JKM Erla Automotive Limited
CIN:U35122KA2011PLC056973
Balance Sheet as on 31 March 2026
All amounts are in INR lakhs unless otherwise stated

Particulars	Notes	As at 31 March 2026	As at 31 March 2025
ASSETS			
Non-current assets			
Financial assets			
(i) Investments	3	12,502	12,503
Total non-current assets		**12,502**	**12,503**
Current assets			
Financial assets			
(i) Cash and cash equivalents	4	1	1
(ii) Other financial assets	5	8	-
Total current assets		**9**	**1**
Total Assets		**12,511**	**12,504**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	6	10,791	10,791
Other equity	7	1,621	1,629
Total equity		**12,412**	**12,420**
Liabilities			
Non current liabilities			
Financial liabilities			
(i) Borrowings	8	85	59
Total non current liabilities		**85**	**59**
Current liabilities			
Financial liabilities			
(i) Borrowings	9	-	15
(ii) Other financial liabilities	10	14	10
Total current liabilities		**14**	**25**
Total liabilities		**99**	**84**
Total equity and liabilities		**12,511**	**12,504**

See accompanying notes to the financial statements

for and on behalf of Board of Directors of
JKM Erla Automotive Limited

Sd/-

Chalapathi P
Director
DIN No: 08087615

JKM Erla Automotive Limited
CIN:U35122KA2011PLC056973
Statement of profit and loss for the year ended 31 March 2026
All amounts are in INR lakhs unless otherwise stated except for earnings per share information

Particulars	Note	For the year ended 31 March 2026	For the year ended 31 March 2025
Income			
Revenue from operations		-	-
Other income	11	12	-
Total income		**12**	**-**
Expenses			
Finance cost	12	8	6
Other expenses	13	12	67
Total expenses		**20**	**73**
Loss for the year before tax		**(8)**	**(73)**
Current tax	23	-	-
Deferred tax		-	-
Total tax expense		**-**	**-**
Loss for the year		**(8)**	**(73)**
Other comprehensive income for the year		**-**	**-**
Total comprehensive loss for the year		**(8)**	**(73)**
Earnings per equity share (face value of INR 10 each)			
Basic and diluted (In INR)	21	(0.01)	(0.07)
Number of weighted average outstanding shares used in computing earning per share		10,79,15,000	10,79,15,000

See accompanying notes to the financial statements

for and on behalf of Board of Directors of
JKM Erla Automotive Limited

Sd/-

Chalapathi P
Director
DIN No: 08087615

JKM Erla Automotive Limited
CIN:U35122KA2011PLC056973
Statement of cash flows for the year ended 31 March 2026
All amounts are in INR lakhs unless otherwise stated

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Cash flow from operating activities		
Loss before tax	(8)	(73)
Adjustments:		
Finance cost	8	6
Write-back of liabilities (Refer note 11)	4	-
Investment in subsidiary written off (Refer note 13)	1	-
Operating cash flows before working capital changes	**5**	**(67)**
Changes in operating assets and liabilities		
Increase in other current financial assets	(8)	-
Decrease in other current financial liabilities	(8)	(2)
Cash generated from operations	**(11)**	**(69)**
Income taxes paid	-	-
Net cash used in operating activities (A)	**(11)**	**(69)**
Cash flows from investing activities	-	-
Net cash used in investing activities (B)	-	-
Cash flows from financing activities	-	-
Proceeds from loans and borrowings	11	67
Net cash flow from financing activities (C)	**11**	**67**
Net increase/(decrease) in cash and cash equivalents (A + B +C)	-	**(2)**
Cash and cash equivalents at the beginning of the year	1	3
Cash and cash equivalents at the end of the year	**1**	**1**
Components of cash and cash equivalents (Refer note 4)		
Cash and cash equivalents		
Cash on hand*	-	-
Balance with banks		
- in current accounts	1	1
Cash and cash equivalents in balance sheet	**1**	**1**

* Less than a lakh

See accompanying notes to the financial statements

for and on behalf of Board of Directors of
JKM Erla Automotive Limited

Sd/-

Chalapathi P
Director
DIN No: 08087615

JKM Erla Automotive Limited
CIN:U35122KA2011PLC056973
Statement of Changes in Equity for the year ended 31 March 2026
All amounts are in INR lakhs unless otherwise stated

(A) Equity share capital

Current reporting period

Balance as at 1 April 2025	Changes in equity share capital during the year	Balance as at 31 March 2026
10,791	-	10,791

Previous reporting period

Balance as at 1 April 2024	Changes in equity share capital during the year	Balance as at 31 March 2025
10,791	-	10,791

