INDEPENDENT AUDITOR'S REPORT

To,
The Members of
Quantum Magnetics Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Quantum Magnetics Private Limited** ("the Company"), which comprise the balance sheet as at 31st March 2026, the statement of profit and loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of changes in equity 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 standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2026, and its Loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India 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 on the standalone financial statements.

Material Uncertainty Related to Going Concern

We draw attention to Note No. 5 to the financial statements, which indicates that the Company has accumulated losses and its net worth has been fully eroded as at March 31, 2026. During the year, the Company incurred a net loss of ₹562.00 lakh as against a net profit of ₹57.98 lakh in the previous year. As stated in the said note, the management is in the process of identifying and implementing alternative business plans to improve the Company's operational and financial performance and has raised External Commercial Borrowings (ECBs) to support its business objectives and future growth initiatives.

These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. However, the financial statements have been prepared by the management on a going concern basis, based on its assessment of the Company's future business prospects and availability of financial support.

Our opinion is not modified in respect of this matter.

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

The Company's Board of Directors is responsible for the other information. The other information comprises information included in the Annual Report but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income),cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, 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 Standalone Financial Statements

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

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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. 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.

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, applicable from 1st April 2021, we give in "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 Company so far as it appears from our examination of those books.

   c. The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   d. In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   e. On the basis of written representations received from the directors as on 31st March 2026 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March 2026 from being appointed as a director in terms of section 164(2) of the Act.

   f. With respect to the adequacy of the internal financial controls over financial reporting of the 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, 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 as at 31st March 2026 on its financial position in its standalone financial statements - Refer Note No. 2 of Notes to Accounts to the standalone financial statements.

      ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

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

      iv. a. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to accounts, 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:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
- provide any guarantee, security or the like to or 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

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or

- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

c. Based on such audit procedures as 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 (iv) (a) and (iv) (b) contain any material misstatement.

v. The Company has not declared dividend during the year.

vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of accounts which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with. Additionally, the audit trail of relevant prior years has been preserved for record retention to the extent it was enabled and recorded in those respective years by the Company as per the statutory requirements for record retention.

For Jayesh Sanghrajka & Co LLP
Chartered Accountants
ICAI Firm Reg. No. 104184W/W100075

JAYESH SANGHRAJKA & CO. LLP * Chartered Accountants * Reg. No. 104184 W/ W100075

Hemant Kumar Agrawal
Designated Partner
M. No. 403143
UDIN: 26403143MEYWIT3586

Place: Mumbai
Date: 12th May 2026

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Quantum Magnetics Private Limited of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular program of physical verification of its fixed assets and right-of-use assets so to cover all the assets once every two years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were due for verification during the year and were physically verified by the Management during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) Based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that the title deeds are held in the name of company. In respect of immovable and movable properties that have been taken on lease and disclosed in the financial statements as right-of use asset as at the balance sheet date, the lease agreements are duly executed in favour of the Company.

(d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2026, for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. In respect of the company's inventories;

a. The inventories were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No material discrepancies were noticed on such physical verification.

b. According to information provided to us, the company has not been sanctioned working capital limits in excess of five crore rupees during the year, from banks or financial institutions on the basis of security of current assets.

iii. According to the information and explanations given to us and on the basis of our examination of the records, the Company has not made investments and has not granted loans or advances in the nature of loans, unsecured, to companies, firms or limited liability partnerships during the year. The Company has not made any investments and has not granted any loans or advances in the nature of loans, unsecured, to other parties during the year. The Company has not provided guarantee or security or granted any loans or advances in the nature of loans, secured, to companies, firms, limited liability partnerships or any other parties during the year.

iv. In our opinion and according to the information and explanations provided to us, the Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Companies Act, 2013. The Company has complied with the provisions of Section 186 of the Act in respect of investments made or loans or guarantee or security provided to the parties covered under Section 186 of the Act.

v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.

vi. According to the information and explanations given to us, the maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.

vii. In respect of statutory dues:

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 generally been regular in depositing undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, there were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2026, for a period of more than six months from the date they became payable.

b. According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues referred to in sub-clause (a) above are not outstanding which have not been deposited as on March 31, 2026, on account of any disputes.

viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there were no transactions relating to previously unrecorded income that were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. In respect of borrowings:

a. According to the information and explanation given to us and based on the records produced before us, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

b. According to the information and explanation given to us and based on the records produced before us, the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

c. According to the information and explanations given to us and based on the records examined by us, the term loans obtained by the Company during the year, including the term loan component of the External Commercial Borrowings (ECB) availed for capital expenditure, have been applied for the purposes for which such loans were obtained. Further, there were no unutilised amounts in respect of term loans outstanding at the beginning of the year requiring deployment during the year

d. According to the information and explanation given to us and based on the records produced before us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, funds raised on short-term basis has, prima facie, not been used during the year for long-term purposes by the Company

e. According to the information and explanation given to us and based on the records produced before us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates, or joint ventures.

f. According to the information and explanation given to us and based on the records produced before us, The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company

x. In respect of issue of securities:

a. The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

b. The Company has not made any preferential allotment or private placement of shares/fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

xi. In respect of fraud:

a. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

b. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

c. As per the information and explanation given to us, there were no whistle blower complaints received by the Company during the year and up to the date of this report.

xii. As per the information and explanation given to us, the Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.

xiii. In our opinion and according to the information and explanations given to us, The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of related party transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.

xiv. Based on information and explanations provided to us and our audit procedures, in our opinion, Internal audit is not applicable to company so reporting under clause xiv(a) and (b) of Order is not applicable.

xv. According to the information and explanations given to us and based on our examination of the records, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses (xvi) (a), (b) and (c) of the Order is not applicable.

(b) According to the information and explanations provided to us during the course of audit, the Group does not have any Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi) and clause 3(xvi) of the Order is not applicable.

xvii. The Company has incurred cash losses during the financial year covered by our audit.

xviii. There has been no resignation of the statutory auditors of the Company during the year accordingly the reporting under clause 3(xviii) of the Order is not applicable to the Company.

xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. (a) CSR is not applicable to company so reporting under clause xx(a) and xx(b) of Order is not applicable to the Company.

For Jayesh Sanghrajka & Co LLP
Chartered Accountants
ICAI Firm Reg. No. 104184W/W100075

Hemant Kumar Agrawal
Designated Partner
M. No. 403143
UDIN: 26403143MEYWIT3586

Place: Mumbai
Dated: May 12, 2026

Annexure – B to the Independent Auditors' Report

(Referred to in Paragraph 1(j) under 'Report on Other legal and Regulatory Requirement' sections of our report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **QUANTUM MAGNETICS PRIVATE LIMITED** ("The Company") as of March 31, 2026, in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting with reference to these Standalone Financial Statements

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting with Reference to Standalone Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these Standalone Financial Statements and such internal financial controls over financial reporting were operating effectively as at 31st March, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Jayesh Sanghrajka & Co LLP
Chartered Accountants
ICAI Firm Reg. No. 104184W/W100075

JAYESH SANGHRAJKA & CO. LLP * Chartered Accountants * Reg. No. 104184 W/ W100075

Hemant Kumar Agrawal
Designated Partner
M. No. 403143
UDIN: 26403143MEYWIT3586

Place: Mumbai
Date: 12th May 2026

QUANTUM MAGNETICS PRIVATE LIMITED
CIN : U32909MH2023PTC403966
Standalone Balance Sheet as at March 31,2026

Particulars	Note No	March 31,2026	March 31,2025
		₹	₹
ASSETS			
(1) Non Current Assets			
(a) Property, Plant and Equipment	2	31,255,037	38,473,660
(b) Right-of-use Assets		24,786,473	36,010,541
(c) Capital work in progress	2	47,127,440	
(d) Other Intangible assets	2	91,461	106,441
(e) Financial Assets			
(i) Bank Balances	3	-	202,720
(i) Loans	4	8,899,777	8,694,079
(f) Deferred Tax Assets (Net)	5	-	1,866,047
(g) Other Non-Current Assets	6	108,272,114	-
		220,432,302	**85,353,487**
(2) Current Assets			
(a) Inventories	7	9,304,571	10,439,227
(b) Financial Assets			
(i) Trade Receivables	8	-	55,694
(ii) Cash and Cash Equivalents	9	163,160,430	1,964,359
(iii) Bank Balances	10	37,987,488	-
(iv) Loans	11	1,800	-
(c) Other Current Assets	12	34,904,599	6,900,582
		245,358,888	**19,359,861**
Total Assets		**465,791,190**	**104,713,349**
EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share Capital	13	500,000	500,000
(b) Other Equity	14	(75,844,749)	(19,613,232)
		(75,344,749)	**(19,113,232)**
Liabilities			
(2) Non Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	478,062,823	-
(ii) Lease Liabilities	16	15,803,683	27,659,493
(b) Provisions	17	631,471	281,853
(c) Deferred Tax Liabilities (Net)	18	1,262,091	-
		495,760,068	**27,941,346**
(3) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	27,313,397	61,716,074
(ii) Trade Payables (Current)	20		
a) total outstanding dues of micro enterprises and small enterprises; and		-	36,338
b) total outstanding dues of creditors other than micro enterprises and small enterprises		4,947,631	22,973,589
(iii) Lease Liabilities	21	11,855,811	10,751,767
(iv) Other Financial Liabilities	21	80,525	46,293
(b) Other Current Liabilities	22	1,174,499	294,891
(c) Provisions	23	4,009	1,950
(d) Current Tax Liabilities	24	-	64,332
		45,375,872	**95,885,235**
Total Equity and Liabilities		**465,791,190**	**104,713,349**

Significant Accounting Policies 1
The Notes are an integral part of these financial statements

As per our Report of even date attached

For Jayesh Sanghrajka & Co LLP
Chartered Accountants
ICAI Firm Reg. No. 104184W/W100075

CA Hemant Kumar Agrawal
Designated Partner
M. No. 403143
UDIN: 26403143MEYWIT3586

Place : Mumbai
Dated : May 12, 2026

For & on behalf of the Board of Directors
Quantum Magnetics Private Limited

QUANTUM MAGNETICS PVT. LTD.

