dues to parties on account of principal amount and/or interest and accordingly no additional disclosures have been made

44. Commitments and contingent liabilities

Nature of Dues	Amount in Lacs.	Period to which it relates	Forum where the Dispute is pending
Excise/Service Tax	123.93	April 2013 - June 2017	CESTAT Bangalore
Income Tax Appeals	47.11	A.Y. 2011-12	CIT (APPEALS)
VAT	128.52	2012-13	VAT AC - HC
Cancellation of FIBC and demand for repayment of Duty Drawback	168.18	February 2010 to September 2011	Ministry of Finance - Secretary
TNEB	2,312.85	2004-14	TANGEDCO
Excise	63.35	2013-14, 2014-15	SVLDR, Chennai
GST	96.00	July 2017 - Mar'2021	Commissionerate, GST, Chennai

Notes:

Contingent Liabilities:

- The Company has executed (During the year 2009-10 and 2011-12) Corporate Guarantee in favour of the Shamrao Vithal Co-operative Bank Limited, Mumbai for the loan taken by M/s. Chitrakoot Steel and Power Pvt Ltd., wholly owned subsidiary of the Company, for Rs. 25 crores.
- The company has received a notice from the office of the Director General of Foreign Trade, Bangalore, asking to show cause as to why penalty upto 5 times of the CIF value of goods imported of a value of Rs.44.34 Crores imposed in respect of 44 Advance licenses for alleged non completion of the export obligations in respect of those licenses. Post issue of the notice, the company's name was added in the "Denied Entity List". The Company had represented to the said authority that the Export obligation in individual case or when clubbed with other license/licenses in accordance with the Foreign trade Policy and procedures with or without relaxation of

Notes - (Contd)

the norms as may be applicable has been completed. Out of 44 Licences for which the notice was issued, Export obligations Discharge certificate has been received in respect of 42 Licences the CIF Value of which is Rs.44.20 Crore leaving 2 licences with a CIF Value of Rs.0.14 Crores pending. Export obligation in respect of the said 2 licences have indeed been completed and the company is hopeful of obtaining the Export obligations Discharge certificate in the course of time. Based on the representation given by the company the name of the company was removed from the Denied Entity List, however company has not received any communication from the DGFT in this regard dropping the show cause notice.

3. The liability in respect of Excise and VAT is subject to the levy of additional interest till the date adjudication from the due date, in case the liability is confirmed by the Appellate Authority. However, no estimation of such interest payable, if any, has been made or has not been provided. Hence, no liability will accrue in respect of the interest, if the order is in favour of the company and in the opinion of the management, the decision will be in the favour of the company.
4. Resurgent Power projects Limited (Formerly Enmas GB Power Systems Projects Limited) has demanded payment of Rs.13,25,31,282/- as dues for the Power Project I and II executed by them and has issued a notice under section 9 of the Insolvency and Bankruptcy Code, 2016. In view of the substandard performance of 1st Turbine and delayed implementation of Power Plant 2 the company has debited the 11,78,32,463/- as liquidated damages the payable to the said party as per the books of accounts is nil. Accordingly, the company has disputed the amount and has sought to invoke the arbitration proceedings against the party to settle the matter. The liquidated damages debited to the party has been credited to the cost of the project. Pending these matters no provision has been made against the claim in the books of accounts.
5. The company was assessed to Income Tax and an order was passed u/sec 143(3) on 29/12/2019 for AY 2017-18. In completing the captioned assessment a sum of Rs 48,91,37,362/- was added back. The addition was on account of the Company's transactions with Tanishi Commotrades Pvt Limited (sales and other transactions), Subham Trading /Neeraj Trading Company(purchases) and a sum of Rs 68,29,701 for delayed remittance of PF/ESI. The company was assessed to Income Tax and an order was passed u/sec 143(3) on 27/03/2014 for AY 2011-12. The company has also preferred an appeal for AY 2011-12 with CIT(A). In completing the captioned assessment a sum of Rs 47,11,498/- was disallowed and the same was added back. The Company is hopeful of its success at the appellate forums on the captioned additions.