(B) Other equity

Particulars	Reserves and Surplus		Total equity attributable to equity holders of the Company
	Securities premium account	Retained earnings	
Balance as at 1 April 2025	**8,960**	**(7,331)**	**1,629**
Loss for the year	-	(8)	(8)
Balance as at 31 March 2026	**8,960**	**(7,339)**	**1,621**
Balance as at 01 April 2024	**8,960**	**(7,258)**	**1,702**
Loss for the year	-	(73)	(73)
Balance as at 31 March 2025	**8,960**	**(7,331)**	**1,629**

See accompanying notes to the financial statements

for and on behalf of Board of Directors of
JKM Erla Automotive Limited

Sd/-

Chalapathi P
Director
DIN No: 08087615

JKM Erla Automotive Limited
CIN:U35122KA2011PLC056973
Notes to the financial statements for the year ended 31 March 2026

1 Corporate information

JKM Erla Automotive Limited ("the Company") is a Company incorporated on 8 February 2011 under provisions of the Companies Act, 1956 ('the Act') and domiciled in India and has its registered office at Bangalore, India.

2 Material accounting policies

a Statement of compliance

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act 2013 ('the Act') read with Companies (Indian Accounting Standard) Rules, 2015 (as amended from time to time) and other relevant provisions of the Act.

Accounting policies have been applied consistently to all periods presented unless otherwise stated.

b Functional and presentation currency

These financial statements are prescribed in Indian Rupees ("INR") which is also the Company's functional currency. All amounts have been rounded off to the nearest lakhs, unless otherwise stated.

c Basis of Measurement

The financial statements have been prepared on the historical cost convention and on an accrual basis, except for the following:

Certain financial assets and liabilities that are qualified to be measured at fair value;

The company has consistently applied the following accounting policies to all the periods presented in the annual financial statements.

d Use of estimates and management judgments

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent liabilities and assets on the date of the financial statements and reported amount of revenue and expenses for the year. Accounting estimates could change from period to period. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements

Assumptions and estimation uncertainties

The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in the following notes:

(i) **Income taxes- Note 23:**

In assessing the realisability of deferred tax assets, the Management considers whether some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. The Management considers the scheduled reversals of deferred income tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, the Management believes that the Company will realize the benefits of those deductible differences. The amount of the deferred tax assets considered realizable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

(ii) **Provisions and contingencies- Note 14:**

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

(iii) **Impairment of financial assets- Note 3:**

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

e Measurement of fair values

Certain accounting policies and disclosures of the Company require the measurement of fair values, for both financial and non financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The valuation team regularly reviews significant unobservable inputs and valuation adjustments.

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

- **Level 1**: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- **Level 2**: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

- **Level 3**: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in Note 18: financial instruments.

f **Investments in subsidiaries**

Investment in equity shares in subsidiaries is carried at deemed cost in the financial statements.

g Financial Instruments

Initial recognition

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

All financial instruments are initially measured at fair value. Transaction costs that are attributable to the acquisition or issue of the financial assets and financial liabilities (other than financial assets recorded at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities as appropriate, on initial recognition. Transaction cost directly attributable to the acquisition or issue of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of profit and loss.

Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognised on trade date.

For the purpose of subsequent measurement, financial instruments of the Company are classified in the following categories: non-derivative financial assets comprising amortised cost, debt instruments at fair value through other comprehensive income (FVTOCI), equity instruments at fair value through other comprehensive income (FVTOCI) and fair value through profit or loss (FVTPL), non-derivative financial liabilities at amortised cost or FVTPL and derivative financial instruments (under the category of financial assets or financial liabilities) at FVTPL.

The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.

A Non-derivative financial assets

(i) Financial assets at amortised cost

A financial asset shall be measured at amortised cost if both of the following conditions are met:

(a) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and

(b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding ('SPPI').

Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortised cost using the effective interest rate ('EIR') method, less any impairment loss.

Financial assets at amortised cost are represented by trade receivables, security deposits, cash and cash equivalents, employee and other advances and eligible current and non-current assets.

(ii) Debt instruments at fair value through other comprehensive income (FVTOCI)

A debt instrument shall be measured at fair value through other comprehensive income if both of the following conditions are

(a) The objective of the business model is achieved by both collecting contractual cash flows and selling financial assets and

(b) The asset's contractual cash flow represent SPPI

Debt instruments included within FVTOCI category are measured initially as well as at each reporting period at fair value plus transaction costs. Fair value movements are recognised in other comprehensive income (OCI). However, the Company recognises interest income, impairment losses and reversals and foreign exchange gain/loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to the statement of profit and loss.

