

S N Dhawan & CO LLP

Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

To the Members of
Kunshan Q Tech Microelectronics (India) Private Limited
Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Kunshan Q Tech Microelectronics (India) Private Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2026, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of changes in equity and Statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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 (Ind AS) and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2026, and its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the 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 ("the 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 ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Material Uncertainty Related to Going Concern

We draw attention to note 41 to the financial statements, which indicates that the accumulated losses have resulted in complete/substantial erosion of its equity and Company's current liabilities exceeded its current assets. These events or conditions, along with other matters as set forth in the said note, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. However, the financial statements of the Company have been prepared on a going concern basis for the reasons stated in the said Note.

Our opinion is not modified in respect of this matter.



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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors 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.

The Directors report is not made available to us as at the date of this auditor's report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the 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 financial statements that give a true and fair view of the financial position, financial performance, other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial 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.

Other Matter

The comparative financial information of the Company for the year ended 31 March 2025 and the related transition date opening balance sheet as at 1 April 2024 included in these financial statements, have been prepared after adjusting previously issued financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2021 to comply with Ind AS. The previously issued financial statements were audited by the predecessor auditor whose report for the year ended 31 March 2025 and 31 March 2024 dated 18 August, 2025 and 30 September 2024 respectively expressed an unmodified opinion/ qualified opinion on those financial statements. Adjustments made to the previously issued financial statements to comply with Ind AS have been audited by us.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report to the extent applicable that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.



- (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- (e) The matter described in the Material uncertainty related to Going Concern section above, in our opinion, may have an adverse effect on the functioning of the Company .
- (f) On the basis of the written representations received from the directors as on 31 March 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164 (2) of the Act.
- (g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.
- (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 its financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv.
 - (a) The Management has represented that, to the best of it's 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 person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The Management has represented, that, to the best of it's knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (a) and (b) above, contain any material misstatement.



- v. The Company has not declared or paid any dividend during the year and has not proposed final dividend during the year.
- vi. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account for the financial year ended 31 March 2026, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

The said audit trail (edit log) feature was enabled and has operated in the accounting software with effect from 24 February 2025.

Additionally, the audit trail to the extent it was enabled and operated as stated above, has been preserved by the Company as per the statutory requirements for record retention

For S N Dhawan & CO LLP
Chartered Accountants
Firm Registration No.: 000050N/N500045

Sushil Phogat
Partner
Membership No. 510157
UDIN: 26510157KUQAXH3850



Place : Noida
Dated: 7 May 2026

Annexure A to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditor's Report of even date to the members of **Kunshan Q Tech Microelectronics (India) Private Limited** on the financial statements as of and for the year ended 31 March 2026

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

(i)

- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and relevant detail of right of use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets recognized in the financial statement.
- (b) The Company has a regular program of physical verification of its property, plant and equipment and right to use assets under which these assets are verified in a phased manner over a period of two years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain Property, Plant and Equipment were verified during the year and no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the standalone financial statements are held in the name of the Company.
- (d) The Company has not revalued its property, plant and equipment (including Right of Use assets) and intangible assets during the year.
- (e) There are no proceedings which have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and rules made thereunder.

(ii)

- (a) The management has conducted physical verification of inventory at reasonable intervals during the year except for goods-in-transit. For goods-in-transit, the goods have been received subsequent to year end. According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the coverage and procedure of such verification by the management is appropriate and no material discrepancies of 10% or more in the aggregate for each class of inventory were noticed on physical verification as compared to the book records.
- (b) According to the information and explanations given to us, (the Company has not been sanctioned any working capital facility) / (the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate,) at any point of time during the year from banks or financial institutions on the basis of security of current assets. Accordingly, the provisions of clause 3(ii) (b) of the Order are not applicable.

(iii)

- (a) According to information and explanations given to us, the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships (LLPs) or any other parties. Accordingly, the provisions of clause 3(iii)(a).
- (b) The investments made, are not, prima facie, prejudicial to the Company's interest.



- (c) According to the information and explanations given to us, the Company has not granted any loans or advances in the nature of loans. Accordingly, the provisions of clause 3(iii)(c) to (f) of the Order are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 186 of the Company Act in respect of investment made. The Company has not provided any guarantee or security as specified in the section 185 and 186 of the Act.
- (v) The Company has not accepted any deposits nor the amounts which are deemed to be deposit during the year and further the Company had no unclaimed deposits at the beginning of the year within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Hence reporting under clause 3(v) of the Order are not applicable.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013 in respect of Company's products. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained by the Company. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii)
- (a) In our opinion and according to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including goods and services tax, duty of customs, income-tax, cess and other material statutory dues, as applicable to the Company, with the appropriate authorities during the year. There were no undisputed amounts payable in respect thereof which were outstanding at the year-end for a period of more than six months from the date they become payable. We have been informed that the provisions of the Employees Provident Funds and Miscellaneous Provision Act, 1952 and Employees State Insurance Act, 1948 are not applicable to the Company and the operations of the Company during the year did not give rise to any liability for service tax, sales tax, value added tax and duty of excise.
- (b) According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to the information and explanations given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix)
- (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) According to the information and explanations given to us, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information and explanations given to us, the term loans availed by the Company were applied for the purposes for which the loans were obtained, though funds which were not required for immediate utilisation were temporarily invested pending application.
- (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 the company has used funds raised on



short-term basis aggregating to Rs.14,384.87 Lakhs (excluding current maturities of long term debt) for long-term purposes including funding of accumulated losses.

- (e) The Company did not have any subsidiary, associate or joint venture, accordingly the provisions of clause 3(ix)(e) of the Order are not applicable.
- (f) The Company did not have any subsidiary, associate or joint venture. Accordingly, the provisions of clause 3(ix)(e) of the Order are not applicable.
- (x)
 - (a) The Company had not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions of clause 3(x)(a) of the Order are not applicable
 - (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally). Accordingly, provisions of clause 3 (x)(b) of the order are not applicable.
- (xi)
 - (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
 - (b) To the best of our knowledge, no report under sub-section (12) of Section 143 of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
 - (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year and up to the date of this report.
- (xii) The Company is not a Nidhi Company. Accordingly, the provisions of clause 3(xii)(a)-(c) of the Order are not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Section 188 of the Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standards. The provisions of Section 177 of the Act are not applicable to the Company.
- (xiv)
 - (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system commensurate with the size and nature of its business.
 - (b) We have considered the internal audit reports issued to the Company till date, covering the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors, hence provisions of Section 192 of the Act are not applicable.
- (xvi)
 - (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, provisions of clause 3 (xvi) (a) of the order are not applicable.
 - (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities during the year.
 - (c) The Company is not a Core Investment Company ("CIC") as defined in the regulations made by the Reserve Bank of India. Accordingly, provisions of clause 3(xvi)(c) of the Order are not applicable.
 - (d) The Group does not have any CIC as part of the Group.



- (xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- (xviii) There has been resignation of the statutory auditors during the year and we did not observe or were informed of any material issues, objections or concerns raised by the outgoing auditors.
- (xix) According to the information and explanations given to us and 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, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, we are of the opinion that material uncertainty exists as on the date of the audit report that Company may not be 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. Refer 'Material uncertainty related to going concern' provided in the main audit report.
- (xx)
- (a) In respect of other than ongoing projects, the Company has no unspent amount towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Act in compliance with the second proviso to sub-section (5) of Section 135 of the said Act.
- (b) The Company does not have any ongoing projects as on 31 March 2026.
- (b) The Company has no subsidiary, associate or joint venture and the Company is not required to prepare consolidated financial statements. Accordingly, provisions of clause 3(xxi) of the Order are not applicable

For S N Dhawan & CO LLP
Chartered Accountants
Firm Registration No.: 000050N/N500045

Sushil

Sushil Phogat
Partner
Membership No. 510157
UDIN: 26510157KUQAXH3850



Place : Noida
Dated: 7 May 2026

Annexure B to the Independent Auditor's Report of even date of Financial Statements of Kunshan Q Tech Microelectronics (India) Private Limited

Independent Auditor's report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of sub- section 3 of Section 143 of the Companies Act, 2013 (the "Act")

(Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

We have audited the internal financial controls with reference to financial statements of Kunshan Q Tech Microelectronics (India) Private Limited ("the Company") as of 31 March 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

The Company's Management and Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements 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 Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

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



Meaning of Internal Financial Controls with reference to Financial Statements

A Company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with 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 with reference to Financial Statements

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

Opinion

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

For **S N Dhawan & CO LLP**
Chartered Accountants
Firm Registration No.: 000050N/N500045

Sushil

Sushil Phogat
Partner
Membership No. 510157
UDIN: 26510157KUQAXH3850



Place : Noida
Dated: 7 May 2026

KUNSHAN Q TECH MICROELECTRONICS (INDIA) PRIVATE LIMITED
CIN - U26109DL2019FTC344132
BALANCE SHEET AS AT 31 MARCH 2026

	Note No	As at 31 March 2026 Rs. / Lakh	As at 31 March 2025 Rs. / Lakh	As at 01 April 2024 Rs. / Lakh
ASSETS				
Non-current assets				
a. Property, plant and equipment	5 (a)	31,122.25	28,557.73	29,711.37
b. Capital work-in-progress	5 (b)	2,539.06	254.21	64.54
c. Right-of-use assets	6	7,161.96	7,290.51	7,419.06
d. Other intangible assets	7	14.62	18.60	-
e. Financial assets				
i. Other financial assets	8	1,772.42	478.95	727.87
f. Other non-current assets	9	62.14	-	-
		42,672.45	36,600.00	37,922.84
Current assets				
a. Inventories	10	16,649.03	11,524.01	11,927.63
b. Financial assets				
i. Trade receivables	11	46,272.06	31,863.74	57,629.81
ii. Cash and cash equivalents	12	33,524.46	7,763.47	24,410.65
iii. Bank balances other than cash and cash equivalents	13	1,000.00	3,000.00	3,740.00
iv. Other financial assets	8	-	6.26	4.44
c. Current tax assets (net)	14	4,815.72	4,036.04	474.28
d. Other current assets	9	4,364.47	4,237.24	6,223.90
		1,06,625.74	62,430.76	1,04,410.71
TOTAL ASSETS		1,49,298.19	99,030.76	1,42,333.55
EQUITY AND LIABILITIES				
Equity				
a. Equity share capital	15	4,085.39	3,613.69	3,613.69
b. Other equity	16	(12,378.76)	(27,941.12)	(38,259.54)
		(8,293.37)	(24,327.43)	(34,645.85)
Liabilities				
Non-current liabilities				
a. Financial liabilities				
i. Borrowings	17	35,968.63	17,972.09	23,344.69
ii. Lease liabilities	18	28.12	76.16	122.34
b. Provisions	19	158.48	65.60	43.42
c. Deferred tax liability (net)	31	425.72	-	-
		36,580.95	18,113.85	23,510.45
Current liabilities				
a. Financial liabilities				
i. Borrowings	17	-	5,990.70	16,674.78
ii. Lease liabilities	18	57.07	58.91	56.10
iii. Trade payables	20			
- Total outstanding dues of micro enterprises and small enterprises		729.33	183.60	33.76
- Total outstanding dues of creditors other than micro enterprises and small enterprises		1,17,051.34	98,880.05	1,36,183.90
iv. Other financial liabilities	21	3,025.63	99.61	473.75
b. Other current liabilities	22	134.40	29.24	46.09
c. Provisions	19	12.84	2.23	0.57
		1,21,010.61	1,05,244.34	1,53,468.95
TOTAL EQUITY AND LIABILITIES		1,49,298.19	99,030.76	1,42,333.55

See accompanying notes forming part of the financial statements

In terms of our report attached
For **S N Dhawan & CO LLP**
Chartered Accountants
Firm's Registration No. 000050N/N500045

Sushli Phogat

Sushli Phogat
Partner
Membership No. 510157

Place: **Noida**
Date: **07-05-2026**



For and on behalf of the Board of Directors
Kunshan Q Tech Microelectronics (India) Private Limited

Ashish Priyadarshi

Ashish Priyadarshi
Director
DIN: 11316250

Place: **Noida**
Date: **07-05-2026**

Panshu Jain
Director and CFO
DIN: 11317814

Place: **Noida**
Date: **07-05-2026**

Anushka Gupta

Anushka Gupta
Company Secretary
M. No. A78296

Place: **Noida**
Date: **07-05-2026**

Yung Pang So
Yung Pang So
Chief Executive Officer

Place: **Kunshan, China**
Date: **07-05-2026**



KUNSHAN Q TECH MICROELECTRONICS (INDIA) PRIVATE LIMITED
CIN - U26109DL2019FTC344132
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2026

	Note No	For the year ended 31 March 2026 Rs. / Lakh	For the year ended 31 March 2025 Rs. / Lakh
INCOME			
1 Revenue from operations	23	1,82,490.99	1,97,723.82
2 Other income	24	527.55	536.42
3 Total income (1+2)		<u>1,83,018.54</u>	<u>1,98,260.24</u>
4 EXPENSES			
a. Cost of raw material consumed	25	1,70,075.14	1,73,456.72
b. Changes in inventories of finished goods and work-in-progress	26	(4,366.14)	1,247.88
c. Employee benefits expense	27	1,845.61	1,634.02
d. Finance costs	28	1,657.23	21.00
e. Depreciation and amortisation expense	29	2,273.10	2,240.69
f. Other expenses	30	6,573.89	6,865.76
Total expenses (4)		<u>1,78,058.83</u>	<u>1,85,466.07</u>
5 Profit before tax (3-4)		<u>4,959.71</u>	<u>12,794.17</u>
6 Tax expenses	31		
a. Current tax		1,013.31	2,479.27
b. Deferred tax		422.35	-
Total tax expense		<u>1,435.66</u>	<u>2,479.27</u>
7 Profit for the year (5-6)		<u>3,524.05</u>	<u>10,314.90</u>
8 Other comprehensive income / (expense) for the year			
a. Items that will not be reclassified to profit or loss			
- Remeasurement of post-employment defined benefit obligations		13.38	3.52
- Income tax relating to items that will not be reclassified to profit or loss		(3.37)	-
Other comprehensive income for the year		<u>10.01</u>	<u>3.52</u>
9 Total comprehensive income for the year (7+8)		<u>3,534.06</u>	<u>10,318.42</u>
10 Earnings per equity share ('EPS')	32		
Equity shares of face value of Rs. 10 each			
a. Basic (Rs.)		9.13	28.54
b. Diluted (Rs.)		9.13	28.54

See accompanying notes forming part of the financial statements

In terms of our report attached
For **S N DHAWAN & CO LLP**
Chartered Accountants
Firm's Registration No. 000050N/N500045

Sushil Phogat
Partner
Membership No. 510157

Place: **Noida**
Date: **07-05-2026**



For and on behalf of the Board of Directors
Kunshan Q Tech Microelectronics (India) Private Limited

