



EXEDY INDIA LIMITED



ANNUAL REPORT
2025-26

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EXEDY INDIA LIMITED

COMPANY NAME: Exedy India Limited

CIN: U34100MH1973PLC016985

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Mr. Pradeep B. Chinai, Director

Mr. Hidetaka Endo, Director

Mr. Shreekant V. Mehta, Independent Director

Mr. Rajan A. Ruvala, Independent Director

Mr. Hiroshi Toyohara, Director

Mr. Kazunori Kusamizu, Director (Additional Director with effect from April 1, 2025 and was regularized as a Director with effect from September 30, 2025)

Mrs. Nauka M. Kothari, Director

Ms. Niharika Tripathi, Company Secretary (Resigned with effect from April 4, 2026)

AUDITORS

M/s Sudit K. Parekh & Co. LLP, Chartered Accountants - Statutory Auditor

M/s Shashi Ranjan & Associates, Cost Accountants - Cost Auditor

M/s Gautam Goyal & Associates, Practicing Company Secretaries - Secretarial Auditor

M/s AKSB & Co. (Formerly known as Chirag Chawla & Associates), Chartered Accountants - Internal Auditor

REGISTERED OFFICE

Plot L-4, MIDC Industrial Estate, Chikalthana,
Chhatrapati Sambhaji Nagar (Aurangabad) - 431 210,
Maharashtra, India

HEAD OFFICE

NKM International House, 4th Floor,
178, Babubhai M. Chinai Marg, Mumbai- 400 020,
Maharashtra, India.

FACTORIES

Unit 1: Plot L-4, MIDC Industrial Estate, Chikalthana,
Chhatrapati Sambhajinagar (Aurangabad) - 431 210,
Maharashtra, India.

Unit 2: Plot No. 9, Udyog Kendra Industrial Area,
Greater Noida - 201 304, Uttar Pradesh, India.

Registrar & Share Transfer Agent

MUFG Intime India Private Limited

(Formerly Link Intime India Private Limited)

C-101, Embassy 247, L.B.S. Marg,
Vikhroli (West), Mumbai - 400 083.

NOTICE

NOTICE IS HEREBY GIVEN THAT 52ND (FIFTY-SECOND) ANNUAL GENERAL MEETING OF THE MEMBERS OF EXEDY INDIA LIMITED ("THE COMPANY") SCHEDULED TO BE HELD ON MONDAY, SEPTEMBER 28, 2026 AT 12:30 P.M. (IST) AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT PLOT L-4, MIDC INDUSTRIAL ESTATE, CHIKALTHANA, CHHATRAPATI SAMBHAJI NAGAR (AURANGABAD) - 431 210, MAHARASHTRA, INDIA.

ORDINARY BUSINESS:

1. **To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2026, including the Audited Balance Sheet as on that date, the Statement of Profit and Loss and Cash Flow Statement for the financial year ended on that date together with the reports of the Board of Directors and Auditors thereon.**

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

“RESOLVED THAT the Audited Financial Statements of the Company for the Financial Year ended March 31, 2026 and the Report of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted.”

2. **To consider and approve the re-appointment of Mr. Hidetaka Endo (DIN: 10541397), Director, who retires by rotation and, being eligible, offers himself for re-appointment**

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

“RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Hidetaka Endo (DIN: 10541397), who retires by rotation at the conclusion of this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

Relevant details pursuant to the requirement of Secretarial Standards- 2 of General Meetings in respect of Director proposed for appointment are mentioned as Annexure I.

SPECIAL BUSINESS:

3. **To consider and approve the remuneration of the Cost Auditors for the financial year ended March 31, 2027**

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

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the remuneration

EXEDY INDIA LIMITED

payable to M/s. Shashi Ranjan & Associates, Practicing Cost Accountants (Firm Registration No. 101139, Membership No. 18347), appointed as the Cost Auditors by the Board of Directors of the Company at their meeting held on August 31, 2026 to conduct the audit of the Cost Records of the Company for the financial year ending March 31, 2027 be and is hereby fixed at INR 1,00,000/- (Indian Rupees One Lakh only) plus taxes and out of pocket expenses.

RESOLVED FURTHER THAT the Board of Directors/Audit Committee of the Company be and is hereby severally authorised to modify, vary or amend the terms of appointment, including the remuneration, of the said auditors, as may be considered necessary or appropriate.

RESOLVED FURTHER THAT Mr. Pradeep B. Chinai or Mr. Hidetaka Endo, Directors of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be necessary, proper or expedient to give effect to this resolution.”

4. To consider and approve re-appointment of Mr. Shreekant Vasantlal Mehta as an Independent Director of the Company

To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014, including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force, and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, consent of the Members be and is hereby accorded for the re-appointment of Mr. Shreekant Vasantlal Mehta (DIN: 00318524), who has submitted a declaration confirming that he meets the criteria of independence as prescribed under Section 149(6) of the Act and is eligible for re-appointment, as a Non-Executive Independent Director of the Company, not liable to retire by rotation, for a term commencing from September 28, 2026 and ending on September 27, 2031, on such terms and conditions as may be determined in accordance with the applicable provisions of the Act.

RESOLVED FURTHER THAT Mr. Pradeep B. Chinai or Mr. Hidetaka Endo, Directors of the Company be and are hereby severally authorized to issue the letter of appointment to Mr. Shreekant Vasantlal Mehta and to sign, execute and file all such applications, forms, returns, disclosures, e-forms and other documents as may be required to be filed with the Registrar of Companies or any other statutory authority and to do all such acts, deeds, matters and things as may be necessary, proper or expedient to give effect to this resolution.”

5. To consider and approve re-appointment of Mr. Rajan A. Ruvala as an Independent Director of the Company

To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014, including any statutory modification(s),

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amendment(s) or re-enactment(s) thereof for the time being in force, and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, consent of the Members be and is hereby accorded for the re-appointment of Mr. Rajan A. Ruvala (DIN: 00086624), who has submitted a declaration confirming that he meets the criteria of independence as prescribed under Section 149(6) of the Act and is eligible for re-appointment, as a Non-Executive Independent Director of the Company, not liable to retire by rotation, for a term commencing from September 28, 2026 and ending on September 27, 2031, on such terms and conditions as may be determined in accordance with the applicable provisions of the Act.

RESOLVED FURTHER THAT Mr. Pradeep B. Chinai or Mr. Hidetaka Endo, Directors of the Company be and are hereby severally authorized to issue the letter of appointment to Mr. Rajan A. Ruvala and to sign, execute and file all such applications, forms, returns, disclosures, e-forms and other documents as may be required to be filed with the Registrar of Companies or any other statutory authority and to do all such acts, deeds, matters and things as may be necessary, proper or expedient to give effect to this resolution.”

**By and on behalf of Board of Directors
For Exedy India Limited**

Sd/-

Hidetaka Endo

Director

DIN: 10541397

Place: Greater Noida

Registered Office Address: Plot L-4, MIDC Industrial Estate,
Chikalthana, Chhatrapati Sambhaji Nagar (Aurangabad) - 431 210,
Maharashtra, India.

Date: August 31, 2026

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NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies in order to be effective must be received by the Company not less than 48 hours before the time for holding the meeting.
2. Proxy, if any shall not have the right to speak at such meeting and shall not be entitled to vote except at a poll.
3. Members are requested to notify the Company at the address as mentioned above the changes, if any, in the address in full with the postal area pin code number quoting their folio numbers.
4. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business provided below.
5. Proxy form and Attendance Slip form part of this notice convening the Annual General Meeting – Annexure A and Annexure B, respectively.
6. Relevant documents referred to in the Notice and Explanatory statement are open for inspection at the Company's Registered Office on all working days, except Sunday between 11.00 A.M. to 6.00 P.M. up to the date of the meeting.
7. Route map of the venue is given in Annexure C

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EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (“THE ACT”)

The following Statement sets out all material facts relating to the Special Business mentioned in the Notice:

ITEM NO. 3

In accordance with the provisions of Section 148 of the Companies Act, 2013 (“the Act”) and the Companies (Audit and Auditors) Rules, 2014 (“the Rules”), the Company is required to appoint a Cost Auditor to audit the Cost Records of the Company.

The Board of Directors of the Company, at its meeting held on August 31, 2026, has appointed M/s. Shashi Ranjan & Associates, Practicing Cost Accountants, as the Cost Auditors of the Company to conduct the audit of the Cost Records of the Company for the Financial Year ending March 31, 2027.

The remuneration payable to the Cost Auditors for conducting the aforesaid audit is proposed to be fixed at INR 1,00,000/- (Indian Rupees One Lakh only) plus applicable taxes and out of pocket expenses. Accordingly, the approval of the Members is sought for fixing the remuneration payable to the Cost Auditors for the Financial Year ending March 31, 2027.

None of the Directors / Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice.

The Board of Directors of the Company recommends the resolution set forth in Item No. 3 for the approval of the Members by way of an Ordinary Resolution.

ITEM NO. 4

The Board of Directors at its meeting held on August 31, 2026, recommended re-appointment of Mr. Shreekant Vasantlal Mehta (DIN: 00318524) as an Independent Director of the Company for a term commencing from September 28, 2026 and ending on September 27, 2031, on such terms and conditions as may be determined in accordance with the applicable provisions of the Act. Mr. Shreekant Vasantlal Mehta satisfies conditions to continue as an Independent Director of the Company. He shall hold office as an Independent Director for a term of 5 years from his date of his re-appointment i.e. from September 28, 2026 to September 27, 2031 and shall not be liable to retire by rotation.

Relevant details pursuant to the requirement of Secretarial Standards- 2 of General Meetings in respect of Director proposed for appointment are mentioned as Annexure II.

Save and except Mr. Shreekant Vasantlal Mehta, none of the other Directors / Key Managerial Personnel of the Company / their relatives are in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

The Board of Directors of the Company recommends the resolution set forth in Item no. 4 for the approval of the members by way of Special Resolution.

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ITEM NO. 5

The Board of Directors at its meeting held on August 31, 2026, recommended re-appointment of Mr. Rajan A. Ruvala (DIN: 00086624) as an Independent Director of the Company for a term commencing from September 28, 2026 and ending on September 27, 2031, on such terms and conditions as may be determined in accordance with the applicable provisions of the Act. Mr. Rajan A. Ruvala satisfies conditions to continue as an Independent Director of the Company. He shall hold office as an Independent Director for a term of 5 years from his date of his re-appointment i.e. from September 28, 2026 to September 27, 2031 and shall not be liable to retire by rotation.

Relevant details pursuant to the requirement of Secretarial Standards- 2 of General Meetings in respect of Director proposed for appointment are mentioned as Annexure III.

Save and except Mr. Rajan A. Ruvala, none of the other Directors / Key Managerial Personnel of the Company / their relatives are in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

The Board of Directors of the Company recommends the resolution set forth in Item no. 5 for the approval of the members by way of Special Resolution.

**By and on behalf of Board of Directors
For Exedy India Limited**

Sd/-
Hidetaka Endo
Director
DIN: 10541397
Place: Greater Noida

Registered Office Address: Plot L-4, MIDC Industrial Estate,
Chikalthana, Chhatrapati Sambhaji Nagar (Aurangabad) - 431 210,
Maharashtra, India.

Date: August 31, 2026

Relevant details pursuant to the requirement of Secretarial Standards- 2 of General Meetings in respect of Director proposed for appointment are mentioned hereunder:

Name of the Director	Mr. Hidetaka Endo
DIN	10541397
Date of Birth	December 1, 1967
Qualifications	Master of Business
Experience	More than 35 years
Terms & Conditions of appointment/ re-appointment	As per the previous terms of appointment
Details of Remuneration	Sitting fees as approved by the Board
Date of first appointment on the Board	April 1, 2024
Shareholding in the Company	NIL
Relationship with Other Directors, Manager & Key Managerial Personnel	NIL
Number of Board Meetings attended during the year	For FY 2025-26 - 5 out of 5 Board meetings For FY 2026-27 till date - 2 out of 2 Board Meeting
Directorships in other companies	NIL
Membership of committees of the Board of other companies	NIL
Chairmanship of committees of the Board of other companies	NIL

Relevant details pursuant to the requirement of Secretarial Standards- 2 of General Meetings in respect of Director proposed for appointment are mentioned hereunder:

Name of the Director	Mr. Shreekant V. Mehta
DIN	00318524
Date of Birth	May 24,1945
Qualifications	Advocate
Experience	Law Graduate and a Solicitor with over 50 years of experience in legal practice. He possesses vast experience in legal matters, with expertise in Corporate Law.
Terms & Conditions of appointment/ re-appointment	As per the previous terms of appointment
Details of Remuneration	Sitting fees as approved by the Board
Date of first appointment on the Board	September 28, 2021
Shareholding in the Company	NIL
Relationship with Other Directors, Manager & Key Managerial Personnel	NIL
Number of Board Meetings attended during the year	For FY 2025-26 - 5 out of 5 Board meetings For FY 2026-27 till date - 2 out of 2 Board Meeting
Directorships in other companies	1 (General Metallisers Private Limited)
Membership of committees of the Board of other companies	NIL
Chairmanship of committees of the Board of other companies	NIL

Relevant details pursuant to the requirement of Secretarial Standards- 2 of General Meetings in respect of Director proposed for appointment are mentioned hereunder:

Name of the Director	Mr. Rajan A. Ruvala
DIN	00086624
Date of Birth	August 10, 1948
Qualifications	Chartered Accountant
Experience	Chartered Accountant with over 55 years of professional experience. He possesses vast experience in financial and corporate matters, with expertise in Internal Audit, Statutory Audit, Corporate Planning and Taxation matters.
Terms & Conditions of appointment/ re-appointment	As per the previous terms of appointment
Details of Remuneration	Sitting fees as approved by the Board
Date of first appointment on the Board	September 28, 2021
Shareholding in the Company	NIL
Relationship with Other Directors, Manager & Key Managerial Personnel	NIL
Number of Board Meetings attended during the year	For FY 2025-26 - 5 out of 5 Board meetings For FY 2026-27 till date - 2 out of 2 Board Meeting
Directorships in other companies	1 (A3 Remote Monitoring Technologies Private Limited)
Membership of committees of the Board of other companies	NIL
Chairmanship of committees of the Board of other companies	NIL

EXEDY INDIA LIMITED**ANNEXURE A**
PROXY FORM

To,
The Board of Directors,
Exedy India Limited (the “Company”)
CIN: U34100MH1973PLC016985
Plot L-4, MIDC Industrial Estate, Chikalthana,
Chhatrapati Sambhaji Nagar (Aurangabad)- 431 210,
Maharashtra, India.

Name of the member(s):

Registered address:

Email Id:

Folio No/Client Id:

DP ID:

I/We being a Member/Members of the Company hereby appoint Mr./Ms. _____ as my / our Proxy to attend and vote for me/us and on my/ our behalf at the 52nd Annual General Meeting of the Company to be held on Monday, September 28, 2026 at 12:30 P.M. at Plot L-4, MIDC Industrial Estate, Chikalthana, Chhatrapati Sambhaji Nagar (Aurangabad)- 431 210, Maharashtra, India and at any adjournment(s) thereof in respect of such resolutions as are indicated below:

Sr. No	Resolutions	Optional*	
		For	Against
	Ordinary Business		
1.	To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2026, including the Audited Balance Sheet as on that date, the Statement of Profit and Loss and Cash Flow Statement for the financial year ended on that date together with the Reports of the Board of Directors and Auditors thereon.		
2.	To consider and approve the Re-appointment of Mr. Hidetaka Endo (DIN: 10541397), Director, who retires by rotation and, being eligible, offers himself for re-appointment.		
	Special Business		
3.	To consider and approve the remuneration of the Cost Auditors for the financial year ended March 31, 2027.		
4.	To consider and approve re-appointment of Mr. Shreekant Vasantlal Mehta as an Independent Director of the Company.		
5.	To consider and approve re-appointment of Mr. Rajan A. Ruvala as an Independent Director of the Company.		

EXEDY INDIA LIMITED

Signed this _____ day of _____
2026

Signature of Shareholder

Signature of Proxy holder(s)

Affix Revenue
Stamp

Note:

1. This form of proxy, in order to be effective, should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
2. It is optional to put X in the appropriate column against the Resolution indicated in the Box. If the 'for' or 'Against' column is left blank against any or all the resolutions, the Proxy will be entitled to vote in the manner as he/ she thinks appropriate.

ANNEXURE B

**Attendance Slip
Annual General meeting**

Name	
Address	
Registered Folio No./ DP ID & Client ID	
Shareholder/ proxy/ Authorised Representative	

I/We hereby record my/our presence at the 52nd Annual General Meeting of the Company being held on Monday, September 28, 2026 at 12:30 P.M. at Plot L-4, MIDC Industrial Estate, Chikalthana, Chhatrapati Sambhaji Nagar (Aurangabad)- 431 210, Maharashtra, India.