(iii) Equity instruments at fair value through other comprehensive income (FVTOCI)

All equity instruments other than investment in subsidiaries are measured at fair value. Equity instruments held for trading is classified as fair value through profit or loss (FVTPL). For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in OCI. The Company makes such election on an instrument-by-instrument basis.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividend are recognised in OCI. There is no recycling of the amount from OCI to the statement of profit and loss, even on sale of the instrument. However the Company may transfer the cumulative gain or loss within the equity.

(iv) Financial assets at fair value through profit or loss (FVTPL)

FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as FVTPL.

In addition, the Company may elect to designate the financial asset, which otherwise meets amortised cost or FVTOCI criteria, as FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency. The Company has not designated any financial asset as FVTPL.

Financial assets included within the FVTPL category are measured at fair values with all changes in the statement of profit and loss.

(v) Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or the financial assets is transferred and the transfer qualifies for derecognition. On derecognition of a financial asset in its entirety, the difference between the carrying amount (measured at the date of derecognition) and the consideration received (including any new assets obtained less any new liability assumed) shall be recognised in the statement of the profit and loss except for debt and equity instruments carried through FVTOCI which shall be recognised in OCI.

B Non-derivative financial liabilities

(i) Financial liabilities at amortised cost

Financial liabilities at amortised cost represented by trade and other payables are initially recognised at fair value, and subsequently carried at amortised cost using the EIR method.

(ii) Financial liabilities at fair value through profit or loss (FVTPL)

Financial liabilities at FVTPL represented by contingent consideration are measured at fair value with all changes recognised in the statement of profit and loss.

C Derivative financial instruments

The Company holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in foreign exchange rates on foreign currency assets or liabilities. Derivatives are recognised and measured at fair value. Attributable transaction cost are recognised in the statement of profit and loss.

D Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and, if not designated as at fair value through profit or loss, are subsequently measured at higher of:

(i) The amount of loss allowance determined in accordance with impairment requirements of Ind AS 109 – Financial Instruments and

(ii) The amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115 – Revenue.

E Derecognition of financial liabilities

The Company derecognises financial liabilities only when, the obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the statement of profit and loss.

h Foreign exchange gains and losses on financial assets and financial liabilities

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

(ii) For foreign currency denominated financial assets/liabilities measured at amortised cost and fair value through profit or loss, the exchange differences are recognised in the statement of profit and loss except for those which are designated as hedging instruments in a hedging relationship.

(iii) Changes in carrying amount of investments in equity instruments at fair value though other comprehensive income relating to changes in foreign currency rates are recognised in other comprehensive income.

(iv) For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in the statement of profit and loss.

(v) For financial liabilities that are measured as at fair value through profit or loss, the foreign exchange component forms part of the fair value gains or losses and is recognised in the statement of profit and loss.

i Impairment

Non-financial assets

The Company assesses at each reporting date whether there is any objective evidence that a non-financial asset or a group of non-financial assets is impaired. If any such impairment exists, the recoverable amount of an asset is estimated to determine extent of impairment, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

j Taxes

Current income tax for current and prior periods is recognized at the amount expected to be paid or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except for the cases mentioned below:

Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or substantive enactment date.

Deferred tax is not recognized for:

- temporary differences arising on the initial recognition of assets and liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profits or loss at the time of the transaction;
- temporary investments related to investment in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary difference arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of history of recent losses, the Company recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profits will be available against which such deferred tax can be realized. Deferred tax assets, unrecognized or recognised, are reviewed at each reporting date and are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realized.

The Company offsets, the current tax assets and liabilities (on a year on year basis) and deferred tax assets and liabilities, where it has legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

k Provisions (other than employee benefits)

i) General:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(ii) Onerous contract:

Provision for onerous contracts. i.e. contracts where the expected unavoidable cost of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event based on a reliable estimate of such obligation.

l Contingent Liability

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

m Cash and cash equivalents

Cash and cash equivalent includes cash on hand, 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.

n Cash flow statement

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

o Earnings per share

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period.

Diluted EPS is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

p Foreign currency transactions and translation

Transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences arising on settlement or translation of monetary items are recognised in the statement of profit and loss in the year in which it arises.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

q Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable, net of returns, rebates and other similar allowances.

Interest and dividend income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Dividend income from investments is recognised when the Company's right to receive payment has been established.

r Corporate guarantee commission income:

The Company provides corporate/performance guarantees on behalf of its subsidiary companies. Commission income earned on such guarantees is recognized as revenue over the period of the guarantee, in accordance with Ind AS 115.