Sharad Taparia
Managing Director
DIN:00293739

Mukul Taparia
Director
DIN:00318434

QUANTUM MAGNETICS PRIVATE LIMITED
CIN : U32909MH2023PTC403966
Statement of Profit and Loss for the year ended March 31,2026

	Particulars	Note No	For the Year Ended March 31, 2026 ₹	For the Year Ended March 31, 2025 ₹
I	Revenue From Operations	25	7,802,305	55,065,406
II	Other Income	26	4,517,779	579,649
III	**Total Income (I+II)**		**12,320,084**	**55,645,055**
IV	**EXPENSES**			
	Cost of materials consumed	27	3,310,476	8,310,463
	Changes in inventories of finished goods, Stock-in -Trade and work-in-progress	28	2,934,230	(7,490,858)
	Employee benefits expense	29	9,742,053	8,383,369
	Finance costs	30	15,584,459	6,541,868
	Depreciation and amortization expense	31	18,865,286	20,907,558
	Other expenses	32	14,948,174	13,928,419
	Total expenses (IV)		**65,384,678**	**50,580,818**
V	**Profit/(loss) before exceptional items and tax (I- IV)**		**(53,064,594)**	**5,064,236**
VI	Exceptional Items	33	71,556	-
VII	**Profit/(loss) before tax (V-VI)**		**(53,136,150)**	**5,064,236**
VIII	VIII Tax expense:			
	(1) Current tax		-	64,332
	(2) Deferred tax		3,128,138	(798,509)
	(3) Short /Excess provision of earlier years		(64,332)	-
IX	**Profit for the period from continuing operations (VII-VIII)**		**(56,199,956)**	**5,798,413**
X	Profit/(loss) from discontinued operations		-	-
XI	Tax expense of discontinued operations		-	-
XII	Profit/(loss) from Discontinued operations (after tax) (X-XI)		-	-
XIII	**Profit for the period (IX+XII)**		**(56,199,956)**	**5,798,413**
XIV	**Other Comprehensive Income**			
	A (i) Items that will not be reclassified to profit or loss	34	(31,561)	(17,959)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	B (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XV	**Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit and Other Comprehensive Income for the period)**		**(56,231,517)**	**5,780,454**
XVI	**Earnings per equity share (for continuing operation):**	35		
	(1) Basic		(1,124.63)	115.61
	(2) Diluted		(1,124.63)	115.61
XVII	**Earnings per equity share (for discontinued operation):**	35		
	(1) Basic		-	-
	(2) Diluted		-	-
	Earnings per equity share (for discontinued & continuing operations)	35		
	(1) Basic		(1,124.63)	115.61
	(2) Diluted		(1,124.63)	115.61

Significant Accounting Policies 1
The Notes are an integral part of these financial statements

As per our Report of even date attached

For Jayesh Sanghrajka & Co LLP
Chartered Accountants
ICAI Firm Reg. No. 104184W/W100075

JAYESH SANGHRAJKA & CO. LLP. Reg. No. 104184 W/ W100075 Chartered Accountants

CA Hemant Kumar Agrawal
Designated Partner
M. No. 403143
UDIN: 26403143MEYWIT3586

For & on behalf of the Board of Directors
Quantum Magnetics Private Limited

QUANTUM MAGNETICS PVT. LTD.

Sharad Taparia
Managing Director
DIN:00293739

Mukul Taparia
Director
DIN: 00318434

Place : Mumbai
Dated : May 12, 2026

QUANTUM MAGNETICS PRIVATE LIMITED
CIN : U32909MH2023PTC403966
CASH FLOW STATEMENT (INDIRECT METHOD) FOR THE YEAR ENDED MARCH 31,2026

Particulars	For the year ended March 31,2026 ₹	For the year ended March 31,2025 ₹
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax and extraordinary items (PBT)	**(53,167,711)**	**5,046,277**
Adjustment for :		
Depreciation for PPE	7,641,218	9,683,490
Depreciation for Leased assets	11,224,068	11,224,068
Finance Charges paid (Net)	13,867,475	4,390,248
Financial Charges under lease agreement	1,716,984	2,151,620
Interest income on security deposit	(213,904)	(204,752)
Unrealised Foreign Exchange Gain/loss	7,145,562	225,817
Operating Profit before working Capital Changes	**(11,786,308)**	**32,516,768**
Adjustment for:		
Inventories	1,134,656	(10,229,743)
Trade Receivables	55,694	(275,301)
Other Assets	(45,626,723)	913,254
Trade Payables	(22,814,102)	14,737,178
Other Liabilities	1,201,184	(53,144,473)
	(77,835,599)	**(15,482,317)**
Direct Taxes Paid	48,082	-
Net cash flow from Operating Activities	**(77,883,681)**	**(15,482,317)**
CASH FLOW FROM INVESTMENT ACTIVITIES		
Sale of/ (Additions to) Fixed Assets	(407,616)	(14,790,615)
Capital work in progress	(47,127,440)	-
Capital Advances for PPE	(108,272,114)	-
Net cash used in investing activities	**(155,807,170)**	**(14,790,615)**
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings	455,625,823	-
Proceeds from Short Term Borrowings	(34,402,677)	48,329,987
Finance Charges paid (Net)	(13,867,475)	(4,390,248)
Payment of Lease liabilities	(12,468,750)	(11,875,000)
Net cash from Financing Activities	**394,886,921**	**32,064,739**
NET INCREASE IN CASH AND CASH EQUIVALENTS	**161,196,070**	**1,791,807**
Opening Cash and Cash Equivalents	1,964,359	172,551
Closing Cash and Cash Equivalents	163,160,430	1,964,359

Notes :
1. Cash Flow Statement has been prepared following the indirect method as set out in Ind AS -7 specified under Section 133 of the Companies Act, 2013
2. Cash and Cash Equivalent

Cash and Cash Equivalent	March 31,2026	March 31,2025
Cash in hand	19,160	-
Balance with Banks	75,641,270	1,964,359
FDR's having Maturities < 3 Months	87,500,000	
Total	**163,160,430**	**1,964,359**

For Jayesh Sanghrajka & Co LLP
Chartered Accountants
ICAI Firm Reg. No. 104184W/W100075

JAYESH SANGHRAJKA & CO. LLP. Reg. No. 104184 W/ W100075 Chartered Accountants

CA Hemant Kumar Agrawal
Designated Partner
M. No. 403143
UDIN: 26403143MEYWIT3586

Place : Mumbai
Dated : May 12, 2026

QUANTUM MAGNETICS PVT. LTD.