Ashish Priyadarshi
Director
DIN: 11316250

Place: **Noida**
Date: **07-05-2026**

Panshu Jain
Director and CFO
DIN: 11317814

Place: **Noida**
Date: **07-05-2026**

Anushka Gupta
Company Secretary
M. No. A78286

Place: **Noida**
Date: **07-05-2026**

Yung Pang So
Chief Executive Officer

Place: **Kunshan, China**
Date: **07-05-2026**



KUNSHAN Q TECH MICROELECTRONICS (INDIA) PRIVATE LIMITED
CIN - U26100DL2019PTC344132
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2026

	Year ended 31 March 2026	Year ended 31 March 2025
	Rs. / Lakh	Rs. / Lakh
A. Cash flow from operating activities		
Profit/(loss) before tax		
Adjustments for:	4,959.71	12,794.17
Finance costs		
Depreciation and amortisation expense	1,644.82	12.73
(Gain)/loss on exchange fluctuation	2,273.10	2,240.69
(Gain)/loss on sale of property, plant and equipment	1,039.15	618.10
Interest income	7.56	191.69
	(527.55)	(515.50)
Changes in working capital	9,367.09	15,341.88
Adjustments for (increase) / decrease in operating assets:		
Inventories	(5,125.02)	403.62
Trade receivables	(14,409.32)	25,766.07
Other current assets	(127.23)	1,900.66
Other non-current assets	(62.14)	-
Other financial assets		
- non-current		
- current	97.85	248.92
Adjustments for increase / (decrease) in operating liabilities:	6.26	(1.82)
Trade payables		
Other current financial liabilities	18,717.02	(37,154.01)
Provisions:	2,926.02	(374.14)
- non-current		
- current	106.26	25.70
Other current liabilities	10.63	1.66
Cash generated from operating activities	105.16	(16.85)
Current taxes paid (net)	11,613.58	8,227.69
Net cash generated from/(used in) operating activities	1,792.99	8,041.03
	9,820.59	186.66
B. Cash flow from investing activities		
Capital expenditure on property, plant and equipment including capital work-in-progress	(6,597.82)	(1,358.46)
(Increase)/decrease in bank balance not considered as cash and cash equivalents	2,000.00	740.00
Interest income received	527.55	515.50
Net cash generated from/(used in) investing activities	(4,070.27)	(182.96)
C. Cash flow from financing activities		
Payment of lease liabilities	(58.91)	(56.10)
Proceeds from issue of share capital	12,500.00	-
Proceeds from non-current borrowings	8,832.00	-
Repayment of non-current borrowings	(832.42)	(16,674.78)
Net cash generated from/(used in) financing activities	20,410.67	(16,730.88)
Net increase/(decrease) in cash and cash equivalents (A+B+C)	25,766.99	(16,647.18)
Cash and cash equivalents at the beginning of the year	7,763.47	24,410.65
Cash and cash equivalents at the end of the year (see note 12)	33,524.46	7,763.47

Notes:

- The statement of cash flow has been prepared under the indirect method as set out in Ind AS 7, 'Statement of Cash Flows'.
- Figures in brackets indicate cash outflow.
- Figures for the previous year have been regrouped wherever considered necessary.
- Current taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.
- Changes in liability arising from financing activities.

Particulars	01 April 2025	Cash flows		Other			31 March 2026
		Receipts	Payments	Finance Cost	Foreign exchange fluctuation (net)	Reclassification	
	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh
Current borrowings	5,990.70	-	-	-	-	(5,990.70)	-
Non-current borrowings (including current maturities of long term borrowings)	17,972.09	8,802.00	(832.42)	1,635.79	2,400.47	5,993.70	35,968.63
	23,962.79	8,802.00	(832.42)	1,635.79	2,400.47	-	35,968.63
Particulars	01 April 2024	Cash flows		Other			31 March 2025
		Receipts	Payments	Finance Cost	Foreign exchange fluctuation (net)	Reclassification	
	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh
Current borrowings	16,674.78	-	-	-	-	(10,654.08)	5,990.70
Non-current borrowings (including current maturities of long term borrowings)	23,344.69	-	(16,674.78)	-	618.10	10,664.08	17,972.09
	40,019.47	-	(16,674.78)	-	618.10	-	23,962.79

In terms of our report attached
For S N Dhanwan & CO LLP
Chartered Accountants
Firm's Registration No. 00005044/500045

Sushil Phogst
Partner
Membership No. 510157
Place: Noida
Date: 07-05-2026



For and on behalf of the Board of Directors
Kunshan Q Tech Microelectronics (India) Private Limited

Ashish Priyadarshi
Director
DIN: 11316250
Place: Noida
Date: 07-05-2026

Parashul Jain
Director and CFO
DIN: 11317814
Place: Noida
Date: 07-05-2026

Anushka Gupta
Company Secretary
M. No. A78296
Place: Noida
Date: 07-05-2026

Yung Pang So
Chief Executive Officer
Place: Kunshan, China
Date: 07-05-2026



KUNSHAN Q TECH MICROELECTRONICS (INDIA) PRIVATE LIMITED
CIN - U26109DL2019FTC344132
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2026

A. Equity share capital

Particulars	Number of Shares	Rs. / Lakh
Balance as at 1 April 2024	3,61,36,900	3,613.69
Add: Shares issued during the year		-
Balance as at 31 March 2025	3,61,36,900	3,613.69
Add: Shares issued during the year	47,16,961	471.70
Balance as at 31 March 2026	4,08,53,861	4,085.39

B. Other equity

Particulars	Reserves and Surplus		Other comprehensive income	Total
	Retained earnings	Securities premium	Remeasurement of defined benefit plans	
	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh
Balance as at 1 April 2024	(38,257.93)	-	(1.61)	(38,259.54)
Profit for the year	10,314.90	-	-	10,314.90
Remeasurement gain/(loss) on defined benefit plan, net of income tax	-	-	3.52	3.52
Balance as at 31 March 2025	(27,943.03)	-	1.91	(27,941.12)
Proceeds from issue of shares	-	12,028.30	-	12,028.30
Profit for the year	3,524.05	-	-	3,524.05
Remeasurement gain/(loss) on defined benefit plan, net of income tax	-	-	10.01	10.01
Balance as at 31 March 2026	(24,418.98)	12,028.30	11.92	(12,378.76)

There is no change in equity share capital and other equity due to prior period errors.

See accompanying notes forming part of the financial statements

In terms of our report attached
For S N Dhawan & CO LLP
Chartered Accountants
Firm's Registration No. 00050NN500045

Sushil

Sushil Phogat
Partner
Membership No. 510157

Place: Noida
Date: 07-05-2026



For and on behalf of the Board of Directors
Kunshan Q Tech Microelectronics (India) Private Limited

Ashish Priyadarshi

Ashish Priyadarshi
Director
DIN: 11316250

Place: Noida
Date: 07-05-2026

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Director and CFO
DIN: 11317814

Place: Noida
Date: 07-05-2026

Anushka Gupta

Anushka Gupta
Company Secretary
M. No. A78296

Place: Noida
Date: 07-05-2026

Yung Pang So

Yung Pang So
Chief Executive Officer

Place: Kunshan, China
Date: 07-05-2026



KUNSHAN Q TECH MICROELECTRONICS (INDIA) PRIVATE LIMITED
CIN - U26109DL2019FTC344132
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1.1 Corporate Information

Kunshan Q Tech Microelectronics (INDIA) Private Limited ("the Company") is a private limited company incorporated in India under the provisions of the Companies Act, 2013 on 10 January 2019, with its registered office at B-1, 26-27, Top Floor, Community Centre, Janakpuri, West Delhi, New Delhi – 110058.

The Company is engaged in the business of manufacturing and trading of camera modules and fingerprint modules/sensors for mobile phones.

The Company was originally incorporated as a subsidiary of Q Technology (Singapore) Private Limited, a company incorporated in Singapore, which held 90% of the equity share capital of the Company and exercised control over its Board and operations.

Change in Holding Company during the Year

During the year ended 31 March 2026, Dixon Technologies (India) Limited ("Dixon") acquired 51% of the equity share capital of the Company, comprising 2,08,67,924 equity shares. The acquisition involved the purchase of 1,61,50,943 equity shares from Q Technology (Singapore) Private Limited (1,25,37,253 equity shares) and Kunshan Q Technology International Limited (36,13,690 equity shares), along with a fresh issuance of 47,16,981 equity shares, including shares issued to five nominee shareholders.

Accordingly, the financial statements of the Company for the year ended 31 March 2026 have been prepared on the basis that Dixon Technologies (India) Limited is the holding company of the Company as at the balance sheet date. The said change in holding company has been disclosed under Related Party Disclosures, as required under Ind AS 24 and Schedule III to the Companies Act, 2013.

The Board of Directors of the Company approved the financial statements for the year ended 31 March 2026 and authorised them for issue on 07 May 2026.

1.2 Statement of compliance and going concern assumptions

These financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ("the Act"), read with the Companies (Indian Accounting Standards) Rules, 2015 as amended by the companies (Indian Accounting Standards) Amendment Rules, 2016 and relevant amendment rules issued thereafter and other accounting principles generally accepted in India.

The financial statements for all periods up to and including the year ended 31 March 2025, were prepared in accordance with Generally Accepted Accounting Principles (GAAP) in India, which includes the accounting standards prescribed under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and other provisions of the Act, (collectively referred to as "Indian GAAP"). These Financial Statements for the year ended 31 March 2026 are the first Ind AS Financial Statements with comparatives, prepared under Ind AS. The Company has consistently applied the accounting policies used in the preparation of its opening Ind AS Balance Sheet as on 01 April 2024 throughout all periods presented, as if these policies had always been in effect and are covered by "Ind AS 101 First time adoption of Indian Accounting Standards".

An explanation of how the transition to Ind AS has affected the previously reported financial position and financial performance of the Company is provided in Note 40. Certain Ind AS accounting policies of the Company used in the opening Balance Sheet differed from its Indian GAAP policies applied as at 1 April 2024 and accordingly the adjustments were made to restate the opening balances as per Ind AS. The resulting adjustment arising from events were recognised directly through retained earnings as at 1 April 2024 as required by Ind AS 101.

1.3 Basis of preparation of financial statements

The financial statements have been prepared on a historical cost basis, except for

- Certain financial assets and liabilities at fair value (refer to accounting policy regarding financial instruments);
- Employee's defined benefit plan measured as per actuarial valuation

All assets and liabilities have been classified as current and non-current as per Company's normal operating cycle. Based on nature of operations, the Company has considered an operating cycle of 12 months.

The financial statements are presented in Indian Rupee, which is the functional currency of the Company and all values are rounded to the nearest lakhs (Rs./Lakh), except when otherwise indicated.

1.4 Use of estimates and judgements

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and judgements that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of financial statements and the reported amounts of income and expenses for the periods presented. These estimates involve the use of judgements or assumptions based on the latest available reliable information.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised, and future periods are affected.

The Company uses the following critical accounting judgements, estimates and assumptions in preparation of its financial statements:

- Determination of useful life of property, plant and equipment and intangible assets
- Loss allowance for expected credit losses
- Measurement of defined benefit obligations – Key actuarial assumptions
- Recognition and measurement of provisions and contingencies
- The net realisable value of an item of inventory
- Lease term regarding exercise of extension options
- Recognition of deferred tax assets / liabilities



KUNSHAN Q TECH MICROELECTRONICS (INDIA) PRIVATE LIMITED
CIN - U26109DL2019FTC344132
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

2 Material accounting policy information

2.1 Property, plant and equipment

On transition to Ind AS, The Company has elected to continue with carrying value of its plant and equipment as at the transition date viz. 1 April 2024 measured as per the previous GAAP and use that carrying value as deemed cost as of the transition date.

Property, plant and equipment acquired are measured on initial recognition at cost. Following initial recognition, property, plant and equipment are carried at cost less any accumulated depreciation and accumulated impairment losses if any.

The cost of property, plant and equipment comprises its purchase price including import duties and non-refundable purchase taxes after deducting trade discounts, rebates and any directly attributable cost of bringing the item to its working condition for its intended use.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the statement of profit and loss during the period in which they are incurred.

Gains or losses arising on retirement or disposal of property, plant and equipment are recognised in the statement of profit and loss.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress". Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under "Other non-current assets".

Depreciation and useful life

As part of the transition to Ind AS, the Company has reviewed the accounting policies followed under previous GAAP and has aligned them with the requirements of Ind AS.

Pursuant to such review, the Company has assessed the pattern of consumption of future economic benefits embodied in its Property, Plant and Equipment. Based on technical evaluation, the Company has changed the method of depreciation from written down value (WDV) method (followed under previous GAAP) to straight line method (SLM), as management believes that SLM more appropriately reflects the pattern in which the asset's economic benefits are consumed.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful life as mentioned in Schedule II to the Companies Act, 2013 except in respect of following categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc

<u>Asset</u>	<u>Useful life</u>
Factory building	30 years
Plant and machinery	15 years
Furniture and fixtures	10 years
Office equipment	5 years
Computer and computer servers	3-6 years
Electrical installations	10 years

Freehold land is not depreciated

The Company conducts an annual review of the residual value, useful lives, and depreciation method of its assets. If there are differences between the current expectations and previous estimates, the change is accounted for as a prospective change in accounting estimate.

Major overhaul costs are depreciated over the estimated life of the economic benefit derived from the overhaul. If the next overhaul is undertaken earlier than the previously estimated life of the economic benefit, the carrying amount of the remaining previous overhaul cost is charged to the Statement of Profit and Loss.

If an asset's carrying amount exceeds its estimated recoverable amount, the carrying amount is immediately written down to its recoverable amount.

Derecognition

Company derecognises property, plant and equipment when it is disposed off or when there are no future economic benefits expected from its continued use. The gain or loss resulting from the disposal or retirement of a property, plant, and equipment item is calculated as the difference between the sales proceeds and the carrying amount of the asset. This gain or loss is recognised in the Statement of Profit and Loss.

Capital Work in Progress:

Capital work-in-progress is recorded at its cost, which encompasses expenses incurred during the construction period. This cost also includes interest on the amount borrowed for the acquisition of qualifying assets and other expenses related to project implementation, to the extent that these expenses pertain to the period before the commencement of commercial production.



KUNSHAN Q TECH MICROELECTRONICS (INDIA) PRIVATE LIMITED
CIN - U26109DL2019FTC344132
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

2.2 Other intangible assets

The company has elected to continue with the carrying value of its intangible assets as at the transition date viz. 1 April 2024 measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date. Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are recognised in profit and loss as incurred.

Useful life and amortisation

Amortisation is recognised in a straight-line manner over the useful lives of the assets, starting from the date of capitalization. The useful lives of the assets is determined as follows:

Category	Useful life
Computer software	3-5 years

The estimated useful life of intangible assets is reviewed at the end of each reporting period, and any changes in estimate are accounted for prospectively.

Derecognition

Intangible assets are derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount.

2.3 Impairment of property, plant and equipment and other intangible assets

At the end of each reporting year, the Company assesses whether there are any indications of impairment for its property, plant and equipment and intangible assets. If there is any indication, the Company estimates the recoverable amount of the asset to determine the extent of impairment loss, if any. If it's not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Corporate assets are allocated to individual cash-generating units if a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, as well as when there is an indication of impairment. The recoverable amount is determined based on the higher of fair value less costs to sell and value in use. Value in use is assessed by discounting the estimated future cash flows to their present value using a pre-tax discount rate that reflects market assessments of the time value of money and asset-specific risks.