Corporate guarantees are accounted for as financial guarantee contracts in accordance with Ind AS 109 and are initially recognized at fair value. Subsequently, they are measured at the higher of the amount of loss allowance determined under expected credit loss model and the unamortized portion of the guarantee commission.

s Segment

Segments have been identified taking into account the nature of services, the differing risks and returns, the organisational structure and the internal reporting system.

t Recent amendments

The Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On August 13, 2025, the MCA notified the Companies (Indian Accounting Standards) Amendment Rules, 2025. This notification has led to amendments in the following Ind AS, which are applicable to the Company from April 1, 2026.

The Company is currently evaluating the impact of these amendments on its financial statements.

Amended Ind AS:

Ind AS 1 – Presentation of Financial Statements

Ind AS 10 – Events After the Reporting Period

3 Non-current investments

Particulars	As at 31 March 2026	As at 31 March 2025
Unquoted equity shares		
Investment in subsidiaries at deemed cost		
1) 16,00,000 (31 March 2025: 16,00,000) stocks of Euro I each fully paid up of Eisenwerk Erla GmbH	12,396	12,396
2) 10,58,672 (31 March 2025: 10,58,672) equity shares of INR 10 each fully paid up of Dynamatic Manufacturing Limited	106	106
3) Nil (31 March 2025: 9,940) equity shares of INR 10 each fully paid up of JKM Automotive Limited (refer note (a) below)	-	1
	12,502	**12,503**
Aggregate carrying value of unquoted investments (gross)	17,697	17,698
Aggregate amount of impairment in value of investments	5,195	5,195

The discount rate used in measuring the value in use of investment in Eisenwerk Erla GmbH

Particulars	As at 31 March 2026	As at 31 March 2025
Discount rate*	18.40%	19.20%
Terminal growth rate **	1.50%	1.50%

The discount rate used in measuring the value in use of investment in Dynamatic Manufacturing Limited

Particulars	As at 31 March 2026	As at 31 March 2025
Discount rate*	15.90%	21.10%
Terminal growth rate **	2.00%	5.00%

*These discount rate(s) are based on the Weighted Average Cost of Capital (WACC) of the Company.
** The cash flow projections include specific estimates for five years and a terminal growth rate thereafter. The terminal growth rate has been determined based on management's estimates of the long-term compound annual EBITDA growth rate, consistent with the assumptions that a market participant would make.

Note (a):
JKM Automotive Limited was struck off from the Register of Companies with effect from 27 June 2025, accordingly the investment carrying value of INR 1 Lakhs has been written off during the year (Refer note 13)

4 Cash and cash equivalents

Particulars	As at 31 March 2026	As at 31 March 2025
Cash on hand *	-	-
Balances with banks		
-in current accounts	1	1
	1	**1**
Cash and cash equivalents as defined in Ind AS 7 "Statements of Cash Flows"	1	1

* Not reported due to round off.

5 Other financial assets

Particulars	As at 31 March 2026	As at 31 March 2025
Corporate guarantee fee receivable	8	-
	8	**-**

On 18 December 2025, the Company provided a performance guarantee to Bayerische Motoren Werke Aktiengesellschaft ("BMW") amounting to EUR 2,600,000 (Euro Two Million Six Hundred Thousand) on behalf of its wholly owned subsidiary, Eisenwerk Erla GmbH, Germany. The guarantee is valid for a period of seven years and expires on 31 December 2032, accordingly the Company will be charging commission 1% every year.

The Company charges a commission of 1% per annum on the guarantee amount. Commission income is recognized over the tenure of the guarantee. Accordingly, the Company has recognized Euro 7,511 (INR 8 Lakhs) as guarantee commission income under Other Income.

6 Equity share capital

Particulars	As at 31 March 2026	As at 31 March 2025
Authorised		
Equity shares		
110,000,000 (31 March 2025: 110,000,000) equity shares of par value of INR 10 each	11,000	11,000
	11,000	**11,000**
Issued, subscribed and fully paid up		
Equity shares		
10,79,15,000 (31 March 2025: 10,79,15,000) equity shares of par value of INR 10 each	10,791	10,791
	10,791	**10,791**

i. Reconciliation of shares outstanding at the beginning and at the end of the reporting period

Particulars	31 March 2026		31 March 2025	
	Number of shares	Amount	Number of shares	Amount
At the commencement of the year	10,79,15,000	10,791	10,79,15,000	10,791
Shares issued during the year	-	-	-	-
At the end of the year	**10,79,15,000**	**10,791**	**10,79,15,000**	**10,791**

ii. Rights, preferences and restrictions attached to equity shares:

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company.