For & on behalf of the Board of Directors

Sharad Taparia
Managing Director
DIN:00293739

Mukul Taparia
Director
DIN: 00318434

QUANTUM MAGNETICS PRIVATE LIMITED
CIN : U32909MH2023PTC403966
Notes forming part of Standalone Financial Statements as at March 31,2026

A. Equity Share Capital (In ₹)

Balance as at April 1, 2025	Changes in equity share capital during the FY 2025-26	Balance as at March 31, 2026
500,000	-	500,000

B. Other Equity

	Reserves and Surplus			Exchange difference on translating Financial	Total
	General Reserve	Securities Premium Reserve	Retained Earnings		
Balance as at April 1, 2025	-	-	**(19,613,232.69)**	-	**(19,613,232.69)**
Changes in accounting policy or prior period errors	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	**(19,613,232.69)**	-	**(19,613,232.69)**
Total Comprehensive Income for the year	-	-	(56,231,516.90)		(56,231,516.90)
Transfer to retained earnings	-	-	-		-
Remeasurements of the defined benefit plans	-	-	-	-	-
Any other change (Dividend Paid)	-	-	-	-	-
Balance as at March 31, 2026	-	-	**(75,844,749.59)**	-	**(75,844,749.59)**

Statement showing changes in Equity for the period ended as at 31st March , 2025

A. Equity Share Capital (In ₹)

Balance as at April 1, 2024	Changes in equity share capital during the year	Balance as at March 31, 2025
500,000	-	500,000

B. Other Equity

	Reserves and Surplus			Exchange difference on translating Financial	Total
	General Reserve	Securities Premium Reserve	Retained Earnings		
Balance as at April 1, 2024	-	-	**(25,393,686.51)**	-	**(25,393,686.51)**
Changes in accounting policy or prior period errors	-	-	-	-	-
Restated balance at the beginning of the reporting period	-	-	**(25,393,686.51)**	-	**(25,393,686.51)**
Total Comprehensive Income for the year	-	-	5,780,454		5,780,454
Transfer to retained earnings	-	-	-		-
Remeasurements of the defined benefit plans	-	-	-	-	-
Any other change (Dividend Paid)	-	-	-	-	-
Balance as at March 31, 2025	-	-	**(19,613,232.69)**	-	**(19,613,232.69)**

JAYESH SANGHRAJKA & CO. LLP * Chartered Accountants * Reg. No. 104184 W/ W100075

QUANTUM MAGNETICS PRIVATE LIMITED
CIN : U32909MH2023PTC403966

Notes forming part of Standalone Financial Statements as at March 31,2026

2. Property, Plant and Equipment (Including Right of Use Assets) & Intangible Assets

Particulars /Assets	Tangible Assets								Intangible Assets		Gross Total
	Factory Building	Plant & Machinery*	Electric Installation	Furniture & Fixtures	Office Equipments	Computer & Printer	Right of Use Assets	Total	Computer Software	Total	
GROSS BLOCK											
At 1 April 2024	4,030,010	21,672,755	10,129,424	4,432,686	1,044,743	369,584	52,846,643	94,525,844	87,400	87,400	94,613,244
Additions	4,803,130	7,009,448	1,737,214	331,373	748,030	93,920		14,723,115	67,500	67,500	14,790,615
Deduction/Adjustments	-							-		-	-
At 31 March 2025	8,833,140	28,682,203	11,866,638	4,764,059	1,792,773	463,504	52,846,643	109,248,959	154,900	154,900	109,403,859
Additions					87,966	299,650		387,616	20,000	20,000	407,616
Deduction/Adjustments								-		-	-
At 31 March 2026	8,833,140	28,682,203	11,866,638	4,764,059	1,880,739	763,154	52,846,643	109,636,575	174,900	174,900	109,811,475
ACCUMULATEDDEPRECIATION											
At 1 April 2024	1,155,825	3,350,270	1,786,968	1,348,104	468,399	166,579	5,612,034	13,888,179	17,480	17,480	13,905,659
Additions	2,165,587	3,789,153	1,913,112	1,055,751	595,078	133,830	11,224,068	20,876,579	30,979	30,979	20,907,558
Deduction/Adjustments								-	-	-	-
At 31 March 2025	3,321,412	7,139,423	3,700,080	2,403,855	1,063,477	300,409	16,836,102	34,764,758	48,459	48,459	34,813,217
Additions	1,524,675	3,184,570	1,533,422	705,165	395,638	262,768	11,224,068	18,830,306	34,980	34,980	18,865,286
Deduction/Adjustments								-		-	-
At 31 March 2026	4,846,087	10,323,993	5,233,502	3,109,020	1,459,115	563,177	28,060,170	53,595,064	83,439	83,439	53,678,503
NET BLOCK											
At 31 March 2025	5,511,728	21,542,780	8,166,558	2,360,204	729,296	163,095	36,010,541	74,484,201	106,441	106,441	74,590,642
At 31 March 2026	3,987,053	18,358,211	6,633,136	1,655,039	421,624	199,977	24,786,473	56,041,511	91,461	91,461	56,132,972

JAYESH SANGHRAJKA & CO. LLP. ★ Chartered Accountants ★
Reg. No. 104184 W/ W100075

QUANTUM MAGNETICS PRIVATE LIMITED
CIN : U32909MH2023PTC403966
Notes forming part of Standalone Financial Statements as at March 31,2026

3 - BANK BALANCES

Particulars	March 31, 2026 ₹	March 31, 2025 ₹
Term Deposits*	-	202,720
Total	**-**	**202,720**

4 - LOANS

Particulars	March 31, 2026	March 31, 2025
Security Deposits	8,899,777	8,694,079
Total	**8,899,777**	**8,694,079**
Secured, considered good		
Unsecured, considered good	8,899,777	8,694,079
Doubtful		

5 - DEFERRED TAX ASSETS (NET)

Particulars	March 31, 2026	March 31, 2025
Deferred Tax Asset		
- On account of Depreciation diff. (ROU)	411,964	154,445
- On account of Gratuity diff.	21,594	(4,197)
- On account of Depreciation diff.	1,432,489	917,289
	1,866,047	**1,067,537**
Add/Less:		
- On account of Depreciation diff. (ROU)	81,047	257,518
- On account of Gratuity diff.	35,585	25,791
- On account of Depreciation diff.	194,651	515,200
- On account of Forwared contract receivable	(3,439,421)	-
	(3,128,138)	**798,509**
Less: Amount trf to Note 18 - Deferred Tax Liabiliteis (Net)	**1,262,091**	
Total	**-**	**1,866,047**

6 - OTHER NON-CURRENT ASSETS

Particulars	March 31, 2026	March 31, 2025
Security Deposits with Govt Dept / courts	-	-
Capital Advances*	108,272,114	-
Total	**108,272,114**	**-**
Secured, considered good		
Unsecured, considered good	108,272,114	-
Doubtful		

7 - INVENTORIES

Particulars	March 31, 2026	March 31, 2025
Raw materials	3,402,252	2,508,218
Work-in-progress	915,832	1,893,194
Stores and spares	1,257,368	351,828
Finished goods	3,729,119	5,685,987
Total	**9,304,571**	**10,439,227**

8 - TRADE RECEIVABLES

Particulars	March 31, 2026	March 31, 2025
Secured, considered good	-	-
Unsecured, considered good	-	55,694
Doubtful	-	-
Less: Provision for Doubtful Debts	-	-
Total	**-**	**55,694**

Ageing for trade receivables as on 31.03.2026:

	Less than 6 Months	6 Months to 1 Year	1-2 Years	2-3 Years	More than 3 Years
Undisputed Trade Receivable - Considered Good	-	-	-		-
Undisputed Trade Receivable - Which have significant increase in credit risk	-	-	-		-
Undisputed Trade Receivable - Credit Impaired	-	-	-		-
Disputed Trade Receivable - Considered Good	-	-	-		-
Undisputed Trade Receivable - Which have significant increase in credit risk	-	-	-		-
Disputed Trade Receivable – Credit Impaired	-		-		-
			-		-

QUANTUM MAGNETICS PVT. LTD.

Ageing for trade receivables as on 31.03.2025:

	Less than 6 Months	6 Months to 1 Year	1-2 Years	2-3 Years	More than 3 Years
Undisputed Trade Receivable - Considered Good	55,694	-	-		-
Undisputed Trade Receivable - Which have significant increase in credit risk	-	-	-		-
Undisputed Trade Receivable - Credit Impaired	-	-	-		-
Disputed Trade Receivable - Considered Good	-	-	-		-
Undisputed Trade Receivable - Which have significant increase in credit risk	-	-	-		-
Disputed Trade Receivable – Credit Impaired	-	-	-		-
	55,694	-	-		-

9 - CASH AND CASH EQUIVALENTS

Particulars	March 31, 2026	March 31, 2025
Balances with Banks*	75,641,270	1,964,359
Cash on hand	19,160	-
FDR's having Maturities < 3 Months	87,500,000	-
Total	**163,160,430**	**1,964,359**

10 - BANK BALANCES

Particulars	March 31, 2026	March 31, 2025
Term Deposit*	37,987,488	-
Total	**37,987,488**	-

* ₹ 65,00,000/- against given as ECB forward contract Margin

11 - LOANS

Particulars	March 31, 2026	March 31, 2025
Advances recoverable in cash or kind	1,800	
Total	**1,800**	-
Secured, considered good Unsecured, considered good Doubtful	1,800	-

12 - OTHER CURRENT ASSETS

Particulars	March 31, 2026	March 31, 2025
Advance to Suppliers	48,716	48,221
Balance with statutory/ Government Authorities	13,641,222	6,178,520
Prepaid Expenses	1,171,417	673,841
Forward Contract Receivable (MTM)	20,043,244	-
Total	**34,904,599**	**6,900,582**

QUANTUM MAGNETICS PVT. LTD.