Notes - (Contd)

45. Operating Segments

The business of the Company falls under three segments i.e., (a) Steel Division; (b) Synthetic Division; and (c) Power in accordance with Ind AS 108 "Operating Segments" and segment information is given below:

Particulars	As at March 31, 2026	As at March 31, 2025
Segment Revenue		
Steel Division	65,383.41	70,319.78
Synthetic Division	2904.41	3,514.08
Power	12,467.56	12,998.36
Media	-	-
Revenue from operations (Net)	80,755.38	86,832.22
Segment Results		
Profit (+) / Loss (-) before tax and finance cost		
Steel Division	(40.18)	(707.13)
Synthetic Division	1792.18	(436.06)
Power	(802.30)	577.27
Media	-	-
Total	949.69	(565.91)
Add/ Less : Finance Cost	7382.93	6,689.97
Profit/(Loss) from continuing operations	(6,433.23)	(7,255.89)
Profit/(Loss) from discontinuing operations		
Profit Before Tax	(6,433.23)	(7,255.89)
Segment Assets		
Steel Division	27,632.18	29,698.63
Synthetic Division	6,922.15	8,294.15
Power	46,001.50	47,087.74
Other unallocable corporate assets		
Total assets	80,555.84	85,080.52
Segment Liabilities		
Steel Division	89,075.53	38,035.46
Synthetic Division	8,594.36	11,469.41
Power	(35,667.47)	10,596.33
Other unallocable corporate assets		
Total liabilities	62,002.41	60,101.20
Capital Employed (Segment assets-Segment liabilities)		
Steel Division	(61,443.35)	(8,336.82)
Synthetic Division	(1,672.20)	(3,175.26)
Power	81,668.96	36,491.40
Total capital employed in segments	18,553.41	24,979.31
Unallocable corporate assets less corporate liabilities		
Total Capital Employed	18,533.41	24,979.31

Notes - (Contd)

Information relating to geographical areas

(a) Revenue from external customers

Particulars	As at March 31, 2026	As at March 31, 2025
India	79,591.93	84,427.86
Outside India	1,163.45	2,404.35
Total	80,755.38	86,832.22

(b) Non current assets

The manufacturing facilities of the Company is situated in India and no non-current assets are held outside India

(c) Information about major customers

Particulars	As at March 31, 2026	As at March 31, 2025
Number of external customers each contributing more than 10% of total revenue	-	-
Total revenue from the above customers	-	-
Total	-	-

46. Operating lease arrangements

Particulars	As at March 31, 2026	As at March 31, 2025
As Lessor		
The Company has not entered into any operating lease arrangements as lessor.		
As Lessee		
The Company has not entered into operating lease arrangements for certain facilities . The leases are cancellable at the option of either party to lease and may be renewed based on mutual agreement of the parties.		
Lease payments recognised in the Statement of Profit and Loss		
Towards Amortisation of ROU	4.23	1.75
Towards Interest	0.49	0.33

47. Borrowing Details

Schedule for long term borrowings from banks and financial institutions:

Particulars	As at March 31, 2026	As at March 31, 2025
i. From Banks		
a. Term Loans	-	-
b. Working Capital Term Loan/ Funded Interest Term Loan	-	-
c. Vehicle Loan	19.75	49.99
ii. From Financial Institutions		
Non Convertible Debentures	29,047.85	20,233.88
Total	29,067.60	20,283.87

Notes - (Contd)

Schedule for short term borrowings:

Particulars	As at March 31, 2026	As at March 31, 2025
Secured		
From Banks - Working Capital Loans		
Vehicle Loan	-	-
Non Convertible Debentures	-	5,500.00
Shamrao Vithal Co-op Bank Limited	1,984.63	1,984.98
Loans from others	1,583.38	1,413.03
Unsecured		
Loans from body corporate	5,410.49	5,532.71
Total Short term borrowings	8,978.50	14,430.72

Terms and conditions of loans

Terms and conditions of Secured Non Convertible Debentures / Loans * (Previous years)

1. Exclusive hypothecation of the present and future current assets of the Company
2. Exclusive charge on the land, manufacturing plant and other fixed assets of the Company (including all non-core assets)
3. Pledge of shares of the Company held by promoters and promoters' group (currently holding 63.40% of total shareholding).
4. Personal Guarantee of Promoters Sri Lalit Kumar Tulsyani and Sri Sanjay Tulsyani
5. Corporate Guarantees of Tulsyani Smelters Limited, Chitrakoot Steel & Power Private Limited

48. Financial Instruments

Capital management

The Company manages its capital to ensure that entities in the Company 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 determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity, long-term borrowings and other short-term borrowings

For the purposes of the Company's capital management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders.

