POLYMATECH ELECTRONICS LIMITED

Annual Report 2024-25



The Semiconductor People

Board's Report

Dear Members,

Your directors are pleased to present the Company's **Eighteenth** Annual Report and Standalone and Consolidated audited financial statements for the year ended March 31, 2025

1. FINANCIAL RESULTS:

The highlights of the financial results for the financial year ended 31.03.2025 as compared with the previous year, are as follows:

Particulars	Financial year ended 31.03.2025 (Amount in Rs. lakh.)		Financial year ended 31.03.2024 (Amount in Rs. lakh.) Standalone
	Consolidated	Standalone	
Revenue from operations	1902,89.71	716,57.55	1220,67.10
Other Income	9,23.42	6,88.00	16,95.75
Total Income	1912,13.13	723,45.55	1237,62.85
Less: Total Expenses	1467,59.39	586,68.86	967,66.01
Profit/(Loss) before tax	444,53.75	136,76.70	269,96.84
Tax Expenses (1) Current tax	69,59.04	41,36.00	0
(2) Deferred tax	(6.45)	(6.45)	29,87.63
Profit/ (Loss) for the period from continuing operations	375,01.16	95,47.15	240,09.21

2. OVERVIEW OF PERFORMANCE

During FY2024-25, the revenue from operations of the Company was at 1902,89.71lakhs (consolidated) as against 1220,67.10 lakhs in the previous year. The Profit Before Tax was 444,53.75lakhs (consolidated) as against the previous year Profit Before Tax was 269,96.84 lakhs. The Earnings is Rs.9.07 per equity share (consolidated) as against the previous year which was Rs. 31.41 per equity share.

Your company expects to further improve its performance during the current financial year with the expansion of business activities.

3. SHARE CAPITAL

During the year under review, the Members of the Company, at the Seventeenth Annual General Meeting held on 30th November, 2024, approved by way of an Ordinary Resolution, the sub-division of the equity shares of the Company. Accordingly, each fully paid-up equity share having a face value of ₹10/- (Rupees Ten only) was sub-divided into 5 (Five) equity shares having a face value of ₹2/- (Rupees Two only) each. Post sub-division, the paid-up share capital of the Company remains unchanged, and all the equity shares rank pari passu in all respects.

4. DIVIDEND:

Your directors did not recommend any dividend for the financial year ended 31.03.2025.

5. DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATES:

As on March 31, 2025, the Company has the following Subsidiary, Step-down Subsidiaries and Associates :

a. ARTIFICIAL ELECTRONICS INTELLIGENT MATERIALS PTE. LTD., SINGAPORE- Subsidiary
b. NISENE TECHNOLOGY GROUP INC., USA- Step-down Subsidary
c. ATRI COMPANY W.L.L, BAHRAIN - Step-down Subsidary
d. ARTIFICIAL ELECTRONICS INTELLIGENT MATERIAL LIMITED, CHENNAI - Associate

The financial statements of the said subsidiary and step-down subsidiary have been consolidated with the financial statements of the Company in accordance with the applicable provisions of the Companies Act, 2013 and the relevant Accounting Standards. The performance and financial position of these entities are also covered in the Consolidated Financial Statements forming part of this Annual Report. Further Statement containing salient features of the financial statement of subsidiaries / associate companies forms part of this report as Annexure '1'

6. RE-APPOINTMENT OF DIRECTORS RETIRING BY ROTATION:

In terms of Section 152 of the Companies Act, 2013, Mr. Vishaal Nandam (DIN: 07318680), Director), is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

7. NUMBER OF BOARD MEETINGS HELD

The Directors of the Company meet at regular intervals at least once in a quarter with the gap between two meetings not exceeding 120 days to take a view of the Companies

policies and strategies apart from the Board Matters. During the year under review, the Board of Directors met 7 (Seven) times.

8. DETAILS OF PRESENT BOARD OF DIRECTORS INCLUDING KEY MANAGERIAL PERSONNEL:

The Details of present Board of Directors including Key Managerial Personnel are as follows:

SI No.	Particulars (Name of Directors/KMP)	Designation	Date of Appointment
1.	Eswara Rao Nandam	Managing Director	10/04/2023
2.	Uma Nandam	Director	14/08/2018
3.	Rapala Virtanen Tarja Hannele	Director (Independent)	21/06/2023
4.	Vishaal Nandam	Director	16/09/2023
5	Krishnaswamy Mohanasundaram	Additional Director	06/09/2025
6.	Badri Prasad Mahapatro	Company Secretary	01/02/2023

Note:

a. Ms. Selvamani Shri Janani resigned from her directorship w.e.f 15th July 2025
b. Mr. Ryan Alexander Young resigned from his directorship w.e.f 03rd November 2025

9. COMMITTEES OF THE BOARD

a. Audit Committee Meeting:

Our Audit committee comprises of Two Independent Director & one Executive Director :

- Ms. Ryan Alexander Young, Independent Director
- Ms. Rapala Virtanen Tarja Hannele, independent director
- Mr. Eswara Rao Nandam, Managing Director (Executive)

The Company Secretary acts as the secretary to the committee. During the financial year that ended on 31st March 2025, 3 (Three) meetings of the members of the Audit committee were held and all the recommendations made by the Audit Committee were accepted by the Board.

b. Nomination And Remuneration Committee Meeting:

Our Nomination and remuneration Committee comprises of two Independent Directors and one non-executive director :

- Ms. Rapala Virtanen Taraja Hannele, Independent Director
- Ms. Selvamani Shri Janani, non-executive Director
- Mr. Ryan Alexander Young, Independent Director

The Company Secretary acts as the secretary to the committee. During the financial year that ended on 31st March 2025, 1 (One) meeting of the members of the Nomination and remuneration committee was held and all the recommendations made by the Nomination and remuneration Committee were accepted by the Board.

c. Stakeholder Relationship Committee Meeting:

Our Stakeholder and Relationship committee comprises of two independent director and one Executive Director:

- Ms. Rapala Virtanen Taraja Hannele, Independent Director
- Mr. Ryan Alexander Young, Independent Director
- Mr. Eswara Rao Nandam, Managing Director (Executive)

The Company Secretary acts as the secretary to the committee. During the financial year that ended on 31st March 2025, 1 (One) meeting of the members of Stakeholder Relationship committee was held and all the recommendations made by the Stakeholder Relationship Committee were accepted by the Board.

d. CSR Committee Meeting:

During the year under review, the CSR Committee has two Executive Directors and one Independent Director:

- Mrs. Uma Nandam, Director
- Mr. Eswara Rao Nandam, Managing Director (Executive)
- Ms. Rapala Virtanen Tarja Hannele, Independent Director

The Company Secretary acts as the secretary to the CSR Committee. During the financial year that ended on 31st March 2025, 2 (Two) meetings of the members of the CSR committee were held and all the recommendations made by the CSR Committee were accepted by the Board.

e. Risk Management Committee:

During the year under review, the Risk Management Committee has Two Executive Director and One Independent Director

- Mr. Eswara Rao Nandam, Executive Director
- Mrs. Uma Nandam, Director
- Ms. Rapala Virtanen Tarja Hannele, Independent Director

The Company Secretary acts as the secretary to the committee. During the financial year that ended on 31st March 2025, 1 (One) meeting of the members of the Risk Management Committee was held all the recommendations made by the Risk Management Committee were accepted by the Board.

10. PARTICULARS OF EMPLOYEES:

Being an unlisted company disclosure under section 134(3)(q) of the Companies Act, 2013 read with Rule 5(2) & (3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules 2014 is not required to be made.

11. RELATED PARTY TRANSACTIONS:

None of the transactions with any of related parties were in conflict the Company's interest During the year under review, the contracts or arrangements with related parties referred to in section 188 of Companies Act, 2013 have been on arm's length and in ordinary course of business.

There have been no materially significant related party transactions between the Company and the Directors, the management, the subsidiaries or the relatives except for those disclosed in the financial statements, if any.

Accordingly, particulars of contracts or arrangements with related parties referred to in Section 188(1) along with the justification for entering into such contract or arrangement in Form AOC-2 forms part of this report as Annexure '2'.

12. PARTICULARS OF LOAN AND GUARANTEES UNDER SECTION 186:

During the year under review, the Company has not advanced any loans and given guarantees under section 186 of the Companies Act, 2013.

13. LOAN FROM DIRECTOR:

The company has availed unsecured loan from the director cum promoter and suitable disclosures as required are forming the part of the notes to financial statement.

14. DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to the requirement under section 134(3)(C) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, your directors state that:

(i) in the preparation of the annual accounts for the financial year ended 31st March 2025, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(ii) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as of March 31st , 2025 and of the profit and loss of the company for that period;

(iii) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(iv) the directors had prepared the annual accounts on a going concern basis;

(v) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

15. STATEMENT ON ANNUAL EVALUATION MADE BY THE BOARD OF DIRECTORS:

The Board evaluated the effectiveness of its functioning, that of individual Directors, pursuant to the provisions of the Act. The Board sought the feedback of Directors on various parameters including:

- Degree of fulfillment of key responsibilities towards stakeholders (by way of monitoring corporate governance practices, participation in the long-term strategic planning, etc.);
- Structure, composition, and role clarity of the Board;
- Extent of co-ordination and cohesiveness between the Board and directors;
- Effectiveness of the deliberations and process management;
- Board culture and dynamics; and
- Quality of relationship between Board Members and the Management.

The evaluation process endorsed the Board Members' confidence in the ethical standards of the Company, the resilience of the Board and the Management in navigating the Company during challenging times, cohesiveness amongst the Board Members, constructive relationship between the Board and the Management, and the openness of the Management in sharing strategic information to enable Board Members to discharge their responsibilities and fiduciary duties.

The Board carried out an annual performance evaluation of its own performance and that of its individual directors as per the formal mechanism for such evaluation adopted by the Board. The exercise of performance evaluation was carried out through a structured evaluation process covering various aspects of the Board functioning such as composition of the Board, experience & competencies, performance of specific duties & obligations, contribution at the meetings and otherwise, independent judgment, governance issues etc.

Pursuant to the provisions of the Companies Act, 2013 the Board has carried out the annual performance evaluation of the Directors individually as well as evaluation of the working of the Board by way of individual feedback from directors.

The evaluation frameworks were the following key areas:

a) For non-executive:
- ❖ Knowledge
- ❖ Professional Conduct
- ❖ Role and functions

b) For Executive Directors:
- ❖ Performance as leader
- ❖ Evaluating Business Opportunity and analysis of Risk Reward Scenarios
- ❖ Key set investment goal
- ❖ Professional conduct and integrity
- ❖ Sharing of information with Board.
- ❖ Adherence applicable government law

The Directors expressed their satisfaction with the evaluation process.

16. VIGIL MECHANISM:

The company is in compliance with the provisions of Section 177 of Companies Act, 2013 and has adopted a Whistle Blower Policy a formal mechanism to the Directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy.

17. HUMAN RESOURCE MANAGEMENT:

Your company is continuously striving to create a conducive work environment for your employees who are the core asset of the organization that encourages innovation and superior performance. Your Company has also set up a scalable recruitment and Human Resources management process, which enables your Company to attract and retain high caliber employees.

18. BUSINESS CONDUCT POLICY

The Company has framed "Business Conduct Policy". Every employee is required to review and sign the policy at the time of joining and an undertaking shall be given for adherence to the Policy. The objective of the Policy is to conduct the business in an honest, transparent and ethical manner. The policy provides for anti-bribery and avoidance of other corruption practices by the employees of the Company.

19. COMPLIANCE WITH SECRETARIAL STANDARDS:

The Directors state that applicable Secretarial Standards- i.e., SS-1 and SS-2, issued by the Institute of Company Secretaries of India, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

20. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has in place adequate internal financial controls with reference to financial statements across the organization. The same is subject to review periodically by the internal audit cell for its effectiveness. During the financial year, such controls were tested and no reportable material weaknesses in the design or operations were observed. The Statutory Auditors of the Company also test the effectiveness of Internal Financial Controls in accordance with the requisite standards prescribed by ICAI. Their expressed opinion forms part of the Independent Auditor's report.

Internal Financial Controls are an integrated part of the risk management process, addressing financial and financial reporting risks. The internal financial controls have been documented, digitized and embedded in the business processes.

Assurance on the effectiveness of internal financial controls is obtained through management reviews, control self-assessment, continuous monitoring by functional experts. We believe that these systems provide reasonable assurance that our internal financial controls are designed effectively and are operating as intended.

During the year, no reportable material weakness was observed.

21. DEPOSITS:

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014 during the year under review. Hence, the details relating to deposits as also requirement for furnishing of details of deposits which are not in compliance with Chapter V of the Act is not applicable.

22. MATERIAL CHANGES AND COMMITMENTS:

There have been no material changes or commitments affecting the financial position of the Company during the financial year to which the financial statements relate and the date of the report.

23. DECLARATION BY INDEPENDENT DIRECTOR:

The company has received the necessary declaration from each independent director under Section 149(&) of the Companies Act, 2013 that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013.

24. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company has undertaken energy conservation and efficiency measures in various areas of the Company and the Company continues its efforts towards adoption and implementation of new technologies by identifying alternate fuels, utilizing waste material, adopting newer technologies, improving product quality with improved process and optimizing available resources. Details of Conservation of energy, Technology absorption, foreign exchange earnings and outgo are furnished in Annexure '3'

25. CORPORATE SOCIAL RESPONSIBILITY:

As a responsible corporate citizen, the Company has been undertaking and participating in the socially important projects in the fields of health, education, livelihood enhancement, environment conservation, rural development, eradicating hunger, renewable energy etc. ever since it commenced operations . The Company has also framed a CSR Policy in accordance with the provisions of the Companies Act, 2013 and rules made thereunder. The CSR Policy of the Company, the Projects approved by the Board, the composition of the Corporate Social Responsibility and other relevant details are disclosed on the website of the Company. The annual report on the CSR activities

undertaken by the Company during the financial year under review, in the prescribed format, is annexed to this Report as Annexure '4'.

26. EXTRACT OF ANNUAL RETURN

As per the provisions of Section 92(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014 as amended from time to time, the Annual Return of the Company has been placed on the website of the Company and can be accessed www.polymatech.sg.

27. AUDITORS

Pursuant to the provisions of Section 139 of Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as amended, JDS Associates, Chartered Accountants (FRN:008735S), Coimbatore were appointed as Statutory Auditors of the company in the Seventeenth AGM held on 30th November 2024, for a period of five years from the conclusion of Seventeenth Annual General Meeting until the conclusion of Twenty Second Annual General Meeting to be held in year 2029 at a remuneration decided board of directors.

28. STATUTORY AUDITORS REPORT:

The Auditor's Report does not contain any qualification, reservation, adverse remark or disclaimer.

29. COST AUDITORS:

As the company is operating from a Special Economic Zone, the requirement for appointment of Cost Auditor is exempted as specified under Rule 4 of the Companies (Cost Records and Audit) Rules, 2014.

30. SECRETARIAL AUDITOR:

Pursuant to the provisions of Section 204 of the Act and the rules made there under, the company has appointed M/s.VJN and ASSOCIATES, Practicing Company Secretaries Chennai appointed as Secretarial Auditor of the Company for FY 2024-25. The Secretarial Audit Report issued in this regard is enclosed as Annexure'5'.

31. DETAILS OF FRAUDS REPORTED BY AUDITORS:

There were no frauds reported by the Statutory Auditor under Section 143(12) of the Companies Act, 2013 read with Companies Amendment Act, 2015.

32. INTERNAL COMPLAINTS COMMITTEE:

There exist at the company level an Internal Complaint Committee ('ICC') constituted under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The group is strongly opposed to sexual harassment and employees are made aware about the consequences of such acts and about the constitution of ICC. During the year under review, no complaints were filed with the Committee under the provisions of the said Act in relation to the workplace/s of the Company.

33. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:

There are no significant material orders passed by the Regulators or Courts or Tribunal, which would impact the going concern status of the Company and its future operation.

34. ACKNOWLEDGEMENT:

Your directors wish to acknowledge their sincere thanks to the Banks, Government Agencies, Shareholders and all stakeholders for their support and co-operation extended to the Company. Your directors also wish to place on record their appreciation of the efforts put in by all the employees of the company at all levels.

Place: Greater Chennai
Date:06th November 2025

By order of the Board
For Polymatech Electronics Limited

Sd/-	Sd/-
Eswara Rao Nandam	Uma Nandam
Managing Director	Director
DIN: 02220039	DIN: 02220048

Annexure 1

AOC-1

Statement containing salient features of the financial statement of subsidiaries / associate companies

(Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part A - Subsidiaries

Rs. In Lakhs

Sl.No	Particulars	Artificial Electronics Intelligent Materials PTE. LTD	Nisene Technology Group, INC (Step Down Subsidiary)	Atri Company W.L.L (Step Down Subsidiary)
1	Date on which subsidiary was acquired	11th June 2024	26th July 2024	17th Jan 2025
2	Reporting period	31st March 2025	31st March 2025	31st March 2025
3	Reporting currency	USD	USD	BHD
4	Share Capital	1204.50	849.45	161.97
5	Reserves & Surplus	384.30	7,138.20	20,210.94
6	Total assets	2617.43	14,868.16	1,31,451.57
7	Total liabilities	1028.63	6,880.51	1,11,078.66
8	Investments	1346.92	-	-
9	Turnover	508.20	14,515.65	1,04,320.39
10	Profit before taxation	458.25	9,809.82	20,238.28
11	Provision for taxation	77.90	2745.14	-
12	Profit after taxation	380.35	7,064.68	20,238.28
13	Proposed Dividend	-	-	-
14	Extent of shareholding [In %] as at March 31,2025	100%	100%	92.97%

Part B - Associates

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies

Rs. In Lakhs

Sl.No	Particulars	Artificial Electronics Intelligent Materials LTD
1	Latest audited Balance Sheet Date	31st March 2025
2	Date on which the Associate was acquired	19th Oct 2024
3	Shares of Associate held by the company on the year end	
i)	No. of shares	34,45,000
ii)	Amount of investment	620.10
iii)	Extent of holding %	20.31%
4	Description of how there is significant influence	Shareholding more than 20%
5	Reason why the associate/ joint venture is not consolidated	NA
6	Net worth attributable to Shareholding as per latest audited Balance Sheet	641.48
7	Profit / (Loss) for the year:	
i)	Considered in consolidation	57.48 (20.31% of 283.01)
ii)	Not considered in consolidation	NA

Place: Greater Chennai
Date:06th November 2025

By order of the Board
For Polymatech Electronics Limited

Sd/-
Eswara Rao Nandam
Managing Director
DIN: 02220039

Sd/-
Uma Nandam
Director
DIN: 02220048

Annexure 2

Form No. AOC-2

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

Form for disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis: Not Applicable

2. Details of material contracts or arrangement or transactions at arm's length basis:

   All Contracts / arrangements / transactions entered into by the Company during the year with related parties were in the ordinary course of business and are on the arm's length basis.

   Your directors draw attention of the members to note no. 41 to the consolidated financial statements which sets out the Related Party disclosures

Name(s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of the Contracts / arrangements / transaction	Salient terms of the contracts or arrangements or transactions including the value if any	Date(s) of approval by the Board, if any	Amount paid as advances if any
Not Applicable					

Place: Greater Chennai
Date:06th November 2025

By order of the Board
For Polymatech Electronics Limited

Sd/-
Eswara Rao Nandam
Managing Director
DIN: 02220039

Sd/-
Uma Nandam
Director
DIN: 02220048

Annexure 3

Details of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are as under:

a) **Conservation of Energy:**

Introduction

At Polymatech Electronics Limited, sustainability is at the core of our operations. As a leading manufacturer of precision electronic components, we recognize that energy conservation is not just an environmental imperative but a strategic driver for cost efficiency, regulatory compliance, and long-term resilience. In FY 2024-25, we intensified our efforts under the Energy Conservation Act, 2001, and aligned with India's National Action Plan on Climate Change. Our comprehensive strategy focuses on technological upgrades, process optimizations, and behavioural changes, resulting in a 15% reduction in overall energy consumption compared to the previous year. This section highlights key initiatives in lighting, clean room operations, air conditioning (HVAC systems), water treatment, and beyond, demonstrating our commitment to a greener future.

Lighting Upgrades: Transition to LED Technology

One of our flagship initiatives has been the systematic replacement of conventional lighting with energy-efficient LEDs across all facilities. In FY 2024-25, we completed Phase II of our LED retrofit program, covering 85% of our production floors, warehouses, and administrative areas—a total of 12,500 fixtures upgraded from T8 fluorescent tubes and halogen lamps.

The impact has been transformative:

- **Energy Savings**: LEDs consume up to 75% less electricity than traditional bulbs, translating to an annual saving of 2.45 million kWh—equivalent to powering 500 average households for a year.
- **Cost Reduction**: This initiative yielded ₹1.2 crore in electricity bill savings, with a payback period of just 18 months.
- **Environmental Benefits**: Reduced CO_2 emissions by 1,800 metric tons, supporting our net-zero roadmap by 2035.

We partnered with certified vendors to ensure high-lumen, IoT-enabled LEDs that integrate with our smart building management system (BMS). Motion sensors and

daylight harvesting further optimize usage, dimming lights by 30-50% during low-occupancy periods. Employee training sessions emphasized responsible usage, fostering a culture of conservation. Looking ahead, Phase III will target outdoor and emergency lighting by Q2 FY 2025-26.

Clean Room Optimization: Precision in Energy Use

Our clean rooms, critical for semiconductor and microelectronics assembly, account for 40% of facility energy use due to stringent ISO 14644 standards. To address this, we implemented advanced airflow and filtration technologies without compromising air quality.

Key measures include:

- **HEPA Filter Upgrades**: Switched to variable-speed fans in 15 clean rooms, reducing fan energy by 25% through demand-based operation. This saved 1.2 million kWh annually.
- **Heat Recovery Systems**: Installed energy recovery ventilators (ERVs) that recapture 60% of exhaust heat, pre-heating incoming air and cutting HVAC loads by 18%.
- **Monitoring and Controls**: Deployed real-time sensors linked to our BMS, automating shutdowns during non-production hours and preventing over-ventilation.

These enhancements not only lowered energy intensity from 45 kWh/m^2 to 38 kWh/m^2 but also extended filter life by 20%, reducing maintenance costs. In collaboration with IIT Madras, we piloted AI-driven predictive maintenance, which anticipates filter clogs and optimizes runtime, projecting an additional 10% savings in FY 2025-26.

Air Conditioning Efficiency: Cooling with Intelligence

Air conditioning systems in our tropical climate represent a significant energy draw, comprising 30% of total consumption. Our response was a holistic HVAC overhaul, emphasizing high-efficiency chillers and smart controls.

Highlights from FY 2024-25:

- **Chiller Replacement**: Upgraded to variable refrigerant flow (VRF) systems with inverter technology in three major plants, achieving a coefficient of performance (COP) of 4.5—up from 2.8 in legacy units. This resulted in 1.8 million kWh savings and ₹85 lakh in costs.

- **Setpoint Optimization**: Raised thermostat setpoints by 1-2°C during off-peak hours, guided by occupancy data, without affecting worker comfort. Thermal imaging audits identified and sealed 500+ leak points, boosting efficiency by 12%.
- **Renewable Integration**: Piloted solar-assisted cooling in our Hyderabad facility, where photovoltaic panels power 20% of AC loads during peak sunlight hours.

These steps align with BEE's star-rating standards, earning us a 4-star certification for two sites. Future expansions include geothermal heat pumps, targeting a 20% further reduction in cooling energy by 2027.

Water Treatment: Energy-Efficient Resource Management

While water conservation is vital, our treatment processes—reverse osmosis (RO), UV disinfection, and effluent recycling—consume substantial energy via pumps and membranes. We adopted low-pressure, energy-optimized solutions to minimize this footprint.

Notable actions:

- **High-Efficiency Pumps**: Installed variable frequency drive (VFD) pumps across RO plants, slashing energy use by 35% (0.8 million kWh saved). This supports our zero-liquid discharge goal, recycling 70% of process water.
- **Membrane Advancements**: Transitioned to low-energy thin-film composite membranes, reducing pressure requirements from 15 bar to 10 bar, with annual savings of ₹45 lakh.
- **Smart Monitoring**: IoT sensors track water quality and flow, automating treatment cycles to avoid unnecessary operations.

Collectively, these yielded a 22% drop in specific energy consumption for water (from 0.5 kWh/m^3 to 0.39 kWh/m^3), while enhancing reliability. We also rainwater-harvested 15 lakh liters, offsetting pumping needs.

Broader Initiatives and Future Outlook

Beyond these core areas, Polymatech championed cross-functional efforts:

- **Renewable Energy Adoption**: Commissioned a 2 MW rooftop solar array, generating 28% of daytime power and earning 1.5 million RECs under the green energy market.
- **Employee Engagement**: Conducted 12 awareness workshops for 1,200 staff, introducing an "Energy Champion" program that identified 50+ micro-savings ideas.

- **Supply Chain Collaboration**: Audited key vendors for energy practices, incorporating clauses in 60% of contracts.

Our FY 2024-25 energy audit, certified by a Bureau of Energy Efficiency (BEE)-accredited agency, confirmed a total savings of 6.25 million kWh and ₹3.1 crore—exceeding our 12% target. Moving forward, we aim for ISO 50001 certification by mid-2026 and explore hydrogen fuel cells for backup power.

b) Technology Absorption:

Efforts made towards technology absorption

During **FY 2024–25**, the Company continued to focus on innovation and advanced manufacturing excellence to strengthen its position in the semiconductor and electronic component sector. Key initiatives undertaken include:

- **Advanced Manufacturing Systems:**
  Adoption of precision automation and robotics for wafer-level packaging and microelectronics assembly, resulting in improved accuracy, yield, and process efficiency.
- **AI and IoT Integration:**
  Implementation of **AI-driven predictive maintenance** and **IoT-based energy management** systems for clean room and HVAC operations, optimizing performance and minimizing downtime.
- **Material Innovation:**
  Development of **high thermal-conductivity ceramic substrates** and **AI-compatible sensor modules**, enhancing product performance for next-generation electronic applications.
- **Collaborative R&D:**
  Ongoing collaboration with **IIT Madras** and other research institutions for process optimization, material research, and sustainable manufacturing techniques.
- **Digital Twin Technology:**
  Deployment of digital simulation models for real-time monitoring of production processes, enabling faster troubleshooting and reduced defect rates.

Benefits derived as a result of the above efforts

- Enhanced production yield and consistency in semiconductor manufacturing.
- Reduction of equipment downtime by 20% through predictive analytics.

- Energy efficiency improvement of 15% through smart automation.
- Accelerated product development cycles for advanced electronic modules.
- Improved environmental sustainability through optimized material and resource use.

Future Outlook

Polymatech aims to expand its R&D capabilities toward advanced material science, miniaturization technologies, and sustainable electronic manufacturing. The Company is also exploring AI-integrated design platforms and hydrogen-based process innovation to support long-term energy and operational efficiency goals.

c) Foreign Exchange Earnings/ Outgo:

Earnings	INR 711,52,28,261.00
Outgo	INR 720,30,13,747.79

Place: Greater Chennai

Date:06th November 2025

By order of the Board

For Polymatech Electronics Limited

Sd/-	Sd/-
Eswara Rao Nandam	Uma Nandam
Managing Director	Director
DIN: 02220039	DIN: 02220048

Annexure 4

1. **Brief outline of the Company's Policy:**

The Company has been one of the foremost proponents of inclusive growth and since inception, has been continuing to undertake projects for overall development and welfare of the society in areas pertaining to promoting preventive healthcare, education, livelihood intervention, rural development, environmental sustainability, eradicating hunger, animal welfare and conservation of natural resources, etc. The Company aspires to continue to be a leading Company in the Indian semiconductors industry while maintaining a clear focus for inclusive growth to realize a truly empowered society. The Corporate Social Responsibility Policy (The Policy or the CSR Policy) has been framed in accordance with Section 135 of the Companies Act, 2013 (the Act) and the Companies (Corporate Social Responsibility Policy) Rules, 2014 (the Rules) as amended from time to time. The Policy shall apply to all CSR projects and activities to be undertaken by the Company. The Policy contains the approach and direction given by the Board of Directors, taking into account the recommendations of the CSR Committee. This CSR Policy also lays down the guiding principles for selection, implementation and monitoring of activities as well as formulation of the Annual Action Plan to carry out CSR Projects by the Company.

2. **Composition of CSR Committee:**

Sl No.	Name of Director	Designation/Nature of Directorship	Number of CSR Meeting held during the year	Number of CSR Meeting attended during the year
1	Uma Nandam	Chairperson/Director	2	2
2	Eswara Rao Nandam	Member/Managing Director	2	2
3	Rapala Virtanen Tarja Hannele	Member/Independent Director	2	2

3. **Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social**

Responsibility Policy) Rules, 2014, if applicable (attach the report): Not Applicable, the impact assessment of CSR project will only arise when the company's average CSR obligation exceeds ten crores in the three immediate preceding financial years.

4. **Details of the amount available for set off in pursuance of sub rule (3) of rule 7 of the Companies Corporate Social Responsibility Policy Rules, 2014 and amount required for set off for the financial year, if any:**

S.NO.	Financial Year	Amount available for set-off (in Rs.)	Amount set-off in the financial year, If any(in Rs.)	Balance Amount (in Rs.)
1	FY-1 (31-03-2023)	NIL	NIL	NIL
2	FY-1 (31-03-2022)	NIL	NIL	NIL
3	FY-1 (31-03-2021)	NIL	NIL	NIL

5. **Average Net profit of the company for last three financial years-** Rs. 147,22,33,333.33

6. **(a) Two percent of average net profit of the company as per section 135(5):** Rs.2,94,44,666.67

   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

   (c) Amount required to be set off for the financial year, if any: Nil

   (d) Total CSR obligation for the financial year (6a+6b-6c): Rs.2,94,44,666.67

7. **(a) Amount spent against ongoing projects for the financial year:** Nil

   (b) Details of CSR amount spent against other than ongoing projects for the financial year: Rs.3,02,78,174

   (c) Amount spent in Administrative Overheads: Nil

   (d) Amount spent on Impact Assessment, if applicable: Nil

   (e) Total amount spent for the Financial Year (7b+7c+7d+7e): Rs.3,02,78,174

   (f) Excess amount for set off, if any: Nil

8. **(a) Details of Unspent CSR amount for the preceding three financial years:**

Sl. No	Preceding Financial Year	Amount Unspent	Amount Transferred To Unspent CSR Account Under Section 135 (b)(in Rs.)	Amount Spend in The reporting financial Year (in Rs.).	Amount Transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years.(In Rs.)
					Name of the fund	Amount (in Rs.).	Date of Transfer	
	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

9. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details). Nil

(a) Date of creation or acquisition of the capital asset(s): Nil

(b) Amount of CSR spent for creation or acquisition of capital asset: Nil

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc: Nil

(d) **Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset):** Nil

10. **Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):** Not Applicable

Place: Greater Chennai
Date:06th November 2025

By order of the Board
For Polymatech Electronics Limited

Sd/-
Eswara Rao Nandam
Managing Director
DIN: 02220039

Sd/-
Uma Nandam
Director
DIN: 02220048

Annexure 5

Form No. MR-3

Secretarial Audit Report

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

THE MEMBERS,

POLYMATECH ELECTRONICS LIMITED

CIN:U32107TN2007PLC063706

Plot OZ-13, SIPCOT Hi-Tech SEZ, Oragadam,

Kancheepuram: 602105, Tamil Nadu, India.

