

Independent Auditor's Report to the members of GFCL EV PRODUCTS LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **GFCL EV PRODUCTS LIMITED** ("the Company"), which comprise the Standalone Balance Sheet as at 31 March 2026, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information ("the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2026, its loss 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 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 Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon ("Other Information")

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report, including Annexures thereto. The Board's Report, including Annexures thereto is expected to be made available to us after the date of this auditor's report.

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



Independent auditor's report to the members of GFCL EV PRODUCTS LIMITED on the standalone financial statements for the year ended 31 March 2026 (continued)

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Board's Report, including Annexures thereto, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions as per the applicable laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

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

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

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

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

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



Independent auditor's report to the members of GFCL EV PRODUCTS LIMITED on the standalone financial statements for the year ended 31 March 2026 (continued)

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.



Independent auditor's report to the members of GFCL EV PRODUCTS LIMITED on the standalone financial statements for the year ended 31 March 2026 (continued)

2. As required by Section 143(3) of the Act, based on our audit, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), Standalone Statement of Changes in Equity, and the Standalone Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) 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.
- (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure II wherein we have expressed an unmodified opinion.
- (g) With respect to the matter to be included in the Auditor's Report under section 197 read with Schedule V to the Act:

We draw attention to Note 38(iv) to the standalone financial statements which explains that as per the provisions of section 197 read with Schedule V to the Act, in view of the inadequacy of profits, the remuneration of Rs. 50.21 lakhs paid to the whole-time director is subject to approval of the shareholders by way of a special resolution in its forthcoming annual general meeting. Our opinion is not modified in respect of this matter.

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.



Independent auditor's report to the members of GFCL EV PRODUCTS LIMITED on the standalone financial statements for the year ended 31 March 2026 (continued)

iv.

- (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The Company has neither declared nor paid any 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 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 and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

Place: Pune
Date: 25 May 2026

For Patankar & Associates
Chartered Accountants
Firm's Registration No. 107628W



Sanjay S Agrawal
Partner
Membership No. 049051
UDIN: 26049051OTVWFZ3291



Annexure I to Independent auditor's report to the members of GFCL EV PRODUCTS LIMITED on the Standalone financial statements for the year ended 31 March 2026 - referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date.

In terms of the Companies (Auditor's Report) Order, 2020 ("the Order"), on the basis of information and explanation given to us and the books and records examined by us in the normal course of the audit and such checks as we considered appropriate, to the best of our knowledge and belief, we state as under:

- i. (a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment.
(B) The Company does not have any intangible assets.
(b) The property, plant and equipment have been physically verified by the management during the year and no material discrepancies have been noticed on such verification.
(c) 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 lessee) are held in the name of the Company.
(d) The Company has not revalued its property, plant and equipment (including right of use assets) during the year.
(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and the Rules made thereunder.
- ii. (a) The inventories were physically verified by the management at reasonable intervals during the year and the coverage and procedures of the verification were appropriate. No material discrepancies of 10% or more in the aggregate for each class of inventory were noticed on physical verification of inventories as compared to book records.
(b) The Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks on the basis of security of current assets. The quarterly returns or statements filed by the company with such banks are in agreement with the books of account of the Company except as under:

Nature of the current asset offered as security/quarters	Amount as per quarterly return & statements	As per books of accounts	Amount of difference	Reason for material differences
Inventories				
December 2025				
Bank - 1, 2, 3, 4 & 5	19,850.00	20,713.74	(863.74)	As informed by the management, quarterly return/statements filed with the banks were provisional numbers.



Annexure I to Independent auditor's report to the members of GFCL EV PRODUCTS LIMITED on the standalone financial statements for the year ended 31 March 2026 (continued)

- iii. The Company has made investments in and granted unsecured loans to companies during the year, in respect of which the requisite information is as below:

(a) During the year, the Company has provided loan to its subsidiaries as under:

Particulars	(Rs. in Lakhs) Loans
Aggregate amount granted during the year – subsidiaries	868.97
Balance outstanding as at balance sheet date in respect of above - subsidiaries	1,471.81 (*)

(*) includes foreign currency amounts restated at applicable exchange rate as at balance sheet date.

The Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. The Company has not granted any loans, secured or unsecured, to firms, Limited Liability Partnerships or any other parties during the year.

- (b) The investments made during the year are not, prima-facie, prejudicial to the Company's interest.
- (c) The Company has granted loans to a wholly owned subsidiaries which are repayable on demand (refer sub-clause (f) below). During the year, the Company has not demanded any repayment of principal and payment of interest. Having regard to the fact that the repayment of principal or payment of interest has not been demanded by the Company in such a case, in our opinion the repayment of principal amounts and receipt of interest are regular.
- (d) In respect of loans granted which are payable on demand, since the Company has not demanded any repayment of principal and payment of interest during the year, there are no amounts overdue for more than 90 days as at the balance sheet date.
- (e) No loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
- (f) The Company has not granted any loans or advances in the nature of loans without specifying any terms or period of repayment. The Company has granted loans repayable on demand and the details are as under:

Particulars	All Parties	Aggregate amount of loans granted to Promoters & related parties as defined in clause (76) of section 2 of the Act	
		Promoters	Related parties
Aggregate amount of loans - Repayable on demand - Rs. in Lakhs	1,471.81	-	1,471.81 (*)
Percentage thereof to the total loans granted	100 %	-	100 %

(*) includes foreign currency amounts restated at applicable exchange rate as at balance sheet date.



Annexure I to Independent auditor's report to the members of GFCL EV PRODUCTS LIMITED on the standalone financial statements for the year ended 31 March 2026 (continued)

- iv. The Company has complied with the provisions of section 185 and 186 of the Act in respect of investments made and loans given. The Company has not provided any guarantees or security as specified under section 185 and 186 of the Act.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act, and the Rules framed thereunder. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- vi. The Central Government has not prescribed maintenance of cost records under section 148(1) of the Act, for the activities of the Company. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.
- vii. (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Goods and services tax, provident fund, income-tax, and other material statutory dues applicable to it. There are no undisputed dues relating to Employees' State Insurance, sales tax, service tax, duty of excise, value added tax and cess. There are no undisputed amounts payable in respect of such statutory dues which were in arrears as at 31 March 2026 for a period of more than six months from the date they became payable.
(b) There are no statutory dues referred to in sub-clause (a) above which have not been deposited on account of disputes.
- viii. There are no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) The Company has not defaulted in repayment of loans and other borrowings or in payment of interest thereon to any lender.
(b) The Company has not been declared a wilful defaulter by any bank or financial institution or other lender.
(c) The term loans were applied for the purpose for which the loans were obtained.
(d) On an overall examination of the standalone financial statements of the Company, funds raised on short-term basis have not been used for long-term purposes.
(e) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries. The Company does not have any associate or joint venture.
- x. (a) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) during the year.
(b) The Company has made private placement of equity shares and Series A Compulsorily Convertible Preference Shares ("CCPS") during the year. The Company has complied with provisions of section 42 of the Act, in respect of these issues. The issue proceeds of Rs. 9,247.35 lakhs from equity shares and Rs. 43,000.00 lakhs from CCPS have been used for the purposes for which the funds were raised except that the unutilized funds of Rs. 34,006.42 lakhs as at end of the year are temporarily invested in non-equity schemes of mutual funds and fixed deposits with banks. During the year, the Company has not made any preferential allotment or private placement of convertible debentures (fully, partially or optionally convertible).



Annexure I to Independent auditor's report to the members of GFCL EV PRODUCTS LIMITED on the standalone financial statements for the year ended 31 March 2026 (continued)

- xi. (a) No fraud by the Company or on the Company has been noticed or reported during the year.
(b) During the year, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
(c) The Company is not required to establish Vigil mechanism and accordingly, the requirement to report on clause 3(xi)(c) of the Order is not applicable to the Company.
- xii. The Company is not a Nidhi Company and accordingly, the requirement to report on clause 3(xii) of the Order is not applicable to the Company.
- xiii. All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and the details have been disclosed in the standalone financial statements etc. as required by the applicable accounting standards.
- xiv. (a) The Company has an internal audit system commensurate with the size and the nature of its business.
(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- xv. The Company has not entered into any non-cash transactions with directors or persons connected with them and accordingly, the requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- xvi. a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934).
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.
(d) There is no CIC in the Group.
- xvii. The Company has incurred cash losses in the current financial year and the immediately preceding financial year amounting to Rs. 7,201.73 lakhs & Rs. 789.17 lakhs respectively.
- xviii. There has been no resignation of the statutory auditors during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts upto the date of the audit report and we neither give any guarantee nor any assurance that all the liabilities following due within a period of one year, from the balance sheet date will get discharged by the Company as and when they fall due.



Annexure I to Independent auditor's report to the members of GFCL EV PRODUCTS LIMITED on the standalone financial statements for the year ended 31 March 2026 (continued)

- xx. The Company is covered by the provisions of section 135 of the Act in respect of Corporate Social Responsibility (CSR). However, as per the provisions of sub-section (5) of section 135 of the Act, the Company does not have any obligation to spend amount on CSR activities. Hence, the provisions of clause 3(xx) of the order are not applicable to the Company.

Place: Pune
Date: 25 May 2026

For Patankar & Associates
Chartered Accountants
Firm's Registration No. 107628W



Sanjay S Agrawal
Partner
Membership No. 049051



Annexure II to Independent auditor's report to the members of GFCL EV PRODUCTS LIMITED on the standalone financial statements for the year ended 31 March 2026 - referred to in paragraph 2(f) under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date

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

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

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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, specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls, and both issued by the ICAI. 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 was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls 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.



Annexure II to Independent auditor's report to the members of GFCL EV PRODUCTS LIMITED on the standalone financial statements for the year ended 31 March 2026 - referred to in paragraph 2(f) under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date (continued)

Meaning of Internal Financial Controls with reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

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

Place: Pune
Date: 25 May 2026

For Patankar & Associates
Chartered Accountants
Firm's Registration No. 107628W


Sanjay S Agrawal
Partner
Membership No. 049051



GFCL EV PRODUCTS LIMITED
Standalone Balance Sheet as at 31 March 2026

(Rs. in Lakhs)

Particulars	Note No.	As at 31 March 2026	As at 31 March 2025
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	5	78,104.76	48,040.95
(b) Capital work-in-progress	6	1,01,299.47	61,768.61
(c) Right-of-use assets	42	602.77	717.92
(d) Financial assets			
(i) Investments	7	871.73	731.48
(ii) Other non-current financial assets	9	310.10	135.39
(e) Deferred tax assets (net)	21	2,401.57	580.21
(f) Income tax assets (net)	10	10.93	43.90
(g) Other non-current assets	11	28,432.89	25,574.06
Sub-total		2,12,034.22	1,37,592.52
(2) Current assets			
(a) Inventories	12	18,852.83	8,819.46
(b) Financial assets			
(i) Investments	7	24,156.42	18,834.10
(ii) Loans	8	1,558.51	507.62
(iii) Trade receivables	13	1,762.37	982.24
(iv) Cash & cash equivalents	14	11,423.82	380.50
(v) Bank balances other than (iv) above	15	1.05	-
(vi) Other current financial assets	9	692.20	295.50
(c) Income tax assets (net)	10	47.39	-
(d) Other current assets	11	11,726.99	186.33
Sub-total		70,221.58	30,005.75
Total Assets		2,82,255.80	1,67,598.27
EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity share capital	16A	73,299.73	73,035.52
(b) Other equity	17	78,586.75	78,301.48
Sub-total		1,51,886.48	1,51,337.00
LIABILITIES			
(2) Non-current liabilities			
(a) Financial liabilities			
(i) Series A Compulsorily Convertible Preference Shares	16B	43,000.00	-
(ii) Borrowings	18	34,076.87	-
(iii) Lease liabilities	42	511.82	525.87
(b) Provisions	20	633.77	264.32
Sub-total		78,222.46	790.19
(3) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	22	29,948.69	-
(ii) Lease liabilities	42	14.05	12.71
(iii) Trade payables	23		
- Total outstanding dues of micro enterprises and small enterprises		721.95	725.75
- Total outstanding dues of creditors other than micro enterprises and small enterprises		14,225.04	3,700.67
(iv) Other current financial liabilities	19	6,576.16	10,265.34
(b) Other current liabilities	24	553.63	742.68
(c) Provisions	20	107.34	23.93
Sub-total		52,146.86	15,471.08
Total Equity and Liabilities		2,82,255.80	1,67,598.27



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

As per our report of even date attached

For Patankar & Associates

Chartered Accountants

Firm's Registration No. 107628W

Sanjay S. Agrawal

Partner

Membership No. 049051

Place: Pune

Date: 25 May 2026



For GFCL EV PRODUCTS LIMITED

V. K. Jain

Managing Director

DIN: 00029968

Place: Noida

Manoj Agrawal

Chief Financial Officer

Place: Noida

Date: 25 May 2026

Dr. Bir Kapoor

Director

DIN: 01771510

Place: Noida

B. V. Desai

Company Secretary

Place: Vadodara

GFCL EV PRODUCTS LIMITED
Standalone Statement of Profit and Loss for the year ended 31 March 2026

Particulars	Note No.	(Rs. in Lakhs)	
		Year ended 31 March 2026	Year ended 31 March 2025
Income			
Revenue from operations	25	3,294.32	944.30
Other Income	26	546.89	2,107.92
Total Income		3,841.21	3,052.22
Expenses			
Cost of materials consumed	27	7,241.37	2,797.60
Changes in inventories of finished goods and work-in-progress	28	(4,699.27)	(2,117.32)
Power & fuel		1,472.44	225.53
Employee benefits expense	29	3,280.44	994.28
Finance costs	30	1,663.15	264.50
Depreciation	31	2,897.77	2,251.03
Other expenses	32	3,534.91	1,662.99
Total expenses		15,390.81	6,078.61
Loss before exceptional item & tax		(11,549.60)	(3,026.39)
Exceptional items	47	129.29	-
Loss before tax		(11,678.89)	(3,026.39)
Tax expenses	33		
Deferred tax		(1,825.27)	(504.31)
Taxation pertaining to earlier years		-	1.39
		(1,825.27)	(502.92)
Loss for the year		(9,853.62)	(2,523.47)
Other comprehensive income			
Items that will not be reclassified to profit or loss			
(i) Loss/(gain) on remeasurement of the defined benefits plan		22.77	(11.04)
(ii) Tax on above		(3.91)	1.89
		18.86	(9.15)
Total comprehensive income for the year (comprising loss and other comprehensive income for the year)		(9,834.76)	(2,532.62)
Basic and diluted loss per equity share of Re. 1 each (in Rs.)	49	(0.13)	(0.04)

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

As per our report of even date attached

For Patankar & Associates

Chartered Accountants

Firm's Registration No. 107628W

Sanjay S. Agrawal

Sanjay S. Agrawal

Partner

Membership No. 049051

Place: Pune

Date: 25 May 2026



For GFCL EV PRODUCTS LIMITED

Y. K. Jain

Y. K. Jain

Managing Director

DIN: 00029968

Place: Noida

Manoj Agrawal

Manoj Agrawal

Chief Financial Officer

Place: Noida

Date: 25 May 2026

Dr. Bir Kapoor

Dr. Bir Kapoor

Director

DIN: 01771510

Place: Noida

B. V. Desai

B. V. Desai

Company Secretary

Place: Vadodara

A: Equity Share Capital

(Rs. in Lakhs)	
Particulars	Amount
Balance as at 1 April 2024	70,752.66
Changes in equity share capital during the year	2,282.86
Balance as at 31 March 2025	73,035.52
Changes in equity share capital during the year	264.21
Balance as at 31 March 2026	73,299.73

B: Other Equity

Particulars	Reserve & Surplus			Money received against share warrant (See note 17.4)	Total
	Securities premium	Retained earnings	Share based payment reserve		
Balance as at 1 April 2024	-	(675.53)	-	-	(675.53)
Movement during the year:					
Loss for the year	-	(2,523.47)	-	-	(2,523.47)
Other comprehensive income for the year, net of income tax (*)	-	(9.15)	-	-	(9.15)
Total comprehensive income for the year	-	(2,532.62)	-	-	(2,532.62)
On account of issue of equity shares (net of expenses)	76,509.63	-	-	-	76,509.63
On account of issue of share warrants	-	-	-	5,000.00	5,000.00
Balance as at 31 March 2025	76,509.63	(3,208.15)	-	5,000.00	78,301.48
Movement during the year:					
Loss for the year	-	(9,853.62)	-	-	(9,853.62)
Other comprehensive income for the year, net of income tax (*)	-	18.86	-	-	18.86
Total comprehensive income for the year	-	(9,834.76)	-	-	(9,834.76)
On account of issue of equity shares	8,983.14	-	-	-	8,983.14
On account of share based payment expenses	-	-	1,136.89	-	1,136.89
Balance as at 31 March 2026	85,492.77	(13,042.91)	1,136.89	5,000.00	78,586.75

(*) Other comprehensive income for the year classified under retained earnings is in respect of remeasurement of defined benefit plans.