Categories of Financial Instruments	As at March 31, 2026	As at March 31, 2025
Financial assets		
a. Measured at amortised cost		
Other non-current financial assets	3,338.74	3,115.44
Trade receivables	9,720.46	10,233.05
Cash and cash equivalents	137.66	28.73
Bank balances other than above	5.43	4.94
Other financial assets	-	-
b. Mandatorily measured at fair value through profit or loss (FVTPL)	As at March 31, 2026	As at March 31, 2025
Investments	0.03	0.03

Notes - (Contd)

Financial Liabilities	As at March 31, 2026	As at March 31, 2025
a. Measured at amortised cost		
Long term borrowings	31,640.06	22,805.65
Other non-current financial liabilities	2,407.77	2,182.05
Short term borrowings	8,978.50	14,430.72
Trade payables	13,557.21	15,981.89

Financial risk management objectives

The treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations through internal risk reports which analyse exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

Market risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Company actively manages its currency and interest rate exposures through its finance division.

Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Company actively manages its currency rate exposures through a treasury division and uses natural hedging principles to mitigate the risks from such exposures.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

As on March 31, 2026 (all amounts are in equivalent Rs. in lakhs)

Currency	Liabilities			Assets			Net overall exposure on the currency - net assets / (net liabilities)
	Gross exposure	Exposure hedged using derivatives	Net liability exposure on the currency	Gross exposure	Exposure hedged using derivatives	Net asset exposure on the currency	
USD	-	-	-	1,673,717.38	-	1,673,717.38	1,673,717.38
EUR	-	-	-	-	-	-	-
GBP	-	-	-	-	-	-	-
In INR	-	-	-	1,509.09	-	1,509.09	1,509.09

As on March 31, 2025 (all amounts are in equivalent Rs. in lakhs)

Currency	Liabilities			Assets			Net overall exposure on the currency - net assets / (net liabilities)
	Gross exposure	Exposure hedged using derivatives	Net liability exposure on the currency	Gross exposure	Exposure hedged using derivatives	Net asset exposure on the currency	
USD	-	-	-	1,667,077.22	-	1,667,077.22	1,667,077.22
EUR	-	-	-	-	-	-	-
GBP	-	-	-	-	-	-	-
in INR	-	-	-	1,314.26	-	1,314.26	1,314.26

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

Notes - (Contd)

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 simultaneous parallel foreign exchange rates shift in the foreign exchange rates of each currency by 2%, which represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 2% change in foreign currency rates. The sensitivity analysis includes external loans as well as loans to foreign operations within the Company where the denomination of the loan is in a currency other than the functional currency of the lender or the borrower.

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

Interest rate risk management

The Company is exposed to interest rate risk because it borrow funds at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings and 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 are applied. Further, in appropriate cases, the Company also effects changes in the borrowing arrangements to convert floating interest rates to fixed interest rates.

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 25 basis point increase or decrease 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.

Company has no floating rate liabilities and thus does not have the risk of increase or decrease in the rate of interest. The Secured Non Convertible Debentures issued during the year carry a Fixed Rate of Interest and thus no risk of Decrease or increase cost of funds.

Credit risk management

Credit risk arises when a customer or counterparty does not meet its obligations under a customer contract or financial instrument, leading to a financial loss. The Company is exposed to credit risk from its operating activities primarily trade receivables and from its financing/ investing activities, including deposits with banks and foreign exchange transactions. The Company has no significant concentration of credit risk with any counterparty.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure is the total of the carrying amount of balances with banks, short term deposits with banks, trade receivables, margin money and other financial assets excluding equity investments.

(a) Trade Receivables

Trade receivables are consisting of a large number of customers. The Company has credit evaluation policy for each customer and, based on the evaluation, credit limit of each customer is defined. Wherever the Company assesses the credit risk as high, the exposure is backed by either bank, guarantee/letter of credit or security deposits.

The Company does not have higher concentration of credit risks to a single customer. As per simplified approach, the Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default in payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk

(b) Investments, Cash and Cash Equivalents and Bank Deposits

Credit risk on cash and cash equivalents, deposits with the banks/financial institutions is generally low as the said deposits have been made with the banks/financial institutions, who have been assigned high credit rating by international and domestic rating agencies.