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

The Company has not allotted any fully paid equity shares by way of bonus shares nor has bought back any class of equity shares during the period of five years immediately preceding the balance sheet date nor has issued shares for consideration other than cash.

iii. Details of shareholders holding more than 5% of equity shares in the Company

Particulars	31 March 2026		31 March 2025	
	Number of shares	% of holding	Number of shares	% of holding
Dynamatic Technologies Limited (Ultimate holding company)	10,79,14,994	99.99%	10,79,14,994	99.99%

iv Disclosure of Shareholding of Promoters

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

Sr. No	Shares held by promoters	As at 31 March 2026		As at 31 March 2025		% Change during the year
	Promoter name	No of Shares	% of total shares	No of Shares	% of total shares	
1	Dynamatic Technologies Limited	10,79,14,994	99.99%	10,79,14,994	99.99%	-

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

Sr. No	Shares held by promoters	As at 31 March 2025		As at 31 March 2024		% Change during the year
	Promoter name	No of Shares	% of total shares	No of Shares	% of total shares	
1	Dynamatic Technologies Limited	10,79,14,994	99.99%	10,79,14,994	99.99%	-

7 Other equity (Refer the statement of changes in equity for detailed movement of each component of other equity)

Particulars	As at 31 March 2026	As at 31 March 2025
Securities premium [refer note below note (i)]	8,960	8,960
Retained earnings [refer note below note (ii)]	(7,339)	(7,331)
Total other equity	**1,621**	**1,629**

(i) Securities premium

Securities premium reserve is used to record the premium received on issue of shares by the Company. The reserve can be utilised in accordance with the provision of sec 52(2) of Companies Act, 2013.

(ii) Retained earnings

The cumulative gain or loss arising from the operations which is retained by the Company is recognised and accumulated under the heading of retained earnings. At the end of the year, the loss after tax is transferred from the statement of profit and loss to the retained earnings account.

8 Long term borrowings

Particulars	As at 31 March 2026	As at 31 March 2025
Unsecured borrowing		
Loan received from parent entity*	85	59
	85	**59**

* The Company had received un-secured inter-company loan from Dynamatic Technologies Limited (Parent entity) at an Interest rate of 10.25%, the loan is payable in 5 yearly instalments starting from August 2027.

9 Short term borrowings

Particulars	As at 31 March 2026	As at 31 March 2025
Unsecured borrowing		
Current maturities of loan received from parent entity payable within 12 months (Refer note 8)	-	15
	-	**15**

10 Other financial liabilities

Particulars	As at 31 March 2026	As at 31 March 2025
Accrued expenses	1	4
Interest payable on the loan taken from related parties (Refer note 8)	13	6
	14	**10**

11 Other income

Particulars	As at 31 March 2026	As at 31 March 2025
Guarantee commission income (Refer Note 5)	8	-
Write-back of liabilities	4	-
	12	**-**

12 Finance cost

Particulars	As at 31 March 2026	As at 31 March 2025
Interest expense on financial liabilities at amortised cost	8	6
	8	**6**

13 Other expenses

Particulars	As at 31 March 2026	As at 31 March 2025
Rates and taxes	6	62
Legal and professional fees	3	3
Payments to auditors (Refer note 15)	1	1
Investment in subsidiary written off (Refer note 3)	1	-
Miscellaneous expenses	1	1
	12	**67**

14 Contingent liabilities

Particulars	As at 31 March 2026	As at 31 March 2025
Income tax matters	-	-
Guarantee provided to Bayerische Motoren Werke Aktiengesellschaft ("BMW") on behalf of Eisenwerk Erla GmbH (100% wholly owned subsidiary)*	2,812	-
Total	**2,812**	**-**

* On 18 December 2025, the Company provided a performance guarantee to BMW amounting to EUR 2,600,000 (Euro Two Million Six Hundred Thousand) on behalf of its wholly owned subsidiary, Eisenwerk Erla GmbH, Germany. The guarantee is valid for a period of seven years and expires on 31 December 2032.

Based on its assessment of the financial position and performance of the subsidiary, management does not expect any outflow of economic resources in respect of the said guarantee.