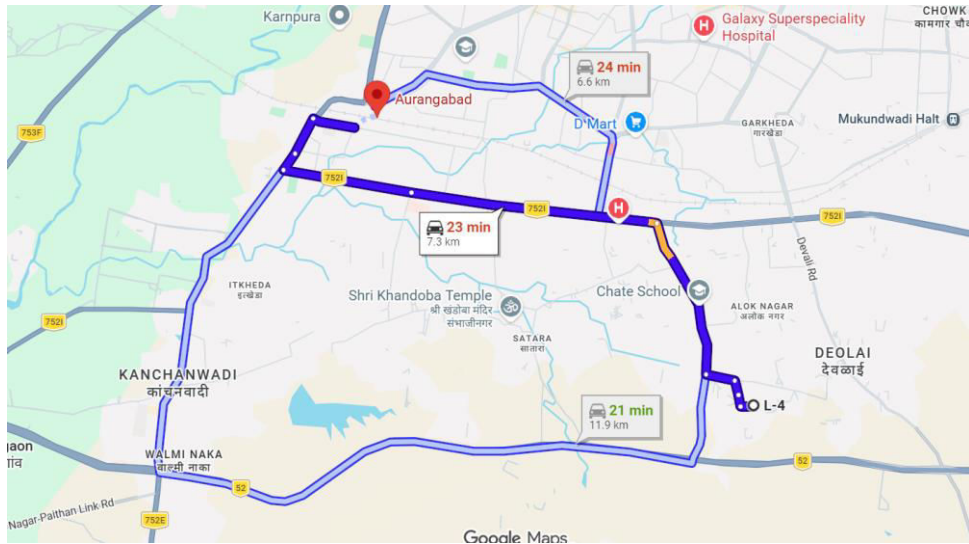
Signature of Shareholder/ Proxy/ Authorised Representative

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Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall.

ANNEXURE C
ROUTE MAP

Venue: Plot L-4, MIDC Industrial Estate, Chikalthana, Chhatrapati Sambhaji
Nagar (Aurangabad)- 431 210, Maharashtra, India.



EXEDY INDIA LIMITED

DIRECTORS' REPORT

To,
The Members,
Exedy India Limited (the "Company")
CIN: U34100MH1973PLC016985
Plot L-4, MIDC Industrial Estate, Chikalthana,
Chhatrapati Sambhaji Nagar (Aurangabad) - 431 210,
Maharashtra, India.

The Board of Directors of the Company hereby submits the 52nd (Fifty Second) Directors' Report on the business and operations of the Company, along with the Audited Financial Statements and Auditor's Report for the financial year ended on March 31, 2026 ("year under review/financials under review"). Further, in compliance with the Companies Act, 2013, the Company has made all requisite disclosures in the Directors' Report with the objective of accountability and transparency in its operations and to make you aware about its performance and future perspective.

FINANCIAL SUMMARY

The financial performance and highlights for the financial year ended March 31, 2026, forming part of this Annual Report, have been prepared in accordance with the applicable Accounting Standards (AS).

Key highlights of financial performance of your Company for the financial year ended March 31, 2026, as compared to the previous financial year is summarized as below.

Amounts in INR Lakhs

Financial Highlights	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from Operations	53,147.04	47,260.54
Total Income	53,234.62	47,335.45
Cost of Material consumed	39,029.18	35,219.63
Finance Cost	695.06	839.71
Depreciation and Amortization	620.40	569.16
Other Expenses	12,198.02	11,248.07
Profit / (Loss) before Tax and exceptional items	691.96	(541.12)
Exceptional Items	-	-
Profit / (Loss) before Tax	691.96	(541.12)
Tax Expense		
- Prior Period Expense	58.14	-
Profit / (Loss) After Tax	633.82	(541.12)
Balance of profit / loss brought forward from previous year	(9,045.57)	(8,504.45)
Amount available for appropriations	(8,411.75)	(9,045.57)
APPROPRIATIONS		
a) Transfer to General Reserve	-	-
b) Balance carried to Balance Sheet	(8,411.75)	(9,045.57)

STATE OF COMPANY'S AFFAIRS

During the year under review, the Company has generated revenue from operations of INR 53,147.04 Lakhs as compared to INR 47,260.54 Lakhs in the previous financial year, registering an increase of 12.46%. The Company has earned a profit after tax for the year of INR 633.82 Lakhs as compared to a loss of INR 541.12 Lakhs in the previous financial year, registering an increase of 217.13%. The improvement in the financial performance of the Company during the year was primarily attributable to the positive factors impacting the Company's operations and business performance during the year.

Additionally, your company increased its share capital through a preferential allotment to the promoters, M/s Exedy Corporation, Japan and Indian promoters.

The detailed financial and operational performance of the Company for the financial year ended March 31, 2026 is set out in the Financial Statements forming part of this Annual Report.

OPERATIONS

Your Company has been operating plants under the global policy laid down by Exedy Corporation, Japan. Based on the policy of safety, quality, just in time concept has been practiced. Your company has minimized the number of accidents through a meticulous safety policy.

Sales have shown an increase of around 12.46% in comparison to the previous year 2024-25. Your Company achieved production of 2.81 million Clutch Disc and 2.71 million Clutch Covers in 2025-26. Production of One-Way Clutches was 5.47 million.

During the period April-March in financial year 2025-26, Commercial Vehicle sales increased by approximately 13.0 % as against the corresponding period of 2024-25. Sales of Medium and Heavy commercial (M&HCV) vehicles witnessed an increase of 14.70 % whereas Light Commercial Vehicle (LCV) sales increased by almost 11.90 % over the same period in 2024-25.

In the three-wheeler segment sales increased by approximately 23.70% during the year 2025-26 as compared to year 2024-25. For the same period, two-wheeler sales also showed an increased by approximately 12.90 %.

Sales of Passenger Vehicles showed an increase during the year 2025-26 as compared to the corresponding period of the year 2024-25. In the Passenger Vehicles segment while the Passenger Cars witnessed an increase of 4.30%, the Utility Vehicles showed an increase of 12.40 % and sales of Vans increased by 6.10%.

The sale of products during the year is as follows:

Particulars	2025-2026 (Unit: Nos.)	2024-2025 (Unit: Nos.)
A) Clutch Disc Assly	28,09,976	25,70,444
B) Clutch Cover Assly	27,40,075	24,99,848
C) One Way Clutch	54,93,501	40,91,290

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The sales (net of taxes, inter division sales and discount) and other income for the financial year under review was INR 53,234.62 Lakhs as against INR 47,335.45 Lakhs for the previous financial year. The Company has earned a profit after tax of INR 633.82 Lakhs as against a loss of INR 541.12 Lakhs in the previous year.

The sales from April to July in the year 2026-27 as compared to the same period in the year 2025-26 is as follows:

Particulars	2026-2027 (Unit: Nos.)	2025-2026 (Unit: Nos.)
A) Clutch Disc Assly	9,92,254	8,83,156
B) Clutch Cover Assly	9,52,526	8,42,964
C) One Way Clutch	24,60,067	16,46,799
Net Turnover (net of taxes and Inter division sales)	INR 19,565.46 Lakhs	INR 16,845.69 Lakhs

EXEDY CORPORATION

Your Company has always received valuable support from Exedy Corporation your collaborators & foreign promoters in technology transfer, financial assistance, training our personnel at their as well as your factory and for up-gradation in technology. The Directors would like to place on record their appreciation for continuous patronage given by them and expects further growth in future with their continuous support.

CHANGES IN NATURE OF BUSINESS

There has been no change in the nature of the business of the Company during the year under review.

WEB ADDRESS

As per MCA vide Notification dated 05.03.2021, the Extract of Annual Return as required under section 92(3) of the Companies Act, 2013 in Form MGT-9 is not required to be prepared from Financial Year 2020-21 onwards & hence not applicable.

The Company doesn't have any website. Therefore, there is no requirement for publication of Annual Return.

DIVIDEND

The Board of Directors have not recommended any dividend for the year under review.

AMOUNT, IF ANY, WHICH THE BOARD PROPOSES TO CARRY TO ANY RESERVES

The Board of Directors has decided not to transfer any amount to the General Reserve for the financial year ended March 31, 2026, with a view to retaining funds within the business for strengthening operations and supporting future growth initiatives.

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- a. Brief Description : Nil
- b. Amount (in INR) : Nil

MATERIAL CHANGES AND COMMITMENTS OCCURRED BETWEEN THE DATE OF BALANCE SHEET AND THE DATE OF THE REPORT

No significant material changes and commitments have occurred between the date of the balance sheet and the date of the report.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has in place proper and adequate internal control systems commensurate with the nature of its business, size and complexity of its operations. Internal control systems comprising of policies and procedures are designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations, and that all assets and resources are acquired economically, used.

ANNUAL EVALUATION BY THE BOARD OF ITS OWN PERFORMANCE, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

The provisions relating to annual evaluation of the performance of the Board, its committees and individual Directors are not applicable to the Company.

SHARE CAPITAL AND DEBT STRUCTURE OF THE COMPANY

A. The Authorized Share Capital:

The Authorized Share Capital of the Company as on March 31, 2026, stands at INR 10,00,00,000/- (Indian Rupees Ten Crore Only), divided into 90,00,000 (Ninety-Lakhs) Equity Shares of INR 10/- (Indian Rupees Ten Only) each and 1,00,000 (One Lakh) Cumulative Redeemable Preference Shares of INR 100/- (Indian Rupees One Hundred Only) each.

There was no change in Authorized Share Capital of the Company.

B. Issue of shares or other convertible securities:

As on March 31, 2026, the Issued, Subscribed and Paid-up Capital of the Company stands at INR 8,89,55,850/- (Indian Rupees Eight Crore Eighty-Nine Lakh Fifty-Five Thousand Eight Hundred and Fifty Only) divided into 88,95,585 (Eighty-Eight Lakh Ninety-Five Thousand Five Hundred and Eighty-Five) fully paid-up Equity Shares of INR 10/- (Indian Rupees Ten Only) each.

During the financial year under review, the Company has allotted 28,88,889 (Twenty-Eight Lakh Eighty-Eight Thousand Eight Hundred and Eighty-Nine) Equity Shares of INR 10/- (Indian Rupees Ten Only) each, resulting in an increase in the Issued, Subscribed and Paid-up Share Capital of the Company by INR 2,88,88,890/- (Indian Rupees Two Crore Eighty-Eight Lakh Eighty-Eight Thousand Eight Hundred and Ninety Only).

EXEDY INDIA LIMITED

C. Issue of debentures, bonds or any non-convertible securities/other shares/options/Warrants:

During the financial year under review, the Company had not issued any debentures, bonds or any non-convertible securities, issued of equity shares with differential rights, Sweat Equity Shares, Employee Stock Options, Bonus shares, warrants or bought back any shares.

DETAILS OF DEPOSITS WHICH ARE NOT IN COMPLIANCE WITH THE REQUIREMENTS OF CHAPTER V OF THE ACT

During the year under review, your company has not accepted any deposits falling within the meaning of Section 73 of Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

Further, there are no amounts outstanding at the beginning of financial year 2025-26, which can be classified as 'Deposits' in terms of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposit) Rules, 2014.

MEETINGS OF THE COMPANY

A. Board Meetings:

During the Financial Year ended March 31, 2026, 5 (Five) Board Meetings were held and the intervening gap between the Meetings was in compliance with the requirements stipulated under the provisions of the Companies Act, 2013 and the Secretarial Standards as issued by Institute of Company Secretaries of India (ICSI).

Sl. No	Date of meeting (DD/MM/YYYY)	Total Number of directors entitled to attend	Total Number of directors attended
1.	30/06/2025	7	7
2.	25/08/2025	7	7
3.	18/09/2025	7	7
4.	20/11/2025	7	6
5.	16/03/2026	7	6

B. Committee Meetings:

During the Financial Year ended March 31, 2026, 2 (Two) Audit Committee and 1 (One) Nomination and Remuneration Committee meetings were held in compliance with the requirements stipulated under the provisions of the Companies Act, 2013 and the Secretarial Standards as issued by Institute of Company Secretaries of India (ICSI).

EXEDY INDIA LIMITED

Audit Committee

Sl. No	Date of meeting (DD/MM/YYYY)	Total Number of members entitled to attend	Total Number of members attended
1.	29/08/2025	3	3
2.	18/09/2025	3	3

Nomination and Remuneration Committee

Sl. No	Date of meeting (DD/MM/YYYY)	Total Number of members entitled to attend	Total Number of members attended
1.	29/08/2025	3	3

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNELS

The Board of Directors of the Company is duly constituted. None of the Directors are disqualified from being appointed as such under the provision of Section 164 of the Companies Act, 2013.

As on the date of this report, the Board of Directors and Key Managerial Personnels of the Company comprises the following:

Sr. No.	Name of the Director	Designation
1.	Mr. Pradeep B. Chinai	Director
2.	Mr. Hidetaka Endo	Director
3.	Mr. Kazunori Kusamizu	Director
4.	Mrs. Nauka Mahesh Kothari	Director
5.	Mr. Hiroshi Toyohara	Director
6.	Mr. Rajan A. Ruvala	Independent Director
7.	Mr. Shreekant Vasantlal Mehta	Independent Director

During the year under review, the following changes have taken place:

Changes in Directors and Key Managerial Persons:

Mr. Kazunori Kusamizu (DIN: 08898576) was appointed as Additional Director of the Company with effect from April 1, 2025 and was regularized as a Director with effect from September 30, 2025.

Mr. Yuzuru Hirose (DIN: 08532987) has resigned as a Director with effect from April 1, 2025.

In terms of the provisions of Section 152 of the Companies Act, 2013, Mr. Hiroshi Toyohara (DIN: 07300620) retired by rotation at the 51st Annual General Meeting (“AGM”) of the Company and was re-appointed as a Director of the Company.

Between the end of financial year and date of this report, Ms. Niharika Tripathi resigned as a Company Secretary of the Company with effect from April 4, 2026.

EXEDY INDIA LIMITED

The Board hereby recommends to the members:-

1. The re-appointment of Mr. Hidetaka Endo, who is liable to retire by rotation and being eligible offer himself for re-appointment.
2. The re-appointment Mr. Shreekant Vasantlal Mehta and Mr. Rajan A. Ruvala as an Independent Directors of the Company for a term of five years commencing from September 28, 2026 and ending on September 27, 2031.

COMMITTEES OF THE BOARD

As on the date of this Report, the Board has constituted two Committees, and the composition of the Committees is as follows: -

Audit Committee

List of Members	DIN	Designation
Mr. Rajan A. Ruvala	00086624	Chairperson
Mr. Shreekant V Mehta	00318524	Member
Mr. Hidetaka Endo	10541397	Member

Nomination and Remuneration Committee

List of Members	DIN	Designation
Mr. Shreekant V Mehta	00318524	Chairperson
Mr. Rajan A. Ruvala	00086624	Member
Mr. Hidetaka Endo	10541397	Member

COMPANY NOMINATION AND REMUNERATION POLICY

The Company has been following a Nomination and Remuneration Policy on recommendation of Nomination & Remuneration Committee for selection and appointment of Directors, Senior Management and their remuneration since past few years. Nomination and Remuneration policy in accordance with the provisions of Section 178 of the Act is attached as **Annexure-1** to this report.

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

The Company has appointed Independent Directors on its Board in compliance with the applicable provisions of the Companies Act, 2013. In the opinion of the Board, the Independent Directors possess requisite integrity, expertise, experience and proficiency required to effectively discharge their duties and responsibilities as Independent Directors of the Company.

The Independent Directors have submitted declarations confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and have complied with the Code for Independent Directors prescribed under Schedule IV of the Companies Act, 2013. The Board is satisfied with the integrity, competency and professional qualifications of the Independent Directors of the Company.

SUBSIDIARY / JOINT VENTURES / ASSOCIATE COMPANIES AND THEIR PERFORMANCE

The Company has no Subsidiaries / Joint Ventures / Associate Companies as on March 31, 2026.

AUDITORS

A. Statutory Auditor and Report:

The Company had appointed M/s. Sudit K. Parekh & Co. LLP (Firm Registration No: 110512W/W100378), Chartered Accountants, 2002, Urmi Estate – Tower A, 20th Floor, 95, Ganpatrao Kadam Marg, Lower Parel (West), Mumbai – 400 013 to be the Statutory Auditors of the Company for 5 (five) consecutive years from the financial year 2022-23 up to financial year 2026-27 in the Annual General Meeting of the Company held on September 28, 2022.

Further with respect to the Auditor's Report for the financial year 2025-26, the Notes to Accounts forming part of the Financial Statements are self-explanatory and need no further explanation. There are no qualification or adverse remarks in the Auditors' Report which require any clarification/explanation.

B. Secretarial Auditor and Report:

Pursuant to provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Gautam Goyal & Associates, a firm of Company Secretaries in Practice, New Delhi to undertake the Secretarial Audit of the Company for the year under review.

The report of Secretarial Auditor is annexed as **Annexure–2** to this report.

C. Cost Auditor and Maintenance of Cost Records:

Pursuant to provisions of Section 148 of the Companies Act, 2013 read with relevant rules made thereunder, the Company has maintained the relevant cost records in the prescribed formats.