Notes - (Contd)

Investments of surplus funds are made only with approved financial institutions/ counterparty. Investments primarily include bank deposits. These bank deposits and counterparties have low credit risk. The Company has standard operating procedures and investment policy for deployment of surplus liquidity, which allows investment in bank deposits and restricts the exposure in equity markets. Investments of surplus funds does not arise in the case of the Company.

Offsetting related disclosures

Offsetting of cash and cash equivalents to borrowings as per the loan agreement is available only to the bank in the event of a default. Company does not have the right to offset in case of the counter party's bankruptcy, therefore, these disclosures are not required.

Liquidity risk management

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.

Liquidity tables

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

March 31, 2026	Due in 1st year	Due after 1st Year	Carrying amount
Trade payables	12,984.02	573.20	13,557.21
Borrowings	-	31,640.06	31,640.06
	12,984.02	32,213.25	45,197.27

March 31, 2025	Due in 1st year	Due after 1st Year	Carrying amount
Trade payables	13,780.96	2,200.93	15,981.89
Borrowings	5,500.00	22,805.65	28,305.65
	19,280.96	25,006.58	44,287.54

	March 31, 2026	March 31, 2025
Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required):	Nil	Nil

49. Related party disclosure

a) List of related parties	
Subsidiaries	Chitrakoot Steel & Power P Ltd
Key management personnel	Shri Lalit Kumar Tulsyani (Executive Chairman) Shri Sanjay Tulsyani (Managing Director) Shri Sanjay Agarwalla (Whole Time Director) Shri S. Chandrasekaran (Whole Time Director) Shri Shantha Kumar RP (Chief Financial Officer) Shmt Parvati Soni (Company Secretary)
Companies in which Directors are interested	Tulsyani Smelters Private Ltd

Notes - (Contd)

b) Transactions during the year

S.No.	Nature of transactions	As at March 31, 2026	As at March 31, 2025
1	Purchase of goods		
	Chitrakoot Steel & Power P Ltd	358.58	2,860.47
	Tulsiyan Smelters Private Ltd	-	-
		0.59	1,611.52
2	Sale of Goods		
	Chitrakoot Steel & Power P Ltd	7.60	1.14
	Sapient Packing Private Ltd	-	-
	Tulsiyan Smelters Private Ltd	14,218.36	21,517.89
3	Short term borrowings during the year	-	-
4	Services Received		
	Chitrakoot Steel & Power P Ltd	-	-
	Tulsiyan Smelters Private Ltd	-	-
5	Managerial Remuneration		
	Lalit Kumar Tulsiyan	120.00	120.29
	Sanjay Tulsiyan	120.29	120.29
	Sanjay Agarwalla	60.00	55.29
	S. Chandrasekaran	12.00	16.90
	Shantha Kumar RP	31.44	31.44
	Alka Tulsiyan	17.03	17.03
	Aditya Bhartia	17.99	17.99
	Shmt. Parvati Soni	12.60	10.28

c) Balances with related parties

S.No.	Name of the Related Party	As at March 31, 2026	As at March 31, 2025
1	Outstanding Receivables		
	Chitrakoot Steel & Power P Ltd	1.24	53.79
	Sapient Packing Private Ltd	3.20	-
	Tulsiyan Smelters Private Ltd	2,224.17	2,304.06
2	Outstanding Payables		
	Chitrakoot Steel & Power P Ltd	-	-
	Tulsiyan Smelters Private Ltd	-	-
	Lalit Kumar Tulsiyan	1,329.82	1,281.67
	Sanjay Tulsiyan	201.04	201.04
	Alka Tulsiyan	203.76	162.86
	Priya Tulsiyan	50.00	-
	Lalit Kumar Tulsiyan (HUF)	0.18	0.18

d) Guarantees and Collaterals

Chitrakoot Steel and Power P Ltd executed Corporate Guarantee in favour of Tulsiyan NEC Limited to comply the CDR Terms.

The Company has executed (During the year 2009-10 and 2011-12) Corporate Guarantee in favour of the Shamrao Vithal Co-operative Bank Limited, Mumbai for the loan taken by M/s. Chitrakoot Steel and Power Pvt. Ltd., wholly owned subsidiary of the Company, for Rs. 20.60 Crores.