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

As per our report of even date attached

For Patankar & Associates

Chartered Accountants

Firm's Registration No. 107628W

Sanjay S. Agrawal

Partner

Membership No. 049051

Place: Pune

Date: 25 May 2026



For GFCL EV PRODUCTS LIMITED

V. K. Jain
Managing Director
DIN: 00029968
Place: Noida

Manoj Agrawal
Chief Financial Officer
Place: Noida
Date: 25 May 2026

Dr. Bir Kapoor
Director
DIN: 01771510
Place: Noida

B. V. Desai
Company Secretary
Place: Vadodara

(Rs. in Lakhs)

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
A Cash flow from operating activities		
Loss for the year	(9,853.62)	(2,523.47)
Adjustments for :		
Tax expense	(1,825.27)	(502.92)
Depreciation	2,897.77	2,251.03
Allowance for expected credit losses	3.30	-
Liabilities and provisions no longer required, written back	-	(0.87)
Net unrealised loss on foreign currency transactions and translation	554.36	21.90
Gain on fair value changes in investments classified at FVTPL (net)	(390.12)	(1,756.01)
Shares based payment expenses	1,136.89	-
Interest income	(152.66)	(346.71)
Finance costs	1,663.15	264.50
Operating loss before working capital changes	(5,966.20)	(2,592.55)
Movements in working capital:		
(Increase)/decrease in inventories	(10,033.37)	(5,316.61)
(Increase)/decrease in trade receivables	(747.74)	(942.72)
(Increase)/decrease in other financial assets	(411.79)	(335.54)
(Increase)/decrease in other assets	(11,048.41)	(5,721.41)
Increase/(decrease) in provisions	475.63	(0.13)
Increase/(decrease) in trade payables	10,386.15	2,308.07
Increase /(decrease) in other financial liabilities	1,263.05	676.19
Increase /(decrease) in other liabilities	(189.05)	613.77
Cash used in operations	(16,271.73)	(11,310.93)
Income-tax paid (net)	(14.40)	(38.26)
Net cash used in operating activities	(16,286.13)	(11,349.19)
B Cash flow from investing activities		
Purchase of property, plant and equipment (including changes in capital work-in-progress and capital creditors/capital advances)	(77,292.87)	(47,880.91)
Payments for acquiring right-of-use assets	-	(71.57)
Capital contribution in subsidiaries	(506.53)	(263.72)
Inter-corporate deposits given to subsidiaries	(868.97)	(486.45)
Purchase of current investments	(34,498.27)	(81,995.90)
Redemption of current investments	29,566.07	64,917.81
Interest income	78.81	326.07
Movement in other bank balances	(151.00)	-
Net cash used in investing activities	(83,672.76)	(65,454.67)



(Rs. in Lakhs)

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
C Cash flow from financing activities		
Proceeds from issue of equity shares (net of share issue expenses)	9,247.35	78,792.49
Proceeds from issue of share warrants	-	5,000.00
Proceeds from non-current borrowings	34,500.00	-
Proceeds from/(repayment of) current borrowings (net)	28,716.74	-
Proceeds from issue of Series A Compulsorily Convertible Preference Shares	43,000.00	-
Proceeds from inter-corporate deposits received from holding company	-	29,975.00
Repayment of inter-corporate deposits received from holding company	-	(34,475.00)
Payment of lease liabilities	(66.00)	(68.00)
Finance costs	(4,395.88)	(2,070.76)
Net cash generated from financing activities	1,11,002.21	77,153.73
Net increase in cash and cash equivalents (A+B+C)	11,043.32	349.87
Cash and cash equivalents as at the beginning of the year	380.50	30.63
Cash and cash equivalents as at the end of the year	11,423.82	380.50

Changes in liabilities arising from financing activities during the year ended:

(Rs. in Lakhs)

Particulars	Non-current Borrowings	
	31 March 2026	31 March 2025
Opening balance	-	4,522.08
Cash flows (net)	34,500.00	(4,500.00)
Interest expense	1,060.82	1,832.51
Upfront processing fees paid	(20.00)	-
Interest paid	(832.28)	(1,854.59)
Closing balance	34,708.54	-

(Rs. in Lakhs)

Particulars	Current Borrowings	
	31 March 2026	31 March 2025
Opening balance	-	-
Cash flows (net)	28,716.74	-
Interest expense	646.83	5.41
Interest paid	(553.03)	(5.41)
Net Foreign exchange loss	506.48	-
Closing balance	29,317.02	-

(Rs. in Lakhs)

Particulars	Financial Liability at FVTPL (CCPS)	
	31 March 2026	31 March 2025
Opening balance	-	-
Cash flows (net)	43,000.00	-
Non-cash changes	-	-
Closing balance	43,000.00	-



GFCL EV PRODUCTS LIMITED

Standalone Statement of Cash Flows for the year ended 31 March 2026 - Continued

Notes:

1. The above standalone statement of cash flows has been prepared under the Indirect method.
2. Components of cash and cash equivalents are as per note 14
3. The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date attached

For Patankar & Associates

Chartered Accountants

Firm's Registration No. 107628W



Sanjay S. Agrawal

Partner

Membership No. 049051

Place: Pune

Date: 25 May 2026



For GFCL EV PRODUCTS LIMITED



V. K. Jain

Managing Director

DIN: 00029968

Place: Noida



Dr. Bir Kapoor

Director

DIN: 01771510

Place: Noida



Manoj Agrawal

Chief Financial Officer

Place: Noida

Date: 25 May 2026



B. V. Desai

Company Secretary

Place: Vadodara

1. Company information

GFCL EV PRODUCTS LIMITED (the "Company" or "GFCL EV") is incorporated under the Companies Act, 2013 and domiciled in India. The Company is a subsidiary of Gujarat Fluorochemicals Limited ("the holding company"). The Company is engaged in manufacturing of battery chemicals and allied products. The Company caters to both domestic and international markets.

The Company's registered office is located at Survey No 16/3, 26 & 27 Village Ranjitnagar, Taluka Ghoghamba, District Panchmahal, Gujarat 389380. The CIN of the Company is U24296GJ2021PLC127819.

2. Statement of compliance and basis of preparation and presentation**2.1 Statement of Compliance**

These financial statements are the separate financial statements of the Company (also called standalone financial statements) and comply in all material aspects with the Indian Accounting Standards ("Ind AS") notified under section 133 of the Companies Act, 2013 ("the Act"), read together with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, relevant provisions of the Act and other accounting principles generally accepted in India. The accounting policies have been consistently applied except where a newly issued accounting standard initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use (see Note 2.4).

These financial statements for the year ended 31 March 2026 were approved for issue by the Company's Board of Directors at its meeting held on 25 May 2026.

2.2 Basis of preparation, presentation and measurement

These standalone financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs, up to two decimal places, unless otherwise indicated.

These standalone financial statements have been prepared on an accrual basis and the historical cost basis except as under:

- a) certain financial assets and liabilities are measured at fair value or amortised cost (refer accounting policy regarding financial instruments);
- b) defined benefit liability is measured as per actuarial valuation.
- c) Share based payments

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.



GFCL EV PRODUCTS LIMITED**Notes to the standalone financial statements for the year ended 31 March 2026**

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described 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 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Any asset or liability is classified as current if it satisfies any of the following conditions:

- the asset/liability is expected to be realized/settled in the Company's normal operating cycle;
- the asset is intended for sale or consumption;
- the asset/liability is held primarily for the purpose of trading;
- the asset/liability is expected to be realized/settled within twelve months after the reporting period;
- the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- in the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

All other assets and liabilities are classified as non-current.

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months.

2.3 Particulars of investments in subsidiaries as at 31 March 2026 is as under:

Name of the Subsidiary	Principal place of business and country of incorporation	Proportion of the ownership interest and voting rights	Nature of proposed business activities
GFCL EV Products Americas LLC	USA	100.00%	Trading & warehousing of products and constituents going into EV/ESS batteries.
GFCL EV (SFZ) LLC (earlier known as GFCL EV (SFZ) SPC)	Oman	76.00% (*)	Manufacturing of EV Chemicals
GFCL EV Advanced Materials (SFZ) LLC (incorporated on 20/01/2026)	Oman	99.70%	Manufacturing of Advanced Materials for EV
GFCL EV Products GmbH	Germany	100.00%	Business of import and export, processing, distribution, marketing and storage of polymers and organic and inorganic compounds for catering to the needs of EV and ESS battery chemical segments.
GFCL EV Products Pte. Ltd	Singapore	100.00%	Investment in subsidiary company and trading in various chemicals and other products.

(*) A wholly-owned subsidiary till 29/01/2026.

The above investments in subsidiaries are measured at cost.



2.4 Amendments to existing accounting standards and recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards.

a) Following changes are effective for accounting periods beginning on or after 1 April 2025 vide notification dated 7 May 2025 and 13 August 2025 issued by MCA:

- Amendments to Ind AS 21: The Effects of Changes in Foreign Exchange Rates - These amendments provide guidance regarding estimating the spot exchange rate when the currency is not exchangeable. The amendments also require disclosure of information by entities that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.
- Amendments to Ind AS 1: Presentation of Financial Statements - This amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance.
- Amendments to Ind AS 7: Statement of Cash Flows and Ind AS 107: Financial Instruments - This amendment in Ind AS 7 requires entities to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk.
- Amendments to Ind AS 12: Income Taxes - Pillar Two Model Rules applicable immediately - The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and require companies to disclose that they have applied the relief. This relief is immediate and applies retrospectively. The amendments also require companies to provide new disclosures to compensate for potential loss of information resulting from the relief.

The above amendments did not have any impact on the financial statements of the Company.

b) Following changes are effective for accounting period beginning on or after 1 April 2026

- Amendments to Ind AS 1: Presentation of Financial Statements and Ind AS 10: Events after the Reporting Period - Ind AS 10 has been amended to remove the previous treatment under which a lender's post reporting date waiver, granted before the financial statements were approved for issue, of a breach of a material covenant in a long term loan arrangement that occurred on or before the end of the reporting period, resulting in the liability becoming payable on demand at the reporting date, was regarded as an adjusting event.

For annual reporting periods beginning on or after 1 April 2026, any breach of a covenant, whether material or immaterial, occurring on or before the reporting date will, in accordance with Ind AS 1, require the related liability to be classified as current, unless the lender has granted a waiver of the breach on or before the reporting date and has agreed not to demand repayment for at least 12 months after the reporting date as a consequence of the breach. Such a waiver shall be treated as an adjusting event.

The above amendments are not likely to have any material impact on the financial statements of the Company.



3. Material Accounting Policies**3.1 Revenue recognition**

Revenue from contract with customers is recognized when the Company satisfies the performance obligation by transfer of control of promised product or service to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services. Revenue excludes taxes collected from customers.

Sale of products: Revenue from sale of products is recognized 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 per the terms of the contract.

No element of financing is deemed present as the payment of transaction price is either made in advance / due immediately at the point of sale or the sales are generally made with a credit term upto 90 days, which is consistent with the market practice. There are no contracts where the period between the transfer of promised goods or services to the customers and payment by the customers exceed one year. Consequently, no adjustment is required to the transaction price for the time value of money.

Contract balances:

The Company classifies the right to consideration in exchange for deliverables as trade receivable. A receivable is a right to consideration that is unconditional upon passage of time. A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract. Contract liabilities are presented as 'Advances from customer'.

Other income

Interest income from a financial asset is recognised on time basis, by reference to the principal outstanding at the effective interest rate applicable, which is the rate which exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

3.2 Property, plant and equipment

An item of Property, Plant and Equipment (PPE) that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, property, plant and equipment are carried at cost, as reduced by accumulated depreciation and impairment losses, if any.

The Company identifies and determines cost of each part of an item of property, plant and equipment separately, if the part has a cost which is significant to the total cost of that item of property, plant and equipment and has useful life that is materially different from that of the remaining item.

Cost comprises of purchase price / cost of construction, including non-refundable taxes or levies and any expenses attributable to bring the PPE to its working condition for its intended use. Excess of net sales proceeds of items produced during trial run/testing, over the cost of testing, is not recognised in the statement of profit and loss but deducted from the directly attributable cost considered as part of cost of an item of PPE. Project



pre-operative expenses and expenditure incurred during construction period are capitalized to various eligible PPE. Borrowing costs directly attributable to acquisition or construction of qualifying PPE are capitalized.

Spare parts, stand-by equipment and servicing equipment that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful life. Costs in nature of repairs and maintenance are recognized in the Statement of Profit and Loss as and when incurred.

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Expenses those are capitalised are considered as pre-operative expenses and are disclosed under capital work-in-progress until the project is capitalised. Advances given towards acquisition of property, plant and equipment outstanding at each Balance Sheet date are disclosed as 'Other Non-Current Assets'.