Further, as per provisions of the Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 and subsequent amendments, if any, M/s Shashi Ranjan & Associates, Cost Accountants were appointed as the Cost Auditor of the Company for the financial year 2025-26 and they have conducted the Cost Audit as required.

Further, the Board has approved re-appointment of M/s Shashi Ranjan & Associates, Cost Accountants, as the Cost Auditors for the Company for the financial year ending March 31, 2027. A proposal for ratification of remuneration of the Cost Auditor for financial year 2026-27 is placed before the Shareholders for approval in the ensuing AGM and is recommended by the Board.

The Cost Audit Report for the financial year ended March 31, 2026, does not contain any adverse observations or remarks.

D. Internal Auditor and Report:

M/s AKSB & Co. (formerly Chirag Chawla & Associates), Noida, a firm of Chartered Accountants were appointed as the Internal Auditors of the Company as per section 138 of Indian Companies Act 2013 read with Rule 13 of Companies (Accounts) Rules, 2014 for the financial year 2025-26.

The Internal Audit was carried out commensurate with the size, nature and scale of operations of the Company. The Internal Auditors periodically submitted their reports to the Management, covering various operational and financial areas.

Based on the observations and recommendations made in the Internal Audit Reports, the Management has taken appropriate corrective actions from time to time, thereby strengthening the internal control systems and processes of the Company.

FRAUDS REPORTED BY THE AUDITOR

During the year under review, the Auditors have not reported any instances of frauds committed in the Company by its Directors or Officers or Employees under Section 143(12) of the Companies Act, 2013, details of which needs to be mentioned in this Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Companies Act, 2013, your directors confirm that:

1. In the preparation of the accounts for the financial year ended March 31, 2026 the applicable accounting standards have been followed along with proper explanations relating to material departures;
2. The directors have selected such accounting policies and applied them consistently and make judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the said financial year and of the profit of the Company for the said financial year;
3. The directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. The directors have prepared the accounts for the year ended March 31, 2026 on a 'going concern' basis.
5. The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

PERSONNEL

Industrial relations between the Management, labour and staff at the Company's establishments at Aurangabad and Greater Noida continued to remain cordial and harmonious during the year under review. The Board of Directors places on record its sincere appreciation for the valuable contribution, commitment and cooperation extended by the employees at all levels towards the achievement of the Company's objectives and goals during the year.

LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

The Company has disclosed the particulars of the loans given, investments made or guarantees given or security provided during the year, as required under Section 186 of the Companies Act, 2013, in Notes forming part of the financial statements.

INSURANCE

All the properties including buildings, plant and machinery, stocks etc. have been adequately insured.

CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions that were entered into during the Financial Year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the Company which may have potential conflict with interest of the company at large. There were no material significant related party transactions entered between the Company, Directors, management, or their relatives except for those disclosed in the financial statements.

In accordance with section 134(3)(h) of the Act, read with rule 8(2) of the Companies (Accounts) Rules, 2014, and in accordance with Indian Accounting Standards 24, the related party transactions entered by the Company during the financial year are given in 'Annexure-3' in Form AOC-2, which forms part of this report and is disclosed under notes to financial accounts.

RISK MANAGEMENT POLICY AND RISK MANAGEMENT MECHANISM

The Company has an adequate Risk Management Policy. Any shareholder interested in having a copy of such policy may write to the Secretarial Department of the Company.

VIGIL MECHANISM

The provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, relating to "Vigil Mechanism Policy" for Directors and employees of the Company were not applicable to the Company for the year under review.

PARTICULAR OF EMPLOYEES

Pursuant to provisions of the Companies Act, 2013 read with Rule (5) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the said rules are not applicable on the Company as during the year no employee of the Company is drawing remuneration in excess of the limits prescribed.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUT-GO.

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings as required under Section 134(3)(m) of the Companies Act, 2013 is annexed as **Annexure – 4** to this report.

DISCLOSURES PERTAINING TO SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company is committed to providing a workplace that promotes equality, respect, dignity and inclusiveness. All employees are treated with equal respect and there is no discrimination on the basis of race, colour, gender, religion, political opinion, national origin, social origin, sexual orientation or age.

The Company expects every individual to treat their colleagues with respect and dignity, in accordance with the values and Code of Ethics & Conduct of the Company.

The Company has in place a Policy on Prevention of Sexual Harassment at Workplace in accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Policy is applicable to all employees, including permanent, contractual and temporary employees.

The Company has constituted an Internal Complaints Committee to receive and redress complaints relating to sexual harassment at the workplace.

During the financial year 2025-26, no complaint relating to sexual harassment was received by the Internal Committee.

DISCLOSURE OF COMPLIANCE WITH MATERNITY BENEFIT ACT, 1961

The Company has adopted a Policy on Maternity Benefits in line with the provisions of the Maternity Benefit Act, 1961. The Policy is aimed at ensuring the health, well-being, and financial security of women employees during and after pregnancy.

The Company is committed to providing a supportive and inclusive workplace and ensures compliance with all applicable provisions of the Maternity Benefit Act, including paid maternity leave, nursing breaks, and safeguards against dismissal or discrimination on account of maternity.

The Company actively creates awareness among employees about the benefits available under the Act and regularly reviews and updates its internal practices to ensure full and effective implementation of the Policy. Further, the Company undertakes continuous efforts to sensitize and support women employees in balancing their professional and personal responsibilities during and post maternity, thereby fostering a supportive and inclusive workplace environment.

OTHER DISCLOSURES

- No application made or proceedings pending against the Company under the Insolvency and Bankruptcy Code, 2016 during the year along with their status as at the end of the financial year.
- No valuation of the Company has been made during the year under review either for the purpose of One Time Settlement (OTS) or for the purpose of taking loan from bank/Financial Institutions.

EXEDY INDIA LIMITED

- No Significant and material orders have been passed by any regulatory, courts, tribunals or any other judicial bodies against the Company during the Financial year under review.

ACKNOWLEDGEMENTS

Your directors place on records their gratitude to the Central Government, various State Governments and Company's Bankers and advisors for the valuable advice, guidance, assistance, cooperation, and encouragement they have extended to the Company from time to time. The Directors also take this opportunity to thank the company's customers, suppliers, and shareholders for their consistent support to the Company.

We place on record our appreciation for the contribution made by our employees at all levels. Our consistent growth was made possible by their hard work, solidarity, cooperation, and support.

By and order of Board of Directors
Exedy India Limited

Sd/-
Hidetaka Endo
Director
DIN: 10541397
Place: Greater Noida

Sd/-
Pradeep B. Chinai
Director
DIN: 00128368
Place: Mumbai

Regd. Office: Exedy India Ltd.,
(CIN: U34100MH1973PLC016985)
Plot L-4, MIDC Industrial Estate, Chikalthana,
Chhatrapati Sambhaji Nagar (Aurangabad) - 431 210,
Maharashtra, India.

Date: August 31, 2026

NOMINATION AND REMUNERATION POLICY

The Company had an existing adequate Nomination and Remuneration policy before the applicability of new Companies Act, 2013. However, in compliance with the provisions of Section 178 of the Companies Act, 2013 (“Act”) necessary changes are being made in the existing policy to harmonize with the requirements of the Companies Act, 2013 which are being approved by the Board on the recommendation of Nomination and Remuneration Committee. The same is reproduced herein below:

For the purposes of this policy, the following terms will have the meaning ascribed to them below:

1. “Key Managerial Personnel or KMP” shall mean – (i) the Chief Executive Officer or the Managing Director or the Manager; (ii) the Company Secretary; (iii) the Whole-time Director; (iv) the Chief Financial Officer; and (v) such other officer as may be prescribed in the Act.
2. “Senior Management Personnel” or “SM” shall mean those personnel of the Company who are members of its core management team excluding the Board, comprising all members of management one level below the Executive Directors, including the functional heads.

PART A - NOMINATION POLICY**Eligibility Criteria for Nomination of Directors**

1. A Director should:
 - comply with the eligibility criteria stipulated in the Articles of Association of the Company and Section 164 of the Act.;
 - have relevant experience and track record in finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to Company's business and relevant to the role he / she is required to perform;
 - possess the highest personal and professional ethics, integrity, values and stature; and
 - be willing to devote sufficient time and energy in carrying out their duties and responsibilities.
2. A Managing Director or Whole-time Director or Manager should in addition to the above fulfil the conditions specified in Section 196 read with Schedule V of the Act.
3. An Independent Director should comply with the eligibility criteria stipulated in the Section 164 & 149(6) of the Act.

Eligibility Criteria for Appointment of KMP and Senior Management Personnel

A KMP and Senior Management Personnel should:

- have the required educational qualification, skills and functional knowledge for post and eye for detailing & compliance.
- possess the highest personal and professional ethics, integrity and values; and
- devote sufficient time and energy in carrying out his / her duties and responsibilities.

Tenure of Directors

The tenure of the Directors shall be determined as per the relevant provisions of the Companies Act, 2013.

Evaluation Criteria and Mechanism

The criteria to be used in the evaluation of performance will be the duties and responsibilities to be complied with by the Directors, KMP's and Senior Management Personnel. The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular intervals as may be deemed fit.

PART B – REMUNERATION POLICY

The remuneration policy of the Company is performance driven and is structured to motivate Directors, KMP, Senior Management and other employees of the Company recognizing their talent, merits, achievements and promote excellence in their performance.

Remuneration to Executive Directors/Whole-time Directors/ Managing Directors including KMP's and Senior Management and other employees

The remuneration and increments thereon to be paid to the Managing Director or Whole-time Director or Manager shall be determined in accordance with the conditions laid down in the Act.

The remuneration, compensation, etc. to the KMPs, SMs and other employees is determined by the Company after taking into account their performance, general market practice, performance of the Company and other relevant factors from time to time as per law and/or as per HR policy decided by management of the Company.

Remuneration to Non-Executive Directors

The remuneration to be paid to the Non-Executive Directors shall be determined in accordance with the conditions and limits as laid down in the Companies Act 2013. The total remuneration of the Non-executive Directors /Independent Directors shall comprise of the Sitting Fee along with Conveyance charges.

The Board of Directors may deviate from this policy if there are specific reasons to do so in an individual case. Any departure from the policy shall be recorded and reasoned in the Board's minutes.

The adequacy of this policy shall be reviewed and reassessed by the Committee at such intervals as the Committee deems appropriate and recommendations, if any, shall be made to the Board to update the same from time to time.

By and order of Board of Directors
Exedy India Limited

Sd/-
Hidetaka Endo
Director
DIN: 10541397
Place: Greater Noida

Sd/-
Pradeep B. Chinai
Director
DIN: 00128368
Place: Mumbai

Regd. Office: Exedy India Ltd.,
(CIN: U34100MH1973PLC016985)
Plot L-4, MIDC Industrial Estate, Chikalthana,
Chhatrapati Sambhaji Nagar (Aurangabad) - 431 210,
Maharashtra, India.

Date: August 31, 2026

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

To
The Members,
M/s. Exedy India Ltd.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practice by **Exedy India Ltd.** (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s Books, Papers, Minutes Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the financial year ended **31st March, 2026**, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31st March, 2026** according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made there under- **Not applicable to the Company for the financial year under review.**
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of foreign Direct Investment, Overseas Direct Investment, External Commercial Borrowings;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’)
 - (a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992- **Not applicable during period under review.**
 - (b) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client- **Not applicable during period under review.**
 - (c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011- **Not applicable during period under review.**
 - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009- **Not applicable during period under review.**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008- **Not applicable during period under review.**
 - (f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009- **Not applicable during period under review.**

EXEDY INDIA LIMITED

- (g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998- **Not applicable during period under review.**
- (h) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock purchase Scheme) Guidelines, 1999- **Not applicable during period under review.**

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on random test-check basis, the company has complied with the following laws applicable specifically to the company-

- a. The Employees Provident Fund & Miscellaneous Provisions Act, 1952;
- b. Factories Act, 1948
- c. Air (Prevention and Control of Pollution Act), 1981
- d. Water (Prevention and Control of Pollution Act), 1974
- e. Minimum Wages Act, 1948
- f. Payment of Bonus Act, 1965
- g. Payment of Gratuity Act, 1972

We further report that:

The Board of Directors of the Company is at present constituted with Non-Executive Directors, Women and Independent Directors.

Notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda was sent to all directors, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

We further report that during the audit period there were instance of-

- a) There were numerous Related Party transactions carried out by the Company under Section 188 of the Companies Act, 2013. However, as informed to us all these transactions were carried in the ordinary course of business and were at a price at arm's length not requiring any further compliance on the part of the company.
- b) As per verification of records, One Special resolution was passed by the Shareholders during the Period covered under Audit to approve the preferential issue of equity shares. Further, One Extra Ordinary General Meeting of the Shareholders was called during the period under review for the similar purpose.
- c) There were instances of participation by directors in the Board Meetings through Video Conferencing. We have relied on the Company's assurance that proper systems were in place to record and capture the director's participation through video conferencing as provided in Section 173(2) of the Companies Act, 2013 read with Companies (Meeting of Board and its Powers) Rules, 2014

EXEDY INDIA LIMITED

- d) The Company being an Unlisted Public Company do not hold all its shares completely in demat form, pursuant to the provisions of **Rule 9A of the Companies (Prospectus and Allotment of Securities) Rules, 2014**. Accordingly, 48081 equity shares constituting 0.54% of the total paid up capital of the company is still in physical form.
- e) There has been Change in the Composition of the Board of Directors of the Company. Mr. Yuzuru Hirose has resigned from the Board of Directors of the Company with effect from 01st April, 2025. Further, Mr. Kazunori Kusamizu was appointed on the Board of Directors of the Company with effect from 01st April, 2025. The Change was duly recorded and relevant filings were done with the Registrar of Companies, Ministry of Corporate Affairs.
- f) During the Financial Year 2025-26, the Company has come out with Preferential Allotment of Equity Shares. The Company has issued 28,88,889 equity shares of face value of Rs. 10/- each at a premium of Rs. 260/- per share aggregating to Rs. 78,00,00,030. The Company has obtained valuation report from Shri Siddhartha Gupta (Registration No. IBBI/RV/05/2019/11261) in regard to the pricing of the preferential issue. Return of allotment as per Form PAS-3 was duly filed with the office of the Registrar of Companies, Ministry of Corporate Affairs.
- g) An Extra Ordinary General Meeting of the Shareholders was held on 14th October, 2025 to Approve the Issue of Equity Shares through Private Placement on Preferential Basis.

For Gautam Goyal & Associates
Company Secretaries

Sd/-

Gautam Goyal

FCS No.: 7973

C.P No.: 8938

UDIN: F007973H001209371

Date: 25th August, 2026

Place: New Delhi

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

To
The Members
M/s. Exedy India Limited

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

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

For Gautam Goyal & Associates
Company Secretaries

Sd/-
Gautam Goyal
FCS No.: 7973
C.P No.: 8938
UDIN: F007973H001209371

Date: 25th August, 2026
Place: New Delhi

FORM NO. AOC-2

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

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain Arm's length transaction under third proviso thereto and also as per the applicable Indian Accounting Standards.

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

The Company has not entered into any contract or arrangement or transaction with its related parties which are not in Arm's Length during FY 2025-26.

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

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

S. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Please refer note no. 36 of the accompanying Financial Statements for details of all related party transactions which, in the opinion of the Board, are in the ordinary course of business of the Company and are at arm's length basis.
b)	Nature of contracts/arrangements/transactions	
c)	Duration of the contracts/arrangements/transactions	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Date(s) of approval by the Board, if any:	
g)	Amount paid as advances, if any	

By and order of Board of Directors
Exedy India Limited

Sd/-
Hidetaka Endo
Director
DIN: 10541397
Place: Greater Noida

Sd/-
Pradeep B. Chinai
Director
DIN: 00128368
Place: Mumbai

Regd. Office: Exedy India Ltd.,
(CIN: U34100MH1973PLC016985)
Plot L-4, MIDC Industrial Estate, Chikalthana,
Chhatrapati Sambhaji Nagar (Aurangabad) - 431 210,
Maharashtra, India.

Date: August 31, 2026

DISCLOSURE PURSUANT TO SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014**a) Conservation of energy**

a.	Energy conservation measures taken	The Company is careful in the usage of power-consuming equipment to reduce wastage of power and optimise energy costs.
b.	the steps taken by the company for utilizing alternate sources of energy	The Company continues its sustained efforts towards conservation of energy and evaluating the use of alternate sources of energy, wherever feasible.
c.	the capital investment on energy conservation equipment	New equipment installed under the expansion and modernization programme has been selected with a view to optimizing energy consumption. The benefits of such investments are expected to accrue in the coming years.

b) Technology absorption

(i)	the efforts made towards technology absorption	The Company frequently arranges training for its employees for learning and utilizing technologies to improve the manufacturing activity
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	The Company continues to receive assistance from parent company, Exedy Corporation, Japan, for development of new products, improvement in manufacturing process and quality assurance.
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	The Company imports technology on ongoing basis
	(a) the details of technology imported	
	(b) the year of import;	
	(c) whether the technology been fully absorbed	
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	
(iv)	the expenditure incurred on Research and Development	Nil

c) Foreign exchange earnings and Outgo:

This information is contained in Note no. 30 to Note No. 31 of the Audited Accounts forming part of the Annual Report.