QUANTUM MAGNETICS PRIVATE LIMITED
CIN : U32909MH2023PTC403966
Notes forming part of Standalone Financial Statements as at March 31,2026

13 - EQUITY SHARE CAPITAL

Particulars	March 31, 2026 ₹	March 31, 2025 ₹
AUTHORIZED CAPITAL		
50,000 (P.Y. 50,000) Equity Shares of ₹ 10/- each	500,000	500,000
	500,000	500,000
ISSUED, SUBSCRIBED & PAID UP CAPITAL:		
50,000 (P.Y. 50,000) Equity Shares of ₹ 10/- each, Fully Paid-Up	500,000	500,000
Total	500,000	500,000

13.1 Reconciliation of shares outstanding at the beginning and at the end of the reporting period
Equity Shares

Particulars	March 31, 2026		March 31, 2025	
	No of Shares	Amount In ₹	No of Shares	Amount In ₹
Number of Shares at the beginning	50,000	500,000	50,000	500,000
Add:- Number of Shares Issued	-	-	-	-
Number of Equity Shares at the end	50,000	500,000	50,000	500,000

13.2 Terms/Rights attached to Equity Shares
The Company has only one class of equity shares having a par value of Amount ₹ 10/- each per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

13.3 Details of shareholders holding more than 5% shares in the company

Particulars	March 31, 2026		March 31, 2025	
	No of Shares held	% of Holding	No of Shares held	% of Holding
Equity shares of ₹ 10 each fully paid				
Permanent Magnets Limited*	49,994	99.99%	49,994	99.99%

*Permanent Magnets Limited is Holding company and Quantum Megnetics Private Limited is wholly owned subsidiary company. There are six nominee shareholders holding one share each
As per the records of the company, including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

Shareholding of Promoters

Shares held by promoters at the end of the year	March 31, 2026		March 31, 2025		% change during the year
Promoter name	No. of Shares	% of total	No. of Shares	% of total	
Permanent Magnets Limited*	49,994	99.99%	49,994	99.99%	0.00%

QUANTUM MAGNETICS PVT. LTD. *

QUANTUM MAGNETICS PRIVATE LIMITED
CIN : U32909MH2023PTC403966
Notes forming part of Standalone Financial Statements as at March 31,2026

14 - OTHER EQUITY

Particulars	March 31, 2026 ₹	March 31, 2025 ₹
Securities Premium Reserve		
Opening Balance	-	
Add/Less:		
Closing Balance	-	-
General Reserve		
Opening Balance	-	
Add/Less: Transferred to Surplus in Statement of Profit & Loss		
Closing Balance	-	-
Retained Earnings		
Opening Surplus in the Statement of Profit and Loss	(19,613,232)	(25,393,686)
Add: Profit / (Loss) of the year	(56,231,517)	5,780,454
Closing Balance	**(75,844,749)**	**(19,613,232)**
Total Equity	**(75,844,749)**	**(19,613,232)**

15 - BORROWINGS

Particulars	March 31, 2026	March 31, 2025
Secured Loan		
Unsecured:		
External commercial borrowings (ECB)	478,062,823	
Total - Borrowings	**478,062,823**	-

Particulars	Outstanding Amount	Terms &
Unsecured Loan taken from Singapore based Private Company	478,062,823	Interest @5% per annum simple interest for the applicable Interest Period. Interest shall be calculated on the basis of the actual number of days elapsed of a month of 30 days and a year of 360 days. Loan will be repaid in 20 Installments starting from 15-07-2029 and repayment will ba 14 Installments of $ 1,50,000/-, 3 Installments of $ 2,00,000/-, 1 installments of $ 3,00,000/- & last 2 Installments of $ 10,00,000/- each

16 - LEASE LIABILITIES

Particulars	March 31, 2026	March 31, 2025
Lease Liability*	15,803,683	27,659,493
Total	**15,803,683**	**27,659,493**

*Building have been taken on lease by the Company. The terms of lease rent are for the period ranging from 3 years to 5 years depending on the lease agreement with the lessor. Such leases are renewable by mutual consent. There is no contingent rent, no sub -leases and no restrictions imposed by the lease agreements.

17 - PROVISIONS

Particulars	March 31, 2026	March 31, 2025
Provision for Gratuity	333,945	125,608
Provision for Leave Encashment	297,526	156,245
Total	**631,471**	**281,853**

18 - DEFERRED TAX LIABILITIES (NET)

Particulars	March 31, 2026	March 31, 2025
Deferred Tax Liabilities (Net)*	1,262,091	
Total	**1,262,091**	-

*refer note 5 - DEFERRED TAX ASSETS (NET) for detail

19 - BORROWINGS

Particulars	March 31, 2026	March 31, 2025
Rupee Loan from Related Party	27,313,397	61,716,074
Total	**27,313,397**	**61,716,074**

Unsecured loan given by holding company which is payable on demand. Interest is paid ranging between 8.60% to 10.40% per annum

QUANTUM MAGNETICS PVT. LTD.

20 - TRADE PAYABLES (CURRENT)

Particulars	March 31, 2026	March 31, 2025
Micro Small & Medium Enterprises*	-	36,338
Others Trade Payables	4,947,631	22,973,589
Total	**4,947,631**	**23,009,927**

*As per requirement of Section 22 of Micro, Small & Medium Enterprises Development Act, 2006 following information is disclosed to the extent identifiable:

Particulars	March 31, 2026	March 31, 2025₹
a. (i) The principal amount remaining unpaid to any supplier at the end of accounting year	-	36,338
(ii) The interest due on above	-	-
Total of (i) & (ii) above	-	36,338.00
b. Amount of interest paid by the buyer in terms of Section 18 of the Act	Nil	Nil
c. The amounts of payment made to the supplier beyond the due date	Nil	Nil
d. The amount of interest due and payable for the period of delay in making payment	Nil	Nil

Note: The information has been given in respect of such vendors to the extent they could be identified as micro and small enterprises on the basis of information available with the company.

Trade Payables ageing Schedule for the year ending March 31, 2026:

Particulars	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years
MSME	-	-	-	-	-
Others	1,401,659	3,545,972	-	-	-
Disputed dues- MSME	-	-	-	-	-
Disputed dues- Others	-	-	-	-	-
Total	**1,401,659**	**3,545,972**	**-**	**-**	**-**

Trade Payables ageing Schedule for the year ending March 31, 2025:

Particulars	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years
MSME	-	36,338			
Others	7,589,569	10,801,370	4,582,650		
Disputed dues- MSME					
Disputed dues- Others					
Total	**7,589,569**	**10,837,708**	**4,582,650**	**-**	**-**

21 - LEASE LIABILITIES

Particulars	March 31, 2026	March 31, 2025
Lease Liabilities*	11,855,811	10,751,767
Other Liabilities	80,525	46,293
Total	**11,936,336**	**10,798,060**

* Building have been taken on lease by the Company . The terms of lease rent are for the period ranging from 3 years to 5 years depending on the lease agreement with the lessor. Such leases are renewable by mutual consent .There is no contingent rent, no sub -leases and no restrictions imposed by the lease agreements

22 - OTHER CURRENT LIABILITIES

Particulars	March 31, 2026	March 31, 2025
Withholding & Other taxes payable	1,174,499	294,891
Total	**1,174,499**	**294,891**

23 - PROVISIONS

Particulars	March 31, 2026	March 31, 2025
Provision for Gratuity	736	231
Provision for Leave Encashment	3,273	1,719
Total	**4,009**	**1,950**

24 - CURRENT TAX LIABILITIES

Particulars	March 31, 2026	March 31, 2025
Provision for Income Tax *	-	64,332
Total	**-**	**64,332**

* Provision for income tax is net of advance taxes paid

QUANTUM MAGNETICS PVT. LTD.

QUANTUM MAGNETICS PRIVATE LIMITED
CIN : U32909MH2023PTC403966
Notes forming part of Standalone Financial Statements for period 01.04.2025 to 31.03.2026

25 - REVENUE FROM OPERATIONS

Particulars	March 31, 2026 ₹	March 31, 2025 ₹
Sale of Products		
Magnetic Assembly	7,737,735	53,726,489
Sale of services		
Total A	**7,737,735**	**53,726,489**
Other Operational Income		
Export Benefits	64,570	1,338,917
Total B	**64,570**	**1,338,917**
Revenue from Operations (Gross)	**7,802,305**	**55,065,406**

26 - OTHER INCOME

Particulars	March 31, 2026	March 31, 2025
Interest Income	545,950	374,897
Interest on Security Deposit	213,904	204,752
Exchange differeces (net)	3,757,925	-
Total	**4,517,779**	**579,649**

27 - COST OF MATERIALS CONSUMED

Particulars	March 31, 2026	March 31, 2025
Inventory at the beginning of the year	2,508,218	121,161
Add: Purchases (net)	4,204,510	10,697,520
	6,712,728	10,818,681
Less : Inventory at the end of the year	3,402,252	2,508,218
Cost of raw material & components Consumed	**3,310,476**	**8,310,463**

28 - CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN -TRADE AND WORK-IN-PROGRESS