If the recoverable amount of an asset or cash-generating unit is lower than its carrying amount, the carrying amount is reduced to the recoverable amount, and an impairment loss is recognised immediately in the Statement of Profit and Loss.

2.4 Inventories

Inventories are valued at the lower of the cost (net of eligible input tax credits) and net realisable value (except waste and scrap which are valued at estimated net realisable value).

a. Raw materials, stores and spare parts, and packing materials are considered to be realisable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost. The cost is computed on using 'First in First Out' method ('FIFO'). Cost includes expenditure incurred for acquiring inventories like purchase price, import duties, taxes (net of tax credit) and other costs incurred in bringing the inventories to their present location and condition.

b. Cost of Finished goods and work in progress : Cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs incurred in bringing the inventories to their present location and condition. The cost of finished goods and work-in-progress is computed on FIFO basis.

Net realizable 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.



KUNSHAN Q TECH MICROELECTRONICS (INDIA) PRIVATE LIMITED
CIN - U26109DL2019FTC344132
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

2.5 Revenue recognition

Revenue from contracts with customers is recognised at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of discounts or incentives offered by the Company as part of the contract. This variable consideration is estimated based on the expected value of outflow. Revenue (net of variable consideration) is recognised only to the extent that it is highly probable that the amount will not be subject to significant reversal when uncertainty relating to its recognition is resolved.

Sale of products:

Revenue from the sale of products is recognised when the control of the goods has been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e., when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract.

2.6 Leases

On transition to Ind AS, the Company has applied Ind AS 116 – Leases for the first time with effect from 1 April 2024.

Under the previous GAAP, leases were classified as operating or finance leases and lease payments in respect of operating leases were recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term. Accordingly, no right-of-use assets or lease liabilities were recognised.

On transition to Ind AS, the Company has recognised right-of-use assets and corresponding lease liabilities for leases previously classified as operating leases, except for leases covered under recognition exemptions.

The Company has applied the following practical expedients on transition:

- a. Applied a single discount rate to a portfolio of leases with reasonably similar characteristics.
- b. Relied on its assessment of whether leases are onerous immediately before the date of transition as an alternative to performing an impairment review.
- c. Applied the short-term lease exemption to leases with remaining lease term of 12 months or less as at the transition date.
- d. Excluded initial direct costs from the measurement of the right-of-use asset at the date of transition.

At the date of transition, lease liabilities have been measured at the present value of the remaining lease payments, discounted using the Company's incremental borrowing rate as at 1 April 2024.

Right-of-use assets have been recognised at an amount equal to the lease liabilities, adjusted for any prepaid or accrued lease payments recognised immediately before the transition date.

The Company assesses whether a contract contains a lease, at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of identified asset;
- the Company has substantially all of the economic benefits from the use of the asset through the period of lease and;
- the Company has the right to direct the use of the asset.

i. Right-of-use assets

Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

The right-of-use assets are also subject to impairment.



KUNSHAN Q TECH MICROELECTRONICS (INDIA) PRIVATE LIMITED
CIN - U26109DL2019FTC344132
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

ii. Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii. Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of building and machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of building and machinery and equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

2.7 Income taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current tax

Current tax is based on taxable profit for the year. The Company's current tax is calculated using tax rates and laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

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 assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.



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2.8 Provisions and contingent liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

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

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

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

Contingent assets

Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may not be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

2.9 Employee benefits

Employee benefits include salaries, wages, contribution to provident fund, gratuity, leave encashment towards un-availed leave, compensated absences and other terminal benefits.

Short-term employee benefits

Employee benefits such as wages, salaries, bonus, ex-gratia, short-term compensated absences, performance linked rewards, including non-monetary benefits that are expected to be settled within 12 months are classified as short-term employee benefits and are recognised in the period in which the employee renders services and are measured at the amounts expected to be paid when the liabilities are settled.

Defined contribution plan

Contribution payable to the recognised provident fund, employee state insurance, employee pension scheme and other employee social security scheme etc., which are substantially defined contribution plans, is recognised as expense based on the undiscounted amount of obligations of the Company to contribute to the plan.



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Defined benefit plan

Defined benefit plans comprising of gratuity and other terminal benefits, are recognised based on the present value of defined benefit obligations which is computed using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. These are accounted either as current employee cost or included in cost of assets as permitted.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

Other long-term employee benefits

Other long-term employee benefit comprises of leave encashment towards unavailed leave and compensated absences, which is computed using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. These are accounted either as current employee cost or included in cost of assets as permitted.

Termination benefits:

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary retirement scheme in exchange for these benefits. Expenditure on Voluntary Retirement Scheme (VRS) is charged to the Statement of Profit and Loss when incurred.



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2.10 Cash flow statement

On transition to Ind AS, the Company has prepared the statement of cash flows in accordance with Ind AS 7 – Statement of Cash Flows for the year ended 31 March 2026, along with comparative information for the year ended 31 March 2025.

Under previous GAAP (IGAAP), the statement of cash flows was prepared in accordance with Accounting Standard (AS) 3. On transition to Ind AS, there are no material differences in the presentation and classification of cash flows between previous GAAP and Ind AS, except for reclassifications arising from adjustments made during the transition to Ind AS.

Accordingly, the statement of cash flows for the year ended 31 March 2025 has been restated to reflect the impact of Ind AS adjustments, where applicable, to ensure comparability with the current year presentation.

Cash flows are reported using the indirect method, whereby the net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

2.11 Earnings per share

Basic earnings per share

Basic earnings per share is computed by dividing the net profit after tax by weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share

Diluted earnings per share is computed by dividing the profit after tax after considering the effect of interest and other financing costs or income (net of attributable taxes) associated with dilutive potential equity shares by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares including the treasury shares held by the Company to satisfy the exercise of the share options by the employees.

2.12 Cash and cash equivalents

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less and deposits which are subject to insignificant risk of changes in value.



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2.13 Financial Instruments

Initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

i. Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Company's financial assets at amortised cost include trade receivables.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

This category includes derivative instruments and listed equity investments which the Company had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are recognised as other income in the statement of profit or loss when the right of payment has been established.



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A derivative embedded in a hybrid contract, with a financial liability or non-financial host, is separated from the host and accounted for as a separate derivative if: the economic characteristics and risks are not closely related to the host; a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the hybrid contract is not measured at fair value through profit or loss. Embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a reclassification of a financial asset out of the fair value through profit or loss category.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Company's statement of financial position) 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 its 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

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

For debt instruments at fair value through OCI, the Company applies the low credit risk simplification. At every reporting date, the Company evaluates whether the debt instrument is considered to have low credit risk using all reasonable and supportable information that is available without undue cost or effort. In making that evaluation, the Company reassesses the risk of the debt instruments. In addition, the Company considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.



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ii. **Financial liabilities**

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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 including bank overdrafts, and derivative financial instruments.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss 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 accounting standards. 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 statement of profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in accounting standards are satisfied.

Financial liabilities at amortised cost

After initial recognition, interest-bearing borrowings and instruments are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

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 or loss.

This category generally applies to interest-bearing borrowings and instruments.

Derecognition

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.

iii. **Off setting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the financial statement of financial position 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.



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iv. Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks and interest rate risks, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment
- Hedges of a net investment in a foreign operation

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which it wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Company will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined).

A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument.
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Company actually hedges and the quantity of the hedging instrument that the Company actually uses to hedge that quantity of hedged item

Hedges that meet all the qualifying criteria for hedge accounting are accounted for, as described below:

Fair value hedges

The change in the fair value of a hedging instrument is recognised in the statement of profit or loss as other expense. The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognised in the statement of profit or loss as other expense.

For fair value hedges relating to items carried at amortised cost, any adjustment to carrying value is amortised through profit or loss over the remaining term of the hedge using the EIR method. The EIR amortisation may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.

If the hedged item is derecognised, the unamortised fair value is recognised immediately in profit or loss.

When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in profit or loss.

v. Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.



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3 Recent accounting pronouncements

The Ministry of Corporate Affairs ("MCA"), vide notifications G.S.R. 291(E) dated 7 May 2025 and G.S.R. 549(E) dated 13 August 2025, has notified the Companies (Indian Accounting Standards) Amendment Rules, 2025 and the Companies (Indian Accounting Standards) Second Amendment Rules, 2025, amending certain Indian Accounting Standards effective for annual reporting periods beginning on or after 1 April 2025. The Company has applied these amendments, to the extent applicable, in the preparation of these financial statements.

The principal amendments include:

Ind AS 21 — The Effects of Changes in Foreign Exchange Rates (Lack of Exchangeability)

Introduces guidance on assessing whether a currency is exchangeable into another currency, estimating the spot exchange rate when a currency is not exchangeable, and the related disclosure requirements.

Ind AS 1 — Presentation of Financial Statements (Classification of Liabilities as Current or Non-current; Non-current Liabilities with Covenants)

Refocuses classification on the entity's right to defer settlement existing at the end of the reporting period, requires the right to have substance, and introduces additional disclosure requirements for non-current liabilities subject to future covenants.

Ind AS 7 — Statement of Cash Flows and Ind AS 107 — Financial Instruments: Disclosures (Supplier Finance Arrangements):

Introduce qualitative and quantitative disclosure requirements for supplier finance arrangements (including reverse factoring) to enable users of the financial statements to assess the effect of such arrangements on the entity's liabilities, cash flows and exposure to liquidity risk.

Ind AS 12 — Income Taxes (International Tax Reform — Pillar Two Model Rules)

Introduces a temporary mandatory exception from recognising and disclosing information about deferred tax assets and liabilities arising from the OECD Pillar Two model rules, together with targeted disclosure requirements for entities within the scope of these rules.

In addition, consequential and editorial amendments have been made to Ind AS 101 — First-time Adoption of Indian Accounting Standards, Ind AS 108 — Operating Segments, Ind AS 109 — Financial Instruments, Ind AS 115 — Revenue from Contracts with Customers, Ind AS 28 — Investments in Associates and Joint Ventures and Ind AS 32 — Financial Instruments: Presentation, primarily to align with international practices and ensure internal consistency.

The Company has assessed the above amendments and concluded that they did not have a material impact on the recognition, measurement, presentation or disclosure of items in the financial statements. Specifically, the Company does not have material exposures to currencies that are not exchangeable at the reporting date; has evaluated the terms of its borrowing arrangements and concluded that the amendments to Ind AS 1 did not result in a material change in the classification of its liabilities; has not entered into supplier finance arrangements requiring additional disclosure under amended Ind AS 7 and Ind AS 107; and is not within the scope of the OECD Pillar Two model rules requiring application of the exception or related disclosures under Ind AS 12.

B. Amendments adopted in the prior year that continue to be in effect

For completeness, the Company has continued to apply the amendments notified by the MCA during the previous year, effective for annual reporting periods beginning on or after 1 April 2024, comprising:

Ind AS 117 — Insurance Contracts and consequential amendments to other Indian Accounting Standards, notified vide the Companies (Indian Accounting Standards) Amendment Rules, 2024 (G.S.R. 492(E) dated 12 August 2024); and

Amendments to Ind AS 116 — Leases in respect of Lease Liability in a Sale and Leaseback, notified vide the Companies (Indian Accounting Standards) Second Amendment Rules, 2024 (G.S.R. 554(E) dated 9 September 2024).

The Company has evaluated these amendments and concluded that they are either not applicable or do not have a material impact on its financial statements.

C. New and amended standards issued but not yet effective

The MCA, vide notification G.S.R. 549(E) dated 13 August 2025, has also notified amendments to Ind AS 1 — Presentation of Financial Statements and Ind AS 10 — Events after the Reporting Period relating to the alignment of classification and subsequent-event guidance for liabilities subject to covenants, including the substitution of the term "provision" with "covenant" for consistency. These amendments are effective for annual reporting periods beginning on or after 1 April 2026.

The Company has evaluated the above amendments and does not expect them to have a material impact on its financial statements.



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4 Significant Judgements and Key sources of Estimation in applying Accounting Policies

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. Actual outcomes may differ from these estimates.

Information about significant judgments and key sources of estimation made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

- a. **Recognition of Deferred Tax Assets:** The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgment is required in assessing the impact of any legal or economic limits.
- b. **Useful lives of depreciable/amortizable assets (tangible and intangible):** Management reviews its estimate of the useful lives of depreciable/amortizable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to actual normal wear and tear that may change the utility of plant and equipment.
- c. **Classification of Leases:** The Company enters into leasing arrangements for various assets. The classification of the leasing arrangement as a finance lease or operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.
- d. **Employee benefit:** Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, medical cost trends, anticipation of future salary increases, and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate. However, any changes in these assumptions may have a material impact on the resulting calculations.
- e. **Provisions and Contingencies:** The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Indian Accounting Standards (Ind AS) 37, 'Provisions, Contingent Liabilities, and Contingent Assets'. The evaluation of the likelihood of the contingent events is applied best judgment by management regarding the probability of exposure to potential loss.
- f. **Impairment of financial assets:** The Company reviews its carrying value of investments carried at amortized cost annually, or more frequently when there is an indication of impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.



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5 (a) Property, plant and equipment

Land*	Plant and machinery	Factory building	Electrical installation	Office equipment	Furniture and fixtures	Computers	Total
Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh
-	25,061.84	3,980.63	74.17	66.76	138.59	389.38	29,711.37
-	662.17	984.39	-	5.11	5.27	165.95	1,803.89
-	26.32	894.03	-	-	-	-	922.35
As at 31 March 2025	25,695.69	4,050.99	74.17	72.87	143.86	555.33	30,592.91
Additions	4,527.20	44.55	44.69	1.82	78.25	16.30	4,712.81
Disposals	0.31	-	-	18.87	-	8.29	27.47
As at 31 March 2026	30,222.58	4,095.54	118.86	55.92	222.11	563.34	35,278.25

Accumulated depreciation

As at 01 April 2024	-	-	-	-	-	-	-
Charge for the year	1,821.45	167.98	7.50	15.92	15.34	82.01	2,110.20
Disposals	7.68	67.34	-	-	-	-	75.02
As at 31 March 2025	1,813.77	100.64	7.50	15.92	15.34	82.01	2,035.18
Charge for the year	1,868.76	131.02	8.54	16.32	17.63	98.16	2,140.43
Disposals	0.04	-	-	12.07	-	7.50	19.61
As at 31 March 2026	3,682.49	231.66	16.04	20.17	32.97	172.67	4,156.00

Net carrying amount

As at 01 April 2024	-	25,061.84	3,980.63	74.17	66.76	138.59	389.38	29,711.37
As at 31 March 2025	-	23,881.92	3,950.35	66.67	56.95	128.52	473.31	28,557.73
As at 31 March 2026	-	26,540.09	3,863.88	102.82	35.65	189.14	390.67	31,122.25

Notes:

- The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements are held in the name of the Company.
- The information regarding gross block of assets and accumulated depreciation under previous GAAP is as follows:



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Property, plant and equipment

Land*	Plant and machinery	Factory building	Electrical installation	Office equipment	Furniture and fixtures	Computers	Total
Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh
7,255.38	37,452.24	7,499.13	91.42	127.03	250.89	722.93	53,398.82
-	12,390.40	3,518.50	17.25	60.27	112.10	333.55	16,432.07
7,255.38	-	-	-	-	-	-	7,255.38
-	25,061.84	3,980.63	74.17	66.76	138.59	389.38	29,711.37
As at 31 March 2025							
Gross block	38,088.09	4,323.92	91.42	133.13	255.95	888.94	43,779.45
Less: Accumulated depreciation	17,049.00	566.25	36.45	92.43	148.82	506.81	18,399.76
Less: Reclassification on adoption of Ind AS	-	-	-	-	-	-	-
Add: Change in accounting policy	2,844.83	192.69	11.70	16.25	21.39	91.18	3,178.04
Net block	23,881.92	3,950.36	66.67	56.95	128.52	473.31	28,557.73

Note

*The leasehold land is on 90-year lease from Greater Noida Industrial Development Authority. The cost of land capitalised includes the purchase price, stamp duty and other taxes and charges. In the financial year 2025-26, upon transition from IGAAP to Ind AS, the same has been reclassified to right-of-use assets.