EXEDY INDIA LIMITED

Particulars	Amount in INR Lakhs	
	April 01, 2025 to March 31, 2026	April 01, 2024 to March 31, 2025
Actual Foreign Exchange earnings	1,498.22	1,971.81
Actual Foreign Exchange outgo	839.49	757.58

d) Power Consumption

Unit	April 01, 2025 to March 31, 2026	April 01, 2024 to March 31, 2025
Aurangabad	31,57,666 Units	33,28,531 Units
Noida	95,30,123 Units	94,63,623 Units

By and order of Board of Directors
Exedy India Limited

Sd/-
Hidetaka Endo
Director
DIN: 10541397
Place: Greater Noida

Sd/-
Pradeep B. Chinai
Director
DIN: 00128368
Place: Mumbai

Regd. Office: Exedy India Ltd.,
(CIN: U34100MH1973PLC016985)
Plot L-4, MIDC Industrial Estate, Chikalthana,
Chhatrapati Sambhaji Nagar (Aurangabad) - 431 210,
Maharashtra, India.

Date: August 31, 2026

INDEPENDENT AUDITOR'S REPORT

To the Members of Exedy India Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Exedy India Limited** ("the Company"), which comprise the balance sheet as at March 31, 2026, and the statement of profit and loss, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and its profit 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 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note no. 9 of the financial statements which states that the company has payables of Rs.7612.36 lacs to the holding companies outstanding beyond the specified period as stipulated by competent authorities from time to time. We are unable to comment on the provision for any liability that may arise for such non-compliances and its consequential impact, if any, on the Company's profit for the year ended March 31, 2026.

Our opinion is not modified in respect of these matters.

Other Information

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

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those Charged with Governance for the Financial Statements

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

In preparing the financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143 (3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal 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 sub-section (11) of section 143 of the Act, we give in the Annexure 'A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2) As required by section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The balance sheet, the statement of profit and loss, and the cash flow statement dealt with by this Report are in agreement with the books of account.

- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, and rules made thereunder, as applicable.
- e) On the basis of the written representations received from the directors as on March 31, 2026, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026, from being appointed as a director in terms of section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in the financial statements under Note No 44.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts due to be transferred to the Investor Education and Protection Fund by the Company.
 - iv.
 - a) The management has represented that to the best of its knowledge and belief, no funds 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.
 - c) Based on our audit procedures that we have 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 (a) and (b) contain any material misstatement.
- h) The Company has not paid/declared dividend during the year.
- i) Based on our examination which included test checks, the company has used accounting software for maintaining its books of account for the financial year ended 31st March, 2026 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the

EXEDY INDIA LIMITED

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.

- 3) With respect to the matter to be included in the Auditor's Report under section 197(16), in our opinion and according to the information and explanation provided to us, there is no remuneration paid by the Company to its directors during the year which is in accordance with the provisions of section 197 of the Act.

For **Sudit K. Parekh & Co. LLP**

Chartered Accountants

Firm Registration No: 110512W/W100378

Sd/-

Varun Narula

Partner

Membership No: 137489

ICAI UDIN No: 26137489UGZYRI3381

Place: Mumbai

Date: 31st August 2026

ANNEXURE “A” TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in paragraph 1 under ‘Report on other legal and Regulatory Requirements’ section of our report of even date to the members of Exedy India Limited)

- (i) (a) (A) According to the information and explanations provided to us and based on our audit procedures, we are of the opinion that the Company maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) According to the information and explanations given to us and based on our audit procedures, we conclude that the Company during the year has no intangible assets during the year. Accordingly, paragraph 3 (i)(a)(B) of the Order is not applicable to the Company.
- (b) According to the information and explanations provided to us and based on our audit procedures, we are of the opinion that Property, Plant and equipment have been physically verified during the year by the management according to the phased programme designed to cover all the Property, Plant and equipment on a rotation basis. Pursuant to such programme, which is considered reasonable having regard to the size of the Company and nature of its business, a portion of the Property, Plant and equipment have been physically verified by the management during the year. Based on records made available to us, no material discrepancies were identified on such verification.
- (c) Based on the audit procedures performed by us for the purpose of reporting the true and fair view of the financial statements of the Company and based on the examination of records and documents produced to us and according to the information and explanations given to us, the title deeds of immovable properties other than self-constructed properties and lease deed in respect of leasehold property, forming part of property, plant and equipment are held in the name of the Company.
- (d) According to the information and explanations provided to us, the Company has not revalued its Property, Plant and Equipment or intangible assets during the year. Accordingly, paragraph 3 (i) (d) of the Order is not applicable to the Company.
- (e) According to the information and explanations provided to us and based on our audit procedures, we conclude that the Company does not hold any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. There are no proceedings initiated / pending against the Company for holding any Benami property. Accordingly, paragraph 3 (i) (e) of the Order is not applicable to the Company.
- (ii) According to the information and explanations provided to us and based on our audit procedures, we are of the opinion that the management has conducted physical verification of its inventories during the year except goods in transit. For inventory lying with third parties at the year-end, written confirmations have been obtained. In our opinion, having regard to the size of the Company and nature of its business, the frequency of verification is reasonable, and the coverage and procedure of such verification is appropriate. Based on records provided to us, no discrepancies / no discrepancies of 10% or more were noticed in the aggregate for each class of inventory on such physical verification.

EXEDY INDIA LIMITED

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets and hence this clause 3(ii)(b) of the Order are not applicable to the Company.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year and hence this clauses 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.
- (iv) According to the information and explanation give to us, and to the best of our knowledge and belief, the company has not granted any loans, investments, guarantees, and security covered under section 185 and 186 of the Act and hence this clause 3(iv) of the order is not applicable to the Company.
- (v) According to the information and explanations provided to us, the Company has not accepted any deposits or accepted amounts which are deemed to be deposits from the public. Accordingly, paragraph 3 (v) of the Order is not applicable to the Company.
- (vi) According to the information and explanations provided to us and based on our audit procedures and review of the books of accounts and records maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, we are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same with a view to determine their accuracy or completeness.
- (vii) (a) According to the information and explanations provided to us and based on our audit procedures and the records maintained by the Company, we are of the opinion that the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, duty of customs, goods and services tax, cess and other material statutory dues applicable to it to the appropriate authorities. As per the records of the Company, as at 31 March 2026, there are no material outstanding statutory dues existing as on the last day of the financial year which is outstanding for more than six months from the day these become payable.
- (b) According to the information and explanations provided to us and based on the records of the Company, there were no statutory dues referred to in paragraph (vii) (a) above, that have not been deposited on account of any disputes as at March 31, 2026 except as under:

Name of the Statute	Nature of the Dues	Amount (Rs. In lakhs)	Period to which the amount relates	Forum where dispute is pending and remarks, if any.
Income Tax Act, 1961	Income Tax Demand	-	2009-10	Referred to AO for reworking of liability.

EXEDY INDIA LIMITED

Name of the Statute	Nature of the Dues	Amount (Rs. In lakhs)	Period to which the amount relates	Forum where dispute is pending and remarks, if any.
Income Tax Act, 1961	Income Tax Demand	-	2010-11	Application of rectification filed with commissioner.
Income Tax Act, 1961	Income Tax Demand	-	2012-13	Order of commissioner (Appeal) is received during the FY 2017-18 and has directed the assessing authorities to rework demand based on part relief given.
Income Tax Act, 1961	Income Tax Demand	-	2013-14	The CIT Appeal has given part relief and directed to the assessing authority to rework tax effect.
Income Tax Act, 1961	Income Tax Demand	-	2014-15	The CIT Appeal has given part relief and directed to the assessing authority to rework tax effect.
Income Tax Act, 1961	Income Tax Demand	-	2016-17	The CIT Appeal has given part relief and directed to the assessing authority to rework tax effect.
Income Tax Act, 1961	Income Tax Demand	-	2018-19	The Company has preferred an appeal against the order passed by Assistant Commissioner of Income tax with Commissioner (Appeal) for disputed amount.
Income Tax Act, 1961	Income Tax Demand	39.78	2020-21	The company has filed an appeal before the CIT(A) against the same on 27.12.2023. CIT(A) is pending for disposal. (Out of total addition amounting to Rs. 167.53, disallowance of 0.62 lakhs is as per 144C(1) and of 166.91 lakhs is as per 92CA(3) of the Act.)
Income Tax Act, 1961	Income Tax Demand	24.27	2021-22	The Company has preferred an appeal against the order passed by Assessing Officer (AO) with Commissioner of Income Tax (Appeal) and proceeding is in progress.
Income Tax Act, 1961	Income Tax Demand	44.12	2022-23	An order for assessment year 2022-23 was received demanding tax of Rs 44.12 lacs. The company has

EXEDY INDIA LIMITED

Name of the Statute	Nature of the Dues	Amount (Rs. In lakhs)	Period to which the amount relates	Forum where dispute is pending and remarks, if any.
				disputed said demand and submitted appeal against the same. The matter is pending with The Commissioner of Income Tax (Appeal)
Income Tax Act, 1961	Income Tax Demand	-	2023-24	An order for assessment year 2023 – 24 was received ignoring working as submitted by the company and not considered Rs 150.05 lacs by the assessing authority. The company has applied for rectification of order and also submitted appeal and same is pending before the Commissioner of Income Tax (Appeal).
Central Sales Tax Act, 1956	Sales Tax Demand	82.81	1999-2000	Company had deposited INR 64.94 Lakh with the concern authority & appeal is pending with the High Court, Allahabad.
Central Sales Tax Act, 1956	Sales Tax Demand	17.74	2002-03 and 2003-04	Referred to Assessing Authority for reworking data by Sales Tax Tribunal. Out of which company had deposited amounting to INR 12.42 Lakh.
Provident Fund	Provident Fund Authorities Demand	12.33	2000-01 and earlier years	Company had deposited INR 6.17 Lakh & the matter is pending before Appellate Tribunal

- (viii) According to the information and explanations provided to us and based on our audit procedures and our examination of the records of the Company, we conclude that there have been no transactions unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, paragraph 3 (viii) of the Order is not applicable to the Company.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in the repayment of any loans and borrowings and interest thereon to any lender during the year.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations provided to us and based on our audit procedures, we are of the opinion that the Company has not availed any term loan. Accordingly, paragraph 3(ix) c of the Order is not applicable to the Company.

- (d) According to the information and explanations provided to us, the Company has not raised funds on short term basis from any banks or financial institutions or from any other lender. Accordingly, paragraph 3 (ix) (d) of the Order is not applicable to the Company.
- (e) According to the information and explanations given to us and based on our audit procedures and on an overall examination of the financial statements of the Company, the Company does not have any subsidiary or associate or joint venture. Accordingly, paragraph 3 (ix) (e) of the Order is not applicable to the Company.
- (f) According to the information and explanations given to us and based on our audit procedures and on an overall examination of the financial statements of the Company, the Company does not have any subsidiary or associate or joint venture (as defined under the Act). Accordingly, paragraph 3 (ix) (f) of the Order is not applicable to the Company.
- (x) (a) According to the information and explanations provided to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments). Accordingly, paragraph 3 (x) (a) of the Order is not applicable to the Company.
- (b) According to the information and explanations provided to us and based on our audit procedures and records of the Company, we are of the opinion that the Company has complied with the requirements of provisions of section 42 and section 62 of the Act in respect of private placement on preferential basis of equity shares during the year. Further, we report that the amounts raised, have been used for the purposes for which the funds were raised.
- (xi)(a) According to the information and explanations provided to us and based on our audit procedures, we are of the opinion that for the purpose of reporting the true and fair view of the financial statements of the Company and based on records produced to us and according to information and explanations provided to us, we have not come across any instance of material fraud by the Company or any fraud on the Company during the year. Accordingly, paragraph 3 (xi) (a) of the Order is not applicable to the Company.
- (b) According to the information and explanations provided to us and based on our audit procedures we conclude that, no report has been filed by the auditors under section 143 (12) in Form ADT 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government. Accordingly, paragraph 3 (xi) (b) of the Order is not applicable to the Company.
- (c) According to the information and explanations provided to us, there are no whistle blower complaints received by the Company during the year. Accordingly, paragraph 3 (xi) (c) of the Order is not applicable to the Company.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, paragraphs 3 (xii) (a) (b) and (c) of the Order are not applicable to the Company.

- (xiii) According to the information and explanations given to us, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the company issued till date for the period under audit.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with its directors and accordingly, provisions of section 192 of the Act are not applicable to the Company.
- (xvi)(a) According to the information and explanations provided to us and based on our audit procedures, we are of the opinion that the Company is not required to obtain any registration under section 45-IA of the Reserve Bank of India Act, 1934.

(b) According to the information and explanations provided to us and based on our audit procedures, the Company has not conducted any Non- Banking Financial or Housing Finance activity as per the Reserve Bank of India Act, 1934. Accordingly, paragraph 3 (xvi) (b) of the Order is not applicable to the Company.

(c) According to the information and explanations provided to us, the Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India (RBI). Accordingly, paragraph 3 (xvi) (c) of the Order is not applicable to the Company.

(d) According to the information and explanations provided to us, the group has no Core Investment Company. Accordingly, paragraph 3 (xvi) (d) of the Order is not applicable to the Company.
- (xvii) According to the information and explanations provided to us, the Company has not incurred any cash losses in the previous financial year and the current financial year as well. Accordingly, paragraph 3 (xvii) of the Order is not applicable to the Company.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, paragraph 3 (xviii) of the Order is not applicable to the Company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report 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

EXEDY INDIA LIMITED

is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) In our opinion and according to the information and explanations given to us Section 135 of the Act, is not applicable and hence this clause 3(xx) of the Order is not applicable to the company.

For **Sudit K. Parekh & Co. LLP**

Chartered Accountants

Firm Registration No: 110512W/W100378

Sd/-

Varun Narula

Partner

Membership No: 137489

ICAI UDIN No: 26137489UGZYRI3381

Place: Mumbai

Date: 31st August 2026

ANNEXURE “B” TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date to the Members of Exedy India Limited.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of section 143 of the Act

We have audited the internal financial controls with reference to financial statements of Exedy India Limited (“the Company”) as of March 31, 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls with reference to financial statements

The Company’s Management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting 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 on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143 (10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls 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 system 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 system with reference to financial statements.

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of risk that the internal financial control with reference to the internal financial controls with reference to financial statements to future periods are subject to the 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, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2026, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For Sudit K. Parekh & Co. LLP

Chartered Accountants

Firm Registration No: 110512W/W100378

Sd/-

Varun Narula

Partner

Membership No: 137489

ICAI UDIN No: 26137489UGZYRI3381

Place: Mumbai

Date: 31st August 2026

Balance Sheet as at March 31, 2026

Particulars	Note No.	As at March 31, 2026 (RS. In Lacs)	As at March 31, 2025 (RS. In Lacs)
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	4	889.56	600.67
Reserves and surplus	5	464.93	(7,680.00)
		1,354.49	(7,079.33)
Non-current liabilities			
Long-term borrowings	6	2,250.00	6,065.10
Long-term provisions	7	200.54	201.79
		2,450.54	6,266.89
Current liabilities			
Short-term borrowings	8	-	537.00
Trade payables	9		
Due to micro enterprises and small enterprises		962.25	766.94
Due to others		14,193.45	16,253.63
Other current liabilities	10	1,589.89	3,563.27
Short-term provisions	7	400.58	341.19
		17,146.17	21,462.03
TOTAL		20,951.20	20,649.59
ASSETS			
Non-current assets			
Property, Plant & Equipments and Intangible assets			
-Property, Plant & Equipments	11	4,446.29	4,453.31
-Capital work-in-progress	12	165.19	6.45
		4,611.48	4,459.76
Deferred tax assets (net)	13	-	-
Long-term loans and advances	14	176.28	181.06
Other non current assets	18	200.07	202.26
		376.35	383.32
Current assets			
Inventories	15	5,936.37	5,683.62
Trade receivables	16	7,169.51	7,077.57
Cash and cash equivalents	17	2,238.56	2,505.58
Short-term loans and advances	14	321.29	307.59
Other current assets	18	297.64	232.15
		15,963.37	15,806.51
TOTAL		20,951.20	20,649.59

Summary of Significant accounting policies and other Notes 3-47

The accompanying notes are an integral part of the financial statements

In terms of our report of even date
For Sudit K Parekh & Co.LLP
Chartered Accountants
Firm Registration No: 110512W/W100378

For and on behalf of the Board of Directors of
Exedy India Limited
CIN: U34100MH1973PLC016985

Sd/-
Varun Narula
(Partner)
Membership No. 137489

Sd/-
Hidetaka Endo
Director
DIN: 10541397

Sd/-
Pradeep B. Chinai
Director
DIN No.00128368

Place: Mumbai
Date: August 31, 2026
UDIN : 26137489UGZYRI3381

Place: Greater Noida
Date: August 31, 2026

Place: Mumbai
Date: August 31, 2026

Exedy India Limited
Statement of Profit and Loss for the year ended March 31, 2026