Notes - (Contd)

50 Retirement benefit plans

Defined contribution plans

In accordance with Indian law, the Company makes contributions to Provident Fund, Superannuation Fund and Employee State Insurance Scheme, which are defined contribution plans, for qualifying employees.

The total expense recognized in OCI of Rs. 3.68 lakh (previous year Rs. 8.15 lakh) represents actuarial gains or losses arising on the remeasurement of net defined benefit liability

Defined benefit plans

(a) Gratuity

Gratuity is payable as per Payment of Gratuity Act, 1972. In terms of the same, gratuity is computed by multiplying last drawn salary (basic salary including dearness Allowance if any) by completed years of continuous service with part thereof in excess of six months and again by 15/26. The Act provides for a vesting period of 5 years for withdrawal and retirement and a monetary ceiling on gratuity payable to an employee on separation, as may be prescribed under the Payment of Gratuity Act, 1972, from time to time. However, in cases where an enterprise has more favourable terms in this regard the same has been adopted.

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk and salary risk.

Investment risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the market yields on government bonds denominated in Indian Rupees. If the actual return on plan asset is below this rate, it will create a plan deficit.
Interest risk	A decrease in the bond interest rate will increase the plan liability. However, this will be partially offset by an increase in the return on the plan's debt investments.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	March 31, 2026	March 31, 2025
Mortality Table	Indian Assured Lives Mortality(2012-14)	Indian Assured Lives Mortality(2012-14)
Attrition Rate	5.00% p.a.	5.00% p.a.
Discount Rate	7.51% p.a.	6.84% p.a.
Rate of increase in compensation level	6.00% p.a.	6.00% p.a.

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

Notes - (Contd)

	March 31, 2026 Rs. Lakh	March 31, 2025 Rs. Lakh
Amounts recognised in total comprehensive income in respect of these defined benefit plans are as follows:		
Amount recognised under Employee Benefits Expense in the Statement of Profit and Loss:		
Current service cost	32.02	29.11
Net interest expense	23.37	24.79
Past Service Cost	20.98	-
Return on plan assets (excluding amounts included in net interest expense)	-	-
Components of defined benefit costs recognised in profit or loss	76.37	53.90
Amount recognised in Other Comprehensive Income (OCI) for the Year:		
Remeasurement on the net defined benefit liability comprising:		
Actuarial (gains)/losses recognised during the period	(1.65)	0.68
Components of defined benefit costs recognised in other comprehensive income	(1.65)	0.68
Total	74.72	54.58

	March 31, 2026	March 31, 2025
The amount included in the balance sheet arising from the Company's obligation in respect of its defined benefit plans is as follows:		
Present value of defined benefit obligation	369.19	335.81
Fair value of plan assets	-	-
Net liability arising from defined benefit obligation	369.19	335.81
Non - Funded	369.19	335.81
	369.19	335.81

The above provisions are reflected under 'Provision for employee benefits- Gratuity' (Long-term provisions and Short-term provisions) [Refer note 20 and note 25]

	March 31, 2026	March 31, 2025
Movements in the present value of the defined benefit obligation in the current year were as follows:		
Opening defined benefit obligation	335.81	376.79
Current service cost	32.02	29.11
Interest cost	23.37	24.79
Actuarial (gains)/losses	(1.65)	0.68
Past Service cost	20.98	-
Benefits paid	(41.34)	(95.55)
Closing defined benefit obligation	369.19	335.81

Sensitivity Analysis

In view of the fact that the Company for preparing the sensitivity analysis considers the present value of the defined benefit obligation which has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

Notes - (Contd)

(b) Compensated absences

Company is following the practice of valuing the compensated absence as per Ind AS 19 "Employee Benefits" based on the leave balance outstanding on the employees account on March 31st every year by an independent actuary and has provided the same in the accounts. The payment is done as and when claims are received from the employees or on the date of retirement/ relieving from the service of the company.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	March 31, 2026	March 31, 2025
Mortality Table	Indian Assured Lives Mortality(2012-14)	Indian Assured Lives Mortality(2012-14)
Attrition Rate	5.00% p.a.	5.00% p.a.
Discount Rate	7.23% p.a.	6.72% p.a.
Rate of increase in compensation level	6.00% p.a.	6.00% p.a.