Depreciation is recognised so as to write off the cost of PPE (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The useful lives prescribed in Schedule II to the Companies Act, 2013 are considered as the minimum lives. If the management's estimate of the useful life of a PPE at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter than that envisaged in the aforesaid Schedule, depreciation is provided at a higher rate based on the management's estimate of the useful life/remaining useful life.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. PPE are depreciated over its estimated useful lives, determined as under:

- Freehold land is not depreciated.
- For other items of PPE:

Type of Asset	Estimated useful life of asset
Factory buildings	30 years
Plant, machinery and equipment	5 to 20 years
Computers and servers	3 to 6 years
Office equipment	5 years

The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

3.3 Investment in subsidiaries

Investment in subsidiaries are carried at cost less accumulated impairment, if any. On disposal of investments in subsidiary the difference between net disposal proceeds and the carrying amount is recognised in the Standalone Statement of Profit and Loss.



3.4 Impairment of non-financial assets and investments in subsidiaries

At the end of each reporting period, the Company reviews the carrying amounts of its PPE (including capital work in progress), right of use assets and investment in subsidiaries to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If it is not possible to measure fair value less cost of disposal because there is no basis for making a reliable estimate of the price at which an orderly transaction to sell the asset would take place between market participants at the measurement dates under market conditions, the asset's value in use is used as recoverable amount.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

3.5 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

3.6 Inventories

Inventories are valued at lower of the cost and net realisable value. Cost is determined using weighted average cost basis. Cost of inventories comprises all costs of materials, duties and taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventory to their present location and condition. Cost of finished goods and work-in-progress includes the cost of materials, conversion costs, an appropriate share of fixed and variable production overheads and other costs incurred in bringing the inventories to their present location and condition. Closing stock of imported materials include customs duty



payable thereon, wherever applicable. Net realisable value represents the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

3.7 Employee benefits

Short-term employee benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. All short-term employee benefits are accounted on undiscounted basis during the accounting period based on services rendered by employees and recognized as expenses in the Standalone Statement of Profit and Loss. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. These benefits include salary and wages, bonus, commission, performance incentives, short-term compensated absences etc.

Long-term employee benefits:

The Company participates in various employee benefit plans. Post-employment benefits are classified as either defined contribution plans or defined benefit plans.

Defined contribution plans:

Retirement benefit in the form of provident and pension fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the fund. Payments to defined contribution plan are recognised as an expense when employees have rendered service entitling them to the contributions.

Defined benefit plans:

The Company's gratuity scheme is a defined benefit plan and is unfunded. For defined benefit plan, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each reporting period. Remeasurement, comprising actuarial gains and losses reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to the statement of profit and loss. Past service cost is recognised in the statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate to the net defined benefit plan at the start of the reporting period, taking account of any change in the net defined benefit plan during the year as a result of contributions and benefit payments. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- remeasurement

The Company presents the first two components of defined benefit costs in the statement of profit and loss in the line item 'Employee benefits expense'.

Other long-term employee benefits

The employees of the Company are entitled to compensated absences. The employees can carry-forward a portion of the unutilized accumulating compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also



not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit. The Company records an obligation for such compensated absences in the period in which the employee renders the services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the projected unit credit method.

3.8 Share-based payment arrangements

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in Note 40.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the statement of profit and loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the share options outstanding account in other equity.

3.9 Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease viz. whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company as lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, Company's incremental borrowing rate.

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.

"Lease liabilities" and "Right of use assets" have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Company applies the short-term lease recognition exemption to its short-term leases (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 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.

Variable lease payments that are not included in the measurement of lease liabilities is charged as expense in the statement of profit and loss under the head 'Rent, lease rentals and hire charges'.

3.10 Government grants

Government grants are recognised when there is reasonable assurance that they will be received and the Company will comply with the conditions associated with the grants.

Export incentives arising from duty drawback scheme and remission of duties and taxes on exported product (RoDTEP) scheme are recognised on export of goods in accordance with their respective underlying schemes at fair value of consideration received or receivable.

3.11 Foreign currency transactions and translation

The transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, foreign currency monetary items are translated using the closing rates. Non-monetary items measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction and are not translated. Non-monetary items measured at fair value that are denominated in foreign currency are translated using the exchange rates at the date when the fair value was measured. Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

3.12 Taxes

Income tax expense comprises of current tax and deferred tax. It is recognized in Standalone Statement of Profit and Loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

Current tax:

Current tax comprises of amount of tax payable in respect of the taxable income or loss for the year determined in accordance with Income Tax Act, 1961 and any adjustment to the tax payable or receivable in respect of previous years. The Company's current tax is calculated using tax rates 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 recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.



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

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Presentation of current and deferred tax:

Current and deferred tax are recognised in the Standalone Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

3.13 Provisions and contingencies

The Company recognizes provisions when a present obligation (legal or constructive) as a result of a past event exists and it is probable that an outflow of resources embodying economic benefits will be required to settle such obligation and the amount of such obligation can be reliably estimated. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. If the effect of time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. Contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognized in the standalone financial statements. However, it is disclosed only when an inflow of economic benefits is probable.



3.14 Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are measured at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

A] Financial assets**a) Initial recognition and measurement:**

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. On initial recognition, a financial asset is recognised at fair value, except for trade receivables which are initially measured at transaction price. In case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction costs are recognised in the statement of profit and loss. In other cases, the transaction costs are attributed to the acquisition value of the financial asset.

b) Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the 'Other income' line item.

c) Subsequent measurement:

For subsequent measurement, the Company classifies a financial asset in accordance with the below criteria:

- i. The Company's business model for managing the financial asset and;
- ii. The contractual cash flow characteristics of the financial asset.

Based on the above criteria, the Company classifies its financial assets into the following categories:

i. Financial assets measured at amortized cost:

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

- a) The Company's business model objective for managing the financial asset is to hold financial assets in order to collect contractual cash flows, and
- b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.



Such financial assets are subsequently measured at amortized cost using the effective interest method. The amortized cost of a financial asset is also adjusted for loss allowance, if any.

ii. Financial assets measured at FVTOCI:

A financial asset is measured at FVTOCI if both of the following conditions are met:

- a) The Company's business model objective for managing the financial asset is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Investments in equity instruments, classified under financial assets, are initially measured at fair value. The Company may, on initial recognition, irrevocably elect to measure the same either at FVTOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument are recognised as other income in the Statement of Profit and Loss unless the Company has elected to measure such instrument at FVTOCI.

The Company does not have any financial assets in this category.

iii. Financial assets measured at FVTPL:

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI as explained above. Such financial assets are subsequently measured at fair value at each reporting date. Fair value changes are recognized in the Statement of Profit and Loss. Dividend income on the investments in equity instruments is recognised as 'other income' in the Statement of Profit and Loss.

a) Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship.

b) Derecognition:

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized (i.e., removed from the Company's Balance Sheet) when any of the following occurs:

- i. The contractual rights to cash flows from the financial asset expires;
- ii. The Company transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset;
- iii. The Company retains the contractual rights to receive cash flows but assumes a contractual obligation to pay the cash flows without material delay to one or more recipients under a 'pass-through' arrangement (thereby substantially transferring all the risks and rewards of ownership of the financial asset);
- iv. The Company neither transfers nor retains substantially all risk and rewards of ownership and does not retain control over the financial asset.



In cases where Company has neither transferred nor retained substantially all of the risks and rewards of the financial asset, but retains control of the financial asset, the Company continues to recognize such financial asset to the extent of its continuing involvement in the financial asset. In that case, the Company also recognizes an associated liability.

The financial asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

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

c) Impairment of financial assets

The Company applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the following:

- i. Trade receivables
- ii. Financial assets measured at amortized cost.

In case of trade receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognized as loss allowance.

In case of other assets (listed as ii above), the Company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance.

Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognizing impairment loss allowance based on 12-month ECL.

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

12-month ECL are a portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset.

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as expense/income in the Statement of Profit and Loss under the head 'Other expenses' / 'Other income'.



B] Financial liabilities and equity instruments

Debt and equity instruments issued by a Company entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

i. Equity instruments:

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company entity are recognised at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

ii. Financial Liabilities: -**a) Initial recognition and measurement:**

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at fair value.

b) Subsequent measurement:

Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest rate method.

c) Derecognition:

A financial liability is derecognized 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 between the carrying amount of the financial liability derecognized and the consideration paid is recognized in the Standalone Statement of Profit and Loss.

3.15 Earnings Per Share

Basic earnings per share is computed by dividing the net profit or loss for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.



3.16 Exceptional items

Exceptional items are disclosed separately in the financial statements where it is necessary to do so to improve the understanding of the financial performance of the Company. These are material items of income or expense which by its size, incidence or nature require separate disclosure.

3.17 Events after the reporting period

Adjusting events are events that provide further evidence of conditions that existed at the end of the reporting period. The financial statements are adjusted for such events before authorisation for issue. Non-adjusting events are events that are indicative of conditions that arose after the end of the reporting period. Non-adjusting events after the reporting date are not accounted, but disclosed, if material.

4. Critical accounting judgements and use of estimates

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision or future periods if the revision affects both current and future periods.

Following are the critical judgements, assumptions and use of estimates that have significant effects on the amounts recognized in these financial statements:

a) Useful lives of Property, Plant & Equipment (PPE):

The Company has adopted useful lives of PPE as described in Note 3.2. Depreciation is based on management estimates of the future useful lives of the property, plant and equipment. Estimates may change due to technological developments, competition, changes in market conditions and other factors and may result in changes in the estimated useful life and in the depreciation and amortisation charges. The Company reviews the estimated useful lives of PPE at the end of each reporting period.

b) Defined employee benefit obligation:

The cost of post-employment benefits is determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rates; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed annually.

c) Recognition and measurement of provisions and contingencies:

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably



estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances. In the normal course of business, contingent liabilities may arise from litigations and other claims against the Company. Judgment is required to determine the probability of such potential liabilities actually crystallising. In case the probability is low, the same is treated as contingent liabilities. Such liabilities are disclosed in the notes but are not provided for in the financial statements.

d) Income tax:

Provision on current tax is made based on reasonable estimates of taxable income computed as per the prevailing tax laws. The amount of such provision is based on various factors including interpretation of tax regulations, changes in tax laws, acceptances of tax positions in the tax assessments etc. Further, deferred tax asset is recognized on losses on the basis of estimates of future taxable income.

e) In respect of Series A Compulsorily Convertible Preference Shares ("CCPS"):

The Company has issued CCPS to International Finance Corporation during the year. The classification of the CCPS involves significant judgment and estimation due to the complex contractual terms of the Shareholders' Agreement ("SHA"). As per Ind AS 32 a financial instrument is classified as a financial liability if the issuer does not have an unconditional right to avoid delivering cash or another financial asset, or where the instrument may be settled in a variable number of the issuer's own equity instruments. The Company has evaluated the substance of the contractual arrangement in accordance with Ind AS 32 and concluded that the CCPS are required to be classified as a financial liability in view of the variable conversion ratio, mandatory conversion triggers that are not within the unilateral control of the Company, the put option exercisable on certain trigger events and other terms and conditions in the SHA.

Further, in view of the above features of CCPS the Company has irrevocably designated the entire instrument at Fair Value Through Profit or Loss ("FVTPL") under Ind AS 109 in order to appropriately reflect the economic characteristics of the instrument and avoid accounting mismatches. The fair valuation of the CCPS is determined using valuation techniques involving significant unobservable inputs and assumptions, including projected cash flows, discount rates, terminal growth rates, expected conversion outcomes and equity valuation estimates. Changes in these assumptions and estimates could materially impact the fair value of the CCPS and the resultant gain or loss recognised in the Statement of Profit and Loss in future periods. All assumptions are reviewed annually.



5 Property, plant and equipment

(Rs. in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Carrying amount of:		
Freehold land	1,179.68	1,179.68
Factory buildings	11,318.98	9,526.14
Plant and equipment	65,413.18	37,333.47
Office equipment	192.92	1.66
Total	78,104.76	48,040.95

(Rs. in Lakhs)

Particulars	Freehold land	Factory buildings	Plant and equipment	Office equipment	Total
I. Cost					
Balance as at 1 April 2024	-	9,404.96	34,854.18	3.96	44,263.10
Additions	1,179.68	464.03	4,218.74	-	5,862.45
Borrowings costs	-	-	201.15	-	201.15
Balance as at 31 March 2025	1,179.68	9,868.99	39,274.07	3.96	50,326.70
Additions	-	2,138.84	30,096.12	195.84	32,430.80
Borrowings costs	-	-	415.63	-	415.63
Balance as at 31 March 2026	1,179.68	12,007.83	69,785.82	199.80	83,173.13

(Rs. in Lakhs)

Particulars	Freehold land	Factory buildings	Plant and equipment	Office equipment	Total
II. Accumulated depreciation					
Balance as at 1 April 2024	-	21.71	125.99	0.98	148.68
Depreciation for the year	-	321.14	1,814.61	1.32	2,137.07
Balance as at 31 March 2025	-	342.85	1,940.60	2.30	2,285.75
Depreciation for the year	-	346.00	2,432.04	4.58	2,782.62
Balance as at 31 March 2026	-	688.85	4,372.64	6.88	5,068.37

(Rs. in Lakhs)

Particulars	Freehold land	Factory buildings	Plant and equipment	Office equipment	Total
III. Net carrying amount					
As at 31 March 2025	1,179.68	9,526.14	37,333.47	1.66	48,040.95
As at 31 March 2026	1,179.68	11,318.98	65,413.18	192.92	78,104.76

Notes:

(a) Details of carrying amount of PPE hypothecated as security for borrowings (see Note 34) are as under:

(Rs. in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Plant and equipment	65,413.18	-
Office equipment	192.92	-

(b) The Company has not revalued its property, plant and equipment.



6 Capital work-in-progress

Particulars	(Rs. in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Capital work-in-progress	84,645.05	52,050.29
Pre-operative expenditure pending allocation	16,654.42	9,718.32
Total	1,01,299.47	61,768.61

Particulars of pre-operative expenditure incurred during the year are as under:

Particulars	(Rs. in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Opening balance	9,718.32	1,432.32
Add: Expenses incurred during the year		
Employee benefits expense	4,690.68	2,608.49
Project manpower cost	1,677.33	1,958.41
Borrowing costs	1,160.60	1,832.51
Power and fuel	1,026.65	793.29
Production labour charges	307.19	313.52
Legal & professional fees and expenses	823.18	481.45
Other expenses	1,055.02	1,007.44
	10,740.65	8,995.11
Sub-total	20,458.97	10,427.43
Less: capitalised during the year	(3,804.55)	(709.11)
Closing balance	16,654.42	9,718.32

Notes:

(a) Entire capital work in progress (previous year Nil) in respect of project under construction have been hypothecated to banks for term loans (see Note 34).

(b) Sale proceeds of Rs. 374.85 lakhs (previous year Rs. Nil) in respect of items produced during trial run/testing are credited to capital work-in-progress.