Our Secretarial Audit Report (Form No. MR-3) of even date, for the financial year ended 31-03-2025 is to be read along with this letter.

Management Responsibility:

1. It is responsibility of the management of the Company to maintain Secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility:

2. Our responsibility is to express an opinion on these Secretarial records, standards and procedures followed by the Company with respect to Secretarial compliances.

3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

4. Wherever required, I have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis.

P.T.O

Disclaimer:

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

7. We have not verified the correctness and appropriateness of financial records and books of account of the company.

CS. NARESH G.
Practicing Company Secretary
M.No. F-10180 || CP No. 13129
Partner, VJN & Associates
ICSI Unique Code: P2023TN095700
Peer Review Certificate No. 7318/2025
UDIN-ICSI: F010180G001770840

Place: Chennai

Date : 06.11.2025

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

TO,
THE MEMBERS,
POLYMATECH ELECTRONICS LIMITED
CIN:U32107TN2007PLC063706
Plot OZ-13, SIPCOT Hi-Tech SEZ, Oragadam,
Kancheepuram: 602105, Tamil Nadu, India.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **POLYMATECH ELECTRONICS LIMITED (hereinafter called the Company)**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of **POLYMATECH ELECTRONICS LIMITED** books, papers, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended **31st March 2025,** has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, forms and returns filed and other records maintained by **POLYMATECH ELECTRONICS LIMITED** ("the Company") for the financial year ended on **31st March 2025** according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under; -**(NOT APPLICABLE)**

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;- [Applicable only to the extent of Foreign Direct Investment and Overseas Direct Investment]

(v) Secretarial standards (SS-1, SS-2) issued by the Institute of Company Secretaries of India;

(vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;- **(NOT APPLICABLE)**

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; - **(NOT APPLICABLE)**

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(NOT APPLICABLE)**

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(NOT APPLICABLE)**

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;(NOT APPLICABLE)

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(NOT APPLICABLE)**

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(NOT APPLICABLE)**

(vi) The Management has identified and confirmed the following laws are specifically applicable to the Company and Company has complied with following laws wherever applicable;

1. Factories Act,1948;
2. Electronics and Information Technology Goods (Requirement for Compulsory Registration) Order, 2012
3. Legal Metrology (Packaged Commodities) (Second Amendment) Rules, 2022
4. Acts prescribed under prevention and control of pollution;
5. Acts prescribed under Environmental protection.
6. Payment of Wages Act,
7. The Minimum Wages Act,
8. Payment of Bonus Act,
9. Equal Remuneration Act,
10. Employees Provident Funds & Misc. Provisions Act,
11. The Employees' State Insurance Act,
12. Workmen Compensation Act,
13. Maternity Benefit Act,
14. Gratuity Act,
15. Professional Tax Act 1975,
16. The National and Festivals Holidays Act,
17. Standards of Weights & Measures,
18. Environment (Protection) Act,
19. Micro, Small and Medium Enterprises Development Act, 2006
20. The Legal Metrology (Packaged Commodities) Rules, 2011
21. The Bureau of Indian Standards Act, 2016

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India:- Complied with

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that ;-

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of Board that took place during the year under review were carried out in compliance of the provisions of Act.

- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

- All the decisions at Board Meetings and Committee Meetings are passed with requisite approvals and requisite majority, as recorded in the minutes.

We further report that, based on our review of the compliance mechanisms established by the Company and on the basis of the representations and explanations made by the Management, as taken on record by the Board of Directors at their meeting(s), we are of the opinion that the Company has adequate systems and processes in place, commensurate with the size and operations of the Company, to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines.

- As informed, the Company has duly responded to notices received from various statutory and regulatory authorities and has initiated appropriate corrective measures wherever found necessary.

- The compliance by the Company with applicable financial laws, such as direct and indirect tax laws, has not been reviewed under the scope of this audit, as the same are subject to audit and verification by the Statutory Auditors and other designated professionals.

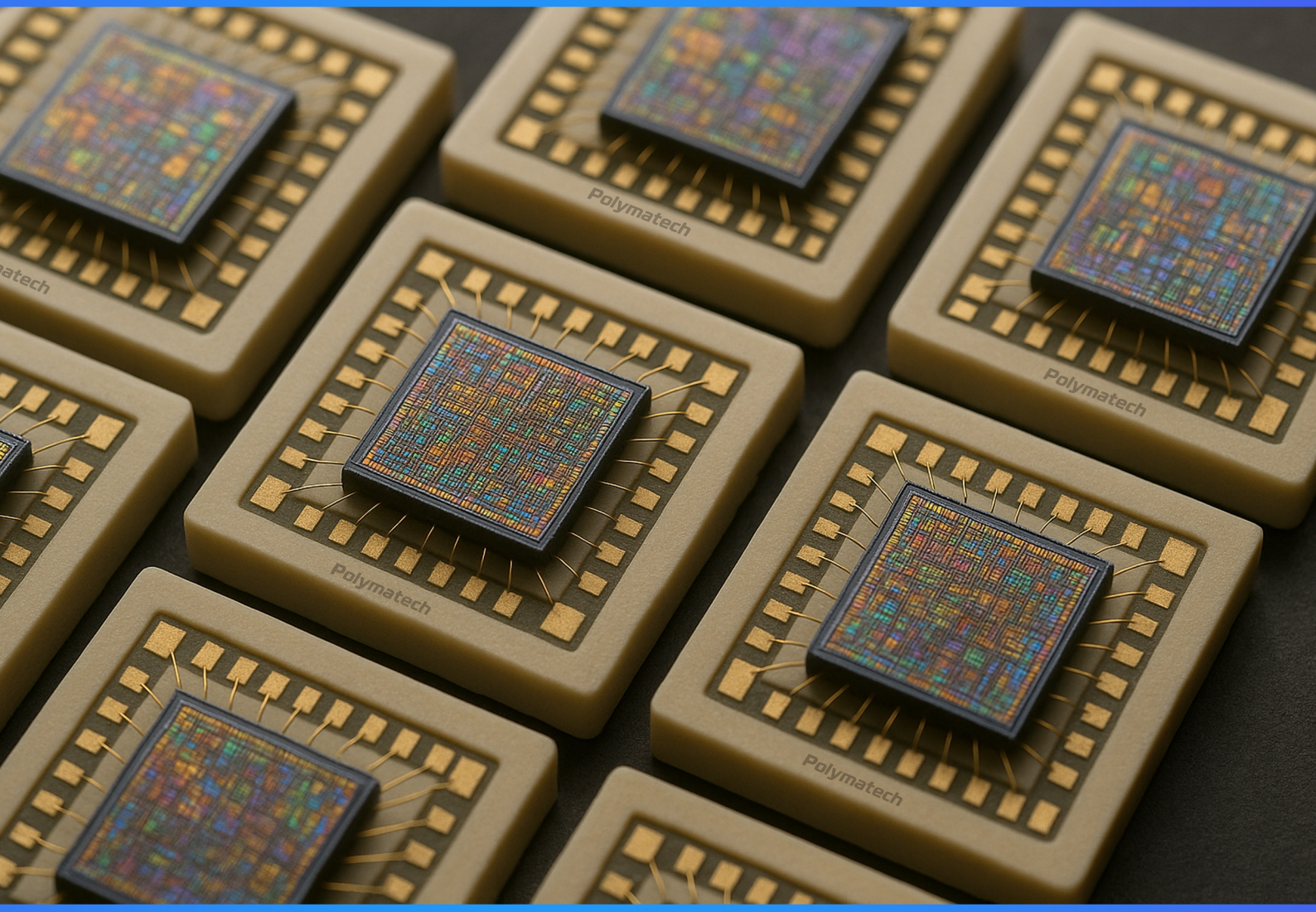
We further report that during the year under review, the Members of the Company, at the Seventeenth Annual General Meeting held on 30th November, 2024, approved by way of an Ordinary Resolution the sub-division of the equity shares of the Company. Accordingly, each fully paid-up equity share having a face value of ₹10/- (Rupees Ten only) was sub-divided into five (5) fully paid-up equity shares having a face value of ₹2/- (Rupees Two only) each. Pursuant to the sub-division, the paid-up share capital of the Company remains unchanged, and all the equity shares rank pari passu in all respects.

CS.NARESH G.
Practicing Company Secretary
M.No. F-10180 || CP No. 13129
Partner, VJN & Associates
ICSI Unique Code: P2023TN095700
Peer Review Certificate No. 7318/2025
UDIN-ICSI: F010180G001770840

Place: Chennai
Date : 06.11.2025

Financials 2024-25

Standalone



POLYMATECH ELECTRONICS LIMITED

STANDALONE INDEPENDENT AUDITOR'S REPORT

To

The Members of Polymatech Electronics Limited

Opinion

We have audited accompanying Standalone Ind AS Financial Statements of **M/s. POLYMATECH ELECTRONICS LIMITED** ("The Company") which comprise of the Balance Sheet as at 31st March, 2025, the statement of Profit & Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, including a summary of the Material Accounting policies, notes to the Standalone Financial Statements 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 Ind AS financial statements give the information required by the Companies Act, 2013 ('The Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, ("Ind AS") and Other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2025, its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the Standalone Ind AS financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independent requirement that are relevant to our audit of the Standalone Ind AS financial statements under the provisions of the Act and the rules

there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone Ind AS financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the Standalone Ind AS financial statements as a whole, and informing our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.

INFORMATION OTHER THAN THE STANDALONE IND AS FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

The Company's Board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexure to Board's Report, Business Responsibility but does not include the Standalone Ind AS Financial statements and our auditor's report thereon.

Our opinion on the Standalone Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially in consistent with the Standalone Ind AS financial statements or our information obtained during the course of our 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.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE IND AS FINANCIAL STATEMENTS:

The Company's Board of Directors are responsible for the matters specified in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting Principles generally accepted in India, including the accounting standards referred to in section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design; implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The boards of directors are also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE IND AS FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud and to issue and 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 Ind AS 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 standalone Ind AS 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.

- 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 cause significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone Ind AS financial statements or, if such disclosures

are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS 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 of India in terms of sub section (11) of section 143 of the Companies Act, 2013

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 purpose of our audit.

b. In our opinion, proper books of accounts as required by law have been kept by the company so far as it appears from our examination of those books.

c. The Balance Sheet, Statement of Profit & Loss including other comprehensive income, the statement of changes in equity, and the statement of Cash Flows dealt with by this Report are in agreement with the books of accounts.

d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Ind AS specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e. On the basis of the written representations received from the directors as on 31st March, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2025 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting; and

g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended;

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

a) The Company does not have any pending litigations which would impact its financial position;

b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

c) There is no amount required to be transferred, to the Investor Education and Protection Fund by the Company.

3. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1st April, 2023.

Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account, which has a feature of recording **Audit Trail** (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail, has been preserved
by the Company as per the statutory requirements for record retention

4. The Management has represented that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity , including foreign entity ("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 anyh manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

5. The Management has represented that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the company from any person or entity , including foreign entity ("Funding Parties") , with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly lend or invest in other persons or entities identified in any

manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

6. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (i) and (ii) of Rule 11(e), as provided above, contain any material misstatements.

7. The company has not declared any dividend for the year.

ANNEXURE "A" TO THE STANDALONE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON IND AS FINANCIAL STATEMENTS OF M/s. POLYMATECH ELECTRONICS LIMITED

(Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the Ind AS financial statements of the Company for the year ended March 31st, 2025)

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

1. (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
   (B) The Company has maintained proper records showing full particulars of intangible assets.
2. 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 a regular programme of physical verification of its Property, Plant and Equipment by which all Property, Plant and Equipment are verified once in three years. In accordance with this programme, all property, plant and equipment were verified 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.
3. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company as at the Balance sheet date.
4. According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) and rules made thereunder.

5. (a) The Company has not revalued any of its property, Plant and Equipment (including Right of Use Assets) or Intangible Assets or both during the Year.

ii. (a) The inventory, except goods-in-transit has been physically verified by the management during the year. For goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

(b) According to the information and explanations given to us, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.

iii.

a) The company has not made investments to parties during the year.
b) The company has made investments in Mutual Funds during the year.
c) During the year the company has not provided any loans or advances in the nature of loans, or stood guarantee, or provided security to any other entity.
d) In our opinion, the investments made during the year are, prima facie, not prejudicial to the Company's interest. The Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.

iv. The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186. Therefore, the reporting under clause 3(iv) of the Order are not applicable to the Company.

v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

vi. The maintenance of cost records has not been specified by the Central Government under Section 148(1) of the Companies Act, 2013 for the business

activities carried out by the company in the Special Economic Zone or whose revenue from export in foreign exchange exceeds seventy five percent of its total Revenue as per Companies (Cost Records and Audit) Rules, 2014 dated 30.06.2014.

vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues have been generally regularly deposited by the Company with the appropriate authorities.

b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of GST, Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues were in arrears as at 31 March 2025 for a period of more than six months from the date they became payable.

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, as at March 31, 2025, there are no dues of Goods and Service Tax or sales tax or service tax or duty of customs or duty of excise or value added tax which have not been deposited on account of any dispute.

viii. According to the information and explanations given to us, There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.

(c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year.

However, the Company had opening balance of Term Loan which had been repaid during the year.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures as defined under the Act.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act) and hence reporting on clause 3(ix)(f) of the Order is not applicable.

x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

b) The Company has complied with the Provisions of Section 42 and 62 of the Companies Act, 2013 and SEBI (Issue of Capital and Disclosure Requirements) Regulations 2018 in respect of shares issued under Private Placement to parties during the year. The funds raised out of private placement have been utilized for the purpose for the which the funds were raised. The Company has not issued any debentures during the year.

xi. (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.

xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

xv. In our opinion during the year 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) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) & (b) of the Order is not applicable.

(b) The Company is not a Core Investment Company (CIC) as defined in the Core Investment Companies (Reserve Bank) Directions, 2016 and accordingly reporting under clause 3(xvi)(c) & (d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been voluntary resignation of the statutory auditors of the Company during the year due to time constraint to conduct the statutory audit

and the resignation is in accordance with section 140(2) of Companies Act, 2013 and Form ADT-3 has been filed by the Outgoing Auditors.

(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other in formation 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) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.

(b) The Company does not have any ongoing projects as at the end of the previous financial year.

In Terms Of Our Report Of Even Date
For **J.D.S ASSOCIATES**
Chartered Accountants
FRN: 008735S

Place : Coimbatore
Date : 06.11.2025
UDIN: 25028346BMKQNU8220

S/d
B JAYARAM
Partner
Memb.No. 028346

ANNEXURE "B" - TO THE STANDALONE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' of the Independent Auditors' Report to the members of the Company on the Standalone Ind AS Financial Statements for the Year ended on 31st March, 2025).

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 POLYMATECH ELECTRONICS LIMITED ("the Company") as of March 31, 2025 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 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 Companies Act, 2013.

Auditor's 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 on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for my /our audit opinion on the Company's internal financial controls system over financial reporting.

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 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also,

projections of any evaluation of the internal financial controls 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 and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, 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.