	March 31, 2026 Rs. Lakh	March 31, 2025 Rs. Lakh
Amounts recognised in total comprehensive income in respect of these defined benefit plans are as follows:		
Amount recognised under Employee Benefits Expense in the Statement of Profit and Loss:		
Current service cost	6.71	6.63
Net interest expense	1.86	2.07
Benefits Paid	-	-
Components of defined benefit costs recognised in profit or loss	8.57	8.70

Amount recognised in Other Comprehensive Income (OCI) for the Year:	March 31, 2026	March 31, 2025
Remeasurement on the net defined benefit liability comprising:		
Actuarial (gains)/losses recognised during the period	(2.03)	(8.84)
Components of defined benefit costs recognised in other comprehensive income	(2.03)	(8.84)
Total	6.54	(0.14)

The amount included in the balance sheet arising from the Company's obligation in respect of its defined benefit plans is as follows:	March 31, 2026	March 31, 2025
Present value of defined benefit obligation	47.45	42.98
Net liability arising from defined benefit obligation	47.45	42.98
Non - Funded	47.45	42.98

The above provisions are reflected under 'Provision for employee benefits- Leave Encashment' (Long-term provisions and Short-term provisions) [Refer note 20 and note 25].

Notes - (Contd)

	March 31, 2026 Rs. Lakh	March 31, 2025 Rs. Lakh
Movements in the present value of the defined benefit obligation in the current year were as follows:		
Opening defined benefit obligation	42.98	47.17
Current service cost	6.71	6.63
Interest cost	1.86	2.07
Actuarial (gains)/losses	(2.03)	(8.84)
Benefits paid	(2.07)	(4.05)
Closing defined benefit obligation	47.45	42.98

51 : OTHER STATUTORY INFORMATION

- (i) There are no proceedings initiated or pending against the Group as at March 31, 2026, under Prohibition of Benami Property Transaction Act, 1988 (As amended in 2016)
- (ii) The Group do not have any transactions with companies struck off as per Section 248 of the Companies Act, 2013 and Section 560 of the Companies Act, 1956.
- (iii) The Group do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period
- (iv) The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vi) The Group have 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:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (vii) The Group have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 such as, search or survey or any other relevant provisions of the Income Tax Act, 1961
- (viii) The Group is not declared a wilful defaulter by any bank or financial institutions or vendor.
- (ix) Title deeds of all immovable properties were held in the name of the Group.

52 Note on Issue of Securities/ Borrowing and Creation of Charges:

During the year the company has issued 2690 Secured Non-convertible Debentures of Rs.10 Lacs each to Alternate investment Funds amounting to Rs.269 Crores. The debentures so issued are secured by Exclusive hypothecation of the present and future current assets of the Company and Exclusive charge on the land, manufacturing plant and other fixed assets of the Company (including all non-core assets) Pledge of promoters shares and further secured by the personal guarantee of the promoters. The Charges in favour of the debenture trustee is being registered with the registrar of companies during FY 23-24. The brief particulars of these debentures are as follows:

The Company has serviced the interest and principal payable on the Non-Convertible Debentures on time in all months upto September 2025. However, from October 2025 onwards, the coupon payments could not be serviced on the respective due dates. The pending

Notes - (Contd)

coupon payments shall be paid subsequently in accordance with the due dates agreed for the respective coupon payments with the NCD Holders.

There has been a revision in the terms of the Non-Convertible Debentures which states an agreed Moratorium for the Coupon payments on from 1st April 2026 till 31st August 2026 which shall be compensated by ramped-up coupon amounts subsequently monthly and final redemption date has been revised to 30th September 2027. Also, Entire Principal amount along-with Coupon and Redemption Premium to meet agreed Total IRR and outstanding Default/Penal Interest including other costs, charges, expenses, etc. as per the debenture trust deed are proposed to be paid at the Final Redemption Date.