Capital work-in-progress (CWIP) ageing schedule as at 31 March 2026

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	68,690.09	31,265.86	668.19	675.33	1,01,299.47
Projects temporarily suspended	-	-	-	-	-
Total	68,690.09	31,265.86	668.19	675.33	1,01,299.47

Capital work-in-progress (CWIP) ageing schedule as at 31 March 2025

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	49,005.53	11,607.50	1,155.58	-	61,768.61
Projects temporarily suspended	-	-	-	-	-
Total	49,005.53	11,607.50	1,155.58	-	61,768.61



7 Investments

Particulars	Face Value	As at 31 March 2026		As at 31 March 2025	
		Nos.	Amounts (Rs. in Lakhs)	Nos.	Amounts (Rs. in Lakhs)
Non-current investments					
(Unquoted, fully paid-up)					
Investments in Equity instruments					
Investment in subsidiaries (measured at cost)					
GFCL EV Products Americas LLC	USD 10	20000	166.81	20000	166.81
GFCL EV Products GmbH	Euro 1	25000	22.94	25000	22.94
GFCL EV (SFZ) LLC	OMR 1	259617	563.35	250000	540.87
GFCL EV Products Pte. Ltd.	USD 1	1000	0.86	1000	0.86
GFCL EV Advanced Materials (SFZ) LLC	OMR 1	49850	117.77	-	-
Sub-total (a)			871.73		731.48
Current investments					
(Unquoted, fully paid-up)					
Investment in Mutual Funds (measured at FVTPL)					
Axis Liquid Fund - Direct Plan - Growth	Rs. 1000	164225	5,032.88	347447	10,018.97
Invesco India Liquid Fund - Direct Plan - Growth	Rs. 1000	79860	3,019.29	197000	7,012.98
Axis Overnight Fund - Direct Plan - Growth	Rs. 1000	-	-	133380	1,802.15
LIC MF Money Market Fund - Direct Plan - Growth	Rs. 1000	239365	3,016.15	-	-
HDFC Money Market Fund - Direct Plan Growth	Rs. 1000	49533	3,022.75	-	-
HDFC Liquid Fund - Direct Plan - Growth	Rs. 1000	93016	5,032.08	-	-
DSP Liquidity Fund - Direct Plan - Growth	Rs. 1000	127722	5,033.27	-	-
Sub-total (b)			24,156.42		18,834.10
Total Investments (a+b)			25,028.15		19,565.58
Aggregate amount of quoted investments			-		-
Aggregate market value of quoted investments			-		-
Aggregate amount of unquoted investments			25,028.15		19,565.58
Aggregate amount of impairment in value of investments			-		-

Particulars	(Rs. in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Category-wise other investments - as per Ind AS 109 Classification		
Investments carried at fair value through profit or loss (FVTPL)	24,156.42	18,834.10
Total	24,156.42	18,834.10



8 Loans (at amortised cost)

(Unsecured, considered good, unless otherwise stated)

Particulars	(Rs. in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Current		
Loans to related parties (see Note 38)		
- Inter-corporate deposits to subsidiaries	1,558.51	507.62
Total	1,558.51	507.62

For additional regulatory information in respect of loans granted to related parties, as required by Schedule III to the Companies Act, 2013, see Note 43(f).

9 Other financial assets (at amortised cost)

(Unsecured, considered good, unless otherwise stated)

Particulars	(Rs. in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Non-current		
Non-current bank balances (from Note 15)	255.04	95.42
Security deposits	55.06	39.97
Total	310.10	135.39
Current		
Other receivables from related parties (see Note 38)	692.20	295.50
Total	692.20	295.50

10 Income tax assets (net)

Particulars	(Rs. in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Non-current		
Income tax assets	10.93	43.90
Total	10.93	43.90
Current		
Income tax refund receivable	47.39	-
Total	47.39	-



11 Other assets

(Unsecured, considered good, unless otherwise stated)

Particulars	(Rs. in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Non-current		
Capital advances	12,229.68	10,821.10
Balance with government authorities - Balance in GST accounts	15,767.13	14,744.02
Prepayments	436.08	8.94
Total	28,432.89	25,574.06
Current		
Advance to suppliers	854.54	149.99
Advances to employees	50.42	31.15
Balance with government authorities - Balance in GST accounts	9,000.00	-
Duties and taxes refunds claimed	186.25	-
Export incentives receivable	18.19	-
Prepayments	1,617.59	5.19
Total	11,726.99	186.33

12 Inventories

(At lower of cost and net realisable value)

Particulars	(Rs. in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Raw materials	9,434.58	5,178.88
Work-in-progress	2,486.01	1,392.93
Finished goods	4,961.92	1,355.73
Stores and spares	1,894.13	842.15
Packing materials	76.19	49.77
Total	18,852.83	8,819.46

Notes:

- The mode of valuation of inventories has been stated in Note 3.6
- Raw materials include materials in transit of Rs. 135.29 lakhs (previous year: Nil)
- The above inventories are hypothecated against working capital facilities from banks.

13 Trade receivables

(Unsecured, considered good, unless otherwise stated)

Particulars	(Rs. in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Current		
Considered good	1,762.37	982.24
Trade receivables which have significant increase in credit risk	3.30	-
	1,765.67	982.24
Provision for expected credit loss	(3.30)	-
Total	1,762.37	982.24

Note: For ageing of trade receivables, see note 44.



14 Cash & cash equivalents

Particulars	(Rs. in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Balances with banks - in current account	1,356.09	380.50
Bank deposits with original maturity of less than 3 months	10,067.73	-
Total	11,423.82	380.50

15 Other bank balances

Particulars	(Rs. in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Bank deposits with original maturity of more than 3 months but less than 12 months	1.05	-
Bank deposits with original maturity of more than 12 months	255.04	95.42
	256.09	95.42
Amount disclosed under Note 9: Other non-current financial assets	(255.04)	(95.42)
Total	1.05	-

Bank deposits include margin money deposits kept as security against bank guarantees/working capital facilities as under:

Bank deposits with original maturity of more than 12 months	232.30	82.30
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16 Equity share capital

Particulars	(Rs. in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Authorised capital		
12,00,00,00,000 (31 March 2025: 1000,00,00,000) equity shares of Re 1 each	1,20,000.00	1,00,000.00
3,00,00,00,000 (31 March 2025: Nil) preference shares of Re 1 each	30,000.00	-
10,00,00,000 (31 March 2025: Nil) compulsorily convertible preference shares of Rs 100 each	1,00,000.00	-
Total	2,50,000.00	1,00,000.00
Issued, subscribed and paid up		
732,99,72,576 (31 March 2025: 730,35,51,584) equity shares of Re 1 each	73,299.73	73,035.52
4,29,99,999 (31 March 2025: Nil) compulsorily convertible preference shares of Rs 100 each	43,000.00	-
	1,16,299.73	73,035.52
Less: Series A CCPS designated as financial liability (see note 16(B) below)	43,000.00	-
Total equity share capital as presented in the balance sheet	73,299.73	73,035.52

(A) Equity Shares

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

Particulars	As at 31 March 2026		As at 31 March 2025	
	No. of shares	(Rs. in Lakhs)	No. of shares	(Rs. in Lakhs)
At the beginning of the year	7,30,35,51,584	73,035.52	7,07,52,65,904	70,752.66
Issued during the year (see note (f) below)	2,64,20,992	264.21	22,82,85,680	2,282.86
At the end of the year	7,32,99,72,576	73,299.73	7,30,35,51,584	73,035.52

(b) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having par value of Re. 1 per share. Each shareholder is eligible for one vote per share held and entitled to receive dividend as declared from time to time. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company, in proportion of their shareholding.

(c) Shares held by the holding company:

Particulars	As at 31 March 2026		As at 31 March 2025	
	No. of shares	(Rs. in Lakhs)	No. of shares	(Rs. in Lakhs)
Gujarat Fluorochemicals Limited (*)	7,10,16,86,896	71,016.87	7,07,52,65,904	70,752.66

(d) Details of shareholders holding more than 5% shares in the Company

Name of shareholder	As at 31 March 2026		As at 31 March 2025	
	No. of shares	% of Holding	No. of shares	% of Holding
Gujarat Fluorochemicals Limited (*)	7,10,16,86,896	96.89%	7,07,52,65,904	96.87%

(*) Includes shares held by nominee shareholders.



16 Equity share capital - continued

(e) Shareholding of promoters:

Disclosure of Shareholding of promoters as at 31 March 2026 is as follows

Name of promoters	As at 31 March 2026		As at 31 March 2025		% Change during the year
	No. of shares	% of holding	No. of shares	% of holding	
Gujarat Fluorochemicals Limited (*)	7,10,16,86,896	96.89%	7,07,52,65,904	96.87%	0.02%

Disclosure of Shareholding of promoters as at 31 March 2025 is as follows

Name of promoters	As at 31 March 2025		As at 31 March 2024		% Change during the year
	No. of shares	% of holding	No. of shares	% of holding	
Gujarat Fluorochemicals Limited (*)	7,07,52,65,904	96.87%	7,07,52,65,904	100.00%	(3.13%)

(*) Includes shares held by nominee shareholders.

(f) Issue of equity shares:

During the current year, the Company has made an allotment of 2,64,20,992 equity shares of face value of Re. 1 each by way of private placement offer at a price of Rs. 35 per share (including premium of Rs. 34 per share) aggregating to 9,247.35 lakhs. These shares rank pari passu to existing equity shares of the Company.

During the previous year, the Company had made an allotment of 22,82,85,680 equity shares of face value of Re. 1 each by way private placement offer at a price of Rs. 35 per share (including premium of Rs. 34 per share) aggregating to 79,899.99 lakhs. These shares rank pari passu to existing equity shares of the Company.

The proceeds from above private placement of equity shares, aggregating to Rs. 88,039.84 lakhs (net of issue related expenses), have been used for the purposes for which the funds were raised as per the placement document.

(g) Shares reserved for issue under options

For the details of equity shares reserved for issue under the GFCL EV Employee Stock Option Plan 2024, see Note 40 and for the details of terms of convertible share warrants into equity shares, see Note 17.4.



16 Equity share capital - continued

(B) Series A Compulsorily Convertible Preference Shares ("Series A CCPS" or "CCPS")

(a) Reconciliation of the number of CCPS outstanding at the beginning and at the end of the year

Particulars	As at 31 March 2026		As at 31 March 2025	
	No. of shares	(Rs. in Lakhs)	No. of shares	(Rs. in Lakhs)
At the beginning of the year	-	-	-	-
Issued during the year (see note (c) below)	4,29,99,999	43,000.00	-	-
At the end of the year	4,29,99,999	43,000.00	-	-

(b) Details of preference shareholders holding more than 5% preference shares in the Company

Name of shareholder	As at 31 March 2026		As at 31 March 2025	
	No. of shares	% of Holding	No. of shares	% of Holding
International Finance Corporation	4,29,99,999	100.00%	-	-

(c) Particulars of Series A CCPS issued during the year

During the current year, the Company has issued fully paid-up 4,29,99,999 Series A Compulsorily Convertible Preference Shares ("CCPS") of Rs. 100 each, aggregating to Rs. 43,000.00 lakhs to International Finance Corporation on a private placement basis. The CCPS carry cumulative preferential dividend of 0.00001% p.a. and are also entitled to pari-passu participation in dividends declared, if any, on equity shares. The CCPS will be converted on the earliest of (a) provisions specified in Shareholders' Agreement ("SHA"), and (b) the expiry of 20 years from the date of issuance of the CCPS, or at the option of the preference shareholder in the circumstances specified in the SHA. The CCPS will be converted into equity shares of the Company, as per the conversion ratio formula provided in the SHA. The voting rights in respect of the CCPS are governed by the provisions of the Companies Act, 2013 and the SHA.

The proceeds from these CCPS have been used for the purpose for which the funds were raised and out of the total issue proceeds, the unutilized amount as at the end of the year of Rs. 34,006.42 lakhs is temporarily invested in non-equity schemes of mutual funds and bank fixed deposits.

(d) Classification and presentation of CCPS

As per Ind AS 32 a financial instrument is classified as a financial liability if the issuer does not have an unconditional right to avoid delivering cash or another financial asset, or where the instrument may be settled in a variable number of the issuer's own equity instruments. In view of the variable conversion ratio, mandatory conversion triggers that are not within the unilateral control of the Company, the put option exercisable on certain trigger events and other terms and conditions in the SHA, the Company has classified the Series A CCPS as a financial liability in its entirety. Further, in view of the above features of CCPS, the Company has irrevocably designated the entire Series A CCPS as a financial liability at fair value through profit or loss in accordance with Ind AS 109.



17 Other Equity

Particulars	(Rs. in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
(a) Reserves and surplus		
Securities premium	85,492.77	76,509.63
Share based payment reserve	1,136.89	-
Retained earnings	(13,042.91)	(3,208.15)
(b) Money received against share warrants	5,000.00	5,000.00
Total	78,586.75	78,301.48

17.1 Securities premium

Particulars	(Rs. in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Balance at the beginning of the year	76,509.63	-
Movement during the year:		
On account of issue of equity shares	8,983.14	77,617.13
On account of share issue expenses	-	(1,107.50)
Balance at the end of the year	85,492.77	76,509.63

Securities premium represents the premium received on issue of shares over and above the face value of equity shares. This reserve is utilised in accordance with the provisions of the Companies Act, 2013.

17.2 Share based payment reserve

Particulars	(Rs. in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Balance at the beginning of the year	-	-
Movement during the year:		
On account of share based payment expenses	1,136.89	-
Balance at the end of the year	1,136.89	-

The share based payment reserve is used to recognise the grant date fair value of options issued under the GFCL EV Employee Stock Option Plan 2024. Further details about the ESOP is as per note no. 40.

17.3 Retained earnings

Particulars	(Rs. in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Balance at the beginning of the year	(3,208.15)	(675.53)
Movement during the year:		
Loss for the year	(9,853.62)	(2,523.47)
Other comprehensive income for the year, net of income tax	18.86	(9.15)
Balance at the end of the year	(13,042.91)	(3,208.15)



17 Other Equity - continued

17.4 Money received against share warrants

Particulars	(Rs. in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Balance at the beginning of the year	5,000.00	-
Movement during the year:		
On account of issue of convertible share warrants	-	5,000.00
Balance at the end of the year	5,000.00	5,000.00

On 12 November 2024 the Company had allotted 5,71,42,856 convertible warrants to the promoter group by way of preferential issue at a price of Rs. 35 each (inclusive of a premium of Rs. 34 per warrant) aggregating to Rs. 20,000.00 lakhs and has received Rs. 5,000.00 lakhs (equivalent to 25% of the warrants issue price). Each warrant is convertible into one equity share of the Company, and the rights attached to the warrants can be exercised at any time, within a period of 18 months from the date of allotment of warrants. Equity shares so issued upon conversion of the warrants shall rank pari passu to existing equity shares of the Company.

Subsequent to the balance sheet, the Company has received the balance amount of Rs. 15,000.00 lakhs and has issued 5,71,42,856 fully paid up equity shares of Re. 1 each at a price of Rs. 35 each (inclusive of a premium of Rs. 34 per share) to the warrant holders on 8 May 2026.