In Terms Of Our Report Of Even Date

For **J.D.S ASSOCIATES**
Chartered Accountants
FRN: 008735S

Place : Coimbatore
Date : 06.11.2025
UDIN: 25028346BMKQNU8220

S/d

B. JAYARAM
Partner
Memb.No. 028346

STANDALONE POLYMATECH ELECTRONICS LIMITED
BALANCE SHEET As at March 31, 2025

[₹ In Lakhs]

S.No	Particulars	Note No	As at As at March 31, 2025	As at As at March 31, 2024
I	**ASSETS**			
1	**Non-current Assets**			
a	Property, Plant and Equipment	2	40410.74	44631.81
b	Capital Work in Progress	3	20187.56	0.00
c	Financial Assets			
	i. Investments	4	1799.31	0.00
	ii. Other Financial Assets	5	945.41	0.00
d	Other Non-Current Assets	6	412.29	0.00
	Total Non-Current Assets [1]		**63755.31**	**44631.81**
2	**Current Assets**			
a	Inventories	7	46917.71	26726.11
b	Financial Assets			
	i. Investments	8	266.91	13877.03
	ii. Trade Receivables	9	52463.54	51970.32
	iii. Cash and Cash Equivalents	10	1507.20	2202.76
	iv. Other Bank balances	11	2.50	4.50
	v. Loans	12	248.38	10937.55
	vi. Other	13	7.99	2.95
c	Other Current Assets	14	6671.03	11250.99
	Total Current Assets [2]		**108085.26**	**116972.21**
	TOTAL ASSETS [1+2]		**171840.57**	**161604.02**
II	**EQUITY AND LIABILITIES**			
1	**EQUITY**			
a	Equity Share Capital	15	7968.78	7968.78
b	Other Equity	16	80992.30	71272.83
	Total Equity [1]		**88961.08**	**79241.61**
2	**LIABILITIES**			
1	**Non-current Liabilities**			
a	**Financial Liabilities**			
	i. Borrowings	17	5337.21	2114.79
	ia. Lease Liabilities		76.21	0.00
b	Deferred Tax liabilities (net)	18	2983.65	3009.09
	Total Non-current Liabilities [2]		**8397.07**	**5123.88**
2	**Current Liabilities**			
a	**Financial Liabilities**			
	i. Borrowings	19	0.00	0.00
	ia. Lease Liabilities		8.09	0.00
	ii. Trade Payables	20		
	a. Due to Micro & Small Enterprises		0.00	0.00
	b. Due to Others		13469.56	27591.75
b	Other Current Liabilities	21	55457.51	44903.91
c	Provisions	22	3157.84	26.00
d	Current Tax Liabilities (Net)	23	2389.42	4716.89
	Total Current Liabilities [3]		**74482.42**	**77238.54**
	TOTAL EQUITY AND LIABILITIES [1+2+3]		**171840.57**	**161604.02**

Material Accounting Policies - Note : 1. The accompanying Notes are an intergral part of the Financial Statements.

Sd/-
ESWARA RAO NANDAM
Managing Director
DIN: 02220039

In terms of our report attached
For **JDS ASSOCIATES**
Chartered Accountants
FRN: 008735S

Sd/-
UMA NANDAM
Director
DIN: 02220048

Sd/-
BADRI PRASAD MAHAPATRO
Company Secretary

Sd/-
B. JAYARAM
Partner
Memb.No. 028346

Place: Greater Chennai
Date: 6th Nov 2025

UDIN: 25028346BMKQNU8220

STANDALONE POLYMATECH ELECTRONICS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED As at 31st March 2025

[₹ In Lakhs]

S.No	Particulars	Note No	For the Year Ended As at March 31, 2025	For the Year Ended As at March 31, 2024
I	**INCOME**			
a	Revenue From Operations	24	71657.55	122067.10
b	Other Income	25	688.00	1695.75
	Total Income		**72345.55**	**123762.85**
II	**EXPENSES**			
a	Cost of materials consumed	26	47452.48	78022.69
b	Changes in inventories of finished goods and work-in - progress	27	-7749.73	-7899.66
c	Employee benefit expenses	28	298.37	2704.01
d	Finance Cost	29	0.00	13.15
e	Depreciation and amortisation expense	30	5028.83	5016.62
f	Other expenses	31	13638.91	18909.20
	TOTAL EXPENSES		**58668.86**	**96766.01**
III	**PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX**		**13676.70**	**26996.84**
	Exceptional items		0.00	0.00
IV	**PROFIT BEFORE TAX**		**13676.70**	**26996.84**
	Tax Expense	32	4129.55	2987.63
V	**PROFIT AFTER TAX**		**9547.15**	**24009.21**
VI	**OTHER COMPREHENSIVE INCOME**			
	Items that will not be reclassified to profit or loss			
	a. Change in fair value of FVOCI equity instruments		238.00	147.41
	b. Income Tax expenses on above		-65.68	-21.46
	TOTAL OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX		**172.32**	**125.95**
	TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**9719.47**	**24135.16**
	EARNINGS PER SHARE	33		
	- Basic after exceptional items		2.40	6.28
	- Diluted after exceptional items		2.40	6.28

Material Accounting Policies - Note : 1. The accompanying Notes are an intergral part of the Financial Statements.

In terms of our report attached

ESWARA RAO NANDAM
Managing Director
DIN: 02220039

For **JDS ASSOCIATES**
Chartered Accountants
FRN: 008735S

Sd/-
UMA NANDAM
Director
DIN: 02220048

Sd/-
BADRI PRASAD MAHAPATRO
Company Secretary

Sd/-
B. JAYARAM
Partner
Memb.No. 028346

Place: Greater Chennai
Date: 6th Nov 2025
UDIN: 25028346BMKQNU8220

STANDALONE POLYMATECH ELECTRONICS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2025

Particulars	Year Ending 31.03.2025 Amount in Rs.(Lacs)		Year Ending 31.03.2024 Amount in Rs.(Lacs)	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net profit after tax		**9,547.15**		**24,009.21**
Adjustments for:				
Tax Expenses	4,129.55		2,987.63	
Depreciation	5,028.83		5,016.62	
Interest Income	-1.13		-3.10	
Finance Costs			13.15	
(Profit) / Loss on sale of Investments			-165.18	
Other Non Operating Income		9,157.25	-22.91	7,826.21
Operating Profit before working capital changes		**18,704.40**		**31,835.42**
Add: Adjustments for working capital changes				
(Increase)/Decrease in Inventories	-20,191.60		-23,105.62	
(Increase)/Decrease in Trade Receivables	-493.22		-38,644.64	
(Increase)/Decrease in Other Current Assets	13,430.50		-15,234.98	
Increase/(Decrease) in Trade Payables	-14,122.19		25,618.76	
Increase/(Decrease) in Short Term Provisions	3,131.84		11.00	
Increase/(Decrease) in Other Current Liabilities	7,393.01	-10,851.66	46,505.56	-4,849.92
Operating Profit after working capital changes		**7,852.74**		**26,985.50**
Less : Income tax paid		-1,315.94		-1,597.90
Net Cash flow from Operating activities		**6,536.80**		**25,387.60**
B. CASH FLOW FROM INVESTING ACTIVITIES :				
Investments in Property,Plant and Equipment (Net)	-20,995.32		-34,186.41	
Non Operating Income			22.91	
Sale/(Investment) in Mutual Funds (Net)	13,610.12		-13,729.62	
Investment in Subsidiary & Associates	-2,744.72			
(Increase)/Decrease in Other Non Current Assets	-412.29			
Profit/ (Loss) on sale of Investments			165.18	
Interest Income	1 13	**-10,541.08**	3.10	**-47,724.84**
Net cash flow from Investing activities		**-10,541.08**		**-47,724.84**
C. CASH FLOW FROM FINANCING ACTIVITIES:				
Money received against share application money				
Proceeds from Issue of Share Capital			646.16	
Securities Premium Received			22,009.82	
Increase/(Decrease) in Borrowings (Net)	3,306.72		-2,232.43	
Long Term Loans and Advances				
Interest and finance Charges		**3,306.72**	-13.15	**20,410.40**
Net cash flow from Financing activities		**3,306.72**		**20,410.40**
Net Increase/(Decrease) in cash and cash equivalents (A+B+C)		**-697.56**		**-1,926.84**
Add : Cash and Cash Equivalents at the beginning of the Year		2,207.26		4,134.10
Cash and Cash Equivalents at the End of the Year		**1,509.70**		**2,207.26**

Material Accounting Policies - Note : 1. The accompanying Notes are an intergral part of the Financial Statements

J D S ASSOCIATES
Chartered Accountants
FRN: 008735S

for and on behalf of the Board of Directors of
POLYMATECH ELECTRONICS LIMITED

Sd/
B JAYARAM
Partner
Memb. No: 028346
UDIN: 25028346BMKQNU8220

Sd/
UMA NANDAM
Director
DIN: 02220048

Sd/-
ESWARA RAO NANDAM
Managing Director
DIN:02220039

Sd/-
BADRI PRASAD MAHAPATRO
Company Secretary

Place : Greater Chennai
Date : 6th Nov 2025

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2025

A) EQUITY SHARE CAPITAL

	Rs in Lacs	
Particulars	**As at March 31, 2025**	**As at March 31, 2024**
Balance at the Beginning of the Financial year	**7,968.78**	**7,187.62**
Changes in equity share capital during the year	-	781.16
Balance at the End of the Financial year	**7,968.78**	**7,968.78**

B) OTHER EQUITY

Particulars	**Reserves & Surplus**					**Total Equity**
	Share application money pending allotment	**Securities Premium Reserve**	**General Reserve**	**Other Comprehensive Income**	**Retained Earnings**	
Balance as at 31/03/2024	-	29,168.37	-	125.95	41,978.51	**71,272.83**
Profit for the year ended 31/03/2025	-	-	-	172.32	9,547.15	**9,719.47**
Share money received during the year	-	-	-	-	-	**-**
Allotment of shares	-	-	-	-	-	**-**
Dividend paid	-	-	-	-	-	**-**
Transfer from OCI to Retained Earning	-	-	-	-283.82	283.82	
Balance as at 31/03/2025	**-**	**29,168.37**	**-**	**14.45**	**51,809.48**	**80,992.30**

Particulars	**Reserves & Surplus**					**Total Equity**
	Share application money pending allotment	**Securities Premium Reserve**	**General Reserve**	**Other Comprehensive Income**	**Retained Earnings**	
Balance as at 31/03/2023	135.00	7,158.55	-	-	17,965.55	**25,259.10**
Profit for the year ended 31/03/2024	-	-	-	125.95	24,009.21	**24,135.16**
Share money received during the year	22,655.98	-	-		-	**22,655.98**
Allotment of shares	(22,790.98)	22,009.82	-		-	**(781.16)**
Dividend paid	-	-	-		-	**-**
Prior Year Adjustments					3.75	**3.75**
Balance as at 31/03/2024	**-**	**29,168.37**	**-**	**125.95**	**41,978.51**	**71,272.83**

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Material Accounting Policies:

Note No. 1

1. Corporate Information:

POLYMATECH ELECTRONICS LIMITED ('the Company'), incorporated in India on 29-May-2007 is engaged in the business of manufacturing of semi-conductor chips and LED lights and related activities situated in Special Economic Zone, Kancheepuram, Chennai. The CIN of the Company is U32107TN2007PLC063706. The registered office of the Company is in Chennai, India.

2. General Information and Statement of Compliance with Ind AS:

These financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs ('MCA') under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act. The Company has uniformly applied the accounting policies during the periods presented.

These financial statements for the year ended 31 March 2025 were authorized and approved for issue by the Board of Directors on November 6, 2025.

3. Basis of Preparation:

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. The Financial Statements have been prepared and presented on the historical cost basis except for certain financial instruments measured at fair values at the end of each reporting period, as explained in the accounting policies below.

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes in to account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair value for measurement and/or disclosure purposes in these financial statements is determined on the basis stated above. In addition, for financial reporting purposes, fair value measurements are categorized into Level 1,2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

- Level 2 Inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and

- Level 3 inputs are unobservable inputs for the asset or liability.

All amounts included in the financial statements are reported in lakhs of Indian rupees except share and per share data, unless otherwise stated. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

4. Use of Estimates:

The preparation of financial statements is in conformity with generally accepted accounting principles which require the management of the Company to make judgments, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based upon the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future period. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Application of accounting policies that require material accounting estimates involving complex and subjective judgments and the use of

assumptions in these financial statements have been disclosed separately under the heading "material accounting judgments, estimates and assumption".

5. Current versus non-current classification:

The entity presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is classified as current, when:

- It is expected to be realised or intended to be sold or consumed in normal operating cycle
- It is held primarily for the purpose of trading
- It is expected to be realised within twelve months after the reporting period, or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current

A liability is classified as current, when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The entity classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

6. Foreign Currency Transactions:

The financial statements are presented in Indian Rupee which is also the functional and presentation currency of the Company. All amounts have been rounded-off to the nearest rupee.

a) Initial recognition

Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction.

b) Conversion

Foreign currency monetary items are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or any other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined. Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the year in which they arise.

c) Forward Contract

Premium/ Discount in respect of Forward Contract are amortized as expense/income over the period of contract. Exchange differences arising on forward contracts between the exchange rate on the date of transaction and the exchange rate prevailing at the year end is recognized in the Statement of Profit and Loss.

7. Property, Plant and Equipment:

Property, plant and equipment are stated at cost net of historical Indirect Taxes, including appropriate direct and allocated expenses less accumulated depreciation and impairment losses, if any. Increase/Decrease in rupee liability in respect of foreign currency liability related to acquisition of fixed assets is recognised as expense or income in the Statement of Profit and Loss. Freehold land is not depreciated.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these

assets, on the same basis as other property assets, commences when the assets are ready for their intended use. vii. Property, Plant and Equipment: Premium/ Discount in respect of Forward Contract are amortized as expense/income over the period of contract. Exchange differences arising on forward contracts between the exchange rate on the date of transaction and the exchange rate prevailing at the year end is recognized in the Statement of Profit and Loss. Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the year in which they arise.

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end with the effect of any changes in estimate accounted for on a prospective basis. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method

Class of Assets	**Useful Lives**
Buildings	30 Years
Plant and Machinery	10 Years
Office Equipments	10 Years
Computer	3 Years
Furniture and Fittings	5 Years
Electrical Fittings	10 Years
Interiors	5 Years
Vehicles	6 Years

8. Impairment of Non Financial assets:

The Company periodically assesses whether there is any indication that an asset or a group of assets comprising a cash generating unit may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. For an asset or group of assets that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs to is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost. An impairment loss is reversed only to the extent that the amount of asset does not exceed the net book value that would have been determined if no impairment loss had been recognized.

9. Inventories:

Inventories are carried at the lower of cost and net realizable value.

Cost includes all applicable costs incurred in bringing the properties to their present location and condition. 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.

- Cost of raw materials including consumables and stores & spares are determined on FIFO (First In First Out) Basis.

- Cost of work-in-progress is valued at cost of materials and labor together with relevant factory overheads. The cost of work-in progress is determined on the basis of weighted average method.

- The finished goods are valued at cost inclusive of excise duty (or) net realizable value whichever is less.

10. Financial instruments:

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

a) Financial assets:

Initial recognition and measurement:

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases 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 trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement:

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

- Debt instruments at amortized cost
- Debt instruments at fair value through other comprehensive income (FVTOCI);
- Debt instruments and equity instruments at fair value through profit or loss (FVTPL);
- Equity instruments measured at fair value through other comprehensive income (FVTOCI).