Particulars	Notes	Year Ended March 31, 2026 (RS. In Lacs)	Year Ended March 31, 2025 (RS. In Lacs)
Income			
Revenue from operations	19	53,147.04	47,260.54
Revenue from operations		53,147.04	47,260.54
Other income	20	87.58	74.91
Total (Income)		53,234.62	47,335.45
Expenses			
Cost of materials consumed	21	39,029.18	35,219.63
Changes in inventories of finished goods and work-in-progress	22	20.02	(80.86)
Employee benefits expenses	23	6,501.43	5,903.50
Finance costs	24	695.06	839.71
Depreciation	25	620.40	569.16
Other expenses	26	5,676.57	5,425.43
Total (Expense)		52,542.66	47,876.57
Profit / (loss) before tax (I-II)		691.96	(541.12)
Less: Prior period expenses	24 (a)	58.14	-
Less: Tax expenses			
- Deferred tax charge / (credit)	13	-	-
		633.82	(541.12)
Profit /(loss) for the year		633.82	(541.12)
Earnings Profit/ (loss) per equity share:	27	8.99	(9.01)
Basic			
Diluted			

Summary of Significant accounting policies and other Notes

3-47

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

In terms of our report of even date

For Sudit K Parekh & Co.LLP

Chartered Accountants

Firm Registration No: 110512W/W100378

For and on behalf of the Board of Directors of

Exedy India Limited

CIN: U34100MH1973PLC016985

Sd/-

Varun Narula

(Partner)

Membership No. 137489

Sd/-

Hidetaka Endo

Director

DIN: 10541397

Sd/-

Pradeep B. Chinai

Director

DIN No.00128368

Place: Mumbai

Date: August 31, 2026

UDIN : 26137489UGZYRI3381

Place: Greater Noida

Date: August 31, 2026

Place: Mumbai

Date: August 31, 2026

Exedy India Limited
Cash Flow Statement for the year ended March 31, 2026

Particulars	Year Ended March 31, 2026 (RS. In Lacs)	Year Ended March 31, 2025 (RS. In Lacs)
Cash Flow from Operating Activities		
Net profit / (loss) before taxation	633.82	(541.12)
<u>Adjustments for:</u>		
Depreciation on fixed assets	620.40	569.16
Excess provision for Sick leave of earlier years written back	(9.64)	-
Provision for doubtful advances	(0.55)	(0.28)
Provision for doubtful debts	0.98	1.28
Provision for warranty	0.39	0.34
Provision for slow and non moving raw materials	-	(6.88)
Sundry balances written off	-	(0.24)
Interest expense	512.06	442.80
Profit on sale of fixed assets	(4.48)	(7.32)
Unrealised foreign exchange loss (net)	501.60	399.10
Operating Profit before Working Capital changes	2,254.57	856.84
<u>Adjustments for :</u>		
(Increase) /Decrease in Inventories	(252.75)	336.62
(Increase) /Decrease in Trade receivables	(84.55)	(1,789.76)
Increase/(Decrease) in Trade Payable	(2,374.85)	1,079.21
(Increase) /Decrease in Long Term and loans & advances	4.78	(98.73)
(Increase) /Decrease in Short Term and loans & advances	(13.15)	2.37
(Increase) /Decrease in Other non current assets	2.19	(19.36)
(Increase) /Decrease in Other current assets	(65.49)	2.66
Increase/(Decrease) in Long Term Provisions	(1.26)	20.64
Increase/(Decrease) in Short Term Provisions	68.65	53.54
Increase/(Decrease) in Other Current liabilities	(1,973.36)	144.51
Cash Generated from Operations	(4,689.79)	(268.30)
Income tax paid	-	-
Net Cash inflow from/(outflow) from Operating activities (A)	(2,435.22)	588.54
Cash Flow from Investing Activities		
Purchase of fixed assets	(471.39)	(652.92)
(Increase)/Decrease in Capital Payable, Advance & CWIP	(158.74)	689.27
Unrealised foreign exchange (loss) / Gain on ECB	(165.62)	(93.82)
Proceeds from sale of fixed assets	28.11	13.23
Net Cash inflow from/(outflow) from Investing activities (B)	(767.64)	(44.24)
Cash Flow from Financing Activities		
Proceeds from issuance of Share Capital	7,800.00	-
(Re-payment)/ Unrealised foreign exchange loss / (Gain) on ECB	(4,352.10)	127.90
Interest paid	(512.06)	(442.80)
Net Cash inflow from/(outflow) from Financing activities (C)	2,935.84	(314.90)
Net increase /(decrease) in cash and cash equivalents (A+B+C)	(267.02)	229.40
Cash and Cash Equivalents at the beginning of the year	2,505.58	2,276.18
Cash and Cash Equivalents at the closing of the year	2,238.56	2,505.58

Refer note no. 17 for the components of cash and cash equivalents.

In terms of our report of even date
For Sudit K Parekh & Co.LLP
Chartered Accountants
Firm Registration No: 110512W/W100378

For and on behalf of the Board of Directors of
Exedy India Limited
CIN: U34100MH1973PLC016985

Sd/-
Varun Narula
(Partner)
Membership No. 137489

Place: Mumbai
Date: August 31, 2026
UDIN : 26137489UGZYRI3381

Sd/-
Hidetaka Endo
Director
DIN: 10541397

Sd/-
Pradeep B. Chinai
Director
DIN: 00128368

Place: Greater Noida
Date: August 31, 2026

Place: Mumbai
Date: August 31, 2026

EXEDY INDIA LIMITED

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

(Figures in Indian Rupees in lacs)

1. Corporate information

Exedy India Limited (formerly known as Ceekay Daikin Limited) ('the Company') was incorporated on November 3, 1973 under the Companies Act. The Company is a subsidiary of Exedy Corporation, Japan. The Company is in business of manufacturing and sale of clutch for automotive industry.

The Company's manufacturing plants are located at Aurangabad and Greater Noida. Also, the company has warehouse located in the state of Gujarat and Karnataka.

2. Basis of Preparation of Financial Statements

a) Basis of accounting:

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP), on an accrual basis of accounting under the historical cost convention. The financial statements comply in all material respects with the Accounting Standards as specified under section 133 of the Companies Act, 2013, (the Act) and rules made thereunder. Accounting policies have been applied consistently in the preparation and presentation of the financial statements. The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements.

b) Basis of presentation:

The Balance Sheet and the Statement of Profit and Loss, including related notes, are prepared and presented as per the requirements of Schedule III to the Companies Act, 2013. All assets and liabilities have been classified and disclosed as current or non-current as per the Company's normal operating cycle and other criteria set out in Schedule III. Based on the nature of products and services and the time between the acquisition of assets and their realization into cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current - non current classification of asset and liabilities.

c) Cash flow statement

Cash flows are reported using the indirect method, where by net profit before prior period/ exceptional/ extra ordinary items and tax is adjusted for the effect of transaction of a non cash nature, any deferrals or accruals of past or future cash receipts or payments, and items of income or income or expenses associated with investing or financing cash flows. The cash flow from operating, investing and financing of the company are segregated based on the available information.

d) Classification as per Companies (Accounting Standard) Rules, 2006

The Company is a Non-Small and Medium Sized Company (Non SMC) as defined in the general instructions to Companies (Accounting Standard) Rules, 2006

3. Summary of Significant accounting policies

a) Use of estimates

The preparation and presentation of financial statements in conformity with Indian GAAP requires management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities on the date of the financial statements and reported amounts of revenues and expenses during the period.

Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods. Accounting

EXEDY INDIA LIMITED

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

(Figures in Indian Rupees in lacs)

estimates could change from period to period. Any revision to accounting estimates is recognized prospectively in the current and future periods, and if material, their effects are disclosed in the financial statements. Actual results could differ from the estimates. Any difference between the actual results and estimates are recognized in the period in which the results are known/materialize.

b) Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents comprises of all highly liquid investments with an original maturity of three months or less from the date of acquisition, that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

c) Property, Plant & Equipment and Intangible Assets

Property, Plant & Equipment are stated at acquisition cost less accumulated depreciation. Cost includes freight, duties, taxes and incidental expenses related to acquisition and installation incurred upto the date of commissioning of assets.

Intangible assets are recognised if it is probable that the future economic benefits that are attributable to the assets will flow to the Company and cost of the assets can be measured reliably.

Cost incurred on Property Plant and Equipment which are not ready for their intended use as on reporting date is disclosed under capital work-in-progress.

d) Depreciation

Depreciation is provided using the Straight Line Method (SLM) at the rates prescribed under Schedule II of Companies Act, 2013 or as per the useful life of the assets estimated by the management, whichever is lower.

Particulars	Useful life as per Schedule II	Useful life Considered
Factory Buildings	30 years	30 years
Administrative Building	60 years	60 years
Roads	8 years	8 years
Office equipment	5 years	5 years
Furniture and fixtures	10 years	10 years
Plant and machinery	15 years	15 years
Computers	3 years	3 years
Electrical Installation	10 years	10 years
Vehicles	8 years	8 years
Inspection Instruments	10 years	10 years
Press Tools	15 years	15 years

Leasehold Land is amortised over the residual period of the lease.

EXEDY INDIA LIMITED

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

(Figures in Indian Rupees in lacs)

In arriving at the depreciable amount, residual value is considered at 5% of the original cost for all depreciable property, plant and equipment, which is considered appropriate by management's estimate.

Depreciation on property, plant and equipment acquired during the year is calculated from first day of the month in which the asset is acquired. Similarly, depreciation on assets sold, discarded, demolished or destroyed during the year is also calculated up to the end of the month in which such asset has been sold, discarded, demolished or destroyed. Depreciable assets costing up to Rupees 5,000/- are depreciated fully in the year of acquisition.

Depreciation is calculated on shift basis (1.5 times) for Plant and Machinery and for Tools, Dies, Jigs & Fixtures.

e) Impairment of Assets

The carrying amounts of assets are reviewed at each reporting date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the Company has measured its 'value in use' on the basis of cash flows of next five years projections, estimation based on current prices.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

f) Inventories

The Company has adopted the policy of valuing the inventories in line with the Accounting Standard 2 ('AS-2') "Valuation of Inventory".

The basis of valuation of inventories is as follows:

Items	Methodology of Valuation
Raw materials, components, packing materials and stores & spares	Lower of cost and net realisable value.
Work-in-progress	Lower of cost and net realisable value.
Finished goods	Lower of cost and net realisable value.
Self – generated scrap and Non – reusable waste	Lower of cost and net realisable value.
Goods in Transit are valued inclusive of custom duty, wherever applicable	
Cost comprises all cost of purchases, cost of conversion and other cost incurred in bringing the inventory to their present locations and condition. Cost formula used is 'First in First Out' (FIFO).	
Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.	

EXEDY INDIA LIMITED

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

(Figures in Indian Rupees in lacs)

Provision for slow / non-moving inventories is created based on the Management review.

g) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Sale of Goods

The revenue in respect of sale of goods is recognised when all significant risks and reward of ownership have been transferred to the buyer and the seller retains no effective controls of the goods transferred and no significant uncertainty exists regarding the amount of consideration that will be derived from the sale of goods.

Interest Income

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

h) Foreign Currency Transactions

Initial recognition

Foreign currency transactions are recorded in the reporting currency which is Indian Rupee, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange Differences

Exchange differences arising on long-term foreign currency monetary items related to acquisition of a Property Plant and Equipment are capitalised and depreciated over the remaining useful life of the asset.

All other exchange differences are recognised as income or as expenses in the period in which they arise.

i) Retirement and Other Employee Benefits

Short term employee benefit

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include short term compensated absences such as paid annual leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised as an expense during the period. Benefits such as salaries and wages, etc. and the expected cost of the bonus / ex-gratia are recognised in the period in which the employee renders the related service.

Post employment employee benefits

Defined Contribution schemes:

Contributions to the Provident Fund and Employee's State Insurance contribution are charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due.

Defined benefits plans:

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods, that benefit is discounted to determine its present value, and the fair value of any plan assets is deducted.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation, carried out by an independent actuary at each reporting date, using the Projected Unit Credit Method, which recognises each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on Government Securities as at the reporting date.

Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

The Company makes contribution to Life Insurance Corporation of India for the gratuity plan in respect of employees covered as per provisions of Gratuity Act.

Other long term employee benefits:

Liabilities towards compensated absences to employees are accrued on the basis of valuation, as at the reporting date, carried out by an independent actuary using Projected Unit Credit Method. Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised immediately in the Statement of Profit and Loss.

EXEDY INDIA LIMITED

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

(Figures in Indian Rupees in lacs)

j) Operating Leases

Assets taken under leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

k) Borrowing Cost

Borrowing costs, including exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs, directly attributable to acquisition or construction of those Property Plant and Equipment which necessarily take a substantial period of time to get ready for their intended use are capitalised. Other borrowing costs are recognised as an expense.

l) Taxation

Income-tax expense comprises current tax, deferred tax charge or credit.

Current tax

Provision for current tax is made for the tax liability payable on taxable income after considering tax allowances, deductions and exemptions determined in accordance with the prevailing tax laws.

Deferred tax

Deferred tax liability or asset is recognised for timing differences between the profits/losses offered for income tax and profits/losses as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Deferred tax asset is recognised only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax asset is recognised only if there is a virtual certainty of realization of such asset. Deferred tax asset is reviewed as at each reporting date and written down or written up to reflect the amount that is reasonably/virtually certain to be realized.

m) Expenditure on Tools, Dies, Jigs and Fixtures

In respect of tools, dies, etc, which has been fully depreciated in the books of accounts, but found by the Company that the same are having usage value and accordingly the expenditure incurred in reconditioning of such tools & dies are capitalised.

EXEDY INDIA LIMITED

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

(Figures in Indian Rupees in lacs)

n) Trade receivables

Trade receivables are amounts due from customers for sale of goods or services performed in the ordinary course of business.

The provision for doubtful debts is created on the basis of ageing of trade receivables.

No of days	91-180	181-365	More Than 366 Days
Provision %	5%	25%	50%

o) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current financial liabilities unless payment is not due within 12 months after the reporting period.

The provision for doubtful advance is created on the basis of ageing of advance to supplier

No of days	121-180	181-365	More Than 366 Days
Provision %	5%	25%	50%

p) Provisions and Contingencies

A provision is recognised when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present values and are determined based on management estimate required to settle the obligation at the reporting date. These are reviewed at each reporting date and adjusted to reflect the current management estimates.

Contingent liabilities are disclosed in respect of possible obligations that have arisen from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of future events not wholly within the control of the Company.

When there is an obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognised in financial statements.

EXEDY INDIA LIMITED**Notes to the financial statements for the year ended March 31, 2026**

(Figures in Indian Rupees in lacs)

4. Share capital

The details of share capital are set as below:

a) Information on Authorised, Issued, Subscribed and fully paid-up shares

Particulars	As at March 31, 2026	As at March 31, 2025
Authorised shares		
9,000,000 (PY 9,000,000) Equity shares of Rs 10 each	900.00	900.00
100,000 (PY 100,000) Cumulative redeemable preference shares of Rs.100 each	100.00	100.00
	1,000.00	1,000.00
Issued, subscribed and fully paid-up shares		
8,895,585 (PY 6,006,696) Equity shares of Rs 10 each	889.56	600.67
	889.56	600.67

b) Information on shareholders

Details of Shareholders holding more than 5% shares in the company

Name of Shareholder	Relationship	As at March 31, 2026		As at March 31, 2025	
		No of Equity shares held	Percentage	No of Equity shares held	Percentage
Exedy Corporation, Japan	Holding Company	6,558,915	73.73%	4,400,915	73.27%
Nauka M Kothari	Shareholder	1,045,366	11.75%	701,327	11.68%
Pradeep B Chinai	Shareholder	749,989	8.43%	503,161	8.38%

c) Reconciliation of the shares

Particulars	Current Year		Previous Year	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	6,006,696	60,066,960	6,006,696	60,066,960
Shares Issued during the year	2,888,889	28,888,890	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	8,895,585	88,955,850	6,006,696	60,066,960

There are no shares issued for consideration other than cash, bonus shares, and shares bought back during the period of five years immediately preceding the reporting date.

d) Terms /rights attached to equity shares

Equity shares having a par value of Rs 10/- each

-As to dividend

The Company has only one class of equity shares. The shareholders are entitled to receive dividend in proportion to amount of paid-up share capital held by them, as declared from time to time. The dividend proposed by the Board of Directors is subject to an approval of the shareholders in the ensuing Annual General Meeting, except in case of an interim dividend.

EXEDY INDIA LIMITED**Notes to the financial statements for the year ended March 31, 2026**

(Figures in Indian Rupees in lacs)

-As to voting

Each shareholder is entitled to vote in proportion to his share of paid up equity share capital of the Company, except in case of voting by show of hands where each shareholder present in person shall have one vote only. Any fresh issue of equity shares shall rank pari-passu with the existing shares.