18 Non-Current Borrowings

Particulars	(Rs. in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Secured		
Term loans		
- From banks - rupee loans	34,708.54	-
Less: Disclosed under Note 22: Current borrowings		
(i) Current maturities	403.13	-
(ii) Interest accrued	228.54	-
Total	34,076.87	-

Notes:

- a) There is no default in repayment of principal and payment of interest on borrowings.
b) For nature of securities and terms of repayment etc. - see Note 34

19 Other financial liabilities

Particulars	(Rs. in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Creditors for capital expenditure (*)	4,004.60	8,672.20
Employees dues payable	949.66	513.57
Capital contribution payable to subsidiary	122.77	500.33
Other payables	1,499.13	579.24
Total	6,576.16	10,265.34

(*) Includes dues to micro enterprises and small enterprises (see Note 46).

20 Provisions

Particulars	(Rs. in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Non-current		
Provision for employee benefits (see Note 39)		
- for Gratuity	389.31	159.51
- for Compensated absences	244.46	104.81
Total	633.77	264.32
Current		
Provision for employee benefits (see Note 39)		
- for Gratuity	17.46	3.02
- for Compensated absences	89.88	20.91
Total	107.34	23.93



21 Deferred tax assets (net)

For the year ended 31 March 2026

21.1 The major components of deferred tax assets/(liabilities) in relation to:

Particulars	(Rs. in Lakhs)			
	As at 1 April 2025	Recognised in profit or loss	Other Comprehensive income	As at 31 March 2026
Property, plant and equipment	(1,175.28)	(901.42)	-	(2,076.70)
Unabsorbed depreciation (see Note below)	1,243.11	1,671.32	-	2,914.43
Business losses (see Note below)	417.72	1,099.42	-	1,517.14
ROU and lease liabilities	3.91	9.84	-	13.75
Gratuity and leave benefits	38.83	(10.85)	(3.91)	24.07
Investments measured at fair value	(5.98)	(19.77)	-	(25.75)
Provision for expected credit loss	-	0.57	-	0.57
Expenses allowable on payment basis	57.90	(23.84)	-	34.06
Net deferred tax assets	580.21	1,825.27	(3.91)	2,401.57

For the year ended 31 March 2025

21.2 The major components of deferred tax assets/(liabilities) in relation to:

Particulars	(Rs. in Lakhs)			
	As at 1 April 2024	Recognised in profit or loss	Other Comprehensive income	As at 31 March 2025
Property, plant and equipment	(503.89)	(671.39)	-	(1,175.28)
Unabsorbed depreciation (see Note below)	529.40	713.71	-	1,243.11
Business losses (see Note below)	13.82	403.90	-	417.72
ROU and lease liabilities	-	3.91	-	3.91
Gratuity and leave benefits	34.68	2.26	1.89	38.83
Investments measured at fair value	-	(5.98)	-	(5.98)
Expenses allowable on payment basis	-	57.90	-	57.90
Net deferred tax assets	74.01	504.31	1.89	580.21

Note: The Company has recognised deferred tax asset on tax losses comprising of unabsorbed depreciation and business losses as per the Income Tax Act, 2025 based on the projections and estimates of the profitability of the Company. The Company expects the said tax losses to be utilized and consequently, the Company has concluded that the said deferred tax asset is recoverable.



22 Current Borrowings

Particulars	(Rs. in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Secured		
From banks		
(i) Foreign currency loans		
- Buyers credit	12,922.76	-
(ii) Rupee loans		
- Short term loans/working capital demand loans	16,394.26	-
Current maturities of long-term borrowings (from Note 18)	403.13	-
Interest accrued on long-term borrowings (from Note 18)	228.54	-
Total	29,948.69	-

Notes:

- a) There is no default in repayment of principal and payment of interest on borrowings.
b) For nature of securities and terms of repayment etc. - see Note 34

23 Trade payables

Particulars	(Rs. in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
- Total outstanding dues of micro enterprises & small enterprises (MSME) - see Note 46	721.95	725.75
- Total outstanding dues of creditors other than micro enterprises and small enterprises	14,225.04	3,700.67
Total	14,946.99	4,426.42

Note: For ageing of trade payables, see note 45.

24 Other Current liabilities

Particulars	(Rs. in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Statutory dues and taxes payable	553.63	742.68
Total	553.63	742.68



25 Revenue from Operations

Particulars	(Rs. in Lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
(a) Revenue from contracts with customers		
Sale of products	3,261.88	944.13
(b) Other operating revenue	32.44	0.17
Total	3,294.32	944.30

25.1 Disaggregated Revenue Information of revenue from contracts with customers

For year ended 31 March 2026

Particulars	(Rs. in Lakhs)				
	India	USA	Europe	Rest of the Asia	Total
Sale of products: battery chemicals (Lithium Hexafluorophosphate, PVDF Binder etc.)	2,269.99	579.00	5.51	407.38	3,261.88
Total	2,269.99	579.00	5.51	407.38	3,261.88

For year ended 31 March 2025

Particulars	(Rs. in Lakhs)				
	India	USA	Europe	Rest of the Asia	Total
Sale of products: battery chemicals (Lithium Hexafluorophosphate, PVDF Binder etc.)	925.04	7.93	10.71	0.45	944.13
Total	925.04	7.93	10.71	0.45	944.13

25.2 Contract Balances

Particulars	(Rs. in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Trade receivables (see Note 13)	1,762.37	982.24

25.3 Performance Obligation

There are no remaining performance obligations as at the end of the year. For this purpose, as permitted under Ind AS 115, the transaction price allocated to contracts for original expected duration of one year or less are not considered.

25.4 Reconciliation of gross revenue from contract with customers

Particulars	(Rs. in Lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
Gross revenue	3,261.88	944.13
Less: Discounts and rebates etc.	-	-
Net Revenue recognised from contract with customers	3,261.88	944.13



26 Other income

Particulars	(Rs. in Lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
(a) Interest Income		
(i) On financial assets using effective interest method:		
- on inter-corporate deposit to subsidiaries	64.18	15.97
- on fixed deposits with banks	86.01	330.34
(ii) On income tax refund	2.47	0.40
	152.66	346.71
(b) Other non-operating income		
Liabilities and provisions no longer required, written back	-	0.87
Miscellaneous Income	4.11	4.33
	4.11	5.20
(c) Other gains and losses		
Net gain on investments carried at FVTPL	390.12	1,756.01
Total	546.89	2,107.92
Note: Realised gain on redemption of investments (net)	274.95	1,721.17

27 Cost of materials consumed

Particulars	(Rs. in Lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
Raw materials consumed	7,188.62	2,786.95
Packing materials consumed	52.75	10.65
Total	7,241.37	2,797.60

28 Changes in inventories of finished goods and work-in-progress

Particulars	(Rs. in Lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
Opening Inventories		
Finished goods	1,355.73	334.94
Work-in-progress	1,392.93	296.40
	2,748.66	631.34
Less: Closing Inventories		
Finished goods	4,961.92	1,355.73
Work-in-progress	2,486.01	1,392.93
	7,447.93	2,748.66
Increase in inventories	(4,699.27)	(2,117.32)



29 Employee Benefits Expense

Particulars	(Rs. in Lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
Salaries and wages	1,932.78	927.70
Contribution to provident and other funds	112.30	48.92
Gratuity	22.27	10.33
Shares based payment expenses	1,136.89	-
Staff welfare expenses	76.20	7.33
Total	3,280.44	994.28

30 Finance costs

Particulars	(Rs. in Lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
A) Interest expenses		
a) Interest on financial liabilities measured at amortised cost		
- Interest on borrowings	1,702.88	5.41
- Interest on inter-corporate deposits from holding company	-	1,832.51
b) Interest on lease liabilities	53.29	54.51
c) Other Interest expense	41.27	173.23
	1,797.44	2,065.66
B) Net foreign exchange loss on borrowings (considered as finance costs)	4.77	-
C) Other borrowing costs	14.30	31.35
D) Transaction costs in respect of financial liability designated at FVTPL	1,007.24	-
Sub-total (A+B+C+D)	2,823.75	2,097.01
Less: Borrowing costs capitalised	(1,160.60)	(1,832.51)
Total	1,663.15	264.50

Note: The weighted average capitalisation rate of funds borrowed is 8.94% p.a. (Previous year: 7.50% p.a.)

31 Depreciation

Particulars	(Rs. in Lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
Depreciation on property, plant and equipment	2,782.62	2,137.07
Depreciation on right-of-use assets	115.15	113.96
Total	2,897.77	2,251.03



32 Other expenses

Particulars	(Rs. in Lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
Stores and spares consumed	616.85	307.10
Freight	120.55	19.13
Production labour charges	148.91	160.89
Factory expenses	175.05	138.58
Insurance	290.06	128.36
Security expenses	77.55	13.25
Repairs and maintenance		
- Buildings	3.71	4.15
- Plant and equipments	147.15	112.77
- Others	60.60	39.39
Travelling and conveyance	304.64	189.03
Rent, lease rentals and hire charges	139.81	74.74
Legal and professional fees and expenses	290.47	432.37
Allowance for expected credit losses	3.30	-
Bank charges	85.15	13.47
Shared service expenses	352.96	-
Net loss on foreign currency transactions and translations	550.66	14.18
Miscellaneous expenses	167.49	15.58
Total	3,534.91	1,662.99



33 Tax expense

Particulars	(Rs. in Lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
i) Income tax expense recognised in the profit or loss		
(a) Current Tax		
In respect of earlier years	-	1.39
(b) Deferred Tax		
In respect of current year	(1,825.27)	(504.31)
Sub-total	(1,825.27)	(502.92)
ii) Income tax recognised in Other Comprehensive income		
Deferred tax on remeasurement of defined benefit plans	3.91	(1.89)
Total Tax expense	(1,821.36)	(504.81)

The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	(Rs. in Lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
Loss before tax	(11,678.89)	(3,026.39)
Income tax using the Company's domestic tax rate @ 17.16%	(2,004.10)	(519.33)
Effect of non-deductible expenses and others	178.83	15.02
	(1,825.27)	(504.31)
Taxation pertaining to earlier years	-	1.39
Income tax expense recognised in the profit or loss	(1,825.27)	(502.92)

The Company had exercised the option under section 115BAB of the Income Tax Act, 1961. Hence, the applicable tax rate used in the reconciliations above is the corporate tax rate of 17.16% payable by the corporate entities in India.



34. Nature of securities and terms of repayment**34.1 Nature of securities and terms of repayment of non-current borrowings are as under:**As at 31st March, 2026

Sr. No.	Loan Type	Amount outstanding (Rs. in Lakh)	Terms of Repayment	Rate of Interest	Security Note
1	Rupee loans - term loans	30,000.00	Quarterly repayment, final maturity on 20th August, 2032 (moratorium period of 12 months from the date of first disbursement).	3M T Bill + 3.57% spread (3M T Bill Reset every 3M)	(a)
2	Rupee loans - term loans	4,500.00	Quarterly repayment, final maturity on 14th October 2032 (moratorium period of 4 quarters from the initial drawdown date).	1Y MCLR + 0.65% spread (1Y MCLR Reset every 1Y)	(a)

Security:

(a) The term loan is secured by way of hypothecation of first pari passu charge over the entire movable fixed assets of the Company (both present and future).

34.2 Nature of securities and terms of repayment of current borrowings are as under:As at 31st March, 2026

Sr. No.	Loan Type	Amount Outstanding (Rs. in Lakh)	Terms of Repayment	Rate of Interest	Security Note
1	Foreign currency loan-Buyer's credit	6,932.54	Bullet repayment on maturity	6M SOFR + 0.34%.	(a)
2	Foreign currency loan-Buyer's credit	4,969.65	Bullet repayment on maturity	1Y SOFR + 0.85%	(b)
3	Foreign currency loan-Buyer's credit	996.03	Bullet repayment on maturity	6M SOFR + 0.80%	(b)
4	Rupee loan - working capital demand loan	2,500.00	Bullet repayment on maturity	Repo Rate + 2.25% Spread	(b)
5	Rupee loan - working capital demand loan	2,000.00	Bullet repayment on maturity	Repo Rate + 2.15% Spread	(a)
6	Rupee loan - short term loan	11,825.00	Bullet repayment on maturity	Interest ranges from 7.70% p.a. to 8.80% p.a.	(c)

Security:

(a) The working capital loan is secured by first pari passu charge by way of hypothecation on current assets, except funds raised by the Company which is subsequently invested in fixed deposits, other investments or money lying in the bank accounts.

(b) The working capital loan is secured by first pari passu charge by way of hypothecation on current assets of the Company including stock, debtor and other current assets but excluding cash & liquid assets / investments.

(c) The working capital loan is secured by first pari passu charge by way of hypothecation of stocks of raw materials, goods-in-process, semi-finished and finished goods, consumable stores & spares and such other movables, including book debts and bills both present and

34.3 See Note 43(g) for additional regulatory information in respect of borrowings from banks or financial institutions, as required by Schedule III to the Companies Act, 2013.



GFCL EV PRODUCTS LIMITED

Notes to the standalone financial statements for the year ended 31 March 2026

35 Payments to auditor

(Rs. in Lakhs)

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Audit fees (Including consolidated financial statements)	7.00	5.50
Audit of foreign subsidiary companies	2.00	2.00
Reports under Income Tax Act, 1961	1.25	0.50
For taxation matters	1.50	0.70
Certification	-	0.65
Total	11.75	9.35

Note: The above amounts are exclusive of GST.

36 (a) Disclosure as required under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the material subsidiary of a listed company.

(Rs. in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
GFCL EV Products Americas LLC		
Amount of inter-corporate deposit at the end of year (*)	1,090.43	491.48
Maximum balance during the year (*)	1,090.43	491.48
GFCL EV Products GmbH		
Amount of inter-corporate deposit at the end of year (*)	381.38	-
Maximum balance during the year (*)	381.38	-
Investment by loanee in the shares of the Company	-	-

(*) includes foreign currency amounts restated at applicable exchange rate as at the balance sheet date.

(b) Disclosure required under section 186(4) of the Companies Act, 2013**In respect of related party:**

(i) The inter-corporate deposits outstanding of Rs. 1090.43 lakhs (as at 31st March, 2025: Rs. 491.48 lakhs) to GFCL EV Products Americas LLC is unsecured and given for general business purpose. The inter-corporate deposits is repayable on demand and carry interest rate @ 7.00% p.a.

(ii) The inter-corporate deposits outstanding of Rs. 381.38 lakhs (as at 31st March, 2025: Nil) to GFCL EV Products GmbH is unsecured and given for general business purpose. The inter-corporate deposits is repayable on demand and carry interest rate @ 6.00% p.a.

(iii) For details of investment made - see Note 7

36 Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) Rs 43,847.01 lakhs (previous year Rs. 38,297.13 lakhs).



37 Segment Information

Information reported to the chief operating decision maker (CODM) for the purpose of resource allocation and assessment of segment performance focuses on single operating segment of 'Chemicals' comprising of battery chemicals and allied products.

37.1 Break up of Revenue from Operations**A) Product-wise breakup**

Particulars	(Rs. in Lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
(a) Sale of products		
Battery chemicals (Lithium Hexafluorophosphate, PVDF Binder etc.)	3,261.88	944.13
(b) Other operating revenue		
Sale of stores and spares	10.04	0.17
Export incentives	22.40	-
Total revenue from operations	3,294.32	944.30

B) Geographical breakup

Particulars	(Rs. in Lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
India	2,302.43	925.21
USA	579.00	7.93
Europe	5.51	10.71
Rest of the Asia	407.38	0.45
Total	3,294.32	944.30

37.2 Information about major customers

There are 3 external customers amounting to Rs. 2,815.18 lakhs (previous year 2 customers amounting to Rs. 939.60 lakhs) who contributed more than 10% to the Company's revenue.