Debt instruments at amortized cost:

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking

into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI:

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

Debt instrument at FVTPL:

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.
In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Equity investments (other than investments in subsidiaries and joint ventures):

All equity investments within the scope of Ind AS 109,' Financial Instruments', are measured at fair value either through statement of profit and loss or other comprehensive income. The Company makes an irrevocable election to present in OCI the subsequent changes in the fair value on an instrument-by-instrument basis. The classification is made on initial recognition. If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, impairment gains or losses and foreign exchange gains and losses, are recognized in the OCI. Any gains or losses on de-recognition is recognized in the OCI and are not recycled to the statement of profit or loss.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

De-recognition of Financial Assets:

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily de-recognized when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass - through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

b) Financial Liabilities:

Initial recognition and measurement:

All financial liabilities are recognized initially at fair value and transaction cost (if any) that is attributable to the acquisition of the financial liabilities is also adjusted.

Subsequent measurement

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

i. Trade and other payables:

These amounts represent liabilities for goods or services provided to the Company which are unpaid at the end of the reporting period. Trade and other payables are presented as current liabilities when the payment is due within a period of 12 months from the end of the reporting period. For all trade and other payables classified as current, the carrying amounts approximate fair value due to the short maturity of these instruments. Other payables falling due after 12 months from the end of the reporting period are presented as non-current liabilities and are measured at amortized cost unless designated as fair value through profit and loss at the inception.

ii. Other 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. Gains or losses on liabilities held for trading are recognized in the profit or loss.

De-recognition of Financial Liabilities:

A financial liability is de-recognized 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 de- recognition 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 or loss.

c) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

d) Compound Financial Instruments:

A financial instrument that comprises of both the liability and equity components are accounted as compound financial instruments. The fair value of the liability component is separated from the compound instrument and is subsequently measured at amortized cost. The residual value is recognized as equity component of other financial instrument and is not re-measured after initial recognition.

The transaction costs related to compound instruments are allocated to the liability and equity components in the proportion to the allocation of gross proceeds. Transaction costs related to equity component is recognized directly in equity and the cost related to liability component is included in the carrying amount of the liability component and amortized using effective interest method.

11. Impairment of Financial assets:

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month expected credit losses or at an amount equal to the life time expected credit losses, if the credit risk on the financial asset has increased significantly since initial recognition.

Fair value measurement:

The Company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable, or
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re- assessing categorization (based on the lowest level Input that is significant to the fair value measurement as a whole) at the end of each reporting period.

12. Revenue Recognition:

a. Revenue from sale of goods and services:

Revenue is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of returns and discounts to customers. Revenue from sale of goods is recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer, which is mainly upon delivery, the amount of revenue can be measured reliably and the recovery of consideration is probable. Revenue from the sale of goods includes excise and other duties which the Company pays as a principal but excludes amounts collected on behalf of third parties, such as goods and service tax (GST) and value added tax, as applicable. Export Benefits are recognized as revenue when the right to receive credit as per the terms of the entitlement is established in respect of exports made. Revenue from services is recognised in the periods in which the services are rendered.

b. Interest Income:

Interest income, including income arising from other financial instruments, is recognised using the effective interest rate (EIR) method. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss. The expected cash flows are reassessed on a yearly basis and changes, if any, are accounted prospectively.

c. Other Operating Revenue:

Other Operating revenue comprises income from ancillary activities incidental to the operations of the company and are recognized when the right to receive the income is established as per the terms of the contract.

13. Leases:

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

Assets acquired under lease where the Company has substantially all the risks and rewards of ownership are classified as finance lease. Such lease is capitalized at the inception of the lease at lower of the fair value or the present value of minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each period.

Assets acquired on lease where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating lease. Lease rentals on assets taken on operating lease are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term.

14. Provisions:

A provision is recognized when an enterprise has a present obligation (legal or constructive) as result of past event and it is probable that an outflow of embodying economic benefits of resources will be required to settle a reliably assessable obligation. Provisions are determined based on best estimate required to settle each obligation at each balance sheet date. 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 recognized as a finance cost.

15. Earnings per share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares (if any) are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and consolidation of shares if any.

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

16. Contingent liabilities and Contingent Assets:

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

Contingent Assets are not recognized but are disclosed when the inflow of economic benefits are probable.

17. Taxes on Income:

Tax expense comprises of current and deferred tax.

a) 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. Current income tax relating to items recognized directly in equity is recognized in other comprehensive income / equity and not in the statement of profit and loss. 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.

b) Deferred tax:

Deferred tax is provided 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 assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. 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.

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

Unrecognized 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 asset to be recovered.

Deferred tax assets and liabilities are measured based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

18. Cash and cash equivalents:

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

19. Segment Reporting :

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's Chief Executive Officer (CEO), who is the Chief Operating Decision Maker (CODM), to make decisions about resources to be allocated to the segments and assess their performance. Information reported to the CODM for the purpose of resource allocation and assessment of segment performance focuses on the type of goods or services delivered or provided.

The Company is primarily engaged in manufacturing of semi-conductors and LED Devices and has plant only in SIPCOT Hi-tech SEZ in India. Hence segment reporting is not applicable.

20. Other Indian Accounting Standards:

Material accounting judgments, estimates and assumptions:

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgments, estimates and assumptions that affect the reported balances of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

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

The following are the areas of estimation uncertainty and critical judgments that the management has made in the process of applying the Company's accounting policies:

a) Recognition of deferred tax assets:

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

b) Useful lives of depreciable assets:

Management reviews the useful lives of depreciable assets at each reporting. As at March 31, 2025 management assessed that the useful lives represent the expected utility of the assets to the Company. Further, there is no significant change in the useful lives as compared to previous year.

c) Evaluation of indicators for impairment of assets:

The evaluation of applicable indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets

d) Fair value measurements:

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

e) Provision and contingent liability:

On an ongoing basis, the Company reviews pending cases, claims by third parties and other contingencies. For contingent losses that are considered probable, an estimated loss is recorded as an accrual in financial statements. Loss Contingencies that are considered possible are not provided for but disclosed as Contingent liabilities in the financial statements. Contingencies the likelihood of which is remote are not disclosed in the financial statements.

f) Evaluation of indicators for impairment of assets:

The evaluation of applicable indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

g) Fair value measurements:

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

Note No. 2 PROPERTY, PLANT AND EQUIPMENT

Current Year

₹ In Lacs

Particulars	Gross Block				Depreciation				Net Block	
	Net value as at 01/04/2024	Additions made during the Period	Disposals during the year	31.03.2025	Upto 31.03.2024	For the year	Withdrawals	Upto 31.03.2025	31.03.2025	31.03.2024
Land	353.89	139.82	-	493.71	-	-	-	-	493.71	353.89
Buildings	5,044.47	-	-	5,044.47	2,173.41	168.15	-	2,341.56	2,702.91	2,871.06
Plant and Machinery	46,661.83	84.84	-	46,746.67	6,435.15	4,670.43	-	11,105.57	35,641.10	40,226.69
Office Equipments	23.71	0.33	-	24.04	23.71	0.02	-	23.73	0.31	-
Computer	100.66	6.38	-	107.04	95.00	3.90	-	98.89	8.15	5.67
Furniture and Fittings	26.08	38.23	-	64.31	20.48	6.07	-	26.55	37.77	5.60
Electrical Fittings	1,504.64	0.16	-	1,504.80	431.45	150.48	-	581.93	922.87	1,073.19
Interiors	107.55	8.38	-	115.93	30.96	22.35	-	53.31	62.62	76.59
Motor Vehicles	28.27	32.88	-	61.15	9.14	7.45	-	16.59	44.56	19.13
Right of Use Asset	-	496.74	-	496.74	-	-	-	-	496.74	-
Total (A)	**53851.11**	**807.76**	**0.00**	**54658.87**	**9219.30**	**5028.83**	**0.00**	**14248.13**	**40410.74**	**44631.81**

Previous Year

₹ In Lacs

Particulars	Gross Block				Depreciation				Net Block	
	Net value as at 01/04/2023	Additions made during the Period	Disposals during the year	31.03.2024	Upto 31.03.2023	For the year	Withdrawals	Upto 31.03.2024	31.03.2024	31.03.2023
Land	214.89	139.01	-	353.89	-	-	-	-	353.89	214.89
Buildings	5,044.47	-	-	5,044.47	2,005.26	168.15	-	2,173.41	2,871.06	3,039.20
Plant and Machinery	12,711.57	33,950.26	-	46,661.83	1,768.97	4,666.18	-	6,435.15	40,226.69	10,942.61
Office Equipments	23.71	-	-	23.71	23.71	-	-	23.71	-	-
Computer	92.16	8.50	-	100.66	90.93	4.07	-	95.00	5.67	1.23
Furniture and Fittings	21.14	4.95	-	26.08	18.94	1.54	-	20.48	5.60	2.19
Electrical Fittings	1,504.15	0.49	-	1,504.64	280.98	150.46	-	431.45	1,073.19	1,223.17
Interiors	44.84	62.71	-	107.55	9.45	21.51	-	30.96	76.59	35.39
Motor Vehicles	7.77	20.50	-	28.27	4.43	4.71	-	9.14	19.13	3.34
Total (A)	**19,664.70**	**34,186.41**	**-**	**53,851.11**	**4,202.68**	**5,016.62**	**-**	**9,219.30**	**44,631.82**	**15,462.01**

STANDALONE NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED As at March 31, 2025

Note No. 3 CAPITAL WORK IN PROGRESS				**[₹ In Lakhs]**
Particulars			**As at March 31, 2025**	**As at March 31, 2024**
Capital Work in Progress			20187.56	0.00
Total			**20187.56**	**0.00**

Capital-Work-in Progress (CWIP) as on 31.03.2025

CWIP	AMOUNT IN C.W.I.P AS ON 31.03.2024				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	TOTAL
Projects in Progress	20,187.56	-	-	-	20,187.56
Previous Year	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

Note No. 4 NON-CURRENT INVESTMENTS		**[₹ In Lakhs]**
Particulars	**As at March 31, 2025**	**As at March 31, 2024**
INVESTMENTS IN EQUITY INSTRUMENTS		
A) Measured at Cost		
In Equity Shares of Associate Companies		
i) Quoted Equity Shares, fully paid up		
Artificial Electronics Intelligent Material Limited of Rs.10 Each (34,45,000 shares at Rs18/- per share)	620.10	0.00

STANDALONE NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED As at March 31, 2025

In Equity Shares of Subsidiary Companies		
i) Unquoted Equity Shares, fully paid up		
Artificial Electronics Intelligent Materials PTE. LTD of USD 1 Each (14,00,000 shares at USD 1 per share)	1172.99	0.00
Artificial Electronics Intelligent Materials PTE. LTD of SGD 1 Each (10000 shares at SGD 1 per share)	6.22	0.00
Total	**1799.31**	**0.00**
Aggregate value of quoted investments	620.10	0.00
Market value of quoted investments	7606.56	0.00
Aggregate value of unquoted investments	1179.21	0.00

Note No. 5 OTHER FINANCIAL ASSETS		**[₹ In Lakhs]**
Particulars	**As at March 31, 2025**	**As at March 31, 2024**
Share Application Money - Artificial Electronics Intelligent Materials PTE.	945.41	0.00
Total	**945.41**	**0.00**

Note No. 6 OTHER NON-CURRENT ASSETS		**[₹ In Lakhs]**
Particulars	**As at March 31, 2025**	**As at March 31, 2024**
Unsecured, considered good		
Advance for capital expense	412.29	0.00
Total	**412.29**	**0.00**

STANDALONE NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED As at March 31, 2025

Note No. 7 INVENTORIES		**[₹ In Lakhs]**
Particulars	**As at March 31, 2025**	**As at March 31, 2024**
Raw Material	28946.47	16504.60
Work in progress	2580.44	1811.11
Finished Goods	15390.80	8410.40
Total	**46917.71**	**26726.11**

Note No. 8 CURRENT INVESTMENTS				**[₹ In Lakhs]**
Particulars	**As at March 31, 2025**		**As at March 31, 2024**	
	No.	**Amount**	**No.**	**Amount**
INVESTMENTS				
Measured at Fair value through Other Comprehensive Income				
In Mutual Funds				
Kotak Equity Arbitrage Direct - Growth - Hybrid		0.00		938.07
SBI Arbitrage Opportunities Direct Growth		0.00		100.05
Tata Arbitrage Fund - Direct Growth		0.00		936.47
Axis Overnight Fund - Direct Growth		0.00		2022.95
HDFC Overnight Fund		0.00		3029.40
ICICI Prudential Overnight Fund - Direct Growth		0.00		2528.06
Nippon India Overnight Fund		0.00		2522.03
ICICI Prundential MF		0.00		1800.00
Baroda BNP Paribas Mutual Fund		266.91		0.00
Total		**266.91**		**13877.03**
Aggregate value of quoted investments		266.91		13877.03
Market value of quoted investments		266.91		13877.03

STANDALONE NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED As at March 31, 2025

Note No. 9 TRADE RECEIVABLES		**[₹ In Lakhs]**
Particulars	**As at March 31, 2025**	**As at March 31, 2024**
Unsecured, considered good	52463.54	51970.32
Doubtful	0.00	0.00
Sub Total	**52463.54**	**51970.32**
Less: Allowance for expected credit losses	0.00	0.00
Total	**52463.54**	**51970.32**

Trade Receivables ageing schedule for the year ended as on 31.03.2025 **[₹ In Lakhs]**

Particulars	**Outstanding for following periods from due date of payments**					**Total**
	Less than 6 months	**6 months – 1 year.**	**1-2 yrs**	**2-3 yrs**	**More than 3 years**	
Undisputed trade receivables- considered good	42,989.70		9,473.84			52,463.54
Undisputed trade receivables- considered doubtful						-
Disputed trade receivables- considered good						-
Disputed trade receivables- considered doubtfull						-
TOTAL	**42,989.70**	**-**	**9,473.84**	**-**	**-**	**52,463.54**

Trade Receivables ageing schedule for the year ended as on 31.03.2024 **[₹ In Lakhs]**

Particulars	**Outstanding for following periods from due date of payments**					**Total**
	Less than 6 months	**6 months – 1 year.**	**1-2 yrs**	**2-3 yrs**	**More than 3 years**	
Undisputed trade receivables- considered good	51,970.32					51,970.32
Undisputed trade receivables- considered doubtful						-
Disputed trade receivables- considered good						-
Disputed trade receivables- considered doubtfull						-
TOTAL	**51,970.32**	**-**	**-**	**-**	**-**	**51,970.32**

STANDALONE NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED As at March 31, 2025		
Note No. 10 CASH AND CASH EQUIVALENTS		**[₹ In Lakhs]**
Particulars	**As at March 31, 2025**	**As at March 31, 2024**
Balances with Banks		
- In Current Accounts	1506.19	2202.76
Cash in hand	1.01	0.00
Total	**1507.20**	**2202.76**

Note No. 11 OTHER BANK BALANCES		**[₹ In Lakhs]**
Particulars	**As at March 31, 2025**	**As at March 31, 2024**
Balances with Banks		
- Deposit (with original maturity of more than 3 months)	2.50	4.50
Total	**2.50**	**4.50**

Note No. 12 LOANS		**[₹ In Lakhs]**
Particulars	**As at March 31, 2025**	**As at March 31, 2024**
Unsecured, considered good		
Loans and Advances to related parties	0.00	0.00
Loans and Advances to employees	0.00	0.00
Loans-Others	248.38	10937.55
Total	**248.38**	**10937.55**

Note No. 13 OTHER FINANCIAL ASSETS		**[₹ In Lakhs]**
Particulars	**As at March 31, 2025**	**As at March 31, 2024**
Financial Assets at amortized cost		
Security Deposits	7.99	2.95
Total	**7.99**	**2.95**