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5 (b) Capital work-in-progress

As at 31 March 2026 Rs. / Lakh	As at 31 March 2025 Rs. / Lakh	As at 01 April 2024 Rs. / Lakh
2,539.06	254.21	64.54
2,539.06	254.21	64.54

Notes:

i. Capital work-in-progress ageing schedule:

As at 31 March 2026

Particulars	Amount in capital work in progress for a period of				Total
	Less than 1 year	1- 2 years	2-3 years	More than 3 years	
	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh
Projects in progress	2,539.06	-	-	-	2,539.06
Projects temporarily suspended	-	-	-	-	-
	2,539.06	-	-	-	2,539.06

As at 31 March 2025

Particulars	Amount in capital work in progress for a period of				Total
	Less than 1 year	1- 2 years	2-3 years	More than 3 years	
	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh
Projects in progress	189.67	28.84	35.70	-	254.21
Projects temporarily suspended	-	-	-	-	-
	189.67	28.84	35.70	-	254.21

As at 01 April 2024

Particulars	Amount in capital work in progress for a period of				Total
	Less than 1 year	1- 2 years	2-3 years	More than 3 years	
	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh
Projects in progress	28.84	35.70	-	-	64.54
Projects temporarily suspended	-	-	-	-	-
	28.84	35.70	-	-	64.54

Notes:

a. There is no capital project in progress, whose completion is overdue or has exceeded its cost compared to its original plan.

b. For disclosure of contractual commitments for the acquisition of property, plant and equipment, see note 34(b).



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6 Right-of-use assets

	Land and Building Rs. / Lakh	Total Rs. / Lakh
Gross carrying amount		
Balance as at 01 April 2024		
Add: Reclassification on adoption of Ind AS	7,419.06	7,419.06
Additions	-	-
Disposals	-	-
Balance as at 31 March 2025	7,419.06	7,419.06
Additions	-	-
Disposals	-	-
Balance as at 31 March 2026	7,419.06	7,419.06
Accumulated depreciation		
Balance as at 01 April 2024	-	-
Charge for the year	128.55	128.55
Disposals	-	-
Balance as at 31 March 2025	128.55	128.55
Charge for the year	128.55	128.55
Disposals	-	-
Balance as at 31 March 2026	257.10	257.10
Net carrying value		
Balance as at 01 April 2024	7,419.06	7,419.06
Balance as at 31 March 2025	7,290.51	7,290.51
Balance as at 31 March 2026	7,161.96	7,161.96

Notes:

i. Movement in lease liabilities during the year:

	As at 31 March 2026 Rs. / Lakh	As at 31 March 2025 Rs. / Lakh	As at 01 April 2024 Rs. / Lakh
Balance at the beginning of the year	135.07	178.44	178.44
Additions during the year	-	-	-
Finance cost accrued during the year (see note 28)	9.03	12.73	-
Payment of lease liabilities	(58.91)	(56.10)	-
Balance at the end	85.19	135.07	178.44
Lease liabilities			
-Non-current	28.12	76.16	122.34
-Current	57.07	58.91	56.10
	85.19	135.07	178.44

ii. Maturity analysis of lease liabilities:

The table below provides details regarding the maturities of lease liabilities:

Less than 3 months	8.97	11.68	10.12
3-6 months	9.41	10.29	10.56
6-12 months	38.69	36.94	35.42
1-3 years	28.12	76.16	108.95
3-5 years	-	-	15.39
Above 5 years	-	-	-
	85.19	135.07	178.44

iii. The table below provides details regarding the maturities of lease liabilities on an undiscounted basis:

Less than 3 months	15.02	14.31	13.63
3-6 months	15.28	14.55	13.86
6-12 months	31.55	30.05	28.61
1-3 years	28.76	90.61	120.76
3-5 years	-	-	28.76
Above 5 years	-	-	-
	90.61	149.52	205.62

iv. Other disclosures

	Year ended 31 March 2026 Rs. / Lakh	Year ended 31 March 2025 Rs. / Lakh
Interest on lease liabilities (see note 28)	9.03	12.73
Depreciation on right-of-use assets (see note 29)	128.55	128.55
Expenses relating to short-term and low value leases (see note 30)	17.20	70.68
Repayment of lease liabilities	58.91	56.10
Additions to right-of-use assets	-	-
Rental income on assets given on lease	-	-

- v. The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease.
vi. The incremental borrowing rate used for the measurement of lease liabilities is 8%.



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7 Other intangible assets

	Computer software
	Rs. / Lakh
Cost or deemed cost	
As at 01 April 2024	-
Additions	20.54
Disposals	-
As at 31 March 2025	20.54
Additions	0.14
Disposals	-
As at 31 March 2026	20.68
Accumulated amortisation	
As at 01 April 2024	-
Charge for the year	1.94
Disposals	-
As at 31 March 2025	1.94
Charge for the year	4.12
Disposals	-
As at 31 March 2026	6.06
Net carrying amount	
As at 01 April 2024	-
As at 31 March 2025	18.60
As at 31 March 2026	14.62

Note:

The information regarding gross block of assets and accumulated depreciation under previous GAAP is as follows:

As at 01 April 2024	
Gross block	-
Less: Accumulated depreciation	-
Net block	-
As at 31 March 2025	
Gross block	20.54
Less: Accumulated depreciation	4.34
Add: Change in accounting policy	2.40
Net block	18.60



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8 Other financial assets

I. Non-current

(Unsecured, considered good)

- a. Security deposits
- b. Outstanding forward Marked to Market (MTM)
- c. Amount paid under protest (see note 34)

As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
Rs. / Lakh	Rs. / Lakh	Rs. / Lakh
245.17	478.95	727.87
1,391.32	-	-
135.93	-	-
1,772.42	478.95	727.87

II. Current

(Unsecured, considered good)

- a. Security deposit
- b. Salary Recoverable

-	6.07	-
-	0.19	4.44
-	6.26	4.44

9 Other assets

I. Non-current

(Unsecured, considered good)

- a. Capital advance

62.14	-	-
62.14	-	-

II. Current

(Unsecured, considered good)

- a. Advances to suppliers
- b. Balance with government authorities
- c. Prepaid expenses

15.51	78.76	70.21
4,308.04	4,111.93	6,113.01
40.92	46.55	40.68
4,364.47	4,237.24	6,223.90

10 Inventories

(Lower of cost and net realisable value)

a. Raw material

- in stock
- in transit

b. Work in progress

c. Finished goods

4,055.68	2,199.11	6,026.81
3,589.88	4,687.57	15.61
2,316.01	2,282.09	3,218.01
6,687.46	2,355.24	2,667.20
16,649.03	11,524.01	11,927.63



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11 Trade receivables

	As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh
Trade receivables from related parties (see note 39)	9,607.08	3,363.90	9,506.48
Trade receivables - others	36,664.95	28,499.76	48,123.33
Total trade receivables	46,272.06	31,863.74	57,629.81
Trade receivables:			
Secured, considered good	-	-	-
Unsecured, considered good	46,272.06	31,863.74	57,629.81
Trade Receivables which have significant increase in credit risk	-	-	-
Trade Receivables - credit impaired	-	-	-
	46,272.06	31,863.74	57,629.81

Notes:

i. Ageing for trade receivables - billed
Outstanding as at 31 March 2026

Particulars	Outstanding for the following periods from due date of payment						Total
	Current but not due	Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh
Undisputed trade receivables - considered good	22,086.15	24,185.91	-	-	-	-	46,272.06
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
	22,086.15	24,185.91	-	-	-	-	46,272.06

Outstanding as at 31 March 2025

Particulars	Outstanding for the following periods from due date of payment						Total
	Current but not due	Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh
Undisputed trade receivables - considered good	27,131.68	2,506.73	2,201.63	23.70	-	-	31,863.74
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
	27,131.68	2,506.73	2,201.63	23.70	-	-	31,863.74

Outstanding as at 01 April 2024

Particulars	Outstanding for the following periods from due date of payment						Total
	Current but not due	Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh
Undisputed trade receivables - considered good	37,136.14	14,794.84	2,397.58	3,247.97	53.28	-	57,629.81
Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed trade receivables - credit impaired	-	-	-	-	-	-	-
Disputed trade receivables - considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed trade receivables - credit impaired	-	-	-	-	-	-	-
	37,136.14	14,794.84	2,397.58	3,247.97	53.28	-	57,629.81

- ii.** The Company applies the simplified approach prescribed under Ind AS 109 for measurement of expected credit losses on trade receivables, under which lifetime expected credit losses are recognised from initial recognition. The expected credit loss is measured based on historical default experience, adjusted for forward looking information, including macro economic factors that affect the ability of customers to settle outstanding balances.

The Company considers a trade receivable to be in default when contractual payments are more than 90 days past due, unless there is reasonable evidence to the contrary. There were no material write offs of trade receivables during the year ended 31 March 2026.

12 Cash and cash equivalents

- a. Balances with banks
-on Current accounts
b. Cash in hand
c. Fixed deposits with original maturity of 3 months or less

As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
Rs. / Lakh	Rs. / Lakh	Rs. / Lakh
20,605.07	6,663.81	17,212.63
12,829.29	1,099.66	7,190.02
33,524.46	7,763.47	24,410.65

13 Bank balances other than cash and cash equivalents

- a. Fixed deposit with banks
(held as margin money against bank guarantee)

As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
Rs. / Lakh	Rs. / Lakh	Rs. / Lakh
1,000.00	3,000.00	3,740.00
1,000.00	3,000.00	3,740.00

14 Current tax assets (net)

- a. Income tax asset (net of provisions)

As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
Rs. / Lakh	Rs. / Lakh	Rs. / Lakh
4,815.72	4,036.04	474.26
4,815.72	4,036.04	474.26



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15 Equity share capital

	As at 31 March 2026		As at 31 March 2025		As at 01 April 2024	
	No. of shares	Rs. / Lakh	No. of shares	Rs. / Lakh	No. of shares	Rs. / Lakh
Authorised						
Equity shares of Rs. 10 each	4,11,36,900	4,113.69	3,71,36,900	3,713.69	3,71,36,900	3,713.69
Issued, Subscribed and fully paid up						
Equity shares of Rs. 10 each fully paid up	4,08,53,881	4,085.39	3,61,36,900	3,613.69	3,61,36,900	3,613.69
	4,08,53,881	4,085.39	3,61,36,900	3,613.69	3,61,36,900	3,613.69

a. Movement in share capital
Equity shares

	As at 31 March 2026		As at 31 March 2025		As at 01 April 2024	
	No. of shares	Rs. / Lakh	No. of shares	Rs. / Lakh	No. of shares	Rs. / Lakh
At the beginning of the year	3,61,36,900	3,613.69	3,61,36,900	3,613.69	3,61,36,900	3,613.69
Issued during the year	47,16,981	471.70	-	-	-	-
Outstanding at the end of the year	4,08,53,881	4,085.39	3,61,36,900	3,613.69	3,61,36,900	3,613.69

There is no change in equity share capital due to prior period errors.

b. Terms/rights attached to equity shares

The Company has only one class of equity shares having a fair value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by each shareholder. There is no restriction on the distribution of dividend, however, the same is subject to the approval of the shareholders in the annual general meeting, except in the case of interim dividend.

c. Shares held by holding company

	As at 31 March 2026		As at 31 March 2025		As at 01 April 2024	
	No. of shares	% of holding	No. of shares	% of holding	No. of shares	% of holding
Q Technology (Singapore) Private Limited	1,99,85,957	48.92%	3,25,23,210	90.00%	3,25,23,210	90.00%
Dixon Technologies (India) Limited (including nominee's shareholders)*	2,08,67,924	51.08%	-	-	-	-
Kunshan Q Technology International Limited	-	-	36,13,690	10.00%	36,13,690	10.00%
	4,08,53,881	100.00%	3,61,36,900	100.00%	3,61,36,900	100.00%

d. Name of shareholders holding more than 5% shares in the company

	As at 31 March 2026		As at 31 March 2025		As at 01 April 2024	
	No. of Shares	% of Holding	No. of Shares	% of Holding	No. of Shares	Rs. / Lakh
Dixon Technologies (India) Limited (including nominee's shareholders)*	2,08,67,924	51.08%	-	-	-	-
Q Technology (Singapore) Private Limited	1,99,85,957	48.92%	3,25,23,210	90.00%	3,25,23,210	90.00%
Kunshan Q Technology International Limited	-	-	36,13,690	10.00%	36,13,690	10.00%
	4,08,53,881	100.00%	3,61,36,900	100.00%	3,61,36,900	100.00%

* The Holding Company, Dixon Technologies (India) Limited, holds 2,08,67,924 equity shares representing 51.08% of the share capital. Out of the above, 5 shares are held by nominees of the Holding Company, namely Mr. Amit Mittal, Mr. Ashish Kumar, Mr. Saurabh Gupta, Mr. Abul Behari Lafi and Mr. Kishore Kumar Kaul (1 share each).

e. Details of shares held by promoters at the end of the year

During the financial years ended 31 March 2026 and 31 March 2025, the Company did not have any promoter as per the provisions of the Companies Act, 2013.

f. Note on change of shareholding

During the year ended 31 March 2026, Dixon Technologies (India) Limited ("Dixon") acquired 51.08% (2,08,67,924 equity shares) of the Company through a combination of

- (i) Acquisition of 1,25,37,253 equity shares from Q Technology (Singapore) Private Limited,
- (ii) Acquisition of 36,13,690 equity shares from Kunshan Q Technology International Limited, and
- (iii) Fresh issuance of 47,16,981 equity shares.

Consequently, Dixon Technologies (India) Limited became the holding company of the Company as at the reporting date. The change in holding company has been disclosed under Related Party Disclosures (see Note 39).