38. Related Party disclosures

(i) Where control exists:

- (a) Gujarat Fluorochemicals Limited - holding company
- (b) Inox Leasing and Finance Limited - holding company of Gujarat Fluorochemicals Limited
- (c) Mr. Vivek Kumar Jain - ultimate controlling party and also a Key Management Personnel

(d) Subsidiaries:

- GFCL EV Products Americas LLC
- GFCL EV (SFZ) LLC (earlier known as GFCL EV (SFZ) SPC) (incorporated on 11/06/2024)
- GFCL EV Products GmbH (incorporated on 10/09/2024)
- GFCL EV Products Pte Ltd (incorporated on 07/01/2025)
- GFCL EV Advanced Materials (SFZ) LLC (incorporated on 20/01/2026)

(ii) Other related parties with whom there are transactions during the year:

(a) Key Management Personnel

- Mr. Vivek Kumar Jain - Chairman and Managing Director
- Mr. Devansh Jain - Director
- Mr. Bir Kapoor - Director
- Mr. Sanjay Bhan - Whole time director

(b) Relative of Key Management Personnel

- Mrs. Nandita Jain - wife of Mr. Vivek Kumar Jain

(c) Fellow subsidiaries

- Gujarat Fluorochemicals Americas LLC, USA
- Gujarat Fluorochemicals GmbH, Germany

(d) Enterprises over which a Key Management Personnel, or his relatives, have significant influence

- INOX Air Products Private Limited



GFCL EV PRODUCTS LIMITED

Notes to the standalone financial statements for the year ended 31 March 2026

38. Related Party disclosures - continued
(iii) Particulars of transactions

Particulars	Holding company		Subsidiary companies		Fellow subsidiary companies		Key Management Personnel/Relative of Key Management Personnel		Enterprises over which KMP or his relatives have significant influence		Total	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
Transactions during the year												
Sale of goods												
Gujarat Fluorochemicals Limited	1,734.46	805.61									1,734.46	805.61
Gujarat Fluorochemicals Americas LLC, USA											-	18.56
Total	1,734.46	805.61									1,734.46	824.17
Other sales												
Gujarat Fluorochemicals Limited	74.15	63.98									74.15	63.98
Total	74.15	63.98									74.15	63.98
Project manpower cost												
Gujarat Fluorochemicals Limited	1,092.66	1,398.97									1,092.66	1,398.97
GFCL EV Products Americas LLC			338.74	509.67							338.74	509.67
GFCL EV Products GmbH			245.93	49.77							245.93	49.77
Total	1,092.66	1,398.97	584.67	559.44							1,677.33	1,958.41
Purchase of goods/power & fuel												
Gujarat Fluorochemicals Limited	7,155.93	4,884.22							51.36	34.68	7,155.93	4,884.22
INOX Air Products Private Limited									51.36	34.68	51.36	34.68
Total	7,155.93	4,884.22									7,207.29	4,918.90
Purchase of assets												
Gujarat Fluorochemicals Limited	768.53	-									768.53	-
Total	768.53	-									768.53	-
Capital contribution in subsidiaries												
GFCL EV Products GmbH				22.94							-	22.94
GFCL EV (SFZ) LLC			22.48	540.87							22.48	540.87
GFCL EV Products Pte. Ltd.			-	0.86							-	0.86
GFCL EV Advanced Materials (SFZ) LLC			117.77	-							117.77	-
Total			140.25	564.67							140.25	564.67
Interest income on Inter-corporate deposits given												
GFCL EV Products Americas LLC			55.67	15.97							55.67	15.97
GFCL EV Products GmbH			8.51	-							8.51	-
Total			64.18	15.97							64.18	15.97



GFCL EV PRODUCTS LIMITED

Notes to the standalone financial statements for the year ended 31 March 2026

38. Related Party disclosures - continued
(iii) Particulars of transactions

Particulars	Holding company		Subsidiary companies		Fellow subsidiary companies		Key Management Personnel/Relative of Key Management Personnel		Enterprises over which KMP or his relatives have significant influence		Total	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
Interest expenses on Inter-corporate deposits taken												
Gujarat Fluorochemicals Limited	-	1,832.51									-	1,832.51
Total	-	1,832.51									-	1,832.51
Guarantee commission expenses												
Gujarat Fluorochemicals Limited	14.30	31.35									14.30	31.35
Total	14.30	31.35									14.30	31.35
Shared service expenses												
Gujarat Fluorochemicals Limited	352.96	-									352.96	-
Total	352.96	-									352.96	-
Rent paid												
Gujarat Fluorochemicals Limited	67.56	69.56									67.56	69.56
Total	67.56	69.56									67.56	69.56
Guarantees received												
Gujarat Fluorochemicals Limited	-	2,910.60									-	2,910.60
Total	-	2,910.60									-	2,910.60
Guarantees extinguished/exposure reduced												
Gujarat Fluorochemicals Limited	2,767.86	2,409.83									2,767.86	2,409.83
Total	2,767.86	2,409.83									2,767.86	2,409.83
Inter corporate deposits taken												
Gujarat Fluorochemicals Limited	-	29,975.00									-	29,975.00
Total	-	29,975.00									-	29,975.00
Inter corporate deposits repaid												
Gujarat Fluorochemicals Limited	-	34,475.00									-	34,475.00
Total	-	34,475.00									-	34,475.00
Inter corporate deposits given												
GFCL EV Products Americas LLC			504.81	486.45							504.81	486.45
GFCL EV Products GmbH			364.16	-							364.16	-
Total			868.97	486.45							868.97	486.45
Issue of equity share capital (including securities premium)												
Gujarat Fluorochemicals Limited	9,247.35	-									9,247.35	-
Total	9,247.35	-									9,247.35	-



GFCL EV PRODUCTS LIMITED

Notes to the standalone financial statements for the year ended 31 March 2026

38. Related Party disclosures - continued
(iii) Particulars of transactions

Particulars	Holding company		Subsidiary companies		Fellow subsidiary companies		Key Management Personnel/Relative of Key Management Personnel		Enterprises over which KMP or his relatives have significant influence		Total	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
Issue of convertible warrants (see Note 17.4)												
Mr. Vivek Kumar Jain								1,500.00			-	1,500.00
Mr. Devansh Jain								2,000.00			-	2,000.00
Mrs. Nandita Jain								1,500.00			-	1,500.00
Total								5,000.00			-	5,000.00
Reimbursement of expenses (paid)/payments made on behalf of the Company												
Gujarat Fluorochemicals Limited	298.65	4,591.81	54.08	54.25							298.65	4,591.81
GFCL EV Products Americas LLC											54.08	54.25
Gujarat Fluorochemicals GmbH, Germany											-	156.07
GFCL EV Products GmbH			52.67	-							52.67	-
Total	298.65	4,591.81	106.75	54.25	-	156.07					405.40	4,802.13
Reimbursement of expenses (received)/ payments made on behalf by the Company												
Gujarat Fluorochemicals Limited	143.61	78.38									143.61	78.38
GFCL EV Products Americas LLC			-	34.50							-	34.50
GFCL EV Products GmbH			-	0.06							-	0.06
GFCL EV Products Pte. Ltd.			-	18.55							-	18.55
GFCL EV (SFZ) LLC			342.19	277.09							342.19	277.09
Total	143.61	78.38	342.19	330.20	-	-					485.80	408.58

(iv) Other transactions with Key Management Personnel are as under:

Particulars	(Rs. in Lakhs)	
	2025-26	2024-25
Remuneration paid:		
Mr. Sanjay Bhan	50.21	-
Total	50.21	-

As per the provisions of section 197 read with Schedule V to the Act, in view of the inadequacy of profits, the above remuneration paid to the whole-time director is subject to approval of the shareholders by way of a special resolution in its forthcoming annual general meeting.

As the liabilities for the defined benefit plans and other long term benefits are provided on actuarial basis for the Company as a whole, the amount pertaining to KMP cannot be identified separately and hence not included above. Contribution to Provident Fund (defined contribution plan) of Rs. 2.67 lakhs (previous year Rs. Nil) is included in the amount of remuneration reported

Apart from above, Dr. Bir Kapoor is granted Employee Stock Options (ESOPs) under the ESOP 2024 Scheme. ESOP charge accrued thereon is Rs. 821.42 lakhs (previous year Rs. Nil).



GFCL EV PRODUCTS LIMITED

Notes to the standalone financial statements for the year ended 31 March 2026

38. Related Party disclosures - continued
(v) Particulars of amounts outstanding as at 31 March 2026

Particulars	Holding company		Subsidiary companies		Fellow subsidiary companies		Enterprises over which KMP or their relatives have significant influence		Total	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
A) Amounts payables										
a) Trade/other payables										
Gujarat Fluorochemicals Limited	8,899.32	8,935.69							8,899.32	8,935.69
GFCL EV Products Americas LLC			1,001.23	535.61					1,001.23	535.61
GFCL EV Products GmbH			379.16	49.71					379.16	49.71
Gujarat Fluorochemicals GmbH, Germany					181.99	156.07			181.99	156.07
INOX Air Products Private Limited							3.22	3.36	3.22	3.36
Total	8,899.32	8,935.69	1,380.39	585.32	181.99	156.07	3.22	3.36	10,464.92	9,680.44
b) Capital contribution payable										
GFCL EV (SFZ) LLC			-	499.46					-	499.46
GFCL EV Products Pte. Ltd.			-	0.87					-	0.87
GFCL EV Advanced Materials (SFZ) LLC			122.77	-					122.77	-
Total			122.77	500.33					122.77	500.33
c) Guarantees										
Gujarat Fluorochemicals Limited	700.95	3,468.91							700.95	3,468.91
Total	700.95	3,468.91							700.95	3,468.91
B) Amounts receivables										
a) Trade/other receivables										
Gujarat Fluorochemicals Limited	-	794.12							-	794.12
GFCL EV (SFZ) LLC			671.51	276.92					671.51	276.92
GFCL EV Products Pte. Ltd.			20.61	18.58					20.61	18.58
Gujarat Fluorochemicals Americas LLC, USA						7.92				7.92
Total	-	794.12	692.13	295.50	-	7.92			692.13	1,097.54



GFCL EV PRODUCTS LIMITED

Notes to the standalone financial statements for the year ended 31 March 2026

38. Related Party disclosures - continued

(v) Particulars of amounts outstanding as at 31 March 2026

Particulars	Holding company		Subsidiary companies		Fellow subsidiary companies		Enterprises over which KMP or their relatives have significant influence		Total	
	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25
b) Inter-corporate deposits given										
GFCL EV Products Americas LLC			1,090.43	491.48					1,090.43	491.48
GFCL EV Products GmbH			381.38	-					381.38	-
Total			1,471.81	491.48					1,471.81	491.48
c) Interest accrued on inter-corporate deposit given										
GFCL EV Products Americas LLC			77.66	16.14					77.66	16.14
GFCL EV Products GmbH			9.05	-					9.05	-
Total			86.70	16.14					86.70	16.14

(Rs. in Lakhs)

Notes:

(a) The above transactions with related parties are in the ordinary course of business and at arm's length basis.

(b) Amounts outstanding are unsecured and will be settled in cash or receipts of goods and services.

(c) No expense has been recognised for bad or doubtful trade receivables in respect of amounts owed by related parties.

(d) The Company has received corporate guarantees from its holding company in respect of non-fund-based facilities availed from banks. No corporate guarantees have been given by the Company.

(e) The Company has provided inter-corporate deposit at a rate comparable to the commercial rate of interest to its wholly owned subsidiaries.



39 Employee Benefits:**(a) Defined Contribution Plans**

The Company contributes to the government managed provident & pension fund for all qualifying employees. During the year, contribution of Rs. 229.47 lakhs (previous year Rs. 180.08 lakhs) to provident and pension fund is included in pre-operative expenses and contribution of Rs. 112.27 lakhs (previous year Rs. 48.92 lakhs) is included in the Standalone Statement of Profit and Loss.

(b) Defined Benefit Plans:

The Company has defined benefit plan for payment of gratuity to all qualifying employees. The amount of benefits provided depends on the employee's length of services and salary at retirement age. The Company's defined benefit plan is unfunded. There are no other post retirement benefits provided by the Company.

The most recent actuarial valuation of the present value of the defined benefit obligation was carried out as at 31 March 2026 by Mr. Charan Gupta, fellow member of the institute of the Actuaries of India. The present value of the defined benefit obligation, the related current service cost and past service cost, were measured using the projected unit credit method.

(i) Movement in the present value of the defined benefit obligation are as follows:

Particulars	(Rs. in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Opening defined benefit obligation	162.53	160.06
Current service cost	102.95	58.30
Interest cost	11.44	11.60
Past service cost including curtailment gains/(losses)	74.46	-
Actuarial (gains)/losses on obligation:		
a) arising from changes in demographic assumptions	(38.64)	-
a) arising from changes in financial assumptions	(28.29)	3.02
c) arising from experience adjustments	44.16	8.02
Benefits paid	-	(78.47)
Acquisition adjustment (transfer of employees from the holding company)	78.16	-
Present value of defined benefit obligation as at year end	406.77	162.53

(ii) Components of amount recognized in profit and loss and other comprehensive income are as under:

Particulars	(Rs. in Lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
Current service cost	102.95	58.30
Interest expense	11.44	11.60
Past service cost including curtailment gains/(losses) (see Note 47)	74.46	-
	188.85	69.90
Less: Amount capitalised and included in pre-operative expenses	(92.12)	(59.57)
Amount recognized in the Statement of Profit and Loss	96.73	10.33
Actuarial (gains)/losses:		
a) arising from changes in demographic assumptions	(38.64)	-
b) arising from experience financial assumptions	(28.29)	3.02
b) arising from experience adjustments	44.16	8.02
Amount recognized in other comprehensive income	(22.77)	11.04
Total	73.96	21.37



39 Employee Benefits - continued

(iii) The principal assumptions used for the purposes of the actuarial valuation of gratuity are as follows.

Particulars	As at 31 March 2026	As at 31 March 2025
Discount rate	7.90%	7.04%
Expected rate of salary increase	8.00%	8.00%
Employee Attrition Rate	10.00%	5.00%
Mortality	IALM (2012-14) Ultimate Mortality Table	

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

This plan typically expose the company to actuarial risks such as interest rate risk and salary risk.

a) Interest risk: a decrease in the bond interest rate will increase the plan liability.

b) Salary risk: the present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, a variation in the expected rate of salary increase of the plan participants will change the plan liability.

(iv) Sensitivity Analysis

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

(Rs. in Lakhs)		
Particulars - Impact on Present Value of defined benefit obligation	As at 31 March 2026	As at 31 March 2025
if discount rate increased by 1%	(26.45)	(15.61)
if discount rate decreased by 1%	28.14	16.98
if salary escalation rate increased by 1%	27.97	16.74
if salary escalation rate decreased by 1%	(26.55)	(15.54)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumption would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognized in the balance sheet.