STANDALONE NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED As at March 31, 2025		
Note No. 14 OTHER CURRENT ASSETS		**[₹ In Lakhs]**
Particulars	**As at March 31, 2025**	**As at March 31, 2024**
Unsecured, considered good		
(a) Advances other than capital advances		
Advances to Suppliers	871.30	3617.67
(b) Others		
Prepaid expenses	0.00	0.00
Balances with statutory/ government authorities	5799.73	7633.32
Other Receivables	0.00	0.00
Total	**6671.03**	**11250.99**

Note No. 15 EQUITY SHARE CAPITAL

Authorized Share Capital				**[₹ In Lakhs]**
Particulars	**As at March 31, 2025**		**As at March 31, 2024**	
	No. of Shares	**Amount**	**No. of Shares**	**Amount**
67,50,00,000 equity shares of Rs.2/- each (The shares were split in the ratio of 5:1)	675000000	13500.00	135000000	13500.00
Total	**675000000**	**13500.00**	**135000000**	**13500.00**
Issued and Subscribed Capital				
Equity Share Capital	398438875	7968.78	79687775	7968.78
Total	**398438875**	**7968.78**	**79687775**	**7968.78**

Particulars	**As at 31-Mar-2024**		**As at 31-Mar-2023**	
	No. of Shares	**Amount**	**No. of Shares**	**Amount**
Shares at the beginning of the period	398,438,875	7,968.78	71,876,200	7,187.62
Add: Shares issued during the period	-	-	7,811,575	781.16
Less: Shares bought Back	-	-	-	-
Outstanding at the end of the period	**398,438,875**	**7,968.78**	**79,687,775**	**7,968.78**

STANDALONE NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED As at March 31, 2025

Balance at the beginning of the current reporting period	Changes in Equity share capital due to prior period error	Restated balance at the beginning of the current reporting period	Changes in Equity share capital during the current year	Balance at the end of the current reporting period
7,968.78			**7,968.78**	**7,968.78**

b. Terms/ Rights attached to the Equity Shares

The company has only one class of Equity shares was having par value of Rs.2/- per share. Each shareholder is entitled to one vote per share. During the year, each equity share with a face value of Rs. 10 was split into 5 equity shares with a face value of Rs. 2 each. This change has no impact on the total share capital or reserves.

c. Shareholders holding more than 5% shares

Particulars	As at 31-Mar-2025		As at 31-Mar-2024	
	No. of Shares	%	No. of Shares	%
ESWARA RAO NANDAM	165612850	41.57%	33122570	41.57%
UMA NANDAM	126746065	31.81%	30334430	38.07%

d) Shares held by Promoters at the end of the year

Particulars	As at 31-Mar-2025		As at 31-Mar-2024	
	No. of Shares	%	No. of Shares	%
ESWARA RAO NANDAM	165612850	41.57%	33122570	41.57%
UMA NANDAM	126746065	31.81%	30334430	38.07%
Total	**292358915**	**73.38%**	**63457000**	**79.63%**

e) Information regarding issue of shares in the last five years

i) The Company has not issued any shares without payment being received in cash

ii) The Company has not issued any Bonus Shares or undertaken any buy back of Shares

f) Details of Shares held by Holding Company :

i) There are no Shares held by Holding Company/Subsidiaries of ultimate Holding Company as on 31st March 2025

Note No. 16 OTHER EQUITY		**[₹ In Lakhs]**
Particulars	**As at March 31, 2025**	**As at March 31, 2024**
Securities Premium	29168.37	29168.37
General Reserve	0.00	0.00
Retained Earnings	51809.48	41978.51
Other Comprehensive Income	14.45	125.95
Total	**80992.30**	**71272.83**

STANDALONE NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED As at March 31, 2025

Note No. 17 BORROWINGS (NON-CURRENT) **[₹ In Lakhs]**

Particulars	Effective Interest Rate	As at March 31, 2025	As at March 31, 2024
Secured			
a) From Banks			
i) HDFC Bank			
Term Loan	0.00%	-	0.00
Unsecured			
a) Loan from Related Parties			
Loan from Related Parties	0.00%	5337.21	2114.79
Total		**5337.21**	**2114.79**

Note No. 18 DEFERRED TAX LIABILITIES **[₹ In Lakhs]**

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred Tax Liability		
On Property,Plant and Equipment	2981.19	2987.63
On Revenue Recognition	2.46	21.46
Total	**2983.65**	**3009.09**

Note No. 19 BORROWINGS (CURRENT) **[₹ In Lakhs]**

Particulars	ROI	As at March 31, 2025	As at March 31, 2024
a) Secured Loan from Banks			
HDFC Bank			
Cash Credit : *Secured by: Hypothecation of Inventories and Book Debts*	0.00%	0.00	0.00
Total		**0.00**	**0.00**

STANDALONE NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED As at March 31, 2025		
Note No. 21 OTHER CURRENT LIABILITIES		**[₹ In Lakhs]**
Particulars	**As at March 31, 2025**	**As at March 31, 2024**
Statutory Dues	4599.18	1291.69
Advance from Customers	265.48	729.06
Creditors for capital goods	50293.98	31998.98
Others	298.87	10884.18
Total	**55457.51**	**44903.91**

Note No. 22 PROVISIONS		**[₹ In Lakhs]**
Particulars	**As at March 31, 2025**	**As at March 31, 2024**
Provision for Expenses	3157.84	26.00
Total	**3157.84**	**26.00**

Note No. 23 CURRENT TAX LIABILITY		**[₹ In Lakhs]**
Particulars	**As at March 31, 2025**	**As at March 31, 2024**
Current tax Liability - [Net of Advance Tax IT]	2389.42	4716.89
Total	**2389.42**	**4716.89**

Note No. 24 : REVENUE FROM OPERATIONS		**[₹ In Lakhs]**
Particulars	**For the Year Ended March 31, 2025**	**For the Year Ended March 31, 2024**
(a) Sale of products (excluding GST)		
Sale of Products	71657.55	122067.10
TOTAL	**71657.55**	**122067.10**

Note No. 25 : OTHER INCOME		**[₹ In Lakhs]**
Particulars	**For the Year Ended March 31, 2025**	**For the Year Ended March 31, 2024**
Interest Income	1.13	3.10
Foreign Exchange Rate Differences	686.87	1368.77
Net gain/loss on sale of investment	0.00	165.18
Misc Income	0.00	135.79
Rental Income Received	0.00	22.91
TOTAL	**688.00**	**1695.75**

STANDALONE NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED As at March 31, 2025

Note No. 20 TRADE PAYABLES [₹ In Lakhs]

Particulars	As at March 31, 2025	As at March 31, 2024
Trade payable - Micro and small enterprises	0.00	0.00
Trade payable - Other than Micro and small enterprises	13469.56	27591.74
Total	**13469.56**	**27591.74**

Trade Payable Aging Schedule as at March 31, 2025 [₹ In Lakhs]

Particulars	Outstanding for following periods from due date of				Total
	Less than 1 Years	1-2 yrs	2-3 yrs	More than 3 years	
MSME	0.00				-
Others	13469.56	-	-	-	13,469.56
Disputed dues -MSME -	-	-	-	-	-
Disputed dues -others	-	-	-	-	-
TOTAL	**13,469.56**	**-**	**-**	**-**	**13,469.56**

Trade Payable Aging Schedule as at March 31, 2024 [₹ In Lakhs]

Particulars	Outstanding for following periods from due date of				Total
	Less than 1 Years	1-2 yrs	2-3 yrs	More than 3 years	
MSME	-				-
Others	27,591.74	-	-	-	27,591.74
Disputed dues -MSME	-	-	-	-	-
Disputed dues -others	-	-	-	-	-
TOTAL	**27,591.74**	**-**	**-**	**-**	**27,591.74**

STANDALONE NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED As at March 31, 2025

Note No. 26 COST OF MATERIAL CONSUMED **[₹ In Lakhs]**

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Raw Materials Consumption		
Opening Stock	16504.60	1298.64
Add: Purchases	59894.35	93228.65
Less: Closing Stock	28946.47	16504.60
TOTAL	**47452.48**	**78022.69**

Note No. 27 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE **[₹ In Lakhs]**

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Opening Stock		
Work-in-progress	1811.11	748.96
Finished Goods	8410.40	1572.89
Sub Total	**10221.51**	**2321.85**
Less: Closing Stock		
Work-in-progress	2580.44	1811.11
Finished Goods	15390.80	8410.40
Sub Total	**17971.24**	**10221.51**
Net (increase)/decrease in inventory	**-7749.73**	**-7899.66**

STANDALONE NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED As at March 31, 2025

Note No. 28 EMPLOYEE BENEFIT EXPENSES		**[₹ In Lakhs]**
Particulars	**For the Year Ended March 31, 2025**	**For the Year Ended March 31, 2024**
Salaries and Wages including Bonus**	277.11	2666.69
Contribution to Provident and other funds	6.88	22.59
Workmen and Staff Welfare Expenses	14.38	14.73
TOTAL	**298.37**	**2704.01**

(**PY Includes remuneration to KMP's - Rs.1650.00 Lacs)

Note No. 29 FINANCE COSTS		**[₹ In Lakhs]**
Particulars	**For the Year Ended March 31, 2025**	**For the Year Ended March 31, 2024**
(a) Interest on borrowings	0.00	12.66
(b) Other Borrowing cost	0.00	0.49
TOTAL	**0.00**	**13.15**

Note No. 30 DEPRECIATION AND AMORTISATION EXPENSES		**[₹ In Lakhs]**
Particulars	**For the Year Ended March 31, 2025**	**For the Year Ended March 31, 2024**
(a) Depreciation on Property, Plant and Equipment	5028.83	5016.62
(b) Amortisation on Other Intangible Assets	0.00	0.00
TOTAL	**5028.83**	**5016.62**

STANDALONE NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED As at March 31, 2025		
Note No. 31 OTHER EXPENSES		**[₹ In Lakhs]**
Particulars	**For the Year Ended March 31, 2025**	**For the Year Ended March 31, 2024**
Freight and Forwarding Charges	117.79	59.68
Power and Fuel	70.93	283.90
Other Manufacturing Expense	61.21	2007.48
Repairs & Maintenance - Buildings	8.66	276.11
Repairs & Maintenance-Machinery	42.87	70.00
Repairs & Maintenance - Others	0.00	8.81
Advertisement Expenses	101.09	93.01
Audit Fees (Refer Note No.31.1)	26.00	26.00
Director's Sitting Fees	0.00	1.66
General Expenses	36.15	35.31
Insurance	25.19	41.16
Listing Fees	0.00	163.16
Postage,Telephone& Telegram	6.11	4.40
Printing & Stationery	1.00	1.00
Rates and Taxes	30.57	57.31
Research & Development Expenses	12175.90	14615.06
Security Services	31.12	10.40
Technical/Professional Fee	247.42	872.09
Travelling and Conveyance	348.12	139.71
Donation	6.00	0.00
CSR Expenses	302.78	142.95
Total Other Expenses	**13638.91**	**18909.20**

STANDALONE NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED As at March 31, 2025		
Note No. 31. 1. AUDITOR REMUNERATION		**[₹ In Lakhs]**
Particulars	**For the Year Ended March 31, 2025**	**For the Year Ended March 31, 2024**
(a) For Statutory Audit	18.00	18.00
(b) For Tax Audit	5.00	5.00
(c) For Other Services	3.00	3.00
TOTAL	**26.00**	**26.00**

Note No. 32 TAX EXPENSES		**[₹ In Lakhs]**
Particulars	**For the Year Ended March 31, 2025**	**For the Year Ended March 31, 2024**
A. Current Tax		
Current tax on profit for the year**	4136.00	4716.89
Mat Credit Entitlement	0.00	-4716.89
Change/ (Credit) in respect of current tax for earlier years	0.00	0.00
TOTAL (A)	**4136.00**	**0.00**
B. Deferred Tax		
Origination and reversal of temporary differences	-6.45	2987.63
Charge in respect of deferred tax for earlier years	0.00	0.00
TOTAL (B)	**-6.45**	**2987.63**
Tax expense recognized in Statement of Profit and Loss TOTAL (A)+(B)	**4129.55**	**2987.63**
Tax expense recognized in Other Comprehensive Income	**65.68**	**21.46**
Total Tax Expense	**4195.23**	**3009.09**

** The Company operates from a Special Economic Zone and was eligible to claim a 100% deduction under Section 10AA of the Income Tax Act,1961 for export profits during its first five years. The Company was nevertheless subjected to Minimum Alternate Tax (MAT) as per Section 115JB of the Income Tax Act,1961, and thus, its prior year tax liability was determined according to MAT provisions. However for the current tax year, the company has not opted for 10AA benefit for the subsequent block of five years, the tax liability has been calculated under the normal provisions of the tax laws.

STANDALONE NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED As at March 31, 2025

Note No. 33 EARNINGS PER SHARE		[₹ In Lakhs]
Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Profit attributable to equity shareholders of the Company for basic and diluted EPS	9547.15	24009.21
Weighted average number of equity shares for basic EPS	398438875	382180380
Weighted average number of shares for diluted EPS	398438875	382180380
Basic Earnings per equity share (in `)	2.40	6.28
Diluted Earnings per equity share (in `)	2.40	6.28

Note No 34: DISCLOSURE UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006**

Particulars	For the year 2024-25	For the year 2023-24
Trade Payables pertaining to dues to Micro and Small Enterprises	-	-
The principal amount and interest due thereon remaining unpaid to any supplier as at the end of each accounting year	-	-
The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

**The Company sources the majority of its products from outside India. The remaining creditors do not fall within the category of Micro, Small, or Medium Enterprises as defined by the MSMED Act, 2006.

Note No 35: CSR EXPENDITURE

Particulars	For the year 2024-25	For the year 2023-24
Gross amount required to be spent by the company during the year	294.45	139.06
Amount spent during the year	302.78	142.95

Note No 36: FAIR VALUE MEASUREMENTS

i. Financial instruments by category

The carrying value of financial instruments by categories as at 31st March 2025 were as follows:

Particulars	Note	Amortised Cost	FVTOCI	Total Carrying value	Total Fair value
Investments	4 & 8	1799.31	266.91	2066.22	2066.22
Share Application Money	5	945.41		945.41	945.41
Trade Receivables	9	52463.54		52463.54	52463.54
Cash and Cash Equivalents	10	1507.20		1507.20	1507.20
Other bank balances	11	2.50		2.50	2.50
Loans	12	248.38		10937.55	10937.55
Other Financial Assets	13	7.99		7.99	7.99

The carrying value of financial instruments by categories as at 31st March 2024 were as follows:

Particulars	Note	Amortised Cost	FVTOCI	Total Carrying value	Total Fair value
Investments	4&8		13877.03	13877.03	13877.03
Trade Receivables	9	51970.32		51970.32	51970.32
Cash and Cash Equivalents	10	2202.76		2202.76	2202.76
Other bank balances	11	4.50		4.50	4.50
Loans	12	10937.55		10937.55	10937.55
Other Financial Assets	13	2.95		2.95	2.95

ii. Fair Value Hierarchy

The Company has classified its financial instruments into three levels in order to provide an indication about the reliability of the inputs used in determining fair values.

a) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
b) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
c) Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

Fair value hierarchy of financial assets and liabilities measured at fair value as at 31st March 2025

Particulars	Note	Level 1	Level 2	Level 3	Carrying Value
Investments					
At fair value through Other Comprehensive Income	8	266.91			266.91
Financial Liabilities					
At amortised costs					
Borrowings	17 & 19		5421.51		5421.51

Fair value hierarchy of financial assets and liabilities measured at fair value as at 31st March 2024

Particulars	Note	Level 1	Level 2	Level 3	Carrying Value
Investments					
At fair value through Other Comprehensive Income	8	13877.03			13877.03
Financial Liabilities					
At amortised costs					
Borrowings	16 & 18		2114.79		2114.79

iii. Valuation technique used to determine fair value

- The fair value of the financial assets and liabilities are at the amount that would be received to sell an asset and paid to transfer a liability in an orderly transaction between market participants at the measurement date.
- The carrying amounts of trade receivables, cash and cash equivalents, other bank balances, loans, other financial assets, current borrowings, trade payables and other current financial liabilities are a reasonable approximation of their fair values.
- The investment included in Level 3 hierarchy have been valued at cost approach to arrive at the fair values. The cost of unquoted investment approximate the fair value as there is a wide range of possible fair value measurement and the cost represents estimate of fair value within that range
- The estimated fair value amounts as at March 31, 2025 have been measured as at that date. As such, the fair values of these financial instruments subsequent to reporting date may be different than the amounts reported at each year-end
- There were no transfers between Level 1, Level 2 and Level 3 during the year

Note No 37. FINANCIAL RISK MANAGEMENT

The Company's businesses are subject to several risks and uncertainties including financial risks.