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16 Other equity

	As at 31 March 2026 Rs. / Lakh	As at 31 March 2025 Rs. / Lakh	As at 01 April 2024 Rs. / Lakh
a. Retained earnings	(24,418.98)	(27,943.03)	(38,257.93)
b. Other comprehensive income	11.92	1.91	(1.61)
c. Securities premium	12,028.30	-	-
	<u>(12,378.76)</u>	<u>(27,941.12)</u>	<u>(38,259.54)</u>
a. Retained earnings			
Opening balance	(27,943.03)	(38,257.93)	(38,257.93)
Add : Profit for the year	3,524.05	10,314.90	-
	<u>(24,418.98)</u>	<u>(27,943.03)</u>	<u>(38,257.93)</u>
b. Other comprehensive income			
Remeasurement of defined benefit plans			
Opening balance	1.91	(1.61)	(1.61)
Movement during the year	10.01	3.52	-
Closing balance	<u>11.92</u>	<u>1.91</u>	<u>(1.61)</u>
c. Securities premium			
Opening balance	-	-	-
Movement during the year	12,028.30	-	-
Closing balance	<u>12,028.30</u>	<u>-</u>	<u>-</u>

There is no change in other equity due to prior period errors.

Notes:

a. Securities premium:

The amount received in excess of the face value of equity shares issued by the Company is recognised in securities premium. It can be utilised for the issue of bonus shares, write-off of equity-related expenses, and other purposes permitted under the Companies Act, 2013.

b. Other comprehensive income:

Other comprehensive income comprises the balance of remeasurement of retirement benefit plans.

c. Retained earnings:

Retained earnings represent the accumulated profits/(losses) of the Company, net of amounts transferred to other reserves and dividends paid, if any.



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	As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh
17 Borrowings			
I Non-current (at amortised cost)			
Unsecured			
a. External commercial borrowing			
- Kunshan Q Technology International Limited	26,503.20	23,962.79	40,019.47
- Kunshan Q Technology (Hong Kong) Limited	9,465.43	-	-
	35,968.63	23,962.79	40,019.47
Less: Current maturities of long term borrowings	-	5,990.70	16,674.78
	35,968.63	17,972.09	23,344.69
II Current (at amortised cost)			
Unsecured			
a. External commercial borrowing	-	5,990.70	16,674.78
	-	5,990.70	16,674.78

Terms of External commercial borrowing (ECB)

The Company has availed unsecured external commercial borrowings (ECB) from its related parties, Kunshan Q Technology International Limited and Kunshan Q Technology (Hong Kong) Limited, for the development of new projects under various loan agreements, as detailed below.

a. Rate of Interest

- 4.07% (1 year Secured overnight financing rate (SOFR) + 0.25% p.a.).
- The Company and the parties have mutually agreed to pay interest on semi-annual basis.

b. Movement in ECB during the years

- The Company has taken further ECB in financial year ended 31 March 2026 from its Related party "Kunshan Q Technology Hong Kong Ltd" of USD 10 million.
- The Company renegotiated the terms with the lenders, and the maturity period of the ECB (LRN 202008167) amounting to USD 7 million was extended from 15 September 2025 to 30 September 2027. Accordingly, the same has been reclassified as non-current borrowings in the financial year ended 31 March 2026.
- The Company repaid the ECB amounting to USD 20 million during the financial year ended 31 March 2025.

The Company has received a complete waiver from the lender of interest payable on the total principal amount of ECB outstanding on or after 01 December 2021 and any future interest that may accrue. The Company has intimated its AD Bank "HSBC Bank" vide letter dated 16 January 2023 about the said interest waiver. The Lender has also submitted a consent letter to the AD Bank dated 16 January 2023 confirming the revised terms for the interest waiver. HSBC Bank, vide their email dated 12 October 2023, confirmed that the interest waiver request is a one-way communication to RBI and no approval of the same is required from RBI. The said agreement has been amended with effect from 01 September 2025, and the revised terms are as follows:

- Interest on the aforesaid ECBs is agreed to be equivalent to the annual interest rate of the one-year Secured Overnight Financing Rate ("1 Year SOFR") as published by the Federal Reserve Bank of New York plus 25 basis points (0.25%) per annum on the outstanding loan amount.
- The interest shall be paid semi-annually starting from 01 September 2025 until the entire repayment of the loan amount.

*The ECB balance is restated at exchange rates prevailing as at 31 March 2026

Contractual Maturity of External Commercial Borrowings

	As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh
Up to 1 year	-	5,990.70	16,674.78
1 to 5 years	35,968.63	17,972.09	23,344.69
More than 5 years	-	-	-



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18 Lease liabilities	As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh
I. Non current			
a. Payable for lease obligation	28.12	76.16	122.34
	28.12	76.16	122.34
II. Current			
a. Payable for lease obligation	57.07	55.91	56.10
	57.07	55.91	56.10
Note: For other disclosures related to lease liabilities (see note 6)			
19 Provisions			
I. Non current			
a. Provision for employee benefits			
i. Gratuity (Refer note 36)	134.80	57.35	40.09
ii. Compensated absence (Refer note 36)	23.68	8.25	3.33
	158.48	65.60	43.42
II. Current			
a. Provision for employee benefits			
i. Gratuity (Refer note 36)	9.47	1.34	0.25
ii. Compensated absence (Refer note 36)	3.37	0.89	0.32
	12.84	2.23	0.57



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20 Trade payables

	As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh
a. Total Outstanding dues of micro enterprises and small enterprises*	729.33	183.60	33.76
b. Total Outstanding dues of creditors other than micro enterprises and small enterprises	1,17,051.34	98,860.05	1,36,163.90
	1,17,780.67	99,043.65	1,36,217.66
i. Trade payables to related parties (see note 39)	1,14,137.18	92,827.60	1,35,599.57
ii. Trade payables to others	3,643.49	6,236.05	618.09
	1,17,780.67	99,063.65	1,36,217.66

* For detailed disclosure of micro and small enterprises see note 35

Notes:

i. Ageing for trade payables outstanding is as follows:

As at 31 March 2026

	Outstanding for the following periods from due date of payment					
	Not Due	Less than 1 year	1- 2 years	2-3 Years	More than 3 years	Total
	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh
i. MSME*	729.33	-	-	-	-	729.33
ii. Others	35,352.21	80,681.04	0.28	0.43	0.26	1,16,034.22
iii. Disputed dues - MSME	-	-	-	-	-	-
iv. Disputed dues - Others	-	-	-	-	-	-
	36,081.54	80,681.04	0.28	0.43	0.26	1,16,763.55
Accrued Expenses						1,017.12
						1,17,780.67

As at 31 March 2025

	Outstanding for the following periods from due date of payment					
	Not Due	Less than 1 year	1- 2 years	2-3 Years	More than 3 years	Total
	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh
i. MSME*	154.85	26.12	0.43	2.20	-	183.60
ii. Others	18,604.99	81,071.00	47.17	13.52	50.72	97,787.40
iii. Disputed dues - MSME	-	-	-	-	-	-
iv. Disputed dues - Others	-	-	-	-	-	-
	16,759.84	81,097.12	47.60	15.72	50.72	97,971.00
Accrued Expenses						1,092.65
						99,063.65

As at 01 April 2024

	Outstanding for the following periods from due date of payment					
	Not Due	Less than 1 year	1- 2 years	2-3 Years	More than 3 years	Total
	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh
i. MSME*	15.04	12.69	5.83	-	-	33.76
ii. Others	14,040.26	1,15,956.26	3,553.85	2.06	2,387.28	1,35,920.31
iii. Disputed dues - MSME	-	-	-	-	-	-
iv. Disputed dues - Others	-	-	-	-	-	-
	14,055.90	1,15,969.15	3,559.68	2.06	2,387.28	1,35,954.07
Accrued Expenses						263.59
						1,36,217.66

*MSME includes Micro and Small enterprises as per the Micro, Small and Medium Enterprises Development Act, 2006

21 Other financial liabilities

Current

- a. Employee related liabilities
- b. Security deposits payable
- c. Payable for property, plant and equipment
- d. Interest payable to micro and small enterprises on delayed payment

	As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh
a. Employee related liabilities	211.34	86.93	81.80
b. Security deposits payable	10.00	5.00	5.00
c. Payable for property, plant and equipment	2,604.29	6.43	386.95
d. Interest payable to micro and small enterprises on delayed payment	-	1.25	-
	3,025.63	99.61	473.75

22 Other current liabilities

- a. Advances received from customers
- b. Statutory dues payable

	As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh
a. Advances received from customers	0.05	0.59	0.49
b. Statutory dues payable	134.35	28.65	45.60
	134.40	29.24	46.09



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	For the year ended 31 March 2026	For the year ended 31 March 2025
	Rs. / Lakh	Rs. / Lakh
23 Revenue from operations		
a. Sale of products	1,82,431.65	1,97,649.82
b. Other operating revenues		
i. Sale of scrap	54.39	71.00
ii. Export incentives	4.95	3.00
	<u>1,82,490.99</u>	<u>1,97,723.82</u>
Notes		
Revenue from contracts with customers disaggregated		
A. based on nature of product or service		
a. Revenue from sale of products		
i. Manufactured goods	1,82,431.65	1,97,649.82
	<u>1,82,431.65</u>	<u>1,97,649.82</u>
b. Other operating revenues		
i. Sale of scrap	54.39	71.00
ii. Export incentives	4.95	3.00
	<u>59.34</u>	<u>74.00</u>
Total revenue from operations	<u>1,82,490.99</u>	<u>1,97,723.82</u>
B. Revenue from contracts with customers disaggregated based on geography		
a. Domestic	1,80,168.46	1,89,891.39
b. Exports	2,263.19	7,758.43
	<u>1,82,431.65</u>	<u>1,97,649.82</u>
C. Reconciliation of gross revenue from contracts with customers		
Gross revenue from sale of products	1,82,453.96	1,97,680.23
Add: Cash discount and credit note etc	(22.31)	(30.41)
Net revenue recognised from contracts with customers	<u>1,82,431.65</u>	<u>1,97,649.82</u>
D. Disclosure based on timing of revenue recognition		
Sale of products		
Goods transferred at a point of time		
i. Sale of products	1,82,431.65	1,97,649.82
ii. Sale of scrap	54.39	71.00
	<u>1,82,486.04</u>	<u>1,97,720.82</u>
Export benefit and other incentives		
On systematic basis when benefit accrued	4.95	3.00
	<u>4.95</u>	<u>3.00</u>
E. Contract balances		
Contract assets - Trade receivables (see note 11)	46,272.06	31,863.74
Contract liabilities - Advance from customers (see note 22)	0.05	0.59



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	For the year ended 31 March 2026	For the year ended 31 March 2025
	Rs. / Lakh	Rs. / Lakh
24 Other Income		
a. Interest income on:		
-On fixed deposits/ margin money	511.94	502.34
-Others	15.61	13.16
b. Liabilities no longer required written back	-	4.15
c. Impairment provision written back	-	4.86
d. Miscellaneous income	-	11.91
	<u>527.55</u>	<u>536.42</u>
25 Cost of raw material consumed		
Raw materials at the beginning of the year	6,886.68	6,042.42
Add: Purchases (Including Components)	1,70,834.02	1,74,300.98
	<u>1,77,720.70</u>	<u>1,80,343.40</u>
Less: Raw materials at the end of the year	7,645.56	6,886.68
Cost of raw material consumed	<u>1,70,075.14</u>	<u>1,73,456.72</u>
26 Changes in inventories of finished goods and work-in-progress		
Inventory at the beginning of the year		
Finished goods	2,355.24	2,667.20
Work in Progress	2,282.09	3,218.01
	<u>4,637.33</u>	<u>5,885.21</u>
Inventory at the end of the year		
Finished goods	6,687.46	2,355.24
Work in Progress	2,316.01	2,282.09
	<u>9,003.47</u>	<u>4,637.33</u>
(Increase)/Decrease	<u>(4,366.14)</u>	<u>1,247.88</u>
27 Employee benefits expense		
a. Salaries, wages and bonus	1,426.02	1,346.63
b. Contribution to provident fund and other funds	127.26	76.87
c. Gratuity (see note 36)	100.17	23.22
d. Staff welfare expenses	192.16	187.30
	<u>1,845.61</u>	<u>1,634.02</u>



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	For the year ended 31 March 2026	For the year ended 31 March 2025
	Rs. / Lakh	Rs. / Lakh
28 Finance costs		
a. Interest on borrowing		
-On External Commercial Borrowing	1,635.79	-
b. Interest on lease obligation	9.03	12.73
c. Interest on delayed payment to micro and small enterprises vendors	-	1.25
d. Other borrowing cost	12.41	7.02
	1,657.23	21.00
29 Depreciation and amortisation expenses		
a. On property, plant and equipment	2,140.43	2,110.20
b. On right-of-use assets	128.55	128.55
c. On intangible assets	4.12	1.94
	2,273.10	2,240.69
30 Other expenses		
a. Consumption of stores and spares	211.31	189.37
b. Power and fuel	1,485.85	1,567.19
c. Job work charges	370.79	516.20
d. Contractual manpower charges	2,142.69	2,274.62
e. Freight outward expenses	126.03	37.31
f. Insurance expenses	80.76	81.27
g. Loss on sale of property, plant and equipment	7.86	191.69
h. Rates and taxes	20.93	207.38
i. Legal and professional	701.76	549.60
j. Business promotion	19.04	12.62
k. Rent	17.20	70.68
l. Telephone and internet expenses	15.01	14.31
m. Travelling and conveyance	34.60	5.43
n. Repair and maintenance		
- for buildings	0.13	111.10
- for plant and equipment	71.34	-
o. Payment to auditors (see note below)	38.55	52.30
p. Bad debt written off	-	23.23
q. Foreign exchange fluctuation (net)	1,009.15	618.10
r. Corporate social responsibility (see note 38)	17.12	-
s. Miscellaneous expense	203.77	343.36
	6,573.89	6,865.76
	For the year ended 31 March 2026	For the year ended 31 March 2025
	Rs. / Lakh	Rs. / Lakh
Note:		
Payments to auditors comprises:		
Audit and Limited review fees*	25.65	20.70
Tax audit fees	1.00	3.60
Other services (Group audit)	10.00	28.00
Out of pocket expenses	1.90	-
	38.55	52.30

* Audit and Limited review fees for the year ended 31 March 2026 includes Rs. 6.50 lakhs paid to the erstwhile statutory auditor for limited review of the quarter ended 30 September 2025.

Note :

The financial statements for the financial year 2024-25 were audited by the Company's erstwhile auditor. Accordingly, the audit fees disclosed for financial year 2024-25 represent payments made to the erstwhile auditor.