Particulars	March 31, 2026	March 31, 2025
Inventory at the end of the year		
Work-in-progress (closing)	915,832	1,893,194
Finished goods (closing)	3,729,119	5,685,987
	4,644,951	7,579,181
Less:		
Inventory at the beginning of the year		
Work-in-progress (opening)	1,893,194	10,392
Finished goods (opening)	5,685,987	77,931
	7,579,181	88,323
Total	**2,934,230**	**(7,490,858)**

29 - EMPLOYEE BENEFITS EXPENSE

Particulars	March 31, 2026	March 31, 2025
Contribution to PF & Other Fund	460,955	452,428
Gratuity Expenses	133,462	83,422
Salaries, Wages & Bonus	9,084,037	7,744,043
Staff Welfare Expenses	63,599	103,476
Total	**9,742,053**	**8,383,369**

30 - FINANCE COSTS

Particulars	March 31, 2026	March 31, 2025
Interest	11,445,840	4,390,248
Other Borrowing cost*	27,879	-
Exchange difference on borrowings (net)	2,393,756	-
Interest on Lease Liabilities	1,716,984	2,151,620
Total	**15,584,459**	**6,541,868**

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31 - DEPRECIATION AND AMORTIZATION EXPENSE

Particulars	March 31, 2026	March 31, 2025
Depreciation	7,606,238	9,652,511
Amortisation	34,980	30,979
Depreciation on Right of use assets	11,224,068	11,224,068
Total	**18,865,286**	**20,907,558**

32 - OTHER EXPENSES

Particulars	March 31, 2026	March 31, 2025
Manufacturing Expenses		
Consumption of Stores, Spares & Consumbles	135,311	1,281,102
Freight Inward	57,950	7,437
Sub-Contract Charges & Labour Charges	3,145,256	2,020,428
Repairs & Maintenance - Machinery	118,891	39,111
Power & Fuel Charges	1,994,596	2,645,631
A	**5,452,003**	**5,993,709**
Selling & Distribution Expenses		
Freight Outward & Transportation	339,233	475,284
B	**339,233**	**475,284**
Administrative & Other Expenses		
Auditors Remuneration	25,000	25,000
Bank Charges	278,126	68,844
Computer & Software Expenses	234,047	248,545
Travelling & Conveyance	2,660,644	748,802
Insurance	623,816	250,208
Printing & Stationery Expenses	61,440	81,173
Legal & Professional Charges	1,354,265	2,482,901
Miscl Exp	37,145	10,646
Rates & Taxes	602,507	719,968
Security Service Charges	1,812,028	1,460,393
Communication Cost	256,283	211,887
Repairs - Building	594,636	723,087
Repairs - Others	387,391	9,900
Office Expense	229,610	192,255
Exchange differeces (net)	-	225,817
C	**9,156,938**	**7,459,426**
Total A+B+C	**14,948,174**	**13,928,419**

Payment to Auditor

Particulars	March 31, 2026	March 31, 2025
As Auditor		
- Audit Fee	25,000	25,000
- Tax Audit Fee	-	-
'- Others	-	-
	25,000	**25,000**

(Note: Above Figures are Excluding GST)

33 - EXCEPTIONAL ITEMS

Particulars	March 31, 2026	March 31, 2025
Gratuity	38,817	-
Leave Encashment	32,739	-
Total - Items That Will Not Be Reclassified To Profit Or Loss	**71,556**	**-**

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 (collectively "new Labour Codes") - consolidating 29 existing labour laws. In accordance with the new Labour Codes, the Company has estimated the incremental impact on retiral benefits to be ₹ 71,556.00. This has been presented under, "Exceptional Items" in the standalone statement of profit and loss. The Company continues to monitor developments on the Rules to be notified by regulatory authorities, including clarifications/ additional guidance from authorities and will continue to assess the accounting implications, basis such developments/guidance.

34 - A (I) ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS

Particulars	March 31, 2026	March 31, 2025
Exchange differences in translating the financial statements of a foreign operation	-	-
Total	**-**	**-**

34 - A (I) ITEMS THAT WILL NOT BE RECLASSIFIED TO PROFIT OR LOSS

Particulars	March 31, 2026	March 31, 2025
Remeasurments of the defined benefit plans	(31,561)	(17,959)
Others	-	-
Total	**(31,561)**	**(17,959)**

35 - EARNINGS PER EQUITY SHARE (FOR CONTINUING OPERATION):
For Continued Operations

Particulars	March 31, 2026	March 31, 2025
Profit/(Loss) attributable to Equity shareholders	(56,231,517)	5,780,454
Weighted Average Number of Shares for Basic and Diluted EPS	50,000	50,000
Basic EPS (Amount in ₹)	(1,124.63)	115.61
Diluted EPS (Amount in ₹)	(1,124.63)	115.61

QUANTUM MAGNETICS PVT. LTD.

QUANTUM MAGNETICS PRIVATE LIMITED
CIN: U32909MH2023PTC403966
Financial Year 2025-26

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

Corporate Information
Quantum Magnetics Private Limited (QMPL) is Company Incorporated on 31.05.2023 under Companies Act 2013 having its registered office at Building No. 6B, Plot No. 6, Hriday Industrial Hub, Survey No.41, Hissa No. 1, Village - Chinchoti, Vasai East, 401208, Thane, Maharashtra. Company is in business of manufacture neodymium magnets and assemblies in India. This is wholly owned subsidiary Company of Permanent Magnets Limited

Preparation and Presentation of Financial Statements
A. Basis of Preparation

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS), under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ("the Act"). The Ind AS are prescribed under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

B. Operating cycle for current and non-current classification

The Company identifies asset/liabilities as current if the same are receivable/payable within twelve months else the same are considered as non-current

C. Use of Estimates and Judgements

Preparation of financial statements in conformity with Indian Accounting Standards (Ind AS) requires the management of the Company to make estimates and assumptions that affect the income and expense reported for the period and assets, liabilities and disclosures reported as of the date of the financial statements. Examples of such estimates include useful lives of tangible and intangible assets, allowance for expected credit loss, fair value measurement of financial instruments, impairment of financial assets, provisions and contingent liabilities, future obligations in respect of retirement benefit plans, considering the extension period for determination of lease term, etc. Actual results could vary from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised, and by giving prospective impact in the standalone financial statements.

D. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM). The CODM, who is responsible for allocating resources and assessing the performance of the operating segments, has been identified as the Managing Director of the Company.

The Company's organization structure, internal reporting look-up, and financial evaluation frameworks are built around a single primary business segment. Consequently, there are no separate reportable segments as per the requirements of Ind AS 108 'Operating Segments'.

E. Foreign currency translation

i) Functional and presentation currency

Items included in the Standalone financial statements are measured using the currency of the primary economic environment in which the entity operates (the functional currency'). The

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Standalone financial statements are presented in Indian rupee (₹), which is the Company's functional and presentation currency.

ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognized in profit or loss.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss.

F. Revenue Recognition

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services

Other income is comprised primarily of interest income, dividend income, gain/loss on investments, exchange gain/loss on translation of other assets and liabilities.

Interest income is recognized on time proportion basis taking into account the amount invested and rate of interest.

Dividend income is recognized when the Company's right to receive dividend is established by the Balance Sheet date, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

Claims for export incentives/ duty drawbacks, duty refunds and insurance are accounted when the right to receive payment is established.

G. Income tax

Current Income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognized outside profit or loss is recognized in outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences.

Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

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The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be made available to allow all or part of the deferred tax assets to be utilized. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date. Deferred tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

H. Leases

As a lessee

Initial measurement

Lease Liability: At the commencement date, a Company measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using incremental borrowing rate.

Right-of-use assets: Initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives.

Subsequent measurement

Lease Liability: Company measures the lease liability by (a) increasing the carrying amount to reflect interest on the lease liability; (b) reducing the carrying amount to reflect the lease payments made; and (c) remeasuring the carrying amount to reflect any reassessment or lease modifications.

Right-of-use assets: Subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a SLM basis over the shorter of the lease term and useful life of the under lying asset.

Impairment:

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

Short term Lease:

Short term lease is that, at the commencement date, has a lease term of 12 months or less. A lease that contains a purchase option is not a short-term lease. If the company elected to apply short term lease, the lessee shall recognise the lease payments associated with those leases as an expense on either a straight-line basis over the lease term or another systematic basis. The lessee shall apply another systematic basis if that basis is more representative of the pattern of the lessee's benefit.

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As a lessor:

Leases for which the company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Lease income is recognised in the statement of profit and loss on straight line basis over the lease term.

I. Impairment of Non-Financial Assets

Property, plant, and equipment (PPE), right-of-use (ROU) assets, and intangible assets are evaluated for recoverability at each balance sheet date, or whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.
For the purpose of impairment testing, the recoverable amount is determined. The recoverable amount of an asset or a cash-generating unit (CGU) is the higher of its fair value less costs of disposal (FVLCD) and its value in use (VIU). If the carrying amount of an asset or CGU exceeds its estimated recoverable amount, an impairment loss is recognized immediately in the Statement of Profit and Loss.