The Company's activities expose it to credit risk, liquidity risk, market risk - interest rate risk and foreign currency risk. The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Ageing analysis, Credit ratings
Liquidity risk	Borrowings and other liabilities.	Rolling cash flow forecasts
Market risk Interest rate risk	Long-term borrowings at variable rates	Cash flow forecasting, Sensitivity analysis
Foreign Currency risk	Recognised financial assets and liabilities not denominated in functional currency	Cash flow forecasting, Sensitivity analysis

Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks.

The company's credit risk generally arises from Cash and cash equivalents, trade receivables, and other financial assets.

Credit Risk Management

The Group assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A: Low credit risk
B: Moderate credit risk
C: High credit risk

Assets Group	Description of category	Particulars	Provision for expected credit loss
Low credit risk	Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil	Cash and cash equivalents, other bank balances, investments, loans, trade receivables and other financial assets	12 month expected credit loss/life time expected credit loss
Moderate credit risk	Assets where the probability of default is considered moderate, counter-party where the capacity to meet the obligations is not strong	Nil	12 month expected credit loss/life time expected credit loss
High credit risk	Assets where there is a high probability of default.	Nil	12 month expected credit loss/life time expected credit loss

Payments are received within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions. Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or litigation decided against the Company.

The company's sales orders are backed by advance payments. It engages in business with customers who have a strong track record. The company does not foresee any recovery losses and has not made provisions for expected credit loss.

Classification of Financial assets among risk categories:

Assets Group	Particulars	2024-25	2023-24
Low credit risk	Cash and cash equivalents, other bank balances, investments, loans, trade receivables and other financial assets	57241.24	78995.11
Moderate credit risk	Nil		
High credit risk	Nil		

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the business, the Company maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates. 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.

Maturities of Financial Liabilities as at 31 Mar 2025 are as follows

Particulars	Less than 1 Year	1-5 years	More than 5 years	Total
Borrowings	5337.21			5337.21
Lease Liabilities	8.09	40.45	35.76	84.30
Trade Payables	13469.56			13469.56

Maturities of Financial Liabilities as at 31 Mar 2024 are as follows

Particulars	Less than 1 Year	1-5 years	More than 5 years	Total
Borrowings	2114.79			2114.79
Trade Payables	27591.74			27591.74

Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates etc. could affect the Company's income or the value of its holdings of financial instruments including cash flow. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while maximising the return.

Interest rate Risks

The company has not taken any loans to finance its operations; therefore, it is not exposed to interest rate risk.

The Company also invests in debt mutual fund schemes of leading fund houses. Such investments are susceptible to market price risks that arise mainly from changes in interest rate which may impact the return and value of such investments. However, given the relatively short tenure of underlying portfolio of the debt mutual fund schemes in which the Company has invested, such price risk is not significant.

Foreign Currency Risk

The company maintains a Foreign Currency Bank Account as the significant activities are arising from Exports and Imports to mitigate the Foreign Currency Exposure risk.

Note No 38: Capital Management:

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Company's overall strategy remains unchanged from previous year. The funding requirements are met through a mixture of equity, internal fund generation.

The Company monitors capital on the basis of the gearing ratio which is net debt divided by total capital (equity plus net debt).

Net debt are non-current and current debts as reduced by cash and cash equivalents, other bank balances and current investments. Equity comprises all components including other comprehensive income.

The following table summarizes the capital of the Company:

Particulars	March 31, 2025	March 31, 2024
Non-Current Borrowings (Refer Note : 17)	5413.42	2114.79
Current Borrowings (Refer Note : 19)	8.09	-
Total Borrowings (a)	**5421.51**	**2114.79**
Cash and Cash equivalents (Refer Note : 10)	1507.20	2202.76
Other Bank Balances (Refer Note : 11)	2.50	4.50
Current Investments (Refer Note : 8)	266.91	13877.03
Total Cash (b)	**1776.61**	**16084.29**
Net Debt (c) = (a)-(b)	**3644.90**	**-**
Equity (Refer Note : 15)	7968.78	7968.78
Other Equity (Refer Note : 16)	80992.30	71272.83
Total Equity (d)	**88961.08**	**79241.60**
Total Capital (e) = (c)+(d)	**92605.98**	**79241.60**
Gearing Ratio = (c)/(e)	**0.039**	**-**

Note No 39: Related Party Disclosures

A. Related Party Relationships

Key Management Personnel

1) Eswar Rao Nandam – Managing Director
2) Badri Prasad Mahapatro - Company Secretary
3) Vishaal Nandam – Director

Non-Executive Directors

1) Uma Nandam – Director

Independent Directors

1) Rapala Virtanen Tarja Hannele – Director

Other related Parties Enterprises Owned or significantly influenced by Key Managerial Personnel or their relatives

1) Nandam Oen Foundation
2) Artificial Electronics Intelligent Material Limited
3) Polymatech Interstellar Private Limited
4) Artificial Electronics Intelligent Materials PTE. LTD
5) Nisene Technology Group, INC
6) Atri Company W.L.L

B. Related Party Transactions:

Particulars	Other Related Parties		Key Management Personnel	
	March 31,2025	March 31,2024	March 31,2025	March 31,2024
Managerial remuneration	-	-	197.30	1650.20
Director Sitting Fees	-	1.66	-	-
CSR Donation	302.00	18.00	-	-
Purchase of Materials	-	-	-	-
Advance for purchase of Materials	-	546.93	-	-

Note No 40: Segment Information:

The Company is engaged in manufacture of semi-conductors and LED Lights which is considered to be the only reportable business segment as per Ind AS 108, 'Segment Reporting'.

Note No 41: Leases as a Lessor:

NIL

Note No 42: Leases as a Lessees:

The Company has been allotted industrial land by under the Atal Industrial Infrastructure Development Scheme of the Government of Chhattisgarh. The allotment has been provided on a long-term lease basis for setting up the Company's manufacturing facility. The lease is for an initial non-cancellable term of 30 years, with an option to renew the lease for two additional periods of 30 years each, subject to approval of the lessor, enabling a total potential lease tenure of up to 90 years.

The Company has recognised a Right-of-Use (ROU) asset in respect of the leased land and a corresponding lease liability in accordance with Ind AS 116 – Leases. The ROU land is depreciated over the initial lease term of 30 years. The renewal options available under the Atal Yojna have not been considered in determining the lease term, as the Company is not reasonably certain of exercising such options as at the commencement date. The assessment will be reviewed at each reporting period based on business and operational requirements.

The details of the Right-of-Use (ROU) land asset as at 31 March 2025 are as follows:

Leasehold Land and building:

Particulars	March 31, 2025	March 31, 2024
Balance at the beginning of the period	-	-
Additions during the period	496.74	-
Depreciation during the period	-	-
Disposals during the period	-	-
Balance at end of the period	496.74	-

The following is the movement in lease liabilities during the period:

Particulars	March 31, 2025	March 31, 2024
Balance at the beginning of the period	-	-
Additions during the period	84.30	-
Finance Cost during the period	-	-
Balance at end of the period	84.30	-

Note No 43: Pending Litigation:

There are no Litigations pending against the Company and also there are no pending litigation by the company.

Note No 44: Key Financial Ratios:

Particulars	March 31, 2025	March 31, 2024	Variance %
Current Ratio	1.45:1	1.51:1	-4.17%
Debt-Equity Ratio	0.93:1	1.04:1	10.37%
Debt Service Coverage Ratio	NA	12.93	NA
Return on Equity Ratio *	1.20	3.17	62.18%
Inventory turnover ratio *	1.08	4.62	76.67%
Net capital turnover ratio *	2.13	3.07	-30.58%
Net profit ratio	19.09%	22.12%	-3.03%
Return on Capital employed	14.05%	32.02%	-17.97%

* The Company has expanded its operations outside India to cater to the global market. Consequently, a portion of revenue is also being generated through its overseas subsidiaries. This shift has resulted in comparatively lower standalone turnover for the current year, leading to variances in the ratios dependent on revenue—such as Return on Equity, Inventory Turnover, and Net Capital Turnover.

Key Ratios Formula

- Current Ratio: Current Assets / Current Liabilities
- Debt-Equity Ratio: Total Debt/Total Equity
- Debt Service Coverage Ratio: Net Operating Income/Debt Service
- Return on Equity Ratio: Net Income/Shareholders Equity
- Inventory turnover ratio: Cost of Goods sold/Average Inventory
- Net capital turnover ratio: Net Sales/Working Capital
- Net profit ratio: Net Profit/Total revenues
- Return on Capital employed: Earnings before Interest & Taxes/Capital Employed

Note No 45: Other Notes:

- The Company has not granted loans or advances in the nature of loan to any promoters, Directors, KMPs and the related parties (As per Companies Act, 2013), which are repayable on demand or without specifying any terms or period of repayments.

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

- The Company has not been sanctioned with any facilities from banks.

- There are no transactions with the Companies whose name are struck off under Section 248 of the The Companies Act, 2013 or Section 560 of the Companies Act, 196 during the year ended 31st March 2025.

- The Company has complied with the number of layers prescribed under clause (87) of Section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017

- No scheme of arrangement has been approved by the competent authority in terms of Section 230 to 237 of the Companies Act, 2013.

- 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 beneficiary.

- The Company have 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

- The Company has not operated in any crypto currency or Virtual Currency transactions

- The Title deeds of the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

- As per the Company's accounting policy, Property, Plant and Equipment (including Right of Use Assets) and intangible assets are carried at historical cost (less accumulated depreciation & impairment, if any), hence the revaluation related disclosures required as per Additional Regulatory Information of Schedule III (revised) to the Companies Act, is not applicable.

- The Company has adhered to debt repayment and interest service obligations on time. Willful defaulter related disclosures required as per Additional Regulatory Information of Schedule III (revised) to the Companies Act, is not applicable.

- The Company does not have any pending Charge creation or modification during the financial year.

- During the year the Company has not disclosed or surrendered, any income other than the income recognised in the books of accounts in the tax assessments under Income Tax Act, 1961.

- **Previous year figures have also been reclassified, regrouped, recast to conform to current year classification.**

In terms of our report attached
For **J.D.S ASSOCIATES**
Chartered Accountants
FRN: 008735S

S/d S/d S/d S/d

ESWARA RAO NANDAM
Managing Director
DIN: 02220039

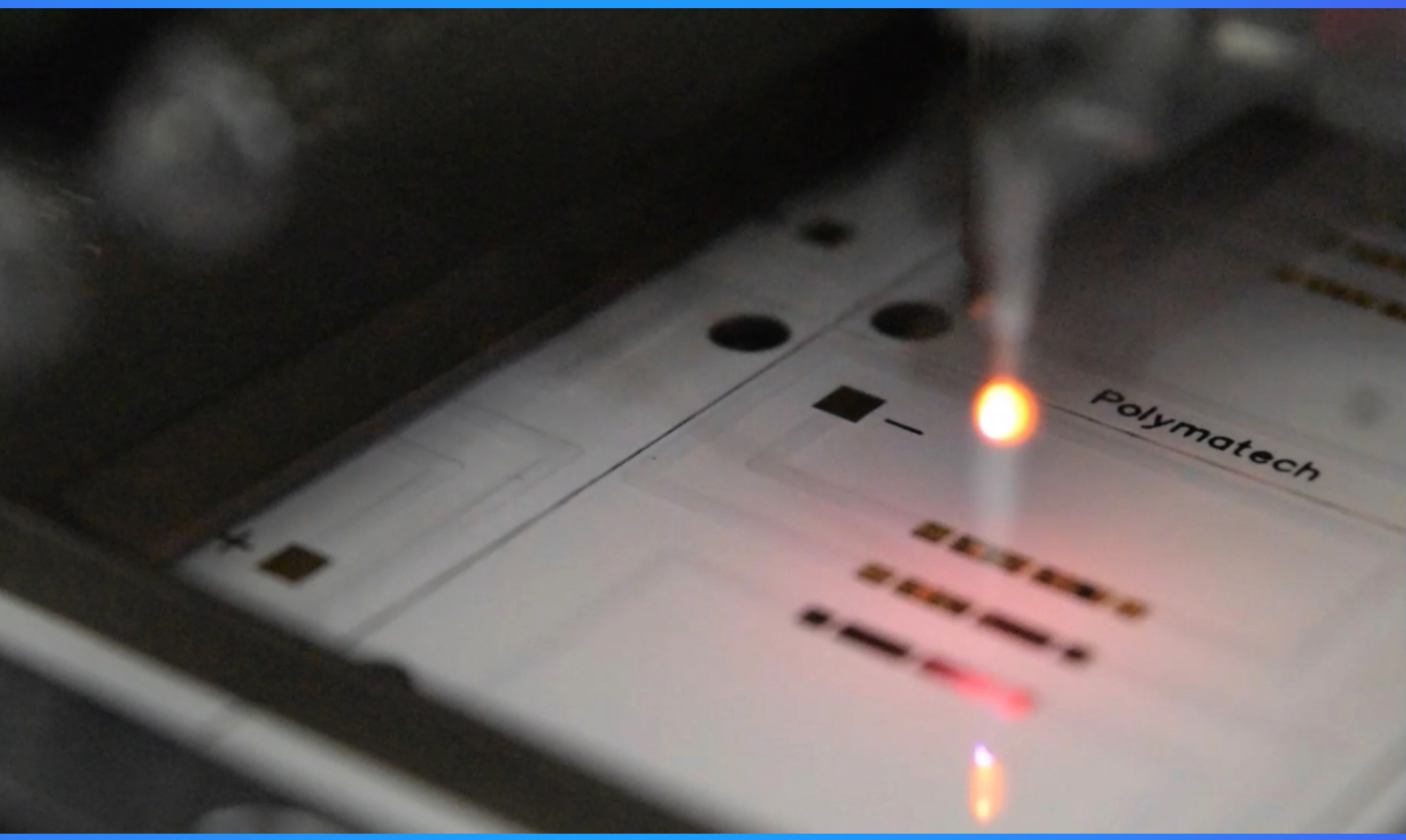
UMA NANDAM
Director
DIN: 02220048

BADRI PRASAD MAHAPATRO
Company Secretary

B. JAYARAM
Partner
Memb.No. 028346

Place: Greater Chennai
Date: 6th Nov 2025
UDIN: 25028346BMKQNU8220

Financials 2024-25
consolidated



POLYMATECH ELECTRONICS LIMITED

CONSOLIDATED INDEPENDENT AUDITOR'S REPORT

To
The Members of Polymatech Electronics Limited

Opinion

We have audited accompanying Consolidated Ind AS Financial Statements of **M/s. POLYMATECH ELECTRONICS LIMITED** ("Holding Company") and its subsidiaries (the Holding Company and its subsidiary together referred to as "the Group), and its Associate Company, which comprise the Consolidated Balance Sheet as at 31st March, 2025, the Consolidated Statement of Profit & Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, including a summary of the Material Accounting policies, notes to the Consolidated Financial Statements and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS financial statements give the information required by the Companies Act, 2013 ('The Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, ("Ind AS") and Other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2025, its Consolidated Profit and Total Comprehensive Income, Consolidated Changes in Equity and its Consolidated Cash Flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the Consolidated Ind AS financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Ind AS financial

statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independent requirement that are relevant to our audit of the Consolidated Ind AS financial statements under the provisions of the Act and the rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Consolidated Ind AS financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the Consolidated Ind AS financial statements as a whole, and informing our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted company.