39 Employee Benefits - continued

(v) Expected contribution to the defined benefit plan in future years (as per actuarial report)

(Rs. in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Expected outflow in 1st Year	17.46	3.02
Expected outflow in 2nd Year	43.02	4.09
Expected outflow in 3rd Year	81.00	11.59
Expected outflow in 4th Year	33.45	18.18
Expected outflow in 5th Year	39.36	6.60
Expected outflow in 6th to 10th Year	192.48	119.05

The average duration of the defined benefits plan obligation at the end of the reporting period is 8.65 years (previous period 14.28 years)

(c) Compensated absences:

Annual leave and short term leave

The Company's employees are entitled to compensated absences which can be accumulated and encashed in accordance with the Company's policy. The liability towards compensated absences as at 31 March 2026 has been determined based on an actuarial valuation carried out using the "Projected Unit Credit Method". The actuarial valuation has resulted in a net increase in liability of Rs. 165.58 lakhs for the year ended 31 March 2026 (previous year: Rs. 4.29 lakhs), which includes Rs. 53.29 lakhs (previous year: Nil) recognised on account of acquisition adjustment arising from transfer of employees from the holding company.

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

Particulars	As at 31 March 2026	As at 31 March 2025
Discount rate	7.90%	7.04%
Expected rate of salary increase	8.00%	8.00%
Employee Attrition Rate	10.00%	5.00%
Mortality	IALM (2012-14) Ultimate Mortality Table	



40: Share-based payments**GFCL EV Employee Stock Option Plan 2024 ("ESOP 2024" or "Plan")**

The ESOP 2024 is established with effect from 22nd April, 2024 on which the shareholders of the Company have approved the Plan.

The Plan is designed to:

- incentivize its employees for their association with the Company or its Subsidiaries as the case may be;
- attract and retain the key talents of the Company or its Subsidiaries as the case may be by way of rewarding their high performance and motivating them to contribute to the overall corporate growth and profitability of the Company or its Subsidiaries as the case may be;
- enable the Employees not only to become co-owners, but also to create wealth out of such ownership in future.

Participation in the plan is at the Board's discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits. Options granted under the Plan shall vest not earlier than minimum period of 1 (one) year and not later than maximum period of 4 (Four) years from the date of Grant. The Board at its discretion may grant Options specifying Vesting Period ranging from minimum and maximum period as afore stated.

The option carry neither rights to dividends nor voting rights, till shares underlying such Options are allotted on Exercise of such Option. When exercisable, each option is convertible into one equity share. Each share option converts into one equity share of the Company on exercise. The options are granted at an exercise price as intimated in the Grant Letter at the time of Grant which will be maximum Fair Market Value of the Share as on the date of Grant but shall not be less than the face value of the Share as on date of Grant of such Option. The specific Exercise Price is intimated to the Option Grantee in the Grant Letter at the time of Grant.

The options granted are required to be exercised within a period of five year from the date of vesting of the respective options. The Options not exercised within the respective Exercise Periods shall lapse and be deemed to cancelled on expiry of such Exercise Period.

Set out below is a summary of options granted under the plans:

Grant Date	Expiry Date	Exercise Price per option	No. of Option granted	Vesting Period
20 July 2025	20 July 2031 to 20 July 2034	Re. 1	75,00,000	37.5% at the end of 1st year, 25% at the end of 2nd year, 3rd year, and balance at the end of 4th year
20 July 2025	20 July 2031 to 20 July 2034	Rs. 35	28,60,000	20% at the end of first 3 year, and balance 40% at the end of 4th year
20 July 2025	20 July 2031 to 20 July 2034	Rs. 35	1,70,000	4 equal vesting i.e. 25% each year.
20 July 2025	20 July 2031 to 20 July 2034	Rs. 20	35,00,000	20% at the end of first 3 year, and balance 40% at the end of 4th year

Fair value of share options granted

The fair value has been calculated using the Black-Scholes Options Pricing Model. The Black-Scholes model requires the consideration of certain variables such as volatility, risk free rate, expected dividend yield, expected option life, market price and exercise price for the calculation of fair value of the option. These variables significantly influence the fair value and any change in these variables could significantly affect the fair value of the option.



40: Share-based payments - continued

The Black-Scholes valuation model has been used for computing weighted average fair value considering the following inputs:

Particulars	Options granted			
	20 July 2025	20 July 2025	20 July 2025	20 July 2025
Date of grant	20 July 2025	20 July 2025	20 July 2025	20 July 2025
Fair value of share option at grant date	Rs. 35.40	Rs. 35.40	Rs. 35.40	Rs. 35.40
No. of share options granted	75,00,000	28,60,000	1,70,000	35,00,000
Exercise price	Re. 1	Rs. 35	Rs. 35	Rs. 20
Expected volatility	48.51% to 48.73%	48.51% to 48.73%	48.51% to 48.73%	48.51% to 48.73%
Expected life of options granted in years	3.5 to 6.50 years	3.5 to 6.50 years	3.5 to 6.50 years	3.5 to 6.50 years
Dividend yield	0%	0%	0%	0%
Risk free interest rate	5.83% to 6.15%	5.83% to 6.15%	5.83% to 6.15%	5.83% to 6.15%

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information. Since the Company's shares are not listed; volatility of comparable companies listed on recognized stock exchange have been used.

Movements in share options during the period

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Balance at beginning of the year	-	-
Granted during the year	1,40,30,000	-
Exercised during the year	-	-
Balance at end of the year	1,40,30,000	-
Vested and exercisable	-	-
Weighted average exercise price of all stock options	NA	NA

Method used for accounting of share based payment plan:

The Company has used fair value method to account for the compensation cost of stock options granted to employees. The compensation cost of Rs. 1,136.89 Lakhs (preceding year Nil) is recognised in the Standalone Statement of Profit and Loss.

Range of exercise price and weighted average remaining contractual life of outstanding options

Particulars	For Options granted on			
	20 July 2025	20 July 2025	20 July 2025	20 July 2025
Number of options outstanding	75,00,000	28,60,000	1,70,000	35,00,000
Exercise Price	Re. 1	Rs. 35	Rs. 35	Rs. 20
Weighted average remaining contractual life of options outstanding as at the end of the year (in years)	6 years 8 months			

Further, 75,00,000 numbers of options are granted to the KMP during the year. (see Note 38)



41 Financial Instruments**41.1 Capital management**

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to the stakeholders through the optimization of the debt and equity balance. As at 31st March 2026, the capital structure of the Company consists of equity, convertible warrants, CCPS and debts. The Company is not subject to any externally imposed capital requirements. The Company has complied with the financial covenants in respect of its borrowings. The Company's Board of Directors (BOD) reviews the capital structure of the company. As part of this review, BOD considers the cost of capital & risk associated with each class of capital.

The gearing ratio at the end of the reporting period is as follows:

Particulars	(Rs. in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Total debt	64,025.56	-
Cash and bank balances	(11,424.87)	(380.50)
Net debt	52,600.69	NA
Total equity	1,51,886.48	1,51,337.00
Net debt to equity ratio (in times)	0.35	NA

Notes:

- 1) Debt consists of total borrowings and interest accrued thereon (Note 18 and 22), and excludes Series A Compulsorily Convertible Preference Shares (Note 16B) and lease liabilities (Note 42).
- 2) Cash and bank balances include cash & cash equivalents (Note 14) and other bank balances (Note 15) (excluding margin money deposits & fixed deposits kept as security).
- 3) Total equity is defined as equity share capital (Note 16A) and other equity (Note 17).

41.2 Categories of financial instruments

Particulars	(Rs. in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
A) Financial assets		
Measured at fair value through profit or loss (FVTPL)		
(a) Mandatorily measured as at FVTPL		
(i) Investment in mutual funds	24,156.42	18,834.10
Measured at amortised cost		
(i) Loans	1558.51	507.62
(ii) Trade receivables	1,762.37	982.24
(iii) Cash and cash equivalents	11,423.82	380.50
(iv) Bank balances other than (iii) above	1.05	-
(v) Other financial assets	1,002.30	430.89
Sub-total	15,748.05	2,301.25
Total financial assets	39,904.47	21,135.35
B) Financial liabilities		
Investments designated at FVTPL		
(i) Series A Compulsorily Convertible Preference Shares	43,000.00	-
Measured at amortised cost		
(i) Borrowings	64,025.56	-
(ii) Lease liabilities	525.87	538.58
(iii) Trade payables	14,946.99	4,426.42
(iv) Other financial liabilities	6,576.16	10,265.34
Sub-total	86,074.58	15,230.34
Total financial liabilities	1,29,074.58	15,230.34

The carrying amount reflected above represents the Company's maximum exposure to credit risk for such financial assets.

41 Financial Instruments - continued**41.3 Financial risk management**

The company's principal financial liabilities comprise of borrowings, CCPS, lease liabilities, trade and other payables. The main purpose of these financial liabilities is to finance the Company's present activities including acquiring of property, plant and equipment. The Company's financial assets mainly comprises of investments in mutual funds, trade receivables, cash and bank balance and loans to subsidiaries.

The Company is exposed to financial risks which include market risk, credit risk and liquidity risk. The Company's management oversees the management of these risks. The management provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

41.3.1 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 market prices. Market risk comprises three types of risks: foreign currency risk, interest rate risk and other price risk. Financial instruments affected by market risk include borrowings, investments, trade and other payables, trade and other receivables and loans given to subsidiaries etc.

(a) Foreign Currency Risk Management

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. The Company is subject to the risk that changes in foreign currency values impact the Company's export revenues, imports of material/capital goods/services and loans given to subsidiaries etc. The aim of the Company's approach to management of currency risk is to leave the Company with minimum residual risk, after considering the net foreign currency exposure.

(i) The foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follow:

Particulars	(In Lakhs of respective foreign currencies)	
	As at 31 March 2026	As at 31 March 2025
Liabilities		
USD	178.25	6.76
Euro	5.19	2.21
OMR	0.50	2.25
Others	8.63	4.44
Assets		
USD	23.85	6.04
Euro	3.59	-
OMR	3.23	-
Others	-	0.29

(ii) The carrying amount in INR of unhedged foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follow:

Particulars	(Rs. in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Liabilities		
USD	16,900.84	577.51
Euro	565.05	205.78
OMR	122.77	499.46
Others	152.90	52.19
Assets		
USD	2,261.66	516.38
Euro	391.19	-
OMR	794.28	-
Others	-	18.58



41 Financial Instruments - continued

Foreign Currency Sensitivity Analysis

The Company is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to US Dollar, Euro, and Omani rial (OMR).

The following table details the Company's sensitivity to a 10% increase and decrease in INR against the relevant foreign currencies. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes unhedged loans given, receivables and payables in currency other than the functional currency of the Company.

A 10% appreciation of the INR against key currencies to which the Group is exposed would have led to additional impact in the Standalone Statement of Profit and Loss. A 10% depreciation of the INR against these currencies would have led to an equal but opposite effect.

Particulars	(Rs. in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
USD impact (net of taxes)		
Impact on profit or loss for the year	1,212.71	5.06
Impact on total equity as at the end of the reporting period	1,212.71	5.06
Euro impact (net of taxes)		
Impact on profit or loss for the year	14.40	17.05
Impact on total equity as at the end of the reporting period	14.40	17.05
OMR impact (net of taxes)		
Impact on profit or loss for the year	55.63	41.38
Impact on total equity as at the end of the reporting period	55.63	41.38

(b) Interest rate risk management

Interest rate risk refers to the possibility that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk through the impact of rate changes on interest-bearing liabilities. The Company manages its interest rate risk by monitoring the movements in the market interest rates closely.

The Company is exposed to interest rate risk on account of borrowings from banks having floating interest rates. The Company monitors movements in market interest rates and evaluates its financing arrangements on an ongoing basis to manage the exposure to fluctuations in interest rates. Financial assets such as bank fixed deposits carry fixed rates of interest and therefore are not exposed to significant variability in cash flows due to changes in market interest rates.

Interest rate sensitivity analysis

The sensitivity analysis has been determined based on the exposure to floating interest rates at the end of the reporting year for non-current borrowings. For floating rate borrowings, the analysis is prepared assuming that the amount of the liability at the end of the reporting year was outstanding for the whole year. If interest rates had been 50 basis points higher or lower and all other variables were held constant, the Company's profit/loss for the year ended 31st March 2026 would decrease/increase by Rs. 142.90 lakhs (net of tax) (previous year Nil).



41 Financial Instruments - continued**(c) Other price risks**

Other price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. The Company is exposed to equity price risk arising from financial assets such as investments in equity instruments and mutual funds. The equity investments in the subsidiary companies are held for strategic rather than trading purposes, and the Company does not actively trade in these investments. The Company's investments in mutual funds are only in debt funds. Hence, the Company's exposure to other price risk is minimal.

41.3.2 Credit risk management

Credit risk refers to risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to credit risk for trade receivables, cash and cash equivalents, investments, other bank balances, loans and other financial assets.

Credit risk arising from balances with banks is limited because the counterparties are reputed banks. Further, investments in mutual funds are in debt funds of reputed mutual fund houses.

(a) Trade Receivables

The credit risk arising from trade receivables is managed in accordance with the company's established policy, procedure and control relating to customer credit risk management. The average credit period on the sale of products is less than 90 days. There are three external customers representing more than 10% of the total balance of trade receivables as at 31 March 2026 amounting to Rs. 1,643.27 lakhs (as at 31 March 2025: 2 customers amounting to Rs. 969.97 lakhs).

For external trade receivables, as a practical expedient, the Company computes credit loss allowance based on a provision matrix. The provision matrix at the end of the reporting period is as follows:

Ageing	Expected Credit Loss (%)
Less than 6 Months	0.05%
6 Months to 1 year	1.00%
1-2 Years	2.00%
2-3 Years	3.00%
> 3 Years	5.00%

Movement in the expected credit loss allowance

Particulars	(Rs. in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Balance at the beginning of the year	-	-
Allowance for expected credit loss	3.30	-
Balance at the end of the year	3.30	-

(b) Loans and other financial assets

The Company applies Expected Credit Losses (ECL) model for measurement and recognition of loss allowance on the loans given and other financial assets. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the effective interest

The Company's loans and other receivables are recoverable from its wholly owned subsidiary. Considering the strategic and operational relationship with the subsidiary, along with continuous monitoring of its financial position and business performance, the management believes that there is no credit risk associated with such exposures.



41 Financial Instruments - continued

41.3.3 Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the Company's Board of Directors which has established an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Liquidity risk table:

The following table details the remaining contractual maturity for its financial liabilities with agreed repayment periods from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. The contractual maturity is based on the earliest date on which the Company may be required to pay.