15 Payment to auditors (excluding goods and service tax)

Particulars	As at 31 March 2026	As at 31 March 2025
Statutory audit fees	1	1
Other services	-	-
Total	**1**	**1**

16 Segment information

The Company has not commenced commercial operations as at 31 March 2026. Accordingly, there are no reportable operating segments under Ind AS 108 – Operating Segments and the related disclosure requirements are not applicable

17 Financial instruments - fair value and risk management

Accounting classification and fair value

The following table shows the carrying amount and fair value of financial assets and financial liabilities including their levels in fair value hierarchy:

Fair value hierarchy

The section explains the judgment and estimates made in determining the fair values of the financial instruments that are:

a) recognised and measured at fair value

b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the Indian Accounting Standard.

Particulars	Carrying amount	Fair value		
	31 March 2026	Level 1	Level 2	Level 3
Financial assets measured at amortised cost				
Cash and cash equivalents	1	-	-	-
Other financial assets	8	-	-	-
Total financial assets	**9**	**-**	**-**	**-**
Financial liabilities measured at amortised cost				
Borrowings (Non-current and current)	85	-	-	-
Other financial liabilities	14	-	-	-
Total financial liabilities	**99**	**-**	**-**	**-**

Particulars	Carrying amount	Fair value		
	31 March 2025	Level 1	Level 2	Level 3
Financial assets measured at amortised cost				
Cash and cash equivalents	1	-	-	-
Total financial assets	**1**	**-**	**-**	**-**
Financial liabilities measured at amortised cost				
Borrowings (Non-current and current)	74			
Other financial liabilities	10	-	-	-
Total financial liabilities	**84**	**-**	**-**	**-**

Investment in equity shares of subsidiaries are not appearing as financial asset in the table above being investment in subsidiaries accounted under Ind AS 27, Separate Financial Statements which is scoped out under Ind AS 109.

Fair value hierarchy:

Level 1: It includes financial instruments measured using quoted prices. This includes investment in equity, preference securities, mutual funds and debentures that have quoted price.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unquoted equity securities.

Fair Valuation Method

The fair value of the 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. The following methods and assumptions were used to estimate the fair values:

A Financial Assets:

i Fair value of all the above financial assets except Investments are measured at balance sheet date value, as most of them are settled within a short period and so their fair value are assumed to be almost equal to the balance sheet date value.

B Financial Liabilities:

i **Borrowings**: Borrowings, including loans from related parties, are initially recognized at fair value net of transaction costs incurred. Subsequently, they are measured at amortized cost using the effective interest rate method in accordance with Ind AS 109.

Since the loans carry a fixed interest rate that is consistent with market rates (arm's length basis), the transaction value approximates fair value at initial recognition. Accordingly, the carrying amount of such borrowings is a reasonable approximation of their fair value.

ii **Other financial liabilities:** Fair values of other financial liabilities are measured at balance sheet date value, as most of them are settled within a short period and so their fair values are assumed almost equal to the balance sheet date values.

18 Financial risk management

The Company's activities expose to financial risks: credit risk, liquidity risk and market risk.

Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's Audit Committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management frame work in relation to the risks faced by the Company. The audit committee is assisted in its over sight role by internal auditor. Internal Audit function includes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

i) Credit risk

Credit risk is the risk of financial loss to the Company, if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans given. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivables. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. The Company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors. The carrying amount of financial asset represent the maximum credit exposure.

The Company does not have any trade receivables and loan given as at the yearend.

ii) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligation as they become due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Management monitors rolling forecast of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. This is generally carried out by the Management of the Company in accordance with practice and limits set by the Company. In addition, the Company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

i) Financing arrangement

The Company maintains the following line of credit:

The table below provides details regarding the contractual maturities of significant financial liabilities at yearend. The amounts are gross and undiscounted contractual cash flow and includes contractual interest payment and exclude netting arrangements:

As at 31 March 2026

Particulars	Contractual cash flows				
	Carrying amount	Total	0-1 years	1-5 years	5 years and
Borrowings*	85	85	-	85	-
Other financial liabilities*	14	14	14	-	-

As at 31 March 2025

Particulars	Contractual cash flows				
	Carrying amount	Total	0-1 years	1-5 years	5 years and
Borrowings*	74	74	15	59	-
Other financial liabilities*	10	10	10	-	-

* Amount disclosed after considering Non-current and current.

iii) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the

a) Currency risk

The Company is exposed to foreign currency risk on account of its receivables denominated in foreign currencies. Foreign currency risk arises due to fluctuations in exchange rates, which may impact the reported value of receivables and the Company's profitability.

The Company does not have any significant foreign currency payables or borrowings and, therefore, the exposure is primarily on account of foreign currency receivables.

The Company has not entered into any derivative instruments or hedging arrangements to manage its foreign currency risk and is therefore exposed to exchange rate fluctuations.