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31 a) Tax expenses

	For the year ended 31 March 2026	For the year ended 31 March 2025
	Rs. / Lakh	Rs. / Lakh
Current tax expense	1,013.31	2,479.27
Deferred tax expense	422.35	-
	1,435.66	2,479.27
Tax adjustment for earlier years	-	-
Tax expenses for the year recognised in profit and loss	1,435.66	2,479.27
Tax expense recognised in other comprehensive income (OCI)	3.37	-
	3.37	-

A. Reconciliation of tax expenses and accounting profit multiplied by India's domestic tax rate for 31 March 2026 and 31 March 2025

Profit before tax	4,959.71	12,794.17
Applicable income tax rate	25.17%	25.17%
Estimated income tax expense	1,248.26	3,220.04
Tax effect of adjustments to reconcile expected income tax expense to reported		
Adjustment on account of DTA not recognised on prudence	(22.45)	(613.41)
Others	209.85	(127.36)
Income tax expense in the statement of profit and loss	1,435.66	2,479.27

b) Deferred tax (net)

	As at 31 March 2026	As at 31 March 2025
	Rs. / Lakh	Rs. / Lakh
a. Deferred tax liabilities	744.26	184.55
b. Deferred tax assets	318.54	207.00
c. DTA not recognised on prudence	-	(22.45)
Deferred tax assets/(liabilities) (net)	(425.72)	-

Note:

i. During the previous year, in the absence of sufficient evidence to support the realisation of deferred tax assets, the Company has prudently decided to recognise deferred tax assets only to the extent of deferred tax liabilities.

	Opening Balance	Recognised in Profit and loss	Recognised in other comprehensive income	Closing balance
	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh
31 March 2026				
Deferred tax liability in relation to				
Property, plant and equipment	155.42	559.71	-	715.13
Right of use assets	29.13	-	-	29.13
	184.55	559.71	-	744.26
Deferred tax assets in relation to				
Employee benefit obligation	34.00	12.49	(3.37)	43.12
Tax impact on lease liabilities	17.00	4.44	-	21.44
Others	156.00	97.98	-	253.98
	207.00	114.91	(3.37)	318.54
DTA not recognised on prudence	22.45	(22.45)	-	-
	-	(422.35)	(3.37)	(425.72)
31 March 2025				
Deferred tax liability in relation to				
Property, plant and equipment	(641.35)	795.77	-	155.42
Tax impact on lease assets	61.47	(32.34)	-	29.13
	(579.88)	764.43	-	184.55
Deferred tax assets in relation to				
Employee benefit obligation	11.07	22.93	-	34.00
Tax impact on lease liabilities	44.91	(27.91)	-	17.00
Forex loss	-	156.00	-	156.00
Others	-	-	-	-
	55.98	151.02	-	207.00
DTA not recognised on prudence	635.86	(613.41)	-	22.45
	-	-	-	-



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32 Earnings per share (EPS)

	Units	Year ended 31 March 2026	Year ended 31 March 2025
a. Basic			
Profit for the year	Rs. / Lakh	3,524.05	10,314.90
Weighted average number of equity shares	No's	3,85,79,392	3,61,36,900
Face value per share	Rs.	10.00	10.00
Earnings per share - Basic	Rs.	9.13	28.54
b. Diluted			
Profit for the year	Rs. / Lakh	3,524.05	10,314.90
Weighted average number for diluted number of earning per shares	No's	3,85,79,392	3,61,36,900
Face value per share	Rs.	10.00	10.00
Earnings per share - Diluted	Rs.	9.13	28.54
The weighted average number of equity shares for the purpose of diluted earnings per share reconciles to the weighted average number of equity shares used in the calculation of basic earnings per share as follows:			
Note:			
Weighted average number of equity shares	No's	3,85,79,392	3,61,36,900
		<u>3,85,79,392</u>	<u>3,61,36,900</u>



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33 Segment information

The Company is engaged in the business of manufacturing of camera and fingerprint modules that have applications in mobile phones. The Chief Operating Decision Maker (CODM) comprises the Board of Directors, and the Chief Financial Officer, who examine the Company's performance on the basis of a single operating segment. Accordingly, no separate segment disclosure is required under Ind AS 108 – Operating Segments.

34 Contingent liabilities and commitments

	As at 31 March 2026 Rs. / Lakh	As at 31 March 2025 Rs. / Lakh	As at 01 April 2024 Rs. / Lakh
a. Contingent liabilities			
i. Claims against the company not acknowledged as debt			
Income Tax	5,540.20	17,555.49	9,042.77
Goods and Services Tax Act	135.93	-	-
Directorate of Revenue Intelligence (DRI) - Customs	3,793.80	533.57	367.97
Others*	231.75	231.75	964.39

Amount paid under protest

Amount paid under protest for the above	135.93	-	-
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*Pertains to Greater Noida Industrial Development Authority (GNIDA)

The Company does not expect any cash outflow on the outcome of these cases.

ii. Guarantees excluding financial guarantees

Bank Guarantee	1,000.00	3,000.00	3,740.00
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b. Capital commitments:

i. Estimated amount of contracts remaining to be executed on capital account and not provided	10,891.98	6,000.00	6,087.35
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c. The Company has no other commitments, for purchase of goods and services and employee benefits, in normal course of business.

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

e. The Company did not have any pending litigation which would impact its financial position in its financial statements.

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

35 Statement under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED):

Based on the responses received from certain suppliers, the Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act). The disclosures pursuant to the said MSMED Act are as follows:

	As at 31 March 2026 Rs. / Lakh	As at 31 March 2025 Rs. / Lakh	As at 01 April 2024 Rs. / Lakh
i) The principal amount and the interest due thereon remaining unpaid to any supplier at year end			
- Principal	729.33	183.60	33.76
- Interest	-	1.25	-
ii) The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-	-
iii) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	0.97	-
iv) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	1.25	-
v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	1.25	-

The information on Micro, Small and Medium Enterprises has been disclosed to the extent information is available with the Company, and the same has been relied upon by the auditors.



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36 Employee benefit plans

a. Defined contribution plan

The Company makes Provident Fund and Employee State Insurance Scheme contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes. Employer's contribution to provident fund and employee's state insurance scheme recognised as expense in the Statement of Profit and Loss for the year are as under:

	As at 31 March 2026 Rs. / Lakh	As at 31 March 2025 Rs. / Lakh
Contribution to provident fund	123.95	74.03
Contribution to employees state insurance scheme	3.31	2.84
	<u>127.26</u>	<u>76.87</u>

b. Defined benefit plan

Gratuity

The Company has a defined benefit gratuity plan. Employees who have completed five or more years of service are entitled to a gratuity on departure at 15 days' salary (based on last drawn salary) for each completed year of service. The scheme of gratuity is unfunded.

In respect of the plan in India, the most recent valuation of the present value of the defined benefit obligation was carried out as at 31 March 2026, in which the present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the Projected Unit Credit Method. The Gratuity scheme of the Company is unfunded.

The principal assumptions used for the purposes of the actuarial valuations were as follows:

	As at 31 March 2026	As at 31 March 2025
Discount rate	7.54%	6.85%
Expected rate(s) of salary increase	5.00%	5.00%
Mortality rates inclusive of provision for disability	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)
Retirement Age (Years)	58	58
Withdrawal Rate (%)	6%	6%

Amount recognised in Statement of Profit and Loss in respect of defined benefit plans are as follows:

	Year ended 31 March 2026 Rs. / Lakh	Year ended 31 March 2025 Rs. / Lakh
Service cost:		
Current service cost	22.95	19.71
Past service cost including curtailment gains/losses	72.46	-
Components of defined benefit costs recognised in profit or loss	<u>95.41</u>	<u>19.71</u>
Net interest cost:		
Interest cost on defined benefit obligation	4.76	3.50
	<u>4.76</u>	<u>3.50</u>
Expense recognised in the statement of profit and loss	<u>100.17</u>	<u>23.22</u>



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	Year ended 31 March 2026	Year ended 31 March 2025
	Rs. / Lakh	Rs. / Lakh
Other Comprehensive Income (OCI)		
Remeasurement on the net defined benefit liability		
Actuarial gain/(loss) from change in demographic assumptions	-	-
Actuarial gain/(loss) from change in financial assumptions	8.90	(1.49)
Actuarial gain/(loss) from change in experience adjustment	4.46	5.01
Components of defined benefit costs recognised in	13.36	3.52
Total	86.79	19.70

Notes:

- The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' in the statement of profit and loss.
- The remeasurement of the net defined liability is included in other comprehensive income.
- The Gratuity scheme of the Company is unfunded.

The amount included in the balance sheet arising from the Company's obligation in respect of defined benefit plans is as follows:

	As at 31 March 2026	As at 31 March 2025
	Rs. / Lakh	Rs. / Lakh
Present value of defined benefit obligation		
Non-current	134.80	57.35
Current	9.47	1.34
	144.27	58.69

The movement in the present value of the defined benefit obligation is as follows:

	Year ended 31 March 2026	Year ended 31 March 2025
	Rs. / Lakh	Rs. / Lakh
Liability at the beginning of the year	58.68	40.34
Current service cost	22.95	19.71
Interest cost	4.76	3.50
Past service cost including curtailment gains/losses	72.46	-
Actuarial (gain)/loss on obligation	(13.38)	(3.52)
Remeasurement on the net defined benefit liability	-	-
Benefits paid	(1.20)	(1.35)
Closing defined benefit obligation	144.27	58.68

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below has been determined based on reasonably possible changes in the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Sensitivity analysis:

	As at 31 March 2026	As at 31 March 2025
	Increase by 1%	Decrease by 1%
	Rs. / Lakh	Rs. / Lakh
Discount rate	(11.42)	13.21
Salary growth rate	8.81	(7.96)
Withdrawal Rate	5.25	(6.01)

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation by one percentage, keeping all other actuarial assumptions constant.

c. Actuarial assumptions for compensated absences are as below:

The Company provides for the liability towards compensated absences (leave encashment) for its employees. The liability in respect of compensated absences which are not expected to be settled wholly within twelve months after the end of the reporting period is recognised on the basis of an actuarial valuation carried out as at the reporting date using the Projected Unit Credit Method. Actuarial gains and losses arising from changes in actuarial assumptions are recognised in the Statement of Profit and Loss in the period in which they arise.

	Year ended 31 March 2026	Year ended 31 March 2025
i. Discounting rate	7.54%	6.85%
ii. Future increase salary	5.00%	5.00%

Liability for compensated absences is recognised on the basis of actuarial valuation as per Projected Unit Credit Method



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37 Financial instruments

i. Capital Management

The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company.

The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans.

Sourcing of capital is achieved through a judicious combination of equity, internal accruals and borrowings, both short-term and long-term. The debt-equity ratio is used to monitor capital. Given that the Company's total equity remained in a negative position during both years, this ratio is disclosed solely in compliance with the presentation requirements of Schedule III to the Companies Act, 2013.

	As at 31 March 2026 Rs. / Lakh	As at 31 March 2025 Rs. / Lakh	As at 01 April 2024 Rs. / Lakh
Debt			
- non-current	35,968.63	17,972.09	23,344.69
- current (including current maturities of long term borrowings)	-	5,990.70	16,674.78
Total debt	35,968.63	23,962.79	40,019.47
Total Equity	(8,293.37)	(24,327.43)	(34,645.85)
Debt equity ratio (see note below)	(4.34)	(0.99)	(1.16)

Note :

The debt equity ratio is negative as the company has a negative net worth on account of accumulated losses. The ratio is therefore not considered meaningful for comparison.

ii. Categories of financial instruments

	As at 31 March 2026 Rs. / Lakh	As at 31 March 2025 Rs. / Lakh	As at 01 April 2024 Rs. / Lakh
A. Financial assets			
Measured at amortised cost			
a. Trade Receivables	46,272.06	31,863.74	57,629.81
b. Cash and cash equivalents	33,524.46	7,763.47	24,410.65
c. Bank balance other than cash and cash equivalents	1,000.00	3,000.00	3,740.00
d. Other financial assets			
- Non-current	381.10	478.95	727.87
- Current	-	6.26	4.44
Measured at fair value through Profit and Loss (FVTPL)			
a. Other financial assets			
- Non-current	1,391.32	-	-
B. Financial liabilities			
Measured at amortised cost			
a. Lease Liabilities			
- Non current	28.12	76.16	122.34
- Current	57.07	58.91	56.10
b. Borrowings			
- non-current	35,968.63	17,972.09	23,344.69
- current (including current maturities of long term borrowings)	-	5,990.70	16,674.78
c. Trade payables	1,17,780.67	99,063.65	1,36,217.66
d. Other financial liabilities			
- Current	3,025.63	99.61	473.75

Notes:

a. There are no significant differences between the fair values of financial assets and liabilities classified as measured at amortised cost and those measured at fair value through profit or loss; accordingly, no separate disclosure has been made.

b. The Company has outstanding derivative contracts or instruments as at 31 March 2026.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2
- Level 3 inputs are unobservable inputs for the asset or liability.

For financial assets and liabilities included in Level 3 of fair value hierarchy have been valued using the cost approach to arrive at their fair value.

iii. Fair value hierarchy

The disclosure of the financial instruments measured at fair value and valuation technique are as follows:

Particulars	Fair value hierarchy	As at 31 March 2026 Rs. / Lakh	As at 31 March 2025 Rs. / Lakh	As at 01 April 2024 Rs. / Lakh
Financial assets				
Outstanding forward contracts (MTM,FVTPL)	Level III	1,391.32	-	-



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iv. Financial risk management

The Company's principal financial liabilities comprise borrowings, trade and other payables and lease liabilities. The Company's principal financial assets include trade and other receivables, cash and cash equivalents, bank balances and other financial assets (including derivative financial instruments in the form of foreign exchange forward contracts entered into to economically hedge foreign currency payables), which derive directly from its operations.

The Company is exposed to market risk (primarily foreign currency risk and interest rate risk), credit risk and liquidity risk. The Company's senior management oversees the identification, measurement and management of these risks. Risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, mapping controls against these risks and monitoring their limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. Financial risk management activities are governed by policies and procedures approved by the Board of Directors, and financial risks are identified, measured and managed in accordance with these policies.

The risk management policies aim to mitigate the following risks arising from the financial instruments:

- Market risk
- Credit risk
- Liquidity risk

A Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in the market prices. The Company does not have any financial instrument which will fluctuate because of changes in market price. However, the Company is exposed in the ordinary course of its business to risks related to changes in foreign currency exchange rate.

The Company aims to manage its exposure to foreign currency transactions in accordance with policies approved by the Board of Directors. In line with these policies, the Company enters into foreign exchange forward contracts to economically hedge foreign currency payables where appropriate. Management, along with internal auditors, regularly reviews compliance with these policies and exposure limits. The Company does not engage in trading in financial instruments, including derivatives, for speculative purposes.

a. Foreign currency risk management

The fluctuation in foreign currency exchange rates may have potential impact on the Statement of Profit and Loss and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency.

The Company uses foreign exchange forward contracts to hedge its exposure in foreign currency risk. The company measures the forward contract at fair value through profit and loss.

Considering the economic environment in which the Company operates, its operations are subject to risks arising from fluctuations in exchange rates. The risks primarily relate to fluctuations in USD against the functional currency of the Company.