-As to repayment of capital

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to paid up capital.

e) Particulars of shareholders holding by Promoters

Promoters Name	31st March,2026		31st March,2025		% change during the year*
	No. of Shares	%	No. of Shares	%	
1. Exedy Corporation	6,558,915	73.73	4,400,915	73.27	0.46
2. Nauka M. Kothari	1,045,366	11.75	701,327	11.68	0.07
3. Pradeep B. Chinai	749,989	8.43	503,161	8.38	0.05
4. Irma P. Chinai	241,060	2.71	161,725	2.68	0.03
5. Twisha Mulchandani	119,357	1.34	80,076	1.33	0.01
6. Sona K. Sumaya	33,803	0.39	22,678	0.38	0.01
7. Saurabh M. Kothari	31,239	0.35	20,958	0.35	0

EXEDY INDIA LIMITED**Notes to the financial statements for the year ended March 31, 2026**

(Figures in Indian Rupees in lacs)

5. Reserves and surplus

The movement in reserve and surplus is shown as under:

Particulars	As at March 31, 2026	As at March 31, 2025
A) Capital reserve		
<u>10 percent outright Central Cash Subsidy for Industrial units set up in backward region</u>		
Balance as at the beginning of the year	15.00	15.00
Add: Addition during the year		
Less: Utilisation during the year		
Balance as at the end of the year	15.00	15.00
B) Capital reserve		
<u>Amalgamation Reserve</u>		
Balance as at the beginning of the year	74.41	74.41
Add: Addition during the year		
Less: Utilisation during the year		
Balance as at the end of the year	74.41	74.41
C) General reserve		
Balance as at the beginning of the year	249.06	249.06
Add: Addition during the year		
Less: Utilisation during the year		
Balance as at the end of the year	249.06	249.06
D) Share premium account		
Balance as at the beginning of the year	1,027.10	1,027.10
Add: Addition during the year	7,511.11	-
Less: Utilisation during the year		
Balance as at the end of the year	8,538.21	1,027.10
E) Surplus		
Balance as at the beginning of the year	(9,045.57)	(8,504.45)
Net profit/(Net loss) for the current year	633.82	(541.12)
Balance as at the end of the year	(8,411.75)	(9,045.57)
Total (A+B+C+D+E)	464.93	(7,680.00)

6. Long-term borrowings

The components of long-term borrowings are as under:

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured:		
<u>Loans from related parties</u>		
External Commercial borrowings (Refer note below)	2,250.00	6,031.80
Secured:		
<u>Other Loan From Bank</u>		
Loan from ICICI bank limited	-	33.30
Total	2,250.00	6,065.10

EXEDY INDIA LIMITED**Notes to the financial statements for the year ended March 31, 2026**

(Figures in Indian Rupees in lacs)

The details are as under:

Particulars	As at March 31, 2026			As at March 31, 2025		
	Total balance	Repayable within one year	Long-term	Total balance	Repayable within one year	Long-term
External Commercial borrowings	2,250.00	-	2,250.00	6,031.80	-	6,031.80
Vehicle Loan From ICICI bank	-	-	-	33.30	-	33.30
Total	2,250.00	-	2,250.00	6,065.10	-	6,065.10

Note on External Commercial Borrowings (ECB)

The ECB (I) of USD 34 Lacs was payable by 30th September, 2029, ECB (II) of USD 10 Lacs was payable by 28th February, 2027.

However, during the year, the repayment terms for ECB (I) and ECB (II) have been changed to on or before 31st December 2025 and payment of both the ECBs have been done by the said due dates.

During the FY 2023-24 the ECB loan (III) was also taken from Exedy Corporation, Japan of INR 2250 lacs for refinancing of short term loan and working capital and the due date of repayment is 4th August, 2028 hence it has been classified under the "Long term borrowings".

EXEDY INDIA LIMITED**Notes to the financial statements for the year ended March 31, 2026**

(Figures in Indian Rupees in lacs)

7. Provisions

The components of provision classified between long-term and short-term are presented as under:

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for employee benefits		
Leave encashment	180.69	174.06
Provision for compensated sick leave	19.85	27.73
	200.54	201.79

Short term

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for employee benefits		
Leave encashment	42.05	34.19
Compensated sick leave	3.89	5.08
Bonus	314.54	262.20
Provision for warranty	40.10	39.72
	400.58	341.19

Leave encashment and compensated sick leave provisions are bifurcated between long-term and short-term as per actuarial report.

Provision for warranty is estimated based on average of last two year's actual warranty claims.

8. Short term borrowings

The components of short term borrowings are presented as under:

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured:		
<i>Loans repayable on demand</i>		
Loan from Directors	-	537.00
Total	-	537.00

EXEDY INDIA LIMITED**Notes to the financial statements for the year ended March 31, 2026**

(Figures in Indian Rupees in lacs)

9. Trade payables

Trade payables represent payables for goods purchased by the Company. The details are as under:

Particulars	As at March 31, 2026	As at March 31, 2025
Trade payables		
- Due to Micro and Small Enterprises	962.25	766.94
- Other than Micro and Small Enterprises	14,193.45	16,253.63
	15,155.70	17,020.57

Based on the information available and as identified by the management, certain vendors have confirmed their status under the Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, to the extent vendor could be identified Micro, Small and Medium enterprises.

PARTICULAR	As at March 31, 2026					Accrued Expenses	Total
	Not Due	Up to 1 Year	1-2 Year	2-3 Year	> 3 Year		
Outstanding due of micro and small enterprises							
-Disputed Dues	-	-	-	-	-	-	-
-Undisputed Dues	902.15	60.10	-	-	-	-	962.25
Outstanding due other than micro and small enterprises							
-Disputed Dues	-	-	-	-	-	-	-
-Undisputed Dues	3,175.73	3,054.24	200.31	487.94	6,953.03	322.20	14,193.45
Total Trade Payable	4,077.88	3,114.34	200.31	487.94	6,953.03	322.20	15,155.70

PARTICULAR	As at March 31, 2025					Accrued Expenses	Total
	Not Due	Up to 1 Year	1-2 Year	2-3 Year	> 3 Year		
Outstanding due of micro and small enterprises							
-Disputed Dues	-	-	-	-	-	-	-
-Undisputed Dues	686.75	80.19	-	-	-	-	766.94
Outstanding due other than micro and small enterprises							
-Disputed Dues	-	-	-	-	-	-	-
-Undisputed Dues	5,593.54	2,482.05	996.61	359.48	6,525.80	296.15	16,253.63
	6,280.29	2,562.24	996.61	359.48	6,525.80	296.15	17,020.57

The amount payable to Holding Company amounting to Rs.7,612.36 lacs - towards Import of material and services, have not been paid within stipulated time as prescribed by competent authorities.

The Company at the time of preparing financial statements is not in a position to quantify its financial impact, if any.

Disclosure under Micro, Small & Medium enterprises Act:

Disclosure under section 22 of 'The Micro, Small and Medium Enterprises Development Act, 2006, are given below:

EXEDY INDIA LIMITED**Notes to the financial statements for the year ended March 31, 2026**

(Figures in Indian Rupees in lacs)

Serial Number	Particular	As at March 31,2026	As at March 31,2025
(a)	(i) The principal amount remaining unpaid to any supplier at the end of accounting year included in trade payable.	962.25	766.94
	(ii) The Interest due on above	5.44	0.04
	The total of (i) & (ii)	967.69	766.98
(b)	The amount of interest paid by the buyer in terms of section 16 along with the amount of the payment made to the supplier beyond the appointed day during the year		
(c)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding the interest specified under this act		
(d)	The amount of interest accrued and remaining unpaid at the end of accounting year	30.64	25.20
(e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under section 23 of Micro, Small and Medium Enterprises Development Act, 2006		

10. Other current liabilities

The details of other current liabilities are as under:

Particulars	As at March 31, 2026	As at March 31, 2025
Advance from customers	2.48	-
Statutory dues	185.07	562.36
Payable for capital asset	65.91	5.89
Employees benefits payable	287.38	219.26
Other liabilities payable	147.17	162.25
Interest Payable		
-Interest accrued but not due on borrowings	49.93	1,877.59
-Other Interest	851.95	735.92
	1,589.89	3,563.27

EXEDY INDIA LIMITED**Notes to the financial statements for the year ended March 31, 2026**

(Figures in Indian Rupees in lacs)

11. Property, Plant & Equipment and Intangible Assets

The details of Property, Plant & Equipment are as under:

PARTICULAR	As at 31st March 2026												
	Gross Block						Accumulated Depreciation						Net Block
	As at April 1, 2025	Additions during the Year	Deletions during the Year	ECB Exchange Fluct. During the Year	Adjustment For earlier year	As at March 31, 2026	As at April 1, 2025	Depreciation charge for the year	ECB Exchange Fluct. Previous Year	Adjustments On disposals	Adjustment For earlier year	As at March 31, 2026	As at March 31, 2026
Property Plant & Equipment													
Leasehold Land	117.73	-	-	-	-	117.73	30.81	1.35	-	-	-	32.16	85.57
Factory Building	2,181.99	45.25	-	20.45	-	2,247.69	1,091.99	54.67	-	-	-	1,146.66	1,101.03
Plant & Machinery	12,514.79	234.10	54.71	143.35	-	12,837.53	10,469.36	414.77	-	51.97	-	10,832.16	2,005.37
Electrical Installation	436.39	28.85	-	-	-	465.24	412.95	2.60	-	-	-	415.55	49.69
Vehicles	155.55	69.76	-	-	-	225.31	50.29	16.31	-	-	-	66.60	158.71
Furniture & Fixtures	151.28	1.74	-	-	-	153.02	133.04	2.04	-	-	-	135.08	17.94
Office Equipment	256.52	4.80	0.34	-	-	260.98	217.13	10.77	-	0.33	-	227.57	33.41
Inspection Instruments	546.00	-	-	-	-	546.00	513.58	2.11	-	-	-	515.69	30.31
Tools, Dies, Jigs & Fixtures	5,351.69	67.57	24.44	1.82	-	5,396.64	4,364.48	104.81	-	3.57	-	4,465.72	930.92
Computers	356.95	19.32	0.17	-	-	376.10	331.95	10.97	-	0.16	-	342.76	33.34
Total	22,068.89	471.39	79.66	165.62	-	22,626.24	17,615.58	620.40	-	56.03	-	18,179.95	4,446.29

EXEDY INDIA LIMITED
Notes to the financial statements for the year ended March 31, 2026

(Figures in Indian Rupees in lacs)

PARTICULAR	As at 31st March 2025												
	Gross Block						Accumulated Depreciation						Net Block
	As at April 1, 2024	Additions during the Year	Deletions during the Year	ECB Exchange Fluct. During the Year	Adjustment For earlier year	As at March 31, 2025	As at April 1, 2024	Depreciation charge for the year	ECB Exchange Fluct. Previous Year	Adjustments On disposals	Adjustment For earlier year	As at March 31, 2025	As at March 31, 2025
Property Plant & Equipment													
Leasehold Land	117.73	-	-	-	-	117.73	29.45	1.35	-	-	-	30.81	86.92
Factory Building	2,170.68	-	-	11.31	-	2,181.99	1,031.14	60.85	-	-	-	1,091.99	1,090.00
Plant & Machinery	12,326.78	137.84	29.11	79.28	-	12,514.79	10,128.13	368.32	-	27.08	-	10,469.36	2,045.43
Electrical Installation	435.63	0.76	-	-	-	436.39	411.79	1.16	-	-	-	412.95	23.44
Vehicles	132.07	45.02	21.54	-	-	155.55	55.18	13.08	-	17.97	-	50.29	105.26
Furniture & Fixtures	150.98	0.30	-	-	-	151.28	130.15	2.89	-	-	-	133.04	18.24
Office Equipment	256.01	4.83	4.32	-	-	256.52	210.97	10.27	-	4.11	-	217.13	39.39
Inspection Instruments	546.00	-	-	-	-	546.00	510.98	2.59	-	-	-	513.58	32.42
Tools, Dies, Jigs & Fixtures	4,889.56	458.90	-	3.23	-	5,351.69	4,265.77	98.71	-	-	-	4,364.48	987.21
Computers	353.56	5.27	1.88	-	-	356.95	323.80	9.94	-	1.79	-	331.95	25.00
Total	21,379.00	652.92	56.86	93.82	-	22,068.89	17,097.36	569.16	-	50.95	-	17,615.58	4,453.31

EXEDY INDIA LIMITED
Notes to the financial statements for the year ended March 31, 2026

(Figures in Indian Rupees in lacs)

12. Capital work in progress

Particulars	As at March 31, 2026	As at March 31, 2025
Capital Work-in-progress		
Opening balance	6.45	695.72
Add: Addition during the year	280.15	133.14
	286.60	828.86
Less: Capitalised during the year	121.41	531.08
Less: Transferred to profit & Loss	-	291.33
Closing balance	165.19	6.45

(i) Ageing schedule

CWIP	Amount of CWIP for a period of 31st March 2026				
	Less Than 1 Year	1-2 Year	2-3 Year	More Than 3 Year	TOTAL
Project in progress	165.19	-	-	-	165.19
Project temporarily suspended	-	-	-	-	-

CWIP	Amount of CWIP for a period of 31st March 2025				
	Less Than 1 Year	1-2 Year	2-3 Year	More Than 3 Year	TOTAL
Project in progress	6.45	-	-	-	6.45
Project temporarily suspended	-	-	-	-	-

(ii) Completion schedule

CWIP 2025-26	Project completed to be in			
	Less Than 1 Year	1-2 Year	2-3 Year	More Than 3 Year
Project 1	165.19	-	-	-

CWIP 2024-25	Project completed to be in			
	Less Than 1 Year	1-2 Year	2-3 Year	More Than 3 Year
Project 1	6.45	-	-	-
Project 2	-	-	-	-

EXEDY INDIA LIMITED

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

(Figures in Indian Rupees in lacs)

13. Deferred tax asset

The major components of deferred tax asset / liability as recognised in the financial statement are as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax liability		
Excess of net block of fixed assets as per books of accounts over net block for tax purpose	218.23	180.17
Gross deferred tax liability	218.23	180.17
Deferred tax asset		
Unabsorbed depreciation (refer note below)	218.23	180.17
Gross deferred tax asset	218.23	180.17
Net deferred tax asset / (liability)	-	-
Deferred tax charge / (credit) for the year	-	-

Note - Deferred tax asset on unabsorbed depreciation is recorded to the extent of deferred tax liability on depreciation.

Deferred tax asset on the timing differences such as provision for doubtful advances, provision for employee benefit, carried forward business losses, etc, have not been recognised in the absence of certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

14. Loans and advances

The break-up loans and advances as bifurcated between long-term and short-term are presented as under:

Particulars	Long-term (Non-current)	
	As at March 31, 2026	As at March 31, 2025
Capital advances		
<i>Unsecured, considered good</i>	21.37	24.72
(A)	21.37	24.72
Other loans and advances		
<i>Unsecured, considered good</i>		
Advance tax & Tax deducted at Source	129.64	133.46
Prepaid expenses	4.87	2.48
Balance with government authority	20.40	20.40
(B)	154.91	156.34
Total (A+B)	176.28	181.06

EXEDY INDIA LIMITED
Notes to the financial statements for the year ended March 31, 2026

(Figures in Indian Rupees in lacs)

Particulars	Short-term (Current)	
	As at March 31, 2026	As at March 31, 2025
Advance recoverable in cash or kind <i>Unsecured, considered good</i>	4.93	3.47
(A)	4.93	3.47
Other loans and advances <i>Unsecured, considered good</i>		
Advance tax, TDS & TCS	68.10	55.97
Prepaid expenses	81.91	76.68
Balance with government authority	28.58	89.08
Other loans and advances	23.61	19.92
Advance to suppliers <i>Unsecured, considered good</i>	114.16	62.47
<i>Unsecured, considered doubtful</i>	10.52	11.07
<i>Less: Provision for doubtful advances</i>	(10.52)	(11.07)
(B)	316.36	304.12
Total (A+B)	321.29	307.59

15. Inventories

The components of inventory as at reporting date showing the valuation as certified by management is presented as under:

Particulars	As at March 31, 2026	As at March 31, 2025
Raw materials (valued at cost)	2,812.37	2,504.69
Stores and spares (valued at cost)	117.11	119.26
Packing materials (valued at cost)	23.38	17.69
Other materials	1.48	1.91
Goods in Transit	189.97	217.26
Work-in-progress (valued at cost)	1,779.60	1,671.24
Finished goods (valued at lower of cost or net realizable value)	1,056.09	1,184.04
Less: Provision of slow & non moving inventories	(43.63)	(32.47)
	5,936.37	5,683.62

EXEDY INDIA LIMITED

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

(Figures in Indian Rupees in lacs)

Inventories of raw materials, stores and spares, packing materials and work-in-progress constitutes numerous items of similar nature and hence the breaks up under broad heads are not given.

The components of finished goods inventory are as under: -

Particulars	As at March 31, 2026	As at March 31, 2025
Clutch Disc Assembly	525.86	557.07
Clutch Cover Assembly	414.00	510.05
One Way Clutch Assembly	116.23	116.92
Total	1,056.09	1,184.04

16. Trade receivables

Trade receivables represent receivables from sale of goods. The classification of receivables outstanding for a period less than or exceeding six months is done on the basis of ageing drawn as per due date.