(Rs. in lakhs)					
Particulars	Upto 1 year	1-5 years	above 5 years	Series A CCPS	Total
As at 31 March 2026					
Series A CCPS	-	-	-	43,000.00	43,000.00
Borrowings	29,948.69	34,076.87	-	-	64,025.56
Trade payables	14,946.99	-	-	-	14,946.99
Other financial liabilities	6,576.16	-	-	-	6,576.16
Total	51,471.84	34,076.87	-	43,000.00	1,28,548.71
As at 31 March 2025					
Trade payables	4,426.42	-	-	-	4,426.42
Other financial liabilities	10,265.34	-	-	-	10,265.34
Total	14,691.76	-	-	-	14,691.76

Note: While the Series A Compulsorily Convertible Preference Shares are designated as 'financial liability' (Note 16B), they will ultimately be settled by issuance of equity shares and hence shown in a separate column in the above table.

The above liabilities will be met by the Company from internal accruals, realisation of current and non-current financial assets (other than strategic investments). Further, the Company also has unutilised borrowing facilities.

Particulars of contractual maturities in respect of lease liabilities is as per Note 42.



41 Financial Instruments - continued

41.4 Fair value measurements

a) Fair Value of the Group's financial assets and liability that are measured at fair value on a recurring basis:

Particulars	Fair Value as at		Fair value hierarchy	Valuation technique
	31 March 2026 (Rs. in lakhs)	31 March 2025 (Rs. in lakhs)		
Financial Assets				
Investment in Mutual Funds (Note 7)	24,156.42	18,834.10	Level 1	Quoted price in active market.
Financial Liabilities				
Series A Compulsorily Convertible Preference Shares	43,000.00	-	Level 3	See note below

Note: In respect of Series A Compulsorily Convertible Preference Shares (CCPS): The valuation report obtained by the Company has determined the fair value of CCPS by first computing the fair value of equity shares of the Company using the DCF model (Free Cash Flow to Equity method) and then determining the fair value of CCPS on the basis of conversion formula.

The significant unobservable inputs include the cash flow projections, cost of equity and terminal growth rate used in the DCF model.

The valuation has been performed by Mr. Nitish Kumar Chugh, an IBBI Registered Valuer for Securities and Financial Assets class.

Reconciliation of Level 3 fair value measurement of financial liabilities is as follows

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Balance at the beginning of the year	-	-
Additions during the year	43,000.00	-
Fair value loss recognised in profit or loss	-	-
Balance at the end of the period	43,000.00	-

During the year, there were no transfers between Level 1 and Level 2.

b) Fair value of financial assets & financial liabilities that are not measured at fair value (but fair value disclosures are required)

The carrying amount of financial assets and financial liabilities measured at amortized cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different than the values that be eventually received or settled.



42 Leases

A. Company as a lessee

- (a) The Company's significant leasing arrangement is for leasehold land taken for factory premises.
(b) Particulars of right-of-use assets and lease liabilities.

i. Carrying value of right-of-use assets by class of underlying assets

Particulars	(Rs. in Lakhs)	
	Leasehold Land	Total
Gross block		
Balance as at 1 April 2024	840.80	840.80
Additions during the year	123.56	123.56
Balance as at 31 March 2025	964.36	964.36
Additions during the year	-	-
Balance as at 31 March 2026	964.36	964.36
Accumulated depreciation		
Balance as at 1 April 2024	132.48	132.48
Depreciation for the year	113.96	113.96
Balance as at 31 March 2025	246.44	246.44
Depreciation for the year	115.15	115.15
Balance as at 31 March 2026	361.59	361.59

Carrying amounts	(Rs. in Lakhs)	
	Leasehold Land	Total
As at 31 March 2025	717.92	717.92
As at 31 March 2026	602.77	602.77

Note: The Company has not revalued its right-of-use assets.

ii. Movement in lease liability during the year:

Particulars	(Rs. in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Balance at the beginning of the year	538.58	500.08
Addition during the year	-	51.99
Interest on lease liabilities	53.29	54.51
Payment of lease liabilities	(66.00)	(68.00)
Balance as at the end of the year	525.87	538.58

Break-up of lease liabilities:

Particulars	(Rs. in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Non-current lease liabilities	511.82	525.87
Current lease liabilities	14.05	12.71
Total	525.87	538.58



42 Leases - continued

iii. Contractual maturities of lease liabilities as at reporting date on an undiscounted basis:

Particulars	(Rs. in Lakhs)	
	As at 31 March 2026	As at 31 March 2025
Maturity analysis - contractual undiscounted cash flows		
Less than one year	66.00	66.00
One to five years	264.00	264.00
More than five years	726.00	792.00
Total undiscounted lease liabilities	1,056.00	1,122.00

iv. Amount recognized in the Standalone Statement of Profit and Loss

Particulars	(Rs. in Lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
Interest on lease liabilities	53.29	54.51
Included in rent, lease rentals and hire charges expenses: expense relating to short-term leases	139.81	74.74

v. Amounts recognised in the Standalone Statement of Cash Flows

Particulars	(Rs. in Lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
Total cash outflow for leases	66.00	68.00



43 Additional regulatory information as required by Schedule III to the Companies Act, 2013:**a) Details of benami property held**

No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the Rules made thereunder.

b) Relationship with Struck off Companies

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

c) Compliance with number of layers of companies

The company is in compliance 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.

d) Undisclosed income:

There is no income surrendered or disclosed as income during the current year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961), that has not been recorded in the books of account.

e) In case of borrowings from banks**i) Utilisation of borrowed funds**

At the balance sheet date, the Company has used the borrowings from banks for the specific purpose for which it was taken.

ii) Security of current assets against borrowings

The Company has borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the Company with banks are in agreement with the books of accounts, except as given below:

Nature of the current asset offered as security/quarters	Amount as per quarterly return & statements (Rs. in Lakhs)	As per books of accounts (Rs. in Lakhs)	Amount of difference (Rs. in Lakhs)	Reason for material differences
Inventories				Quarterly return/statements filed with the banks were provisional numbers.
December - 2025				
Bank - 1, 2, 3, 4 & 5	19,850.00	20,713.74	(863.74)	

iii) Wilful defaulter

The Company is not declared wilful defaulter by any bank or other lender.

iv) Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction of charges that are yet to be registered with Registrar of Companies beyond the statutory period.



43 Additional regulatory information as required by Schedule III to the Companies Act, 2013 - continued

f) Loans and advances granted to related party

The Company has not granted any loans or advances in the nature of loans without specifying any terms or period of repayment either severally or jointly with any other person. The Company has granted loan repayable on demand and the details are as under:

Type of Borrower	Amount of loan or advance in the nature of loan outstanding (Rs. in lakhs) (*)		Percentage of the total Loans and Advances in the nature of loans (%)	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Related Parties (see Note 38)	1,471.81	491.48	100.00%	100.00%

(*) includes foreign currency amounts restated at applicable exchange rate as at balance sheet date.

g) Utilisation of borrowed funds and share premium:

The Company has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) 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.

The Company has not received any fund from any person(s) or entity(ies), including foreign entities ("Funding Party"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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.

h) Corporate Social Responsibility (CSR)

The Company is covered under section 135 of the Companies Act, 2013, in the current year. However, as per the provisions of subsection (5) of section 135 of the Act, the Company does not have any obligation to spend the amount on CSR activities in view of the losses.

i) Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in crypto currency or virtual currency during the financial year.

j) Compliance with approved Scheme(s) of Arrangements

There is no Scheme of Arrangement that has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.



43 Additional regulatory information as required by Schedule III to the Companies Act, 2013 - continued

k) Ratios

Name of the Ratio	Numerator	Denominator	Year ended 31 March 2026	Year ended 31 March 2025	% Variance	Reason for variance of more than 25%
Current ratio (in times)	Total current assets	Total current liabilities	1.35	2.22	(39.19%)	The variance is on account of increase in current borrowings.
Debt-equity ratio (in times)	Total debt (excluding lease liabilities)	Shareholder's equity	0.42	Not applicable	Not applicable	Not applicable
Return on Equity (in %)	Net loss after taxes	Average shareholder's equity	(6.50%)	(2.28%)	(185.09%)	See Note 1
Inventory turnover ratio (in times)	Net credit sales	Average inventory	0.24	0.11	118.18%	See Note 1
Trade receivable turnover ratio (in times)	Net credit sales	Average Trade Receivables	2.38	1.85	28.65%	See Note 1
Trade payable turnover ratio (in times)	Purchases of goods / services and other expenses	Average trade payables	1.55	1.65	(6.06%)	Not applicable
Net capital turnover ratio (in times)	Net Sales	Average working capital (Inventories + Trade receivables - Trade payables)	0.59	0.17	247.06%	See Note 1
Net profit ratio (in %)	Net loss after taxes	Net sales	(302.08%)	(267.23%)	13.04%	See Note 1
Return on capital employed (in %)	Loss before tax and finance costs	Capital employed = tangible net worth + total debt (including lease liabilities) - Deferred tax assets	(4.62%)	(1.83%)	152.46%	See Note 1
Return on investment (ROI) (in %)	Income generated from investments	Weighted average investments	5.41%	9.26%	(41.58%)	The variance is on account of change in the nature of mutual fund investments.

Notes:

- 1) The Company has commenced its commercial operations recently and is presently in the initial phase of its business. Hence, the ratios for the current year are not directly comparable with those of the previous year.
- 2) Debt service coverage ratio is considered as not applicable, since the earnings available for debt service is negative.



44 Trade receivables ageing schedule

Ageing for trade receivables - outstanding as at 31 March 2026 is as follows:

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables							
Considered good	1,172.78	388.37	152.65	48.57	-	-	1,762.37
Which have significant increase in credit risk	0.58	0.19	1.54	0.99	-	-	3.30
Disputed trade receivables	-	-	-	-	-	-	-
Sub-total	1,173.36	388.56	154.19	49.56	-	-	1,765.67
Provision for expected credit loss	(0.58)	(0.19)	(1.54)	(0.99)	-	-	(3.30)
Total	1,172.78	388.37	152.65	48.57	-	-	1,762.37

Ageing for trade receivables - outstanding as at 31 March 2025 is as follows:

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables							
Considered good	74.43	906.95	0.86	-	-	-	982.24
Disputed trade receivables	-	-	-	-	-	-	-
Total	74.43	906.95	0.86	-	-	-	982.24



45 Trade payables ageing schedule:

Ageing for trade payables - outstanding as at 31 March 2026 is as follows

(Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payments				Total
	Less than 1 year (*)	1-2 years	2-3 years	More than 3 years	
MSME	720.20	0.91	0.84	-	721.95
Others	14,224.84	0.09	0.08	0.03	14,225.04
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
Total	14,945.04	1.00	0.92	0.03	14,946.99

(*) includes unbilled payables of Rs. 1,117.38 lakhs.

Ageing for trade payables - outstanding as at 31 March 2025 is as follows

(Rs. in Lakhs)

Particulars	Outstanding for following periods from due date of payments				Total
	Less than 1 year (*)	1-2 years	2-3 years	More than 3 years	
MSME	720.35	5.40	-	-	725.75
Others	2,736.71	963.77	0.19	-	3,700.67
Disputed dues - MSME	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-
Total	3,457.06	969.17	0.19	-	4,426.42

(*) includes unbilled payables of Rs. 737.59 lakhs.

46 The particulars of dues to micro and small enterprises (MSME) under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006)

(Rs. in Lakhs)

Particulars	As at 31 March 2026	As at 31 March 2025
Principal amount due to suppliers under MSMED Act, 2006 at the year end		
- Trade payables	721.95	725.75
- Payable towards capital expenditure	1,834.36	397.49
Interest accrued and due to suppliers under MSMED Act, 2006 on the above amount, unpaid at the year end.	2.68	6.67
Payment made to suppliers (other than interest) beyond the appointed date during the year.	3,578.24	5,081.14
Interest paid to suppliers under MSMED Act, 2006 (Sec 16) during the year	-	-
Interest due and payable to suppliers under MSMED Act for payments already made.	116.07	74.53
Interest accrued and not paid to suppliers under MSMED Act, 2006 up to the year end	118.75	81.20

The above information has been disclosed in respect of parties which have been identified on the basis of the information available with the Company.



47 Exceptional Items

Particulars	(Rs. in Lakhs)	
	Year ended 31 March 2026	Year ended 31 March 2025
Provision for employee benefits		
- for Gratuity	74.46	-
- for Compensated absences	54.83	-
Total	129.29	-

On 21 November, 2025, the Government of India has consolidated multiple existing labour legislations into a unified framework comprising four Labour Codes collectively referred to as the 'New Labour Codes'. Under Ind AS 19, changes to employee benefit plans arising from legislative amendments constitute a plan amendment, requiring recognition of past service cost immediately in the statement of profit and loss. The New Labour Codes have resulted in one time increase in provision for employee benefit of the Company. The incremental impact of the same amounting to Rs. 129.29 lakhs have been recognised and presented as 'Exceptional Item' in the Standalone Statement of Profit and Loss for the year ended 31 March 2026. The Company continues to monitor the finalisation of Central / State Rules and clarifications from the Government on other aspects of the Labour Code and would provide appropriate accounting effect on the basis of such developments as needed.

48 Reclassification

During the current year, the Company has classified certain inventories relating to testing and trial production activities, in respect of assets/plants under commissioning, in "Capital Work-in-Progress", which were earlier included under "Inventories". Consequently, in line with the current year's classification and presentation, the Company has reclassified such inventories aggregating to Rs. 4,362.29 lakhs as at 31 March 2025 from "Inventories" to "Capital Work-in-Progress" in the comparative financial information of the previous year.

The aforesaid reclassification has no impact on the total assets, profit after tax and total equity of the previous year and represents only a reclassification of balances.



49 Earnings/(loss) per share

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Loss after tax as per the Statement of Profit and Loss (Rs. in Lakhs)	(9,853.62)	(2,523.47)
Equity shares at the beginning of the year (Nos)	7,30,35,51,584	7,07,52,65,904
Equity shares at the end of the year (Nos)	7,32,99,72,576	7,30,35,51,584
Weighted average number of equity shares used in calculation of basic EPS (Nos)	7,31,26,72,255	7,16,26,11,488
Add: Effect of dilution (see Note below)	-	-
Weighted average number of equity shares used in calculation of diluted EPS (Nos)	7,31,26,72,255	7,16,26,11,488
Nominal value of equity share (Re.)	1.00	1.00
Basic loss per equity share (Rs.)	(0.13)	(0.04)
Dilutive loss per equity share (Rs.)	(0.13)	(0.04)

Note: Series A compulsorily convertible preference shares, employee stock options (ESOP) and convertible share warrants could potentially dilute basic earnings per share in the future, but have not been included in the calculation of diluted earnings per share as they are anti-dilutive for the year ended 31 March 2026 and 31 March 2025 respectively.

As per our report of even date attached

For Patankar & Associates

Chartered Accountants

Firm's Registration No. 107628W

Sanjay S. Agrawal

Partner

Membership No. 049051

Place: Pune

Date: 25 May 2026



For GFCL EV PRODUCTS LIMITED

V. K. Jain

Managing Director

DIN: 00029968

Place: Noida

Dr. Bir Kapoor

Director

DIN: 01771510

Place: Noida

Manoj Agrawal

Chief Financial Officer

Place: Noida

Date: 25 May 2026

B. V. Desai

Company Secretary

Place: Vadodara