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 1 %.

b. Foreign currency risk exposure

Particulars	Currency	As at 31 March 2026			As at 31 March 2025			As at 01 April 2024		
		Total	Hedged	Unhedged	Total	Hedged	Unhedged	Total	Hedged	Unhedged
Financial Assets										
Receivables										
	USD/Lakh	55.88	-	55.88	39.31	-	39.31	114.02	-	114.02
	Rs. / Lakh	5,288.84	-	5,288.84	3,363.98	-	3,363.98	9,506.56	-	9,506.56
Financial Liabilities										
Payables										
	USD/Lakh	1,625.96	380.00	1,245.96	1,365.32	-	1,365.32	2,108.55	-	2,108.55
	Rs. / Lakh	1,53,904.05	35,968.63	1,17,935.42	1,16,845.61	-	1,16,845.61	1,75,798.06	-	1,75,798.06

I. Foreign currency risk exposure (unhedged only)

	As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
Financial assets	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh
Financial liabilities	5,288.84	3,363.98	9,506.56
Net exposure (liabilities)	1,17,935.42	1,16,845.61	1,75,798.06
	1,12,646.58	1,13,481.63	1,66,291.50



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ii. Sensitivity Analysis

Particulars	Sensitivity Analysis	Impact on profit before tax		
		As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
		Rs. / Lakh	Rs. / Lakh	Rs. / Lakh
Increase:				
USD Sensitivity	1%	(1,126.47)	(1,134.98)	(1,663.16)
Decrease:				
USD Sensitivity	1%	1,126.47	1,134.98	1,663.16
		1,126.47	1,134.98	1,663.16
Particulars	Sensitivity Analysis	Impact on equity		
		As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
		Rs. / Lakh	Rs. / Lakh	Rs. / Lakh
Increase:				
USD Sensitivity	1%	(842.96)	(849.33)	(1,244.58)
Decrease:				
USD Sensitivity	1%	842.96	849.33	1,244.58
		842.96	849.33	1,244.58

Note

Impact on profit for the year is gross of tax and impact on equity is net of tax.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's borrowings comprise external commercial borrowings (ECBs) obtained from group entities, denominated in US dollars, on which interest rates are referenced to SOFR. The Company is therefore exposed to changes in the benchmark interest rate. The Company does not currently use interest rate swaps or other derivative instruments to hedge its interest rate exposure. Interest rate risk is monitored on an ongoing basis by senior management.

a. Interest rate risk exposure

	As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh
Variable rate borrowings	35,968.63	23,962.79	40,019.47
Fixed rate borrowings	-	-	-
	35,968.63	23,962.79	40,019.47

b. Sensitivity analysis

Particulars	Impact on profit before tax		
	As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh
Interest Rate – increase by 100 basis points	(359.69)	(239.63)	(400.19)
Interest Rate – decrease by 100 basis points	359.69	239.63	400.19
Particulars	Impact on equity		
	As at 31 March 2026	As at 31 March 2025	As at 01 April 2024
	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh
Interest Rate – increase by 100 basis points	(269.16)	(179.32)	(299.47)
Interest Rate – decrease by 100 basis points	269.16	179.32	299.47

Note: Impact on profit for the year is gross of tax and impact on total equity is net of tax.

Other price risk

The Company does not have any financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), hence the Company is not significantly exposed to other price risk.

B. Credit risk management

Credit risk refers to the risk of default on its obligation by the counterparty leading to financial loss. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Credit risk has always been managed through monitoring the credit worthiness of customers in the normal course of business. The following table gives details in respect of percentage of revenues generated from top customer and top five customers.

Particulars	Revenue in %	
	Year ended 31 March 2026	Year ended 31 March 2025
Revenue from top customer	31.14%	53.64%
Revenue from top five customers	75.22%	90.71%



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C. 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 the requirements.

During the year, the Company generated sufficient cash flow from operations to meet its financial obligations as and when they fall due.

Contractual maturities of financial liabilities

	Less than 1 year	1-3 years	3-5 years	Above 5 years	Total
	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh
As on 31 March 2026					
Borrowings	-	23,758.23	12,210.40	-	35,968.63
Trade payables	1,17,780.67	-	-	-	1,17,780.67
Lease liabilities	57.07	28.12	-	-	85.19
Other financial liabilities	3,025.63	-	-	-	3,025.63
	Less than 1 year	1-3 years	3-5 years	Above 5 years	Total
	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh
As on 31 March 2025					
Borrowings	5,990.70	17,972.09	-	-	23,962.79
Trade payables	99,063.65	-	-	-	99,063.65
Lease liabilities	58.91	76.16	-	-	135.07
Other financial liabilities	99.61	-	-	-	99.61
	Less than 1 year	1-3 years	3-5 years	Above 5 years	Total
	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh
As on 01 April 2024					
Borrowings	16,674.78	23,344.69	-	-	40,019.47
Trade payables	1,36,217.66	-	-	-	1,36,217.66
Lease liabilities	58.10	106.95	15.39	-	178.44
Other financial liabilities	473.75	-	-	-	473.75

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

Contractual maturities of financial assets

	Less than 1 year	1-3 years	3-5 years	Above 5 years	Total
	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh
As on 31 March 2026					
Other financial assets	-	1,527.25	-	245.17	1,772.42
Cash and cash equivalents	33,524.46	-	-	-	33,524.46
Bank balance other than cash and cash equivalents	1,000.00	-	-	-	1,000.00
Trade receivables	46,272.06	-	-	-	46,272.06
	Less than 1 year	1-3 years	3-5 years	Above 5 years	Total
	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh
As on 31 March 2025					
Other financial assets	6.26	35.31	-	442.64	485.21
Cash and cash equivalents	7,763.47	-	-	-	7,763.47
Bank balance other than cash and cash equivalents	3,000.00	-	-	-	3,000.00
Trade receivables	31,863.74	-	-	-	31,863.74
	Less than 1 year	1-3 years	3-5 years	Above 5 years	Total
	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh
As on 01 April 2024					
Other financial assets	4.44	190.74	12.45	524.68	732.31
Cash and cash equivalents	24,410.65	-	-	-	24,410.65
Bank balance other than cash and cash equivalents	3,740.00	-	-	-	3,740.00
Trade receivables	57,629.81	-	-	-	57,629.81



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38 Corporate social responsibility expenditure

As per section 135 of the Companies Act, 2013, the Company, meeting the applicability threshold, needs to spend at least 2% of average net profit of the immediately preceding three financial year on Corporate Social Responsibility (CSR) activities.

(i) The amount spent by the Company on CSR activities is as below:

	Year ended 31 March 2026	Year ended 31 March 2025	Year ended 31 March 2024
	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh
Gross amount required to be spent by the Company	17.12	-	-
Amount spent by the company			
a. Expenditure/payments			
i. DEEDS Public Charitable Trust	16.66	-	-
ii. Birla Institute of Technology & Science, Pilani	0.46	-	-
Total	17.12	-	-

There are no transactions with the related parties as defined under Ind AS 24 – Related Party Disclosures during the year w.r.t to CSR.

(ii) Details of CSR expenditure under section 135(5) of the Act in respect of other than ongoing projects

	Year ended 31 March 2026	Year ended 31 March 2025	Year ended 31 March 2024
	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh
Balance as at the beginning of the year	-	-	-
Amount required to be spent during the period	17.12	-	-
Amount deposited in a specified fund of Schedule VII of the Act with in 6 months	-	-	-
Amount spent during the year	17.12	-	-
Shortfall(excess) as at the closing of the year	-	-	-

(iii) Details of excess CSR expenditure under section 135(5) of the Act

	Year ended 31 March 2026	Year ended 31 March 2025	Year ended 31 March 2024
	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh
Balance excess spent as at the beginning of the year	-	-	-
Amount required to be spent during the year	-	-	-
Amount spent during the year	-	-	-
Shortfall(excess) as at the closing of the year	-	-	-

Note:

In respect of the previous year ended 31 March 2025 and the preceding previous year ended 31 March 2024, the Company was not required to incur any expenditure towards Corporate Social Responsibility (CSR) activities, as the Company had reported book losses in the financial years 2023-24 and 2022-23, respectively, in accordance with the provisions of the Companies Act, 2013.



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40 Transition to Ind AS

As mentioned in note 1.2, these financial statements for the year ended 31 March 2026, are the first financial statements of the Company prepared in accordance with the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015. For periods up to and including the year ended 31 March 2025, the Company prepared its financial statements in accordance with "previous GAAP", including accounting standards notified under the Companies (Accounting Standards) Amendment Rules, 2021.

Accordingly, the Company has prepared financial statements which comply with Ind-AS applicable for periods ended on or after 31 March 2026, together with the comparative period data as at and for the year ended 31 March 2025, as described in the summary of material accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2024, the Company's date of transition to Ind-AS. This note explains the principal adjustments made by the Company in restating its Previous GAAP financial statements, including the balance sheet as at 1 April 2024 and the financial statements as at and for the year ended 31 March 2025.

In preparing its Ind AS financial statements as at 1 April 2024 and in presenting the comparative information for the year ended 31 March 2025, the company has adjusted amounts reported previously in the financial statements prepared in accordance with previous GAAP. This note explains the principal adjustments made by the company in restating its financial statements prepared in accordance with previous GAAP, and how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

a. Mandatory exceptions to retrospective application

The Company has applied the following exceptions to the retrospective application of Ind AS as mandatorily required under Ind AS 101 "First-time Adoption of Indian Accounting Standards".

i. Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 1 April 2024 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for impairment of financial assets based on expected credit loss model in accordance with Ind AS at the date of transition as these were not required under previous GAAP.

ii. Classification and measurement of financial assets

The classification of financial assets to be measured at amortised cost or fair value through profit and loss/other comprehensive income is made on the basis of facts and circumstances that existed on the date of transition to Ind AS.

iii. Derecognition of financial assets and liabilities

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after 1 April 2024 (the transition date).

b. Optional exemptions from retrospective application

Ind AS 101 "First time Adoption of Indian Accounting Standards" permits Companies adopting Ind AS for the first time to take certain exemptions from the full retrospective application of Ind AS during the transition. The Company has accordingly on transition to Ind AS availed the following key exemptions:

Deemed cost for Property Plant Equipment and intangible assets

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment and intangible assets as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities, if any. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets.



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c. Transition to Ind AS - Reconciliations

The following reconciliations provide the explanation for the differences arising from the transition from Previous GAAP to Ind AS in accordance with Ind AS 101 "First-time Adoption of Indian Accounting Standards".

i. Effect of Ind AS adoption on the balance sheet as at 31 March 2025 and 1 April 2024

Particulars	Notes	As at 31 March 2025			As at 01 April 2024		
		IGAAP	Effects of transition to Ind-AS	Ind AS	IGAAP	Effects of transition to Ind-AS	Ind AS
		Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh
Assets							
Non-current assets							
Property, plant and equipment	A1/A4	32,635.07	(4,077.34)	28,557.73	36,966.75	(7,255.38)	29,711.37
Capital work-in-progress		254.21	-	254.21	64.54	-	64.54
Right-of-use assets	A1	-	7,290.51	7,290.51	-	7,419.06	7,419.06
Other intangible assets	A4	16.20	2.40	18.60	-	-	-
Financial assets							
Other financial assets	A1	481.00	(2.05)	478.95	730.65	(2.76)	727.87
Other non current assets		-	-	-	-	-	-
		33,386.48	3,213.52	36,600.00	37,761.94	160.90	37,922.84
Current Assets							
Inventories		11,524.01	-	11,524.01	11,927.63	-	11,927.63
Financial Assets							
Trade Receivable		31,863.74	-	31,863.74	57,629.81	-	57,629.81
Cash and cash equivalents		7,763.47	-	7,763.47	24,410.65	-	24,410.65
Bank balances other than cash and cash equivalents		3,000.00	-	3,000.00	3,740.00	-	3,740.00
Other financial assets		6.26	-	6.26	4.44	-	4.44
Current tax assets (net)		4,036.04	-	4,036.04	474.28	-	474.28
Other Current Assets		4,237.24	-	4,237.24	6,223.90	-	6,223.90
		62,430.76	-	62,430.76	1,04,410.71	-	1,04,410.71
TOTAL ASSETS		95,817.24	3,213.52	99,030.76	1,42,172.65	160.90	1,42,333.55
Equity and Liabilities							
Equity							
Equity share capital		3,613.69	-	3,613.69	3,613.69	-	3,613.69
Other equity		(31,038.09)	3,096.97	(27,941.12)	(38,263.25)	3.71	(38,259.54)
Total equity		(27,424.40)	3,096.97	(24,327.43)	(34,649.56)	3.71	(34,645.85)
Liabilities							
Non Current Liabilities							
Financial liabilities							
Borrowings		17,972.09	-	17,972.09	23,344.69	-	23,344.69
Lease liabilities	A1	-	76.16	76.16	-	122.34	122.34
Deferred tax liability (net)		-	-	-	-	-	-
Provisions	A1	78.54	(12.94)	65.60	61.90	(18.48)	43.42
		18,050.63	63.22	18,113.85	23,406.59	103.86	23,510.45
Current liabilities							
Financial liabilities							
Borrowings		5,990.70	-	5,990.70	16,674.78	-	16,674.78
Lease liabilities	A1	-	58.91	58.91	-	56.10	56.10
Trade payables		-	-	-	-	-	-
(i) Total outstanding dues of micro and small enterprises		183.60	-	183.60	33.76	-	33.76
(ii) Total outstanding dues of creditors other than micro and small enterprises		98,880.05	-	98,880.05	1,36,183.90	-	1,36,183.90
Other financial liabilities		99.61	-	99.61	473.75	-	473.75
Other current liabilities		29.24	-	29.24	46.09	-	46.09
Provisions	A1	7.81	(5.58)	2.23	3.34	(2.77)	0.57
		1,05,191.01	53.33	1,05,244.34	1,53,415.62	53.33	1,53,468.95
Total equity and liabilities		95,817.24	3,213.52	99,030.76	1,42,172.65	160.90	1,42,333.55



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ii. Effect of Ind AS adoption on the Statement of Profit and loss for the year ended 31 March, 2025

Particulars	Notes	Year ended 31 March, 2025		
		IGAAP	Effects of transition to Ind-AS	Ind AS
		Rs. / Lakh	Rs. / Lakh	Rs. / Lakh
Income				
Revenue from operations		1,97,723.82	-	1,97,723.82
Other income		535.69	0.73	536.42
Total income (I)	A2	1,98,259.51	0.73	1,98,260.24
Expenses				
a. Cost of raw material consumed		1,73,456.72	-	1,73,456.72
b. Changes in inventories of finished goods, and work-in-progress		1,247.88	-	1,247.88
c. Employee benefits expense		1,634.02	-	1,634.02
d. Finance costs		61.61	(40.61)	21.00
e. Depreciation and amortisation expense	A1	5,292.61	(3,051.92)	2,240.69
f. Other expenses	A1	6,865.76	-	6,865.76
Total expenses (II)		1,88,558.60	(3,092.53)	1,85,466.07
Profit before tax (III)		9,700.91	3,093.26	12,794.17
Tax expense				
Current tax		2,479.27	-	2,479.27
Deferred tax		-	-	-
Total tax expense (IV)		2,479.27	-	2,479.27
Profit for the year		7,221.64	3,093.26	10,314.90
Other comprehensive income / (loss)				
(a) Items that will not be reclassified to profit or loss:				
Remeasurement of the defined benefit plans	A3	3.52	-	3.52
Income tax relating to above		-	-	-
Other comprehensive income for the year		3.52	-	3.52
Total comprehensive income for the year		7,225.16	3,093.26	10,318.42

iii. Reconciliation of total equity as at 31 March, 2025 and 1 April, 2024

Particulars	Notes	As at 31 March, 2025		As at 01 April, 2024	
		Sub Total	Total	Sub Total	Total
Total equity (shareholders' fund) under previous GAAP					
Adjustments:			(27,424.40)		(34,649.56)
Change in accounting policies					
Impact of change in account policy for depreciation from WDV to SLM	A5	-	3,180.44	-	-
Ind AS 116 impact on Right-of-use assets and lease liabilities			(24,243.96)		(34,649.56)
A. Less: Not Right-of-use assets and lease liabilities recognised	A1	(17.53)		(17.53)	
B. Reversal of previous GAAP rent and lease equalisation reserve	A1	74.61		21.24	
C. Less: Depreciation on Right-of-use assets (land, building and others) under Ind AS 116	A1	(128.55)		-	
D. Less: Finance cost on lease liabilities under Ind AS 116	A1	(12.73)		-	
			(84.20)		3.71
Ind AS impact on security deposit			0.73	-	-
Net impact			(83.47)		3.71
			(24,327.43)		(34,645.85)
Equity as per Ind AS financial statements			(24,327.43)		(34,645.85)

iv. Reconciliation of total comprehensive income for the year ended 31 March, 2025