Particulars	As at March 31, 2026	As at March 31, 2025
Trade receivables outstanding for a period less than six months		
<i>Unsecured, considered good</i>	7,144.65	7,059.50
<i>Unsecured, considered doubtful</i>	0.05	1.44
<i>Less: Provision for doubtful debts</i>	(0.05)	(1.44)
Trade receivables outstanding for a period exceeding six months		
<i>Unsecured, considered good</i>	24.86	18.07
<i>Unsecured, considered doubtful</i>	12.13	9.76
<i>Less: Provision for doubtful debts</i>	(12.13)	(9.76)
	7,169.51	7,077.57

PARTICULAR	As at March 31, 2026						Total
	Not due	Less Than 6 Month	6 Month To 1 Year	1 To 2 Year	2 To 3 Year	More Than 3 Year	
(i) Undisputed Trade Receivables- Considered Good	5,850.17	1,294.49	20.39	0.39	4.07	-	7,169.51
(ii) Disputed Trade Receivable- Considered Good	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables- Considered Doubtful	-	1.76	5.77	0.57	4.07	-	12.18
(iv) Disputed Trade Receivables- Considered Doubtful	-	-	-	-	-	-	-
(iv) Unbilled trade receivable	-	-	-	-	-	-	-
Total	5,850.17	1,296.25	26.16	0.96	8.14	-	7,181.69
Less : Allowance For Doubtfull debt	-	1.76	5.77	0.57	4.07	-	12.18
Net Trade Receivable	5,850.17	1,294.49	20.39	0.39	4.07	-	7,169.51

EXEDY INDIA LIMITED**Notes to the financial statements for the year ended March 31, 2026**

(Figures in Indian Rupees in lacs)

PARTICULAR	As at March 31, 2025						Total
	Not due	Less Than 6 Month	6 Month To 1 Year	1 To 2 Year	2 To 3 Year	More Than 3 Year	
(i) Undisputed Trade Receivables- Considered Good	5,946.90	1,112.60	10.80	1.66	4.08	1.53	7,077.57
(ii) Disputed Trade Receivable- Considered Good	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables- Considered Doubtful	-	1.44	3.60	1.66	2.96	1.53	11.20
(iv) Disputed Trade Receivables- Considered Doubtful	-	-	-	-	-	-	-
(iv) Unbilled trade receivable	-	-	-	-	-	-	-
Total	5,946.90	1,114.04	14.40	3.32	7.04	3.06	7,088.77
Less : Allowance For Doubtfull debt	-	1.44	3.60	1.66	2.96	1.53	11.20
Net Trade Receivable	5,946.90	1,112.60	10.80	1.66	4.08	1.53	7,077.57

17. Cash and cash equivalents

The components of cash and cash equivalents are presented as under:

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with banks		
- in current account	1,620.60	1,751.88
- in fixed deposit matured with in one year	595.04	732.43
- in fixed deposit held as bank gaurantee	20.00	20.00
Cash on hand	2.92	1.27
	2,238.56	2,505.58

EXEDY INDIA LIMITED**Notes to the financial statements for the year ended March 31, 2026**

(Figures in Indian Rupees in lacs)

18. Other current assets and other non-current assets

The break-up of other current assets are presented as under:

Particulars	Short-term (Current)	
	As at March 31, 2026	As at March 31, 2025
Security deposits <i>Unsecured, considered good</i>	4.17	7.08
Gratuity - Prepaid	286.91	208.18
Accrued Interest On Fixed Deposits	6.56	16.89
	297.64	232.15

Gratuity balance is taken as per actuary report.

Particulars	Long-term (Non-current)	
	As at March 31, 2026	As at March 31, 2025
Security deposits <i>Unsecured, considered good</i>	200.07	202.26
	200.07	202.26

EXEDY INDIA LIMITED**Notes to the financial statements for the year ended March 31, 2026**

(Figures in Indian Rupees in lacs)

19. Revenue from operations

The company is engaged in the manufacturing and sale of clutch for automotive industry. The break-up of sale is as under:

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Revenue from operations		
a) Sale of products	59,146.53	53,448.90
Less: Inter unit sales	6,778.76	6,827.78
Less: Trade discount	553.69	431.98
Total	51,814.08	46,189.14
b) Other operating income		
Sales of scrap	1,322.98	1,068.90
Sales of Services	9.98	2.50
Total (a+b)	53,147.04	47,260.54

The component of finished products sale are as under:

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Clutch Disc Assembly	19,469.89	18,370.57
Clutch Cover Assembly	19,533.95	18,842.76
One Way Clutch Assembly	12,560.88	8,624.89
Kits & Components	803.05	782.90
Total	52,367.77	46,621.12
Less : Trade discounts	553.69	431.98
Net sale of products	51,814.08	46,189.14

EXEDY INDIA LIMITED**Notes to the financial statements for the year ended March 31, 2026**

(Figures in Indian Rupees in lacs)

20. Other income

The break-up of other income are presented as under:

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Interest income	64.83	47.56
Provision for Slow/Non Moving Stock (excess provision written back)	-	6.88
Provision for doubtful advances (excess provision written back)	0.55	0.28
Excess provision for Sick leave of earlier years written back	9.64	-
Sundry Balances Written off	-	0.24
Profit on sale of fixed assets	4.48	7.32
Miscellaneous income	8.08	12.63
Total	87.58	74.91

21. Cost of materials consumed

The break-up of material consumption are presented as under:

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Cost of raw-material consumed		
Inventory at the beginning of the year	2,504.69	2,775.48
Add: Purchases	38,535.30	34,194.71
	41,039.99	36,970.19
Less: Inventory at the end of the year	2,812.37	2,504.69
	38,227.62	34,465.50
Cost of packing material consumed		
Inventory at the beginning of the year	17.69	18.16
Add: Purchases	807.25	753.66
	824.94	771.82
Less: Inventory at the end of the year	23.38	17.69
	801.56	754.13
Total	39,029.18	35,219.63

EXEDY INDIA LIMITED**Notes to the financial statements for the year ended March 31, 2026**

(Figures in Indian Rupees in lacs)

The details of raw material consumed are as under:

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Steel sheets & Strips	9,144.64	9,002.81
Finished Components	22,136.93	18,753.23
Semi Finished	6,887.16	6,648.72
Oils & Chemicals	58.89	60.74
Total	38,227.62	34,465.50

22. Changes in inventories of finished goods and work-in-progress

The movement of inventories at the beginning and end of the year are presented as under:

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Inventory at the beginning of the year		
Finished goods	1,184.04	1,364.01
Work-in-progress	1,671.24	1,410.66
Scrap	1.91	1.66
	2,857.19	2,776.33
Inventory at the end of the year		
Finished goods	1,056.09	1,184.04
Work-in-progress	1,779.60	1,671.24
Scrap	1.48	1.91
	2,837.17	2,857.19
Decrease / (Increase) in inventory	20.02	(80.86)

23. Employee benefits expenses

The break-up of employee benefits expenses are presented as under.

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Personnel cost	5,831.90	5,194.89
Contribution to provident fund & other fund (refer note 46)	331.90	398.24
Staff welfare	337.63	310.37
	6,501.43	5,903.50

EXEDY INDIA LIMITED**Notes to the financial statements for the year ended March 31, 2026**

(Figures in Indian Rupees in lacs)

24. Finance costs

The details of finance costs are as under:

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Interest on borrowings	470.90	592.48
Interest expenses-Other	221.59	243.58
Bank charges & other financial expenses	2.57	3.65
	695.06	839.71

24. (a) Prior period expense

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Interest on borrowings	58.14	-
	58.14	-

Interest expense-Other includes interest accrued on overdue payable of Exedy Corporation, Japan amounting to Rs. 143.32 lacs (PY: Rs. 66.63 lacs). The payment of such interest is subject to the approval from the Reserve Bank of India and other related regulatory compliances.

25. Depreciation

The break-up of depreciation is as under:

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Depreciation for the year	620.40	569.16
	620.40	569.16

EXEDY INDIA LIMITED**Notes to the financial statements for the year ended March 31, 2026**

(Figures in Indian Rupees in lacs)

26. Other expenses

The break-up of other expenses are presented as under:

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Stores & spares	1,060.39	1,066.97
Power, fuel and water	1,062.94	1,068.65
Repairs-		
Building	8.54	13.02
Machinery	574.38	569.43
Others	28.66	33.08
Insurance expenses	177.23	159.91
Freight, Octroi / Local body tax	721.48	736.60
Rent & Hire Charges	111.91	120.25
Rates and Taxes	28.63	19.36
Directors fees and travelling expenses	9.91	11.70
Loss on foreign currency transactions (Net)	501.60	315.41
Payment to Auditors (Refer note no 28)	30.96	30.92
Royalty	334.67	281.96
Provision for doubtful debts	0.98	1.28
Provision for slow and non moving raw materials	11.16	-
Provision for Warranty	0.39	0.34
Travelling & conveyance	260.46	233.62
Legal & professional expenses	180.67	143.08
Sales Incentive	24.32	9.37
Selling expenses	42.67	23.77
Development expenses	-	107.89
Sundry expenses	504.62	478.82
	5,676.57	5,425.43

The company had entered 'Technical Assistance Agreement' with Exedy Corporation on October 7, 2014. Based on which, the Company is required to pay a percentage of sales value as royalty. The total royalty expenses recorded in books is Rs.334.67 lacs (PY: Rs. 281.96 lacs).

EXEDY INDIA LIMITED**Notes to the financial statements for the year ended March 31, 2026**

(Figures in Indian Rupees in lacs)

27. Earnings per share

The Company does not have any potential equity shares and therefore the diluted earnings per share remain same as basic earnings per share. The numerator and denominator used to calculate earnings per share are shown as under:

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Basic / diluted earnings per share		
Profit/(Loss) attributable to equity shareholders	633.82	(541.12)
Weighted average number of equity shares (in numbers)	7,051,445	6,006,696
Basic/Diluted earnings per share (in Rs.)	8.99	(9.01)
Face value per share (in Rs.)	10.00	10.00

28. Auditors remuneration

Particular	Year Ended March 31, 2026	Year Ended March 31, 2025
Audit Fee	24.83	24.83
Tax Audit Fee	5.20	5.49
For certification & other	0.93	0.60
Total	30.96	30.92

29. Value of Imports on C.I.F Basis

Particular	Year Ended March 31, 2026	Year Ended March 31, 2025
Raw Material	4,399.80	7,072.37
Component and Spare Parts	70.37	24.67
Capital Goods	-	0.96
Repairs and Maintanace	2.58	9.64
Total	4,472.75	7,107.63

EXEDY INDIA LIMITED**Notes to the financial statements for the year ended March 31, 2026**

(Figures in Indian Rupees in lacs)

30. Expenditure in foreign currency (on accrual basis)

Particular	Year Ended March 31, 2026	Year Ended March 31, 2025
Interest expenses	412.38	371.16
Royalty – For OWC	162.15	108.64
Reimbursement of salary	218.45	169.67
Reimbursement of expenses	29.86	92.62
Foreign Travelling	14.56	12.54
Subscription, periodicals and others	2.09	2.94
TOTAL	839.49	757.58

31. Earnings in foreign currency (on accrual basis)

Particular	Year Ended March 31, 2026	Year Ended March 31, 2025
Sales (On FOB Basis)	1,498.22	1,971.81
TOTAL	1,498.22	1,971.81

32. Consumption of raw materials

Particulars	Year Ended March 31, 2026		Year Ended March 31, 2025	
	Amount	Percentage	Amount	Percentage
Imported	4,943.70	12.93%	7,158.20	20.77%
Indigenous	33,283.92	87.07%	27,307.30	79.23%
Total	38,227.62	100.00%	34,465.50	100.00%

33. Consumption of spare parts, components and stores:

Particulars	Year Ended March 31, 2026		Year Ended March 31, 2025	
	Amount	Percentage	Amount	Percentage
Imported	70.28	6.63%	24.67	2.31%
Indigenous	990.11	93.37%	1,042.30	97.69%
Total	1,060.39	100.00%	1,066.97	100.00%

EXEDY INDIA LIMITED**Notes to the financial statements for the year ended March 31, 2026**

(Figures in Indian Rupees in lacs)

34. Unhedged foreign currency exposure note:

Particular	Year Ended March 31, 2026		Year Ended March 31, 2025	
	Amount In Foreign Currency	Amount In Indian Rupee	Amount In Foreign Currency	Amount In Indian Rupee
ECB :				
USD	-	-	44.00	3,781.80
Trade Payable :				
USD	0.67	63.68	37.84	3,252.76
JPY	14,280.96	8,827.88	15,965.18	9,217.40
Trade Receivable :				
USD	0.06	5.76	0.62	53.30
JPY	259.12	156.35	565.14	323.99

35. Disclosure pursuant to Accounting Standard – 15 ‘Employee Benefits’**a. General description***i. Contribution to Provident Fund (Defined Contribution)*

The Company's provident fund scheme (including pension fund scheme for eligible employees) is a defined contribution plan. The expenses charged to the Statement of Profit and Loss under the head Contribution to Provident Fund is Rs. 247.34 lacs (P.Y.Rs. 227.39 lacs)

ii. Gratuity (Defined benefit plan)

The Company has a defined benefit gratuity plan for Post-employment benefit in the form of Gratuity for all employees, will be administered through Life Insurance Corporation of India (LIC) for which formation of trust is created. Every employee who has completed five years or more of service gets a gratuity on death or resignation or retirement at 15 days salary (last drawn salary) for each completed year of service. The Company during the year provided Rs. 55.24 lacs (P.Y. Rs. 140.25 lacs) towards gratuity.

EXEDY INDIA LIMITED**Notes to the financial statements for the year ended March 31, 2026**

(Figures in Indian Rupees in lacs)

b. The following tables set out disclosures prescribed by AS 15 in respect of the Company's unfunded gratuity plan.

- (i) Changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof:

Particular	Year Ended March 31, 2026	Year Ended March 31, 2025
Present value of obligation as at the beginning of the year:	1,218.42	1,068.99
Interest cost	82.85	77.07
Current service cost	69.44	64.15
Benefits paid	(56.78)	(82.60)
Actuarial (gain) / loss on obligation	(0.57)	90.81
Closing Present value of obligation	1,313.36	1,218.42

- (ii) Change in fair value of plan assets:

Particular	Year Ended March 31, 2026	Year Ended March 31, 2025
Fair value of plan assets as at the beginning of the year	1,426.60	1,267.42
Expected return on plan assets	98.88	91.38
Contribution	130.00	150.00
Benefits paid	(56.78)	(82.60)
Actuarial gain/(loss) on plan assets	12.01	0.40
Fair value of plan assets as at the end of the year	1,610.71	1,426.60

- (iii) The amounts recognised in the Balance Sheet and Statement of Profit and Loss are as follows:

Particular	Year Ended March 31, 2026	Year Ended March 31, 2025
Present value of obligation as at the end of the year	(1,324.93)	(1,218.43)
Fair value of plan assets as at the end of the year	1,610.72	1,426.61
Surplus/(Deficit)	285.79	208.18

EXEDY INDIA LIMITED**Notes to the financial statements for the year ended March 31, 2026**

(Figures in Indian Rupees in lacs)

(iv) The amounts recognised in the Statement of Profit and Loss are as follows:

Particular	Year Ended March 31, 2026	Year Ended March 31, 2025
Current service cost	69.44	64.15
Interest cost	(16.03)	(14.31)
Net actuarial (gain) / loss	(12.57)	90.41
Past service cost	-	-
Expenses recognized in the statement of profit and loss	40.84	140.25

* Included in Note 23 "Employee benefits expenses".