Allocation of Impairment Losses:

Assets are grouped at the lowest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (CGUs). Impairment losses recognized in respect of a CGU are allocated to reduce the carrying amounts of the other non-financial assets in the unit on a pro-rata basis.

Reversal of Impairment Losses:

An impairment loss recognized in prior periods is reviewed at each reporting date for any indication that the loss has decreased or no longer exists. A previously recognized impairment loss is reversed through the Statement of Profit and Loss only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. The increased carrying amount of an asset attributable to a reversal of an impairment loss cannot exceed the carrying amount that would have been determined (net of depreciation or amortization) had no impairment loss been recognized for the asset in prior years.

J. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

K. Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using effective interest method, less provision for impairment.

L. Inventories

Raw materials and stores, work-in-progress, traded and finished goods are stated at the lower of cost and net realizable value.

Cost of raw materials and traded goods comprise of cost of purchase.

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Cost of work-in-progress and manufactured finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the later being allocated on the basis of normal operating capacity.

Cost of inventories also includes all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on weighted average basis. Costs of purchased inventory are determined after deducting rebates and discounts.

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

M. Financial Instruments:

(i) Financial assets:

Initial recognition and measurement

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost. All financial assets not recorded at fair value though profit or loss are recognized initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For Purposes of subsequent measurement, financial assets are classified in two broad categories:

- Financial assets at fair value
- Financial assets at amortised cost

Where assets are measured at fair value, gains and losses are either recognized in the statement of profit and loss (i.e. fair value through profit or loss) or recognized in other comprehensive income (i.e. fair value though other comprehensive income).

A financial asset that meets the following two conditions is measured at amortised cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

- Business model test: The objective of the company's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realise its fair value changes).

- Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at fair value through other comprehensive income unless the asset is designated at fair value through profit or loss under the fair value option.

- Business model test: The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial assets.

- Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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Even if an instrument meets the two requirements to be measured at amortised cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss as doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases.

All other financial assets are measured at fair value through profit or loss.

All equity investments are measured at fair value in the balance sheet, with value changes recognized in the statement of profit and loss, except for those equity investments for which the entity has elected to present value changes in 'other comprehensive income'

If an equity investment is not held for trading, an irrevocable election is made at initial recognition to measure it at fair value through other comprehensive income with only dividend income recognized in the statement of profit and loss.

Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from the company's statement of financial position) when:

• The rights to receive cash flows from the asset have expired, or
• The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either.

(a) The company has transferred substantially all the risks and rewards of the asset, or
(b) The company has either transferred substantially all the risks and rewards of the asset but has transferred control of the asset.

When the company has transferred its rights to received cash flow from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognize the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognises an associated liability. The transferred assets and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

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

Impairment
The Company applies to the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial assets, and financial guarantees not designated as at FVTPL.

Effective interest method

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The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. Income is recognised on an effective-interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognized in profit or loss and is included in the 'Other income' line item.

(ii) Financial liabilities and equity instruments:

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

Equity Instruments
An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

Financial Liabilities
Initial recognition and measurement
All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables and loans and borrowings including bank overdrafts.

Subsequent measurement
The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as being held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognized in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

Loans and borrowings
After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

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Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

The Company enters into deferred payment arrangements (acceptances) whereby lenders such as banks and other financial institutions make payments to supplier's banks for purchase of raw materials/services. The banks and financial institutions are subsequently repaid by the Company at a later date. These are normally settled up to 3 months. These arrangements for raw materials are recognized as Deferred Payment Liabilities under Borrowings.

Hedge Accounting
External Commercial Borrowings (ECB) – Risk Management and Hedging

The Company is exposed to foreign currency and interest rate risks arising from its External Commercial Borrowings (ECBs). In order to manage and mitigate these risks, the Company has implemented a structured risk management framework approved by the Board of Directors. The objective of the framework is to safeguard the Company's cash flow and earnings from adverse movements in foreign exchange rates within the approved risk limits.

The Company enters into appropriate hedging arrangements, including forward exchange contracts, cross-currency swaps, and other permissible derivative and non-derivative financial instruments, to hedge its exposure arising from ECBs. Such hedging relationships are designated under the Company's approved hedge accounting framework, which permits the application of fair value hedge accounting, where applicable.

The Company assesses hedge effectiveness both at inception and on an ongoing basis.

Derecognition
Financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

Reclassification of Financial Instruments
The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent.

The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date, which is the first day of the immediately next reporting period following the change in business model.

Original	Revised	Accounting Treatment

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Classification	Classification	
Amortised Cost	FVTPL	Fair value is measured at reclassification date. The difference between previously amortized cost and fair value is recognised in the Statement of Profit and Loss.
FVTPL	Amortised Cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised Cost	FVTOCI	Fair value is measured at reclassification date. The difference between previously amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised Cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured at fair value. Cumulative gain or loss previously recognized in OCI is reclassified to Statement of Profit and Loss at the reclassification date.

N. Offsetting financial instruments

Financial assets and liabilities are offset, and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

O. Property, plant and equipment

Property, plant and equipment are stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Subsequent costs are included in the assets' carrying amount or recognised as assets, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred.

Gains or Losses arising on retirement or disposal of property, plant and equipment are recognised in the Statement of Profit and Loss.

Capital work-in-progress/intangible assets under development are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost.

The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

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Spares in the nature of capital spares/insurance spares are added to the cost of the assets. The total cost of such spares is depreciated over a period not exceeding the useful life of the asset to which they relate.

Depreciation/Amortisation methods, estimated useful lives and residual value

Depreciation on tangible fixed assets has been provided on WDV method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of certain categories of assets, where the useful life of the assets has been assessed based on a technical evaluation. The estimated useful lives and residual values are reviewed at the end of each reporting period, with the effect of any change in estimate accounted for on a prospective basis. For any addition in tangible fixed assets during the year, depreciation is charged for whole year as and when tangible assets are ready to use for operation whereas for disposals of any assets during the year, depreciation is provided on pro-rata for the year of use.

The estimated useful lives are as mentioned below:

Name of Assets	Life as per management
Plant & Machinery	From 2 years to 25 years*
Electrical Installation	From 10 years to 20 years*
Furniture & Fixtures - Cabin & Aluminium Section	From 5 years to 10 years*
Laptop, Scanner & Monitors	From 3 years to 5 Years*

* The Company believes that the technically evaluated useful lives, different from Schedule II of the Companies Act, 2013, best represent the period over which these assets are expected to be used.

Depreciation is not recorded on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use.

P. Intangible assets

a) Recognition

Intangible assets are recognised only when future economic benefits arising out of the assets flow to the enterprise and are amortised over their useful life.

b) Amortization methods and periods

The Company amortizes intangible assets on a straight-line method over their estimated useful life not exceeding 5 years. Software is amortised over a period of five years.

Q. Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. The amounts are unsecured are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

R. Borrowings

Borrowings are initially recognized at fair value, net of transaction cost incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognized as transaction costs of the loan to the extent that it is probable that some or all of the facility will be

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drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all the facility will be drawn down, the fee is capitalized as a prepayment for liquidity services and amortized over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognized in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instrument issued.

S. Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalization.

Other borrowings costs are expensed in the period in which they are incurred.

T. Exceptional Items

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

U. Provisions

Provisions for legal claims and returns are recognised when the company has a present legal or constructive obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provisions due to the passage of time is recognized as interest expense.

V. Employee benefits

i. Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

ii. Other long-term employee benefit obligations

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligations. Re-measurements as a result of the experience adjustments and changes in actuarial assumptions are recognized in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

iii. Post-employment obligations

The Company operates the following post-employment schemes:
(a) Defined benefit plans such as gratuity; and
(b) Defined contribution plans such as provident fund and superannuation fund.

Gratuity obligations

The liability or assets recognized in the balance sheet in respect of gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually with the assistance of independent actuaries.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

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

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss.

Defined contribution plans

The company pays provident fund contributions to publicly administered funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due.

iv. Bonus plans

The Company recognizes a liability and an expense for bonuses. The Company recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

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W. Contributed equity

Equity shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

X. Earnings per share

i) **Basic earnings per share**

Basic earnings per share are calculated by dividing:
- The profit attributable to owners of the company
- By the weighted average number of equities shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

ii) **Diluted earnings per share**

Diluted earnings per share adjust the figures used in the determination of basic earnings per share to take into account:
- The after-income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

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I. NOTES TO ACCOUNTS:

1. In the opinion of Directors, the Current Assets, Loans & Advances have a value on realization in the ordinary course of business, which is at least equal to the amount at which they are stated in the Balance Sheet.