Particulars		For the period ended 31 March 2025	
		Rs. / Lakh	
Profit after tax as per previous GAAP			7,225.16
Adjustments:			
Ind AS 116 impact on Right-of-use assets and lease liabilities	A1		
A. Add: Reversal of previous GAAP rent and lease equalisation reserve		53.37	
B. Less: Depreciation on Right-of-use assets (land, building and others) under Ind AS 116		(128.55)	
C. Less: Finance cost on lease liabilities under Ind AS 116		(12.73)	
		-	(87.91)
Change in accounting policies	A4		
-Reversal of Depreciation charged-24-25		5,127.12	
-Depreciation charged 24-25		(1,946.68)	3,180.44
Ind AS impact on security deposit	A1		0.73
Total effect of transition to Ind AS			3,093.26
			10,318.42



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v. Effect of Ind AS adoption on statement of cash flow for the year ended 31 March, 2025

Particulars	IGAAP	Effects of transition to Ind-AS	Ind AS
	Rs. / Lakh	Rs. / Lakh	Rs. / Lakh
Net cash flows from operating activities	972.31	(785.65)	186.66
Net cash flows from investing activities	(1,451.21)	1,348.25	(102.96)
Net cash flows from financing activities	(16,168.28)	(562.60)	(16,730.88)
Net increase (decrease) in cash and cash equivalent	(16,647.18)	-	(16,647.18)
Cash and cash equivalent as at 1 April, 2024	24,410.65	-	24,410.65
Cash on hand written off during the year	-	-	-
Cash and cash equivalent as at 31 March, 2025	7,763.47	-	7,763.47

Note: Certain reclassifications between operating, investing and financing activities included in the reconciliation above (including the reclassification of lease payments to financing activities on adoption of Ind AS 116) are made for the purpose of presentation and are not considered GAAP differences — refer note A5 below.

Notes:

A1 Ind AS 116 implementation

Upon transition to Ind AS, the Company applied Ind AS 116, Leases, and recognised a right-of-use ("ROU") asset and corresponding lease liability for lease arrangements in which it is a lessee, except for short-term leases (lease term of twelve months or less) and leases of low-value assets for which the recognition exemptions available under the standard have been availed. As at the transition date, 1 April 2024, the Company recognised right-of-use assets and corresponding lease liabilities in respect of leasehold land and buildings. Consequently, leasehold land amounting to Rs. 7,255.38 Lakhs, previously presented under Property, Plant and Equipment, was reclassified as Right-of-Use Assets.

Upon adoption of Ind AS 116, the Company recognised right-of-use assets amounting to Rs. 163.68 Lakhs and corresponding lease liabilities of Rs. 178.44 Lakhs as at 1 April 2024. In addition, security deposits aggregating Rs. 2.78 Lakhs and lease equalisation reserve amounting to Rs. 21.25 Lakhs were derecognised.

Further, for the year ended 31 March 2025, the implementation of Ind AS 116 resulted in the recognition of depreciation on right-of-use assets of Rs. 128.55 Lakhs and finance costs on lease liabilities of Rs. 12.73 Lakhs. Consequently, rent expense of Rs. 56.10 Lakhs previously recognised under Previous GAAP was derecognised, and the lease equalisation reserve of Rs. 2.73 Lakhs was reversed in the Statement of Profit and Loss.

A2 Security Deposits

Under the previous GAAP, security deposits provided to lessors were recorded at their transaction value. However, under Ind AS 109, financial assets that are measured at amortised cost are required to be initially recognised at fair value and subsequently at amortised cost.

As per this requirement, security deposits have been discounted and recorded at their amortised cost. The difference between the nominal value of the deposit and its fair value is recognised as part of the prepaid lease rent. This amount is then amortised on a straight-line basis over the lease term. Additionally, the interest on the security deposit is recognised over the lease period using the EIR method.

A3 Remeasurement of post-employment benefits obligation

Under previous GAAP, the Company accounted for actuarial gain/loss on gratuity as part of employee benefits expense. Under Ind AS, the same has been reclassified to other comprehensive income.

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes remeasurements of defined benefit plans and tax thereon. The concept of other comprehensive income does not exist under previous GAAP.

A4 Change in accounting policy of depreciation

On transition to Ind AS, the Company aligned its depreciation policy for Property, Plant and Equipment ("PPE") with the Group's accounting policy. Accordingly, the method of depreciation was changed from the Written Down Value (WDV) method to the Straight-Line Method (SLM), while retaining the same useful lives of the respective assets. As a result of this change, the depreciation charge for the year ended 31 March 2025 decreased by Rs. 3,180.44 Lakhs (Rs. 3,178.39 Lakhs and Rs. 2.05 Lakhs relating to Property, plant, Equipment and intangible assets). The corresponding adjustment has been recognised in the reconciliation of Total Comprehensive Income for the year ended 31 March 2025.

A5 Regrouping for the purpose of presentation

Certain reclassifications and regroupings made on the face of the Balance Sheet, Statement of Profit and Loss, Statement of Cash Flows and Statement of Changes in Equity, and in the notes thereto, for the purpose of presentation and comparability with the current year's Ind AS financial statements are not considered to be GAAP differences and are therefore not separately explained in the reconciliations above.



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41 Company has accumulated losses which have resulted in complete erosion of its equity and Company's current liabilities exceeded its current assets by Rs.14,384.87 Lakh. However, the financial statements have been prepared on a going concern basis considering the continued financial support extended by the Holding Company.

41 A Disclosure of financial ratios

Particulars	Numerator	Denominator	As at 31 March 2026	As at 31 March 2025	Variance %	Reason for variance*
Current Ratio	Current Assets	Current Liabilities	0.88	0.59	49%	Refer Note 1
Debt-Equity Ratio	Total debt	Total equity	(4.34)	(0.99)	340%	Refer Note 2
Debt Service Coverage ratio	Net operating income	Total debt service	0.21	0.52	-61%	Refer Note 3
Inventory Turnover ratio	Cost of Goods Sold	Average Inventory	11.76	14.90	-21%	Not applicable
Trade Receivable Turnover Ratio	Net sales	Average trade receivables	4.67	4.42	6%	Not applicable
Trade Payable Turnover Ratio	Net purchases	Average trade payables	1.58	1.48	6%	Not applicable
Net Capital Turnover Ratio	Net sales	Working capital	(12.69)	(4.62)	175%	Refer Note 4
Net Profit ratio	Net profit	Net sales	0.02	0.05	-63%	Refer Note 5
Return on Equity ratio	Net income	Total equity	(0.22)	(0.35)	-38%	Refer Note 6
Return on Capital Employed	Earning before interest and tax	Capital employed	0.23	(2.06)	-111%	Refer Note 7
Return on Investment	Earning before interest and tax	Total Assets	0.06	0.07	-15%	Refer Note 8

* If variance is more than 25% as compared to the preceding year

(i) Working of the ratios

Basis of ratios	Year ended 31 March 2026 Rs. / Lakh	Ratio	Year ended 31 March 2025 Rs. / Lakh	Ratio
a. Current ratio				
Current assets	1,06,625.74	0.88	62,430.76	0.59
Current liability	1,21,010.61		1,05,244.34	
b. Debt Equity ratio				
Total debt	35,968.63	(4.34)	23,962.79	(0.99)
Total equity (Equity share capital+ other equity)	(8,293.37)		(24,327.43)	
c. Debt service coverage ratio				
Net operating income (Profit after tax+Finance cost+Depreciation and amortisation expenses)	7,454.38	0.21	12,576.59	0.52
Total debt service (Long term debt+Short term debt)	35,968.63		23,962.79	
d. Inventory turnover ratio				
Cost of goods sold	1,65,709.00	11.76	1,74,704.60	14.90
Average Inventory = (Opening stock + Closing stock) / 2	14,086.52		11,725.82	
e. Trade receivables turnover ratio				
Net sales (Total sales - Sales return)	1,82,490.99	4.67	1,97,723.82	4.42
Average trade receivables = (Opening debtors + Closing debtors) / 2	39,067.90		44,746.78	
f. Trade payables turnover ratio				
Total purchases (Net of purchase return)	1,70,834.02	1.58	1,74,300.98	1.48
Average trade payables = (Opening creditors + Closing creditors) / 2	1,08,422.16		1,17,640.66	
g. Net capital turnover ratio				
Net sales (Total sales - Sales return)	1,82,490.99	(12.69)	1,97,723.82	(4.62)
Working capital = Current assets - Current liabilities	(14,384.87)		(42,813.58)	
h. Net profit ratio				
Net profit	3,524.05	0.02	10,314.90	0.05
Net sales (Total sales - Sales return)	1,82,490.99		1,97,723.82	
i. Return on equity ratio				
Profit for the year less preference dividend	3,524.05	(0.22)	10,314.90	(0.35)
Average total equity (Equity share capital+ other equity)	(16,310.40)		(29,486.64)	
j. Return on Capital Employed				
Earnings before interest and tax	6,616.94	0.23	12,815.17	(2.06)
Capital employed = Total assets - Current liabilities	28,287.58		(6,213.58)	
k. Return on Investment				
Income from investments	511.94	0.06	502.34	0.07
Average investment	8,964.53		7,518.84	



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Notes:

- 1 The increase in the current ratio was primarily driven by an increase in current assets over the year.
- 2 The Company's total equity remained in a negative position during both years on account of accumulated losses. The movement in the debt-equity ratio reflects the drawdown of an additional external commercial borrowing during the current year, partially offset by the strengthening of the equity base following the issuance of fresh equity shares to the new holding Company. Given the negative equity base, this ratio is not a meaningful measure of financial leverage.
- 3 The debt service coverage ratio declined during the year on account of a lower net operating income, driven by a reduction in profit after tax, together with an increase in total borrowings during the year.
- 4 The Company's working capital position (current assets less current liabilities) remained in a net deficit during both years, though the deficit narrowed in the current year. As the denominator remained negative, movements in this ratio are not directly comparable across the years.
- 5 The net profit ratio declined during the year primarily on account of a reduction in profit after tax, which was disproportionately larger than the movement in net sales, resulting in a lower profit margin.
- 6 The Company's average total equity remained in a negative position during both years owing to accumulated losses. Consequently, the return on equity ratio is not a meaningful indicator and is disclosed solely in compliance with the presentation requirements of Schedule III to the Companies Act, 2013.
- 7 The return on capital employed improved during the year following the strengthening of the equity base through the issuance of fresh equity shares, which resulted in capital employed moving from a negative position in the previous year to a positive position in the current year. The ratio is therefore not directly comparable across the two years.
- 8 Due to increase in average investment



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42 The Government of India has consolidated 29 existing labour legislations into a united framework comprising four Labour Code viz Code on Wages 2019, Code on Social Security 2020, Industrial Relation Code 2020, and Occupational Safety, Health and Working Condition Code 2020 (collectively referred to as the "New Labour Codes"). These New Labour Codes have been made effective from 21 November 2025. Subsequent to the year-end, the Central Government has notified the Industrial Relations (Central) Rules, 2026, the Code on Wages (Central) Rules, 2026, the Code on Social Security (Central) Rules, 2026, and the Occupational Safety, Health and Working Conditions (Central) Rules, 2026. The corresponding State Rules and certain other operational clarifications under the New Labour Codes are yet to be notified. The Company has assessed and accounted for the incremental liability towards its employees in the quarters ended 31 December 2025 and 31 March 2026. The impact of such adjustment is not material to the standalone financial results for the quarter and year ended 31 March 2026. The Company will continue to monitor the notification of the remaining State Rules and clarifications, and will evaluate and give effect to the impact, if any, on the measurement of employee benefit obligations in the period in which such Rules become effective.

43 Other statutory information

- i. During the current financial year, Company has not undertaken any transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956.
- ii. No penalties were imposed by the regulator during the financial year ended 31 March 2026.
- iii. There are no such transaction which are not recorded in the books of account earlier and have been surrendered or disclosed as income during the current financial year in the tax assessments under the income tax act, 1961.
- iv. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries), with the understanding that the Intermediary shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries); or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- v. The Company has not traded or invested in Crypto currency or Virtual currency during the financial year.
- vi. The Company does not have any charges or satisfaction which are yet to be registered with the Registrar of Companies (ROC) beyond the statutory period.
- vii. The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- viii. The Company has not received any fund from any person or entity, including foreign entity (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- ix. The Company has not been sanctioned any working capital from banks or financial institutions on the basis of security of current assets. Further, the Company, is not required to submit quarterly stock statement.
- x. The Company is not classified by the lender during the period as wilful defaulter.
- xi. The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017 for the financial years ended 31 March 2026 and 31 March 2025.
- xii. No loans or advances in the nature of loans have been granted to promoters, directors, Key Managerial Personnel or other related parties (as defined under the Companies Act, 2013), either severally or jointly with any other person, which are repayable on demand or without specifying any terms or period of repayment.

44 Events after the reporting period

There are no events observed after the reporting period which have an impact on the Company's operations.

45 Approval of financial statements

The financial statements were approved for issue by the Board of Directors on 07 May 2026.

In terms of our report attached
For S N Dhawan & CO LLP
Chartered Accountants
Firm's Registration No. 000050N/N500045

Sushil
Sushil Phogat
Partner
Membership No. 510157

Place: Noida
Date: 07-05-2026



For and on behalf of the Board of Directors
Kunshan Q Tech Microelectronics (India) Private Limited

Ashish Priyadarshi
Ashish Priyadarshi
Director
DIN: 11316250

Place: Noida
Date: 07-05-2026

Panshu Jain
Panshu Jain
Director and CFO
DIN: 11317814

Place: Noida
Date: 07-05-2026

Anushka Gupta
Anushka Gupta
Company Secretary
M. No. A78296

Place: Noida
Date: 07-05-2026

Yung Pang So
Yung Pang So
Chief Executive Officer

Place: Kunshan, China
Date: 07-05-2026