(v) Actuarial assumption:

Particular	Year Ended March 31, 2026	Year Ended March 31, 2025
Salary Growth	5.50%	5.50%
Discount Rate	6.97%	7.00%
Rate of return on plan assets	6.97%	7.00%

EXEDY INDIA LIMITED**Notes to the financial statements for the year ended March 31, 2026**

(Figures in Indian Rupees in lacs)

36. Related party disclosures**i. List of related parties:**

Name of the Party	Relationship
Exedy Corporation, Japan	Holding Company
Exedy Friction Material Co. Ltd, Thailand	Fellow subsidiary
Exedy (Thailand) Co Ltd., Thailand	Fellow subsidiary
Aisin Chemical Co. Ltd, Japan	Fellow subsidiary (upto FY 2024-25)
PT Exedy Indonesia, Indonesia	Fellow subsidiary
Exedy Clutch India Private Limited, India	Fellow subsidiary
Exedy Dynax Europe Ltd, Europe	Fellow subsidiary
Exedy Chongqing Co. Ltd., China	Fellow Subsidiary
Exedy Malaysia SDN BHD, Malaysia	Fellow Subsidiary
Pradeep B. Chinai	Director
Hidetaka Endo	Director
Nauka M. Kothari	Director
Satin Engineering Pvt. Ltd	Enterprises having common director
Tass Overseas Pvt Ltd	Enterprises having common director
Auto Blaze Trading LLP	Director is partner in Enterprise
Saurabh M. Kothari	Relative of Director
Twisha Mulchandani	Relative of Director
Kazunori Kusamizu	Director

EXEDY INDIA LIMITED
Notes to the financial statements for the year ended March 31, 2026

(Figures in Indian Rupees in lacs)

ii. Transactions with related parties:

Name of Related Party	Nature of Transaction	Year Ended March 31, 2026	Year Ended March 31, 2025
Exedy Corporation, Japan	Purchase of raw materials and components	643.87	643.39
	Purchase of Capital Assets	-	0.96
	Royalty	334.67	281.96
	Sales	1,299.35	1,249.05
	Reimbursement of salary expense	218.45	169.67
	Reimbursement of expenses incurred	28.79	77.42
	Reimbursement of expenses receivable from related party	19.88	15.73
	Re-payment of Loan	3,952.85	-
	Interest	637.62	596.41
Exedy Friction Material Co. Ltd,	Purchase of raw materials	1,029.57	751.67
Exedy (Thailand) Co Ltd., Thailand	Purchase of raw materials	20.90	9.47
	Purchase of consumable	-	2.43
	Sales	2.28	-
	Reimburesment Of Expenses	-	1.69
Aisin Chemical Co. Ltd, Japan	Purchase of raw materials	-	449.22
PT Exedy Manufacturing, Indonesia	Sales	155.83	201.04
	Reimburesment Of Expenses	-	0.35
Exedy Dyanx Europ Ltd, Europe	Reimbursment Of Expenses Incurred	-	8.34
	Sales	0.76	313.84
Exedy Clutch India Private Limited	Sales	67.74	122.20
	Purchase	4,181.35	3,669.94
	Interest	72.82	175.03
	Reimbursment of Expenses receivable from related party	3.25	3.25
Exedy Chongqing Co. Ltd, China	Purchase	94.11	550.26
	Reimburesment Of Expenses	-	2.32
	Sales	22.48	225.40
Exedy Malaysia SDN. BHD, Malaysia	Purchase Of Material	155.72	806.48
	Reimburesment Of Expenses Incurred	-	0.42
Tass Overseas Pvt Ltd	Rent	18.00	18.00
Auto Blaze Trading LLP	Sales	3,305.64	2,772.73
Satin Engineering Pvt. Ltd	Rent	18.00	18.00
Pradeep B. Chinai	Remuneration including sitting fees	0.75	0.60
	Unsecured Loan Repaid	272.50	-
	Interest on Unsecured Loan	17.65	32.70
	Rent	19.80	19.80
Nauka M. Kothari	Remuneration including sitting fees	0.60	0.45
	Unsecured Loan Repaid	264.50	-
	Interest on Unsecured Loan	17.13	31.74
	Rent	19.20	18.60
Hidetaka Endo	Income Tax on Global Income	31.40	29.25
	Sitting fees	1.20	1.05
Saurabh Kothari	Salary	81.05	74.35
Twisha Mulchandani	Salary	43.05	39.58
	Rent	16.80	16.20
Kazunori Kusamizu	Sitting Fees	0.75	-

EXEDY INDIA LIMITED**Notes to the financial statements for the year ended March 31, 2026**

(Figures in Indian Rupees in lacs)

iii. Balance outstanding of related parties:

Name of Related Party	Payable/ Receivable	Year Ended March 31, 2026	Year Ended March 31, 2025
Exedy Corporation, Japan	Payable	9,063.34	11,732.16
	Payable for ECB	2,250.00	6,031.80
	Receivable for Material	156.35	323.99
	Payable for Expenses	59.10	56.43
Exedy Friction Material Co. Ltd, Thailand	Payable	71.34	72.85
Exedy (Thailand) Co Ltd., Thailand	Payable	-	1.66
Aisin Chemical Co. Ltd, Japan	Payable	-	91.50
PT Exedy Indonesia, Indonesia	Receivable	5.76	30.84
Exedy Clutch India Private Limited	Payable	1,255.61	2,608.88
Exedy Chongqing Co Ltd, China	Payable	3.49	16.46
Exedy Chongqing Co Ltd	Receivable	-	22.46
Exedy Malaysia SDN BHD, Malaysia	Payable	-	211.89
Auto Blaze Trading LLP	Receivable	879.64	804.03
Pradeep B. Chinai	Payable	-	272.50
Nauka M. Kothari	Payable	-	264.50

37. Operating lease commitment

The company has taken on leases residential flats for expatriates under operating lease. Future minimum lease commitment under the operating leases is as follows

Particular	Year Ended March 31, 2026	Year Ended March 31, 2025
Not later than one year	26.49	43.10
Later than one year and not later than	28.09	8.24
Later than five years	-	-
Total	54.58	51.34

38. As per Accounting Standard 28 on 'Impairment of Assets' no indications have been identified from the external as well as internal sources of information that an asset may be impaired as on reporting date. Hence, no testing for impairment of assets has been conducted during the year.

39. Transfer pricing

The company has independent consultants for conducting a Transfer Pricing Study for the year ended 31st March, 2026 in terms of provision of sections 92A to 92F of the Income Tax, 1961 and rules made there under to determine whether the transactions with associate enterprises were undertaken at "arm's length basis". The Transfer Pricing study for the year ended March 31st, 2026 is currently in progress. The management confirms that all international transactions with its associate enterprises are undertaken at its negotiated contracted prices and adjustments, if any, arising from the transfer pricing study shall be accounted for as and when the study is completed.

EXEDY INDIA LIMITED

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

(Figures in Indian Rupees in lacs)

40. Segment reporting

The Company is engaged in the manufacturing and selling of clutch for automotive industry. The similar kind of products are being manufactured and traded. Accordingly, in the opinion of management, there is only one segment as envisaged by Accounting Standard 17 on "Segment Reporting". Therefore, no disclosure on segment reporting has been made.

41. The company is in the process of obtaining external balance confirmations and preparing the reconciliation statement for trade receivables, advance to suppliers, capital advances and trade payables. Accordingly, the need to make provision for doubtful debts/loans and advances or other adjustment, if any, will be assessed upon completion of the reconciliation exercise.
42. The company has availed the option of accounting of Exchange differences arising on long-term foreign currency monetary item as per Para 46A of Accounting Standard 11. During the year, the Company capitalised the foreign exchange loss on ECB amounting to Rs. 165.62 lacs (P.Y. Loss of Rs 93.82 lacs).

43. Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for is Rs.31.03 lacs (PY: Rs. 39.67 lacs).

44. Contingent liabilities

a) Guarantees given:

Aurangabad plant has provided bank guarantees of Rs 20.00 lacs to Maharashtra Pollution control board (PY: 20.00 lacs).

- b) Income Tax Assessment of the company has been completed for assessment year 2009-10. The company had preferred an appeal with the Commissioner of Income Tax (Appeals) against the order of Deputy Commissioner of Income Tax for disputed amount of Rs.123.25 lacs. Order of the Commissioner of income tax (Appeal) was received and direction is given to the assessing authority for reworking of liability based on relief given.
- c) The company has applied for rectification of order passed by the assessing authority for assessment year 2010-11 against amount demanded of Rs 24.32 lacs ignoring credit of Minimum Alternate Tax in computation as per the order passed.
- d) For assessment year 2011-12 order of Hon. Income Tax Appellate Tribunal (ITAT) was received in the year 2017-18 for amount disputed of Rs. 195.03 lacs. The Hon. ITAT has given relief of Rs 192.64 lacs during the year 2018-19. The income tax department has appealed against the said order and the matter is pending with Hon. High Court of Bombay.
- e) The company has preferred an appeal against order passed by Dy. Commissioner of Income Tax for A.Y. 2012-13 with Commissioner (Appeal) for disputed amount of Rs. 266.99 lacs. The Hon. CIT (Appeal) has directed the assessing authorities to rework demand based on relief given.
- f) Order of Commissioner of Income Tax (Appeal) was received during the year 2018-19 for Assessment year 2013-14 and 2014-15 for disputed amount of Rs.91.39 lacs and Rs.202.54 lacs respectively. The CIT (Appeal) has given part relief and directed to the assessing authority to rework tax effect.

EXEDY INDIA LIMITED

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

(Figures in Indian Rupees in lacs)

- g) Order of Commissioner of Income Tax (Appeal) was received during the year 2019-20 for Assessment year 2016-17 for disputed amount of Rs.99.69 lacs. The CIT (Appeal) has given part relief and directed to the assessing authority to rework the computation. A further notice for the same year is received and proceeding is in progress.
- h) The company has preferred an appeal against order passed by Assistant Commissioner of Income Tax (National e-Assessment Centre) for A.Y. 2018-19 with Commissioner (Appeal) for disputed amount of Rs. 17.00 lacs.
- i) The company has preferred an appeal against the order passed by the assessing officer (AO) for A.Y. 2020-21 with the Commissioner of Income Tax (Appeal) for disputed amount involving taxes of Rs. 39.78 lacs and the proceeding is in progress.
- j) The company has preferred an appeal against the order passed by the assessing officer (AO) for A.Y. 2021-22 with the Commissioner of Income Tax (Appeal) for disputed amount involving taxes of Rs.24.27 lacs and the proceeding is in progress.
- k) The company has preferred an appeal against the order passed by the assessing officer (AO) for A.Y. 2022-23 with the Commissioner of Income Tax (Appeal) for disputed amount involving taxes of Rs.44.12 lacs and the proceeding is in progress.
- l) An order for assessment year 2023 – 24 was received ignoring working as submitted by the company and not considered Rs 150.05 lacs by the assessing authority. The company has applied for rectification of order and also submitted appeal and same is pending before the Commissioner of Income Tax (Appeal).
- m) Notice received from Deputy Commissioner of Income Tax for AY 2024-25 and the matter was pending for hearing.
- n) Notice received from Deputy Commissioner of Income Tax for AY 2025-26 and the matter was pending for hearing.
- o) An order for sales tax demand was received for the assessment year 1999-2000 under the Central Sales Tax Act 1956, for Rs. 82.81 lacs. Out of the above, sum of Rs 64.94 lacs had been deposited with the concern authority. An appeal is pending against the above mention demand with the Hon. High Court, Allahabad.
- p) Sales tax assessments upto the year 2016-17 have been completed for Aurangabad unit under Maharashtra Value Added Tax Act and Central Sales Tax Act. Status of appeals pending before Appellate Authority for disputed amount is given herewith:

EXEDY INDIA LIMITED

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

(Figures in Indian Rupees in lacs)

Year	Assessing / Appellate Authority	Disputed Amount		Part Payment made	
		Year Ended March 31, 2026	Year Ended March 31, 2025	Year Ended March 31, 2026	Year Ended March 31, 2025
2002-03	Referred back to the Assessing Authority for reworking of data by Sales Tax Tribunal	15.38	15.38	11.40	11.40
2003-04	Referred back to the Assessing Authority for reworking of data by Sales Tax Tribunal	2.36	2.36	1.02	1.02
Total		17.74	17.74	12.42	12.42

- q) Matters related to disputed dues is pending before Honorable labor court Ghaziabad for which amount is indeterminant.
- r) The Provident Fund Authorities had raised a demand of Rs.12.33 lacs (PY: Rs. 12.33 lacs) in respect of earlier years. The matter is pending before Appellate Tribunal and the Company has deposited Rs. 6.17 lacs (PY: Rs. 6.17 lacs) as per requirements.

45. Additional Regulatory Requirements

- i. The Company has not revalued its Property, Plant and Equipment or intangible assets during the year.
- ii. A) The Company have Capital Work in Progress during the FY. 2025-26 and FY. 2024-25 as under;

(i) Ageing schedule

CWIP	Amount of CWIP for a period of 31st March 2026				
	Less Than 1 Year	1-2 Year	2-3 Year	More Than 3 Year	TOTAL
Project in progress	165.19	-	-	-	165.19
Project temporarily suspended	-	-	-	-	-

CWIP	Amount of CWIP for a period of 31st March 2025				
	Less Than 1 Year	1-2 Year	2-3 Year	More Than 3 Year	TOTAL
Project in progress	6.45	-	-	-	6.45
Project temporarily suspended	-	-	-	-	-

(ii) Completion schedule

CWIP 2025-26	Project completed to be in			
	Less Than 1 Year	1-2 Year	2-3 Year	More Than 3 Year
Project 1	165.19	-	-	-

CWIP 2024-25	Project completed to be in			
	Less Than 1 Year	1-2 Year	2-3 Year	More Than 3 Year
Project 1	6.45	-	-	-
Project 2	-	-	-	-

EXEDY INDIA LIMITED

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

(Figures in Indian Rupees in lacs)

- B) The Company does not have any CWIP project whose completion is overdue or whose cost has exceeded in comparison to its original plan as at 31st March, 2026.
- iii. The Company has not granted loans or advances in the nature of loans to promoters, directors, KMPs and the related parties as defined under Companies Act, 2013 either severally or jointly with any other person.
- iv. There are no proceedings initiated / pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder as at March 31, 2026 and March 31, 2025.
- v. As at March 31, 2026 borrowings from banks or financial institutions on the basis of security of current assets is Nil/- (March 31, 2025 - Nil/-)
- vi. The Company has not been declared as a wilful defaulter by banks, financial institutions, Government or any other lender. Moreover, the company has not availed any loans from banks, financial institutions, Government or any other lender.
- vii. The Company does not have any transaction with struck off companies during the year.
- viii. There are no charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period as at March 31, 2026 and March 31, 2025.
- ix. There is no income surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (such as search or survey), that has not been recorded in the books of account
- x. The Company has not traded or invested in crypto currency or virtual currency during the year.
- xi. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable future losses.
- xii. Utilisation of borrowed funds and share premium
- (i) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall :
- (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- (b) Provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries
- (ii) 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:
- (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) Provide any guarantee, security or the like on behalf of the ultimate beneficiaries

EXEDY INDIA LIMITED

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

(Figures in Indian Rupees in lacs)

xiii. The Company is not a holding Company. Hence disclosure requirements pertaining to number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017 are not applicable.

xiv. Key Financial Ratios

Sr No	Ratios	Numerator	Denominator	Year Ended 31 March 2026	Year Ended 31 March 2025	Variance	Reason for change
1	Current ratio (in times)	Current assets	Current liabilities	0.93	0.74	25.68%	Increased due to reduction in Current liabilities
2	Debt equity ratio (in times)	Debt (borrowings + lease liabilities)	Shareholders equity	1.66	(0.93)	278.49%	Due to re-payment of the Borrowings
3	Debt service coverage ratio (in times)	Earnings for Debt Service (Profit after tax+Depreciation+finance cost+Profit on sale of property,plant and equipment)	Debt Service (Interest and lease payments + Principal repayments)	2.80	1.02	174.51%	Increased due to profit in current year
4	Return on equity ratio (in %)	Net Profit for the year	Average shareholders equity	22.14%	-7.95%	378.49%	Due to increase in Profit for the year
5	Inventory turnover ratio (In days)	Cost of goods consumed	Average Inventory	6.72	6.01	11.81%	Not applicable
6	Trade receivables turnover ratio (In days)	Revenue from operations	Average trade receivables	7.46	7.64	-2.36%	Due to higher revenue
7	Trade payables turnover ratio (In days)	Purchase	Average trade payables	2.45	2.15	13.95%	Not applicable
8	Net capital turnover ratio (In times)	Revenue from operations	Working Capital (current assets - current liabilities)	(15.54)	(6.30)	146.67%	Due to decrease in the current liabilities and increase in the revenue
9	Net profit ratio (in %)	Net Profit for the year	Revenue from operations	1.19%	-1.14%	204.16%	Due to increase in Profit for the year
10	Return on capital employed (in %)	Profit before tax and finance costs	Capital employed (Net worth + borrowings + lease liabilities)	37.00%	-63.00%	158.73%	Due to profit during the year against loss in the previous year and capital infusion

46. On November 21, 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations. The Company has evaluated and disclosed the incremental impact of these changes using the best information currently available, consistent with the guidance provided by the Institute of Chartered Accountants of India. The incremental gratuity expense of ₹ 10.02 lakhs, mainly attributable to the change in the wage definition, has been accounted for in the Statement of Profit and Loss for the year ended March 31, 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.

EXEDY INDIA LIMITED

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

(Figures in Indian Rupees in lacs)

47. Prior period comparatives

The Company has reclassified previous year figures to confirm current year's classification.

In term of our report of even date
attached

For Sudit K Parekh & Co. LLP

Chartered Accountants

Firm Registration No.

110512W/W100378

For and on behalf of the Board of Directors of

Exedy India Limited

CIN: U34100MH1973PLC016985

Sd/-

Varun Narula

(Partner)

Membership No. 137489

Sd/-

Hidetaka Endo

Director

DIN: 10541397

Sd/-

Pradeep B. Chinai

Director

DIN: 00128368

Place: Mumbai

Date: August 31, 2026

UDIN: 26137489UGZYRI3381

Place: Greater Noida

Date: August 31, 2026

Place: Mumbai

Date: August 31, 2026