Particulars	Currency	As at 31 March 2026		As at 31 March 2025	
		Amount in foreign currency in absolute Number	Amount in INR Lakhs	Amount in foreign currency in absolute Number	Amount in INR Lakhs
Corporate guarantee receivable	Euro	7,511	8	-	-

The following significant exchange rates have been applied:

Currency	Year end Spot rate	
	31 March 2026	31 March 2025
EURO/INR	108.16	92.61

Sensitivity analysis

A reasonably possible strengthening /(weakening) of the Euro against INR as at 31 March 2026 would have affected the measurement of financial instruments denominated in foreign currency and affected equity and profit and loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

Particulars	Profit and loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31 March 2026				
EURO (3% movement)	0.24	(0.24)	0.18	(0.18)

b) Interest rate risk

The Company manages its interest rate risk by maintaining an appropriate mix of fixed and floating rate borrowings. As at the reporting date, borrowings are predominantly at fixed rates, thereby limiting exposure to variability in cash flows due to changes in market interest rates.

19 Capital management

The Company's policy is to maintain a stable and strong capital base structure with a focus on total equity so as to maintain investor, creditor and market confidence and to sustain future development and growth of the business. The Company monitors the return on capital as well as the level of dividends on its equity shares. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value and safeguard its ability to continue as a going concern.

The Company monitors capital using a ratio of 'adjusted net debt' to 'equity'. For the purpose of Company's capital management, adjusted net debt is defined as aggregate on non-current borrowing, current borrowing and current maturities of long-term borrowings less cash and cash equivalents and total equity includes issued capital and all other equity reserves.

The Company's adjusted net debt-to-equity ratio was as follows:

Particulars	**As at**	
	31 March 2026	**31 March 2025**
Borrowing (Non current and current)*	85	74
Less: Cash and cash equivalents	(1)	(1)
Adjusted net debt	84	73
Total equity	12,412	12,420
Net debt to equity ratio	0.01	0.01

Unsecured borrowing is from Related party.

20 Related party transactions

(i) Name of related parties and description of relationship

Description of relationship	**Name of related party**
Ultimate holding company	Dynamatic Technologies Limited
Subsidiaries	Eisenwerk Erla GmbH, Germany
	Dynamatic Manufacturing Limited
	JKM Automotive Limited (struck off from the Register of Companies with effect from 27 June 2025)
Key executive management personnel	Pramila Malhoutra - Director
	Ravichander V - Director
	P S Ramesh - Director (Resigned on 13 November 2024)
	Chalapathi P - Director (Appointed on 12 Nov 2024)
	Mahalakshmi R, Company Secretary (Resigned on 9 May 2024)
	Sachin, Company Secretary (Appointed on 26 May 2025)
	Navin Kumar Ojha - Manager (Appointed on 2 July 2024)
	Jayagopal Gajendra - CFO (Appointed on 2 July 2024)

(ii) Related party transactions during the year

Nature of Transaction	**Name of Related Parties**	**For the year ended**	
		31 March 2026	**31 March 2025**
Loan taken	Dynamatic Technologies Limited	11	67
Interest expense	Dynamatic Technologies Limited	8	6
Corporate guarantee income	Eisenwerk Erla GmbH	8	-
Investment written off	JKM Automotive Limited	1	-
Corporate guarantee provided (Refer note 14)	Eisenwerk Erla GmbH	2,812	-

(iii) Balance receivable from and payable to related parties as at balance sheet date:

Particulars	**Name of Related Parties**	**As at 31 March 2026**	**As at 31 March 2025**
Loan payable	Dynamatic Technologies Limited	85	74
Interest payable	Dynamatic Technologies Limited	13	6
Corporate guarantee receivable	Eisenwerk Erla GmbH	8	-

(iv) No remuneration or compensation was paid to directors/KMP during the year.

21 Earning per share

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Basic earnings per share in INR	(0.01)	(0.07)
Diluted earnings per share in INR	(0.01)	(0.07)
Profit attributable to the equity holders of the Company used in calculating basic earnings per share and diluted earnings per share	(8)	(73)
Number of weighted average equity shares used in computing earnings per share	10,79,15,000	10,79,15,000

22 Details of non-current investments purchased and sold during the year under Section 186(4) of the Act:

Investment in equity instruments:

Subsidiaries	Face value per unit	As at 31 March 2025	Purchased during the year	Sold during the year	Other	As at 31 March 2026
Eisenwerk Erla GmbH	Euro 1	17,591	-	-	-	17,591
Dynamatic Manufacturing Limited	INR 10	106	-	-	-	106
JKM Automotive Limited*	INR 10	1	-	-	(1)*	-
Total		**17,698**	**-**	**-**	**(1)**	**17,697**

*JKM Automotive Limited was struck off from the Register of Companies with effect from 27 June 2025.