2. **Contingent Liabilities:** **(₹ in Lakh)**

Particulars	**31.03.26**	**31.03.25**
Bank Guarantee	2.00	2.00
Capital Commitments (PPE)	45.70	-

3. The balances under the heads Trade Receivables, Trade Payables, and Loans and Advances Receivable and Payable are as per the books of accounts and are subject to confirmation by the respective parties, as well as adjustments, if any, upon reconciliation. Balance confirmation emails have been sent to the parties concerned, requesting confirmation or comments by a specified date. It was indicated that, in the absence of a response, the balances stated in the communication would be considered as confirmed. Responses have been received from parties; however, no adverse remarks or objections have been received.

4. During the year ₹ Nil lakh (P.Y ₹ 2.26 lakh) has been debited to the Statement of Profit and Loss in respect of the Foreign Exchange Differences.

5. The management acknowledges that the Company has accumulated losses and its net worth has been fully eroded as at March 31, 2026. During the year, the Company incurred a net loss of ₹562.00 lakh.

   However, the management has assessed the Company's ability to continue as a going concern and believes that the going concern basis remains appropriate. The Company is actively pursuing alternative business opportunities to improve its operational and financial performance and has raised External Commercial Borrowings (ECBs) to support its future business plans and funding requirements.

   Based on the proposed business initiatives and the availability of financial resources, management expects the Company to meet its obligations and continue operations for the foreseeable future. Accordingly, the financial statements have been prepared on a going concern basis.

6. **Segment reporting**
   The Managing Director has been identified as the Chief Operating Decision Maker ("CODM") as defined under Ind AS 108 – Operating Segments.

   The CODM reviews the Company's operating results as a whole for the purpose of making decisions regarding resource allocation and assessing performance. Based on the nature of products, production processes, customer profile, risk and return characteristics, and the internal management reporting system, the Company operates in a single reportable business segment, namely Engineering and Current Sensing Applications.

   Accordingly, The Company operates in a single reportable operating segment, e.g., Engineering and Current Sensing applications. The Chief Operating Decision Maker (CODM) reviews the performance of the Company as a single operating unit. Accordingly, separate segment information under Ind AS 108 is not required to be presented

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7. **Leases:** - Effective date and transition

Leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased assets are available for use by the company. Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments, less any lease incentives receivable
- Variable lease payments
- Amount expected to be payable by the lessee under residual value guarantee

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability
- Any lease payments made at or before the commencement date, less any lease incentives received
- Any initial direct cost and restoration costs

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Payments associated with short-term leases and all leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

Company measure lease liability at the present value of the remaining lease payments, discounted using the lessee's risk-free rate based on a government treasury note of similar term at the date of initial application, and measure that right-of-use asset an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the balance sheet immediately before the date of initial application. The company is following SLM method for depreciation on Right of use assets over lease terms.

A) The following is the movement in lease liabilities **(₹ in Lakh)**

Particulars	**31.03.2026**	**31.03.2025**
Opening Balance as on 1st day of year	384.11	481.35
Additions	-	-
Finance cost accrued during the period	17.17	21.52
Payment of lease liabilities	124.69	118.75
Closing Balance as on last day of year	**276.59**	**384.11**

B) Maturity Analysis of Lease Liabilities

Maturity analysis-Contractual undiscounted cashflows	**31.03.2026**	**31.03.2025**
Less than one year	130.92	124.69
One year to five years	166.34	297.26
More than five years	-	-
Total Undiscounted lease liabilities	**297.26**	**421.95**
Lease liabilities included in the statement of financial position		
Non-Current	158.03	276.59
Current	118.56	107.52
Total	**276.59**	**384.11**

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C) Amount Recognised in the Statement of profit and loss

Particulars	31.03.2026	31.03.2025
Interest on Lease Liabilities	17.17	21.52
Depreciation on Lease Asset	112.24	112.24
Rent Expenses -short-term leases and leases of low value assets	-	-

8. **Related Party Disclosure:**

As per the Ind AS 24 details of related parties and nature of relationships:

Sr. No.	Name of the Related Parties	Nature of Relationship
	Key Managerial Personnel	
1	Shri. Sharad Taparia	Director
2	Shri. Mukul Taparia	Director
3	Shri. Anil Kumar Taparia	Director
1	Permanent Magnets Limited	Holding Company
1	Varij Plantation Pvt Ltd.	Enterprises in which key managerial personnel and/or their relatives are able to exercise significant influence
2	Pregna International Limited	
3	Megh Exim LLP	
4	NYMPH Properties Private Limited	

Details of Transactions with and outstanding balances of related parties are furnished below:

(₹ in Lakh)

Names of Related Parties	Nature of Transactions	Year ended 31.03.2026		Year ended 31.03.2025	
		Transaction during year	Closing balance	Transaction during year	Closing balance
Permanent Magnets Limited	Loan Taken	297.00	273.13	443.00	575.75
	Loan Repaid	(701.09)		0.00	
	Interest Expense (net of TDS)*	52.05	-	39.51	39.51
		-		-	
	Expense incurred by PML	8.01	-	6.26	1.90
	Reimbursement made			5.47	

. *TDS amount ₹ 5.78 lakh

9. **Disclosure as required by Ind AS-19, Employee Benefits**

I. Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. The amount of gratuity payable on retirement/termination is the employees' last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The company contribution "on the basis of actuarially ascertained by the Independent Actuaries" is charged to profit and loss account. The amount debited to profit, and loss account is ₹ 1.33 lakh. Past service cost due to applicability of New Labour code is ₹ 0.72 Lakh

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Financial Year 2025-26

Other long-term employee benefits:

II. Leave encashment

The Company provides for the expected cost of accumulating paid leave which can be carried forward and used in future periods by the employees.

In respect of Gratuity, provision is made based on the actuarial valuation by an independent actuary. The following information as required under Ind AS-19 is based on the report of the Actuary:

(₹ in lakh)

Particulars	2025-26		2024-25	
	Leave Encashment	Gratuity	Leave Encashment	Gratuity
	(Unfunded)	(Unfunded)	(Unfunded)	(Unfunded)
A) Acturial assumption				
i) Discounting rate	7.25%	7.25%	6.75%	6.75%
ii) Future salary increases	5.00%	5.00%	5.00%	5.00%
iii) Expected rate of return on plan assets				
iv) Retirement age (in Years)	60	60	60	60
v) Moratility rates upto Retirement age	IALM (2012-14) Ult.	IALM 2012-14 Uit	IALM 2012-14 Uit	IALM 2012-14 Uit
B) Expenses recognised in the statement of profit and loss				
i) Current service cost	1.79	1.25	1.56	0.82
ii) Net interest cost	0.08	0.08	-	0.02
iii) Past Service Cost*	0.33	0.39	-	-
iv) Expected return on plan assets	-	-	-	-
v) Net actuarial (gain) / loss recognized in the period	(0.05)	0.37	0.52	0.18
vi) Expenses recognized in the statement of Profit & Loss	1.87	1.33	1.56	0.83
C) Recognised in other comprehensive income	-	-	-	-
i) Actuarial (gain) loss arising on assets	-	-	-	-
ii) Actuarial (gain) / loss on PBO arising from:	-	-	-	-
Change in demographic assumptions				
Change in financial assumptions	(0.00)	(0.35)	-	0.14
Change in experience assumptions	(0.05)	0.72	0.52	0.04
iii) Net (gain)/ loss recognised in other comprehensive income	(0.05)	0.37	0.52	0.18

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D) Change in present value of obligation				
i) Present value of obligation as at year beginning	1.58	1.26	-	0.24
ii) Interest cost	0.08	0.08	-	0.02
iii) Current service cost	1.79	1.25	1.56	0.82
iv) Past service cost incl. Curtailment gains and loss	0.33	0.39		-
v) Benefits paid	(0.72)	-	(0.49)	-
Actuarial (gain) / loss on PBO arising from:				
Change in demographic assumptions				
Change in financial assumptions	(0.00)*	(0.35)	-	0.14
Change in experience assumptions	(0.05)	0.72	0.52	0.04
vi) Present value of obligation as at year end	3.01	3.35	1.58	1.26
E) Change in fair value of plan assets				
i) Fair value of plan assets at year beginning				
ii) Actual return on plan assets				
iii) Contributions				
iv) Fund management charges (FMC)				
v) Benefits paid				
vi) Actuarial gain / (loss) on plan assets				
vii) Fair value of plan assets at year end				
F) Liability /(Assets) recognized in Balance Sheet	0.02	3.35	0.03	1.26
i) Within the next 12 months (next annual reporting period)	0.03	0.01	0.02	0.00
ii) Between 1 and 5 years	0.84	0.22	0.08	0.05
iii) Beyond 5 years -	0.82	0.44	0.12	0.15
iv) Total Expected Payments	1.69	0.67	0.21	0.21

*Amount is less than 1000

10. **Component Accounting for Fixed Assets:**
In the opinion of the management, based on internal verification of the assets of the company, there is no major part, in case of any asset, which is significant to the total cost of the asset and whose useful life is different from the useful life of the asset. Hence, there is no change in accounting of fixed assets and depreciation thereon as required under Ind AS 16: Property, Plant and Equipment.