Sr. No.	Particulars	Reference
i.	Date of passing of board resolution;	16-Mar-2023
ii.	Date of passing of resolution in the general meeting, authorizing the offer of securities;	23-Mar-2023
iii	Kinds of securities offered	2,690 unlisted, secured, unrated, redeemable, non-convertible Debentures of face value of INR 10,00,000 (Indian Rupees Ten Lakhs) each aggregating to INR 269,00,00,000 (Indian Rupees Two Hundred and Sixty Nine Crores), on a private placement basis
iv	Price at which the security Was offered including the premium, if any, along with justification of the price;	Issued at Face value of INR 10,00,000 (Indian Rupees Ten Lakhs) each Debenture
v	The class or classes of persons to whom the allotment is be made;	Category II Alternative Investment Funds ("AIFs")
vi	Amount which the Company raised by way of offer of securities;	INR 269,00,00,000 (Indian Rupees Two Hundred and Sixty Nine Crores)
vii	Terms of raising of securities:	
	(a) duration; if applicable	a) Duration: 5 (five) years
	(b) rate of dividend;	b) Rate of Dividend: Not Applicable
	(c) rate of interest;	c) Rate of Interest: Coupon 14% p.a.p.m IRR 22%
	(d) mode of payment; and	d) Special Premium – Rs.6 Crores
	(e) Repayment.	e) Upfront Interest 0.5%
		f) Repayment: Structured Repayment
viii	Purposes and objects of the issue;	To repay all the existing facilities and capital expenditure for the enhancement of the project of the Company

ix.	Principle terms of assets charged as security, if applicable;	1. Exclusive hypothecation of the present and future current assets of the Company
		2. Exclusive charge on the land, manufacturing plant and other fixed assets of the Company (including all non-core assets)
		3. Pledge of shares of the Company held by promoters and promoters' group (currently holding 70.45% of total shareholding).
		4. Personal Guarantee of Promoters
		5. Corporate Guarantees of Tulsiyan Smelters Limited, Chittrakoot Steel & Power Private Limited
x	Debenture Trustee for the issue	Vistra ITCL (India) Limited
		Address IL&FS Financial Center, Plot No. C-22, G Block, 6th Floor, Bandra Kurla Complex, Bandra (East), Mumbai 400051
		Email: ITCLComplianceofficer@vistra.com

In line with the prescribed IND AS 32, 107 and 109 which deals with Financial Instruments, an entity shall measure a financial liability at its fair value minus transaction costs that are directly attributable to issuing of the financial liability. The transaction cost of Rs. 1,37,50,000/- has been adjusted against the proceeds of Rs.269,00,00,000/- and the same has not been charged to the Profit and Loss account. The workings for the same are as under:

Transaction cost for the NCD	137.50
Fair Value of NCD as disclosed in the financial statement	26,762.50
Total	26,900.00

	India Special Assets Fund III (a scheme of ISAF III)	ISAF III Onshore Fund	Total
Initial recognition at fair value	18465.13	8297.37	26762.50
Special Premium A/c	318.78	143.22	462.00
Interest expense as per IND AS	6993.30	3142.60	10135.90
Instalment paid	(4173.93)	(1875.57)	(6049.50)
	21,603.28	9,707.62	31,310.90

53 Corporate Social Responsibility

In accordance with the provisions of section 135 of the Companies Act, 2013, at least 2% of the average net profits of the three immediately preceding financial years should be spent towards CSR. The CSR net profit shall be calculated in accordance with the provisions of Section 198 of the Act. The Company was not having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year and hence, provisions of Section 135 of the Act are not applicable to the Company during the year.. The calculation of CSR for the financial year ended 31-3-2026 is as under:

Notes - (Contd)

Year Ended 31st Mar ----->	2023	2024	2025
Profit after Tax	24792.98	(5017.05)	(7269.61)
Provision for Taxation	5656.33	(188.93)	0.00
Profit before tax	19136.64	(4828.12)	(7269.61)
Add			
- Depreciation / impairment as per books	2590.75	2487.85	2234.91
- Amortisation of expenses relating to raising / repayment of loans			
- Provision for diminution in value of investment	0.00	0.00	0.00
	21727.39	(2340.27)	(5034.70)
Deduct			
- Depreciation as per section 350 of the Companies Act 1956	2590.75	2487.85	2234.91
- Capital profit on sale of fixed asset and investment	68.30	1,709.09	182.17
- Expenses relating to raising / repayment of loan	-	-	-
- Income of Capital In Nature	14873.59		
(I) the excess of expenditure over income, which had arisen in computing the net profits in accordance with this section in any year which begins at or after the commencement of this Act, in so far as such excess has not been deducted in any subsequent year preceding the year in respect of which the net profits have to be ascertained;	4178.15	(2340.27)	(5034.70)
Net Profit	16.60	(4196.94)	(2417.08)
Average		(2199.14)	