Subsidiaries	Face value per unit	As at 1 April 2024	Purchased during the year	Sold during the year	Other	As at 31 March 2025
JKM Erla Holdings GmbH/Eisenwerk Erla GmbH	Euro 1	17,591	-	-	-	17,591
Dynamatic Manufacturing Limited	INR 10	106	-	-	-	106
JKM Automotive Limited	INR 10	1	-	-	-	1
Total		**17,698**	**-**	**-**	**-**	**17,698**

23 Income tax

A Amount recognized in statement of profit and loss

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Current income tax	-	-
Deferred tax	-	-
Income tax expense reported in the statement of profit and loss	**-**	**-**

B Income tax recognized in other comprehensive income

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Net gain/ (loss) on remeasurement of defined benefit liability/ (assets)	-	-
Income tax charged to OCI	**-**	**-**

C Unrecognised deferred tax assets/ (liabilities)

Deferred tax assets has not been recognised in respect of the following items, because it is not probable that future taxable profits will be available against which the unused tax losses can be used.

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Carry forwards of business loss	60	59
Carry forwards of long term capital loss ('LTCL')	9,552	9,552
Potential tax benefits on carry forward of business loss @ 25.17% (31 March 2025: 25.17%)	15	15
Potential tax benefits on carry forward of LTCL @ 12% (31 March 2025: 12%)	1,146	1,146

Deferred tax assets have not been recognised due to absence of sufficient convincing evidence of future taxable profits.

24 Ratios

The following are analytical ratios for the year ended:

Particulars	Numerator	Denominator	31 March 2026	31 March 2025	Variance %
Current ratio[1]	Total current assets	Total Current Liabilities	0.64	0.01	5300
Debt-equity ratio[2]	Total Debt inclusive of lease liabilities	Total Equity	0.01	0.01	15.14
Debt service coverage ratio**	EBIT	Debt Service = Interest + Lease payment + Principal payment	NA	NA	NA
Return on equity ratio #	PAT	Average total equity	NA	NA	NA
Inventory turnover ratio #	Cost of goods sold	Average Inventory	NA	NA	NA
Trade receivables turnover ratio #	Revenue from Operations	Average trade receivables	NA	NA	NA
Trade payable turnover ratio #	Purchases	Average trade payables	NA	NA	NA
Net Capital turnover ratio #	Revenue from Operations	Average working capital	NA	NA	NA
Net profit ratio #	PAT	Revenue from Operations	NA	NA	NA
Return on capital employed #	EBIT	Capital employed = Net worth + Lease liabilities + Deferred tax liabilities	NA	NA	NA
Return on Investment#	Income generated from Investments	Time weighted average investment	NA	NA	NA

Notes:

EBIT - Earnings before interest and taxes.
PAT - Profit after tax
Working capital - Current assets less current liabilities
Capital employed - Total equity

[1]On account of increase in current assets and decrease in current liabilities.

[2]Increase due to additional unsecured loan received from parent company during current year.

** the company doesn't have any Earnings before interest and tax.

The aforesaid ratios have not been presented as the Company has not commenced commercial operations and does not have any operating revenue during the current and previous year.

25 Additional regulatory information not disclosed elsewhere in the financial statements

(i) As per section 248 of the Companies Act, 2013, There are no outstanding balances with struck-off companies as at 31 March 2026.

(ii) The Company has not traded / invested in Crypto currency or virtual currency.

(iii) 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

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

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

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

(vi) The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, except as disclosed in the financial

(vii) The Company is not a declared wilful defaulter by any bank or financial institution or other lender.

26 The Company has not prepared separate Consolidated Financial Statements (CFS) as it is a wholly owned subsidiary of Dynamatic Technologies Limited, and the holding company prepares consolidated financial statements in accordance with Section 129(3) of the Companies Act, 2013 read with Rule 6 of the Companies (Accounts) Rules, 2014, which provides an exemption to wholly owned subsidiaries from preparing separate consolidated financial statements.

27 The Company does not have any trade receivables/trade payables as at the reporting date; accordingly ageing disclosures are not applicable.

28 The financial statements were approved for issue by the Board of Directors on 18 May 2026.

for and on behalf of Board of Directors of
JKM Erla Automotive Limited

Sd/-

Chalapathi P
Director
DIN No: 08087615