11. **Segment Reporting:**
As the Company operates mainly in one Business Segment, i.e. manufactures neodymium magnets and assemblies. Hence it is considered to be a single primary business segment. There have been no other reportable segments identified by Chief Operating Decision Maker and hence no segment reporting is presented under IND AS 108.

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12. **Impairment of Assets:**
In accordance with Ind AS 36 ""Impairment of Assets" company has recognized impairment loss of ₹ Nil during year

13. a) Purchases of Finished Goods: NIL (P.Y. NIL)

b) **Expenditure and earnings in Foreign Currencies:**

A.CIF Value of Imports:

Particulars	**2025-26** Amount (₹ in Lakh)	**2024-25** Amount (₹ in Lakh)
Raw Materials & component	51.96	114.47
Property, Plant & Equipment's	337.39	68.84

B. Value of Imported and Indigenous Raw Materials and Spare Parts consumed during the year and its percentage to total consumption:

Particulars	**2025-26**		**2024-25**	
	Amount (₹ in Lakh)	**%**	**Amount (₹ in Lakh**	**%**
Raw Materials				
Imported	-	-	-	-
Indigenous	0.12	100	83.10	100
Total	**83.10**	**100**	**83.10**	**100**

C.Expenditure in foreign currencies incurred during the year:

Particulars	**Amount (₹ in Lakh)**	**Amount (₹ in Lakh)**
	2025-26	**2024-25**
1. Travelling Expenses	23.15	2.30
2. Interest on ECB	56.62	-
3. Others	0.31	-

D. Earnings in foreign currencies during the year:

Particulars	**Amount (₹ in Lakh) 2025-26**	**Amount (₹ in Lakh) 2024-25**
1. FOB Value of Exports	76.92	535.79

14. **Corporate Social Responsibility (CSR)**

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CSR is not applicable to the current year.

15. **Financial instruments and risk management**
Fair values

1. The carrying amounts of trade payables, other financial liabilities (current), borrowings (current), trade receivables, cash and cash equivalents, other bank balances and loans are considered to be the same as fair value due to their short-term nature.

2. Borrowings (non-current) consists of loans from banks and government authorities, other financial liabilities (noncurrent) consist of interest accrued but not due on deposits other financial assets consist of employee advances where the fair value is considered based on the discounted cash flow.

The fair value of financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximation of fair values:

(i) Categories of financial instruments

Particulars	As at 31.03.2026 (₹ in Lakh)		As 31.03.2025 (₹ in Lakh)	
	Carrying Amount	*Fair Value	Carrying Amount	*Fair Value
Financial Assets				
Measure at amortised cost:				
Non-Current				
Financial Assets				
(i)Loans	89.00	89.00	86.94	86.94
Current				
Financial Assets				
(i) Trade Receivables	-	-	0.56	0.56
(ii) Cash and Cash Equivalents	1631.60	1631.60	19.64	19.64
(iii) Bank Balances	379.87	379.87	2.03	2.03
(iv) Loans	0.02	-	-	-
Measured at fair value through profit and loss				
Non - current				
(i) Investments				
Total	**2100.49**	**2100.49**	**109.17**	**109.17**
Financial Liabilities				
Measured at amortised cost				

Non-Current				
Borrowings	4780.63	4780.63		
Provisions	6.31	6.31	2.84	2.84
Other Non - Current Liabilities				
Current				
Financial Liabilities				
Borrowings	273.13	273.13	617.16	617.16
Trade Payables	49.48	49.48	230.10	230.10
Lease Liabilities	-	-	-	-
Other Financial Liabilities	0.81	0.81	0.46	0.46
Total	**5110.36**	**5110.36**	**850.56**	**850.56**

*Fair value of instruments is classified in various fair value hierarchies based on the following three levels:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques, which maximise the use of observable market data and rely as little as possible on entity specific estimates. If significant inputs required to fair value instruments are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs are not based on observable market data, the instruments is included in level 3

Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realized or paid in sale transactions as of respective dates. As such, the fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date. In respect of investments as at the transaction date, the Company has assessed the fair value to be the carrying value of the investments as these companies are in their initial years of operations obtaining necessary regulatory approvals to commence their business.

2. **Financial risk management**
The Company is exposed to market risk (fluctuation in foreign currency exchange rates, price and interest rate), liquidity risk and credit risk, which may adversely impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

(A) Market risk
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of currency risk, interest rate risk and price risk. Financial instruments affected by market risk include loans and borrowings, trade receivables and trade payables involving foreign currency exposure. The

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sensitivity analyses in the following sections relate to the position as at March 31, 2026, and March 31, 2025.
The analysis excludes the impact of movements in market variables on the carrying values of financial assets and liabilities.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2026, and March 31, 2025.

(i) Foreign currency exchange rate risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the trade/other payables, trade/other receivables assets/liabilities. The risks primarily relate to fluctuations in US Dollar & EURO against the functional currencies of the Company. To mitigate the Group's exposure to foreign currency risk, cash flows are monitored, and natural hedge is used. (Amounts to be paid and received in a specific currency are expected to largely offset one another). The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates. As the Company has certain debt obligations with floating interest rates, exposure to the risk of changes in market interest rates are dependent of changes in market interest rates. Management monitors the movement in interest rate and, wherever possible, reacts to material movements in such rates by restructuring its financing arrangement.

As the Company has no significant interest-bearing assets, the income and operating cash flows are substantially independent of changes in market interest rates.

(B) Credit Risk

Credit risk is the risk arising from credit exposure to customers, cash and cash equivalents held with banks and current and non-current held-to maturity financial assets.

With respect to credit exposure from customers, the Company has a procedure in place aiming to minimise collection losses. Credit Control team assesses the credit quality of the customers, their financial position, past experience in payments and other relevant factors. Cash and other collaterals are obtained from customers when considered necessary under the circumstances.

The carrying amount of trade receivables, loans, advances, deposits, cash and bank balances, bank deposits and interest receivable on deposits represents company's maximum exposure to the credit risk. No other financial asset carries a significant exposure with respect to the credit risk. Bank deposits and cash balances are placed with reputable banks and deposits are with reputable government, public bodies and others.

The credit quality of financial assets is satisfactory, taking into account the allowance for credit losses.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit

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risk of its customer base, including default risk associate with the industry and country in which customers operate. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment.

An impairment analysis is performed at each reporting date on an individual basis for major receivables. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company also holds deposits as security from certain customers to mitigate credit risk.

3. **Hedge Accounting**
External Commercial Borrowings (ECB) – Risk Management and Hedging

The Company is exposed to foreign currency rate risks arising from its External Commercial Borrowings (ECBs). In order to manage and mitigate these risks, the Company has implemented a structured risk management framework approved by the Board of Directors. The objective of the framework is to safeguard the Company's cash flow and earnings from adverse movements in foreign exchange rates within the approved risk limits.

The Company enters into appropriate hedging arrangements, including forward exchange contracts, cross-currency swaps, and other permissible derivative and non-derivative financial instruments, to hedge its exposure arising from ECBs. Such hedging relationships are designated under the Company's approved hedge accounting framework, which permits the application of fair value hedge accounting, where applicable.

The Company assesses hedge effectiveness both at inception and on an ongoing basis.

(₹ in lacs)

	Carrying Amount			
Particulars	**Assets**	**Liabilities**	**Changes in Fair Value**	**Line items in balance sheet**
As at 31st March, 2026				
Borrowings	-	4780.63	272.50	Non-Current Borrowings

16. **Event occurring after the balance sheet date**
There is no such event

17. **Other Disclosures**
(a) Relationship with Struck off Companies - The Company does not have any transactions or relationships with any companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.
(b) There are no transactions that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 which have not been recorded in the books of account.
(c) There are no charges or satisfaction of charges yet to be registered with Registrar of Companies beyond the statutory period.
(d) There is no Benami Property held under Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder
(e) There is no transaction in Crypto Currency or Virtual Currency

(f) The Company is not declared willful defaulter by any bank or financials institution or lender during the year.

(g) The title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the Standalone financial statements included in property, plant and equipment and capital work-in progress are held in the name of the Company as at the balance sheet date.

(h) 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.

(i) The Company has not received any funds 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.

18. The previous year's figures have been regrouped, rearranged and reclassified wherever necessary to conform to the current year presentation

For Jayesh Sanghrajka & Co LLP
Chartered Accountants
ICAI Firm Regd. No. 104184W/W100075

Hemant Kumar Agrawal
Designated Partner
Membership. No. 403143
UDIN – 26403143MEYWIT3586

For and on Behalf of the Board

QUANTUM MAGNETICS PVT. LTD.

Sharad Taparia
Managing Director
DIN:00293739

Mukul Taparia
Director
DIN: 00318434

Place: Mumbai
Date: 12th May 2026