54. During the financial year, the Company entered into an agreement dated 13 March 2026 for power generation and supply arrangements. Under the agreement, the Company shall act as the developer and owner of a power station with a contracted capacity of at least 60 MW for a period of 5 years. Pursuant to the arrangement, the Company shall develop and supply power to Tamil Nadu Power Distribution Corporation Limited through Manikaran Power Limited, being the supplier under the said agreement.
55. The Company entered into a fuel supply agreement dated 12 May 2026 with Mahanadi Coalfields Limited, a subsidiary of Coal India Limited, for the purchase and supply of coal for power generation purposes. The arrangement is expected to ensure a stable supply of coal in the upcoming years at a comparatively lower cost than the imported coal procured by the Company in earlier years.
56. Previous Year's figures have been re-grouped wherever necessary to conform to the Current Year's classification.

The accompanying notes form an integral part of the financial statements

For and on behalf of the Board
For **Tulsiyan NEC Limited**

As per our report of even date attached
For **CNGSN & ASSOCIATES LLP**
Chartered Accountants
(FRN No. 004915S/ S200036)

Sd/-
Sanjay Tulsiyan
Managing Director
DIN: 00632802

Sd/-
Lalit Kumar Tulsiyan
Executive Chairman
DIN : 00632823

Sd/-
M. Parthasarathy
Director
DIN: 08277111

Sd/-
E.K.Srivatsan
Partner
M.No. 225064

Place : Chennai.
Date : 30th May, 2026

Sd/-
CA Shantha Kumar RP
Chief Financial Officer

Sd/-
Parvati Soni
Company Secretary

Disclosure Of Ratios By Companies as per new Schedule III Amendment

S.No.	Ratio	Formula	CY	PY	Variation	Reasons for Changes
1	Current Ratio	Current Assets/Current Liabilities	0.71	0.62	14%	Reduction on current ratio is on account of sale of assets held for sale.
2	Debt - Equity Ratio	Total Debt/Total Equity	2.19	1.55	42%	Variance attributable to the losses incurred during the year resulting in reduced total equity.
3	Debt Service Coverage Ratio	Net Operating Income/ Total Debt Service	0.08	0.05	69%	Losses incurred during the year, reducing the ability to service debt obligation.
4	Return on Equity	Net Income/Avg Shareholder's Equity	(0.35)	(0.29)	19%	Loss incurred during the year due to sale of windmill and power operations shut down for eight months resulting in lesser income generation and increase in the purchase power and fuel resulting in increase in respective expenses, leading to lower return on equity.
5	Inventory Turnover Ratio	Cost of Goods Sold/ Avg Inventory	2.46	2.27	9%	Variance attributable to lower consumption made during the year resulting in lesser sales, despite the lower inventory level held.
6	Trade Receivable Turnover Ratio	Annual Credit Sales/ Avg Trade Receivables	2.02	2.08	(3%)	Variance attributable to decrease in sales and decrease in trade receivables in comparison with the previous year.
7	Trade Payable Turnover Ratio	Annual Credit Purchases/ Avg Trade Payables	1.07	1.19	(10%)	Variance attributable to decrease in purchases and increase in trade payables in comparison with the previous year leading to negative result.

8	Net Capital Turnover Ratio	Annual Net Sales/ Working Capital	(9.94)	(6.56)	52%	Variance attributable to decrease in sales and net increase in current liabilities arising due to Interest payable on account of NCD moratorium and Power charges being payable and increase in Unsecured Borrowings of the company during the year.
9	Net Profit Ratio	Net Profit/ Net Sales	(0.08)	(0.08)	(5%)	Variance attributable to losses incurred during the year due to shut down in power operations for 8 Months resulting in lesser income generation and increase in cost due to power purchase from outsiders.
10	Return on Capital Employed	EBIT/(Total Assets - Current Liabilities)	0.02	(0.01)	(259%)	Variance attributable to losses incurred during the year due to power operations shut down for 8 Months resulting in lesser income generation and increase in cost due to power being purchased from outsiders.
11	Return on investment	Return From Investment/ Cost of Investment	NA	NA	NA	NA

[illegible]



TULSYAN NEC LIMITED

CIN : L28920TN1947PLC007437

Registered Office :

Apex Plaza, 1st Floor, New No. 77, Old No. 3,
Nungambakkam High Road, Chennai - 600 034

Tel : 044-6199 1060, Fax : 044-6199 1066

E-mail : investor@tulsyanec.in

Website : www.tulsyanec.in

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