OTHER MATTERS

We have not audited the financial statements of Artificial Electronics Intelligent Material Pte. Limited, Singapore (a wholly owned foreign subsidiary), nor those of its step-down subsidiaries, Atri Company W.L.L., Bahrain and Nisene Technology Group, Inc., California. As these subsidiaries follow different financial year-ends for audit purposes, the consolidation has been prepared based on their management accounts for the period ended 31st March 2025. Subsidiaries include step-down subsidiaries whose Ind AS financial statements reflect total assets of Rs.1,47,644.83 Lakhs-as at 31st March, 2025, total turnover of Rs.1,18,632.16 Lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements also include the Group's share of Profit of Rs.26,589.48 Lakhs for the year ended 31st March, 2025, as considered in the consolidated financial statements, in respect of the subsidiary, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have

been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports provided by the management.

INFORMATION OTHER THAN THE CONSOLIDATED IND AS FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

The Holding Company's Board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance, Shareholder's Information and Other Information included in the Annual Report but does not include the Consolidated Ind AS Financial statements and our auditor's report thereon.

Our opinion on the Consolidated Ind AS 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 Consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially in consistent with the Consolidated Ind AS financial statements or our information obtained during the course of our audit or otherwise appears to be materially misstated.

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

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED IND AS FINANCIAL STATEMENTS:

The Holding Company's Board of Directors are responsible for the matters specified in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated Ind AS financial statements that give a true and fair view of the Consolidated financial position, Consolidated financial performance, total comprehensive

income, Consolidated changes in equity and Consolidated cash flows of the Group in accordance with the Ind AS and other accounting Principles generally accepted in India, including the accounting standards referred to in section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 Consolidated Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the Consolidated Ind AS Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Ind AS financial statements, the respective Board of Directors of the Companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Boards of Directors are also responsible for overseeing the Group's financial reporting process of the Group and of its associates.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the Consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud and to issue and 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 Consolidated Ind AS financial statements.

A further description of the auditor's responsibilities for the audit of the Consolidated Ind AS financial statements is included in Annexure "A". This description forms part of our auditor's report.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

b. In our opinion, proper books of accounts as required by law have been kept by the company so far as it appears from our examination of those books.

c. The Consolidated Balance Sheet, Consolidated Statement of Profit & Loss including other comprehensive income, the Consolidated statement of changes in equity, and the Consolidated statement of Cash Flows dealt with by this Report are in agreement with the relevant books of accounts maintained for the purpose of preparation of consolidated Ind AS financial statements.

d. In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Ind AS specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e. On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2025 taken on record by the Board of Directors of the Holding Company, none of the directors is disqualified as on 31st March, 2025 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 Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting; and

g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended;

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

a) The Consolidated financial Statements disclose the impact of any pending litigations on the consolidated financial position of the Group;

b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

c) There is no amount required to be transferred, to the Investor Education and Protection Fund by the Company.

(iv) (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiary respectively that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) 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 or any of such subsidiaries to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Company and its subsidiaries which are companies incorporated outside India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiary respectively that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by oronbehalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiaries which are companies incorporated outside India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatements

2. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1st April, 2023.

Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account, which has a feature of recording **Audit Trail** (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail, has been preserved by the Company as per the statutory requirements for record retention.

3. The company has not declared any dividend for the year.

With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 , to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the company included in the Consolidated Financial Statements to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

In Terms Of Our Report Of Even Date

For **J.D.S ASSOCIATES**
Chartered Accountants
FRN: 008735S

Place : Coimbatore
Date : 06.11.2025

S/d
B JAYARAM
Partner
Memb.No. 028346

UDIN : 25028346BMKQNV2538

ANNEXURE "A"

TO THE INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS OF POLYMATECH ELECTRONICS LIMITED

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 Consolidated Ind AS 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 cause significant doubt on the Group'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 Consolidated Ind AS 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 Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated Ind AS financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated Ind AS financial statements. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

  Materiality is the magnitude of misstatements in the consolidated Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 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 Ind AS 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.

In Terms Of Our Report Of Even Date

For **J.D.S ASSOCIATES**
Chartered Accountants
FRN: 008735S

Place : Coimbatore
Date : 06.11.2025

S/d
B JAYARAM
Partner
Memb.No. 028346

UDIN : 25028346BMKQNV2538

ANNEXURE "B" - TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON CONSOLIDATED IND AS FINANCIAL STATEMENTS OF M/s.POLYMATECH ELECTRONICS LIMITED

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' of the Independent Auditors' Report to the members of the Company on the Consolidated Ind AS Financial Statements for the Year ended on 31st March, 2025).

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 POLYMATECH ELECTRONICS LIMITED ("the Company") as of March 31, 2025 in conjunction with our audit of the 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 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 Companies Act, 2013.

Auditor's 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 on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for my /our audit opinion on the Company's internal financial controls system over financial reporting.

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 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls,

material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls 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 and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, 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.

In Terms Of Our Report Of Even Date

For **J.D.S ASSOCIATES**
Chartered Accountants
FRN: 008735S

Place : Coimbatore
Date : 06.11.2025

S/d

B. JAYARAM
Partner
Memb.No. 028346

UDIN : 25028346BMKQNV2538

Polymatech Electronics Limited

CONSOLIDATED BALANCE SHEET As at March 31, 2025

[₹ In Lakhs]

S.No	Particulars	Note No	As at As at March 31, 2025
I	**ASSETS**		
1	**Non-current Assets**		
a	Property, Plant and Equipment	2	40754.23
b	Capital Work in Progress	3	20187.56
c	Goodwill	4	565.51
d	Intangible Assets	5	1.17
e	Financial Assets		
	i. Investments	6	677.58
	ii. Other Financial Assets	7	448.45
f	Other Non-Current Assets	8	412.29
	Total Non-Current Assets [1]		**63046.79**
2	**Current Assets**		
a	Inventories	9	73157.66
b	Financial Assets		
	i. Investments	10	266.91
	ii. Trade Receivables	11	125216.38
	iii. Cash and Cash Equivalents	12	39226.55
	iv. Other Bank balances	13	2.50
	v. Loans	14	428.49
	vi. Other	15	104.27
c	Other Current Assets	16	6696.83
	Total Current Assets [2]		**245099.59**
	TOTAL ASSETS [1+2]		**308146.38**
II	**EQUITY AND LIABILITIES**		
1	**EQUITY**		
a	Equity Share Capital	17	7968.78
b	Other Equity	18	107812.50
	Equity attributable to the Owners of the Company		**115781.28**
	Non Controlling interest		1431.46
	Total Equity [1]		**117212.74**
2	**LIABILITIES**		
1	**Non-current Liabilities**		
a	**Financial Liabilities**		
	i. Borrowings	19	5341.76
	ia. Lease Liabilities		76.21
b	Deferred Tax liabilities (net)	20	2983.65
	Total Non-current Liabilities [2]		**8401.62**
2	**Current Liabilities**		
a	**Financial Liabilities**		
	i. Borrowings	21	20.51
	ia. Lease Liabilities		262.32
	ii. Trade Payables	22	
	a. Due to Micro & Small Enterprises		0.00
	b. Due to Others		69589.84
b	Other Current Liabilities	23	104259.67
c	Provisions	24	3157.84
d	Current Tax Liabilities (Net)	25	5241.84
	Total Current Liabilities [3]		**182532.02**
	TOTAL EQUITY AND LIABILITIES [1+2+3]		**308146.38**

Material Accounting Policies - Note : 1. The accompanying Notes are an intergral part of the Financial Statements.

S/d
ESWARA RAO NANDAM
Managing Director
DIN: 02220039

In terms of our report attached
For **JDS ASSOCIATES**
Chartered Accountants
FRN: 008735S

S/d
UMA NANDAM
Director
DIN: 02220048

S/d
BADRI PRASAD MAHAPATRO
Company Secretary

S/d
B. JAYARAM
Partner
Memb.No. 028346

Place: Greater Chennai
Date: 6th Nov 2025
UDIN: 25028346BMKQNV2538

Polymatech Electronics Limited

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED As at 31st March 2025

S.No	Particulars	Note No	For the Year Ended As at March 31, 2025
I	**INCOME**		
a	Revenue From Operations	26	190289.71
b	Other Income	27	923.42
	Total Income		**191213.13**
II	**EXPENSES**		
a	Cost of materials consumed	28	159324.96
b	Changes in inventories of finished goods and work-in-progress	29	-33989.68
c	Employee benefit expenses	30	1892.45
d	Finance Cost	31	26.33
e	Depreciation and amortisation expense	32	5150.48
f	Other expenses	33	14354.85
	TOTAL EXPENSES		**146759.39**
III	**PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX**		**44453.75**
	Exceptional items		0.00
IV	**PROFIT BEFORE TAX**		**44453.75**
	Tax Expense	34	6952.59
V	**PROFIT AFTER TAX BEFORE SHARE OF PROFIT FROM ASSOCIATE**		**37501.16**
	Share of Profit / Loss from Associate		57.48
	PROFIT AFTER TAX		**37558.64**
	a. Attributable to Owners of the Company (Holding Co)		36136.63
	b. Attributable to Non-controlling Interest		1422.01
VI	**OTHER COMPREHENSIVE INCOME**		
	Items that will not be reclassified to profit or loss		
	a. Change in fair value of FVOCI equity instruments		238.00
	b. Income Tax expenses on above		-65.68
	c. Foreign Currency Translation Reserve		245.52
	TOTAL OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX		**417.84**
	TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**37976.48**
	a. Attributable to Owners of the Company (Holding Co)		**36539.67**
	b. Attributable to Non-controlling Interest		**1436.81**
	EARNINGS PER SHARE	35	
	- Basic after exceptional items		9.07
	- Diluted after exceptional items		9.07

Material Accounting Policies - Note : 1. The accompanying Notes are an intergral part of the Financial Statements.

S/d
ESWARA RAO NANDAM
Managing Director
DIN: 02220039

In terms of our report attached
For **JDS ASSOCIATES**
Chartered Accountants
FRN: 008735S

S/d
UMA NANDAM
Director
DIN: 02220048

S/d
BADRI PRASAD MAHAPATRO
Company Secretary

S/d
B. JAYARAM
Partner
Memb.No. 028346

Place: Greater Chennai
Date: 6th Nov 2025
UDIN: 25028346BMKQNV2538

POLYMATECH ELECTRONICS LIMITED
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2025

Particulars	For the Year Ended As at March 31, 2025 Amount in Rs.(Lacs)	
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit After Tax Before Share of Profit / (Loss) of Associates		**37,501.16**
Adjustments for:		
Tax Expenses	6,952.59	
Depreciation	5,150.48	
Interest Income	-1.13	
Finance Costs	26.33	
Other Comprehensive Income	417.84	12,546.11
Operating Profit before working capital changes		**50,047.27**
Add: Adjustments for working capital changes		
(Increase)/Decrease in Inventories	64,214.50	
(Increase)/Decrease in Trade Receivables	-73,239.89	
(Increase)/Decrease in Other Current Assets	13,177.47	
Increase/(Decrease) in Trade Payables	-68,128.39	
Increase/(Decrease) in Short Term Provisions	3,131.84	
Increase/(Decrease) in Other Current Liabilities	56,037.75	-4,806.72
Operating Profit after working capital changes		**45,240.55**
Less : Income tax paid		-1,315.94
Net Cash flow from Operating activities		**43,924.61**
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Investments in Property,Plant and Equipment (Net)	-21,315.83	
Non Operating Income	-	
Sale/(Investment) in Mutual Funds (Net)	13,610.12	
Investment in Associates	-620.10	
Acquisition of subsidiary, net of cash acquired	-1,030.10	
(Increase)/Decrease in Other Non Current Assets	-412.29	
Share application money paid for acquisition of subsidiary	-448.45	
Interest Income	1.13	**-10,215.52**
Net cash flow from Investing activities		**-10,215.52**
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Increase/(Decrease) in Borrowings (Net)	3,339.03	
Long Term Loans and Advances	-	
Interest and finance Charges	-26.33	**3,312.70**
Net cash flow from Financing activities		**3,312.70**
Net Increase/(Decrease) in cash and cash equivalents (A+B+C)		**37,021.79**
Add : Cash and Cash Equivalents at the beginning of the Year		2,207.26
Cash and Cash Equivalents at the End of the Year		**39,229.05**

Material Accounting Policies - Note : 1. The accompanying Notes are an intergral part of the Financial Statements.

J D S ASSOCIATES
Chartered Accountants
FRN: 008735S

for and on behalf of the Board of Directors of
POLYMATECH ELECTRONICS LIMITED

S/d
B JAYARAM
Partner
Memb. No: 028346
UDIN: 25028346BMKQNV2538

S/d
UMA NANDAM
Director
DIN: 02220048

S/d
ESWARA RAO NANDAM
Managing Director
DIN:02220039

S/d
BADRI PRASAD MAHAPATRO
Company Secretary

Place : Greater Chennai
Date : 6th Nov 2025

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2025

A) EQUITY SHARE CAPITAL

	Rs in Lacs	
Particulars	**As at March 31, 2025**	**As at March 31, 2024**
Balance at the Beginning of the Financial year	**7,968.78**	**7,187.62**
Changes in equity share capital during the year	-	781.16
Balance at the End of the Financial year	**7,968.78**	**7,968.78**

B) OTHER EQUITY

Particulars	Reserves & Surplus					Non Controlling Interests	Total Equity
	Share application money pending allotment	Securities Premium Reserve	General Reserve	Other Comprehensive Income	Retained Earnings		
Balance as at 31/03/2024	-	29,168.37	-	125.95	41,978.51	-	**71,272.83**
Profit for the year ended 31/03/2024	-	-	-	403.04	36,136.63	1,436.81	**37,976.48**
Share money received during the year	-	-	-	-	-		-
Allotment of shares	-	-	-	-	-		-
Dividend paid	-	-	-	-	-		-
Share of NCI on Acquisition						-5.35	**-5.35**
Transfer from OCI to Retained Earning	-	-	-	-283.82	283.82		-
Balance as at 31/03/2025	-	**29,168.37**	-	**245.17**	**78,398.96**	**1,431.46**	**109,243.96**

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2025

Material Accounting Policies:

Note No. 1

1. Corporate Information:

Polymatech Electronics Limited, incorporated in India on 29 May 2007 under the provisions of the Companies Act, 1956 (now Companies Act, 2013), is engaged, together with its subsidiaries, in the business of manufacturing semiconductor chips, LED lighting products, and allied electronic components. The Corporate Identification Number (CIN) of the Parent Company is U32107TN2007PLC063706, and its registered office is located in Chennai, Tamil Nadu, India.

2. General Information and Statement of Compliance with Ind AS:

These Consolidated financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs ('MCA') under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act. The Group has uniformly applied the accounting policies during the periods presented.

These financial statements for the year ended 31 March 2025 were authorized and approved for issue by the Board of Directors on November 6, 2025.

3. Basis of Preparation:

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. The Financial Statements have been prepared and presented on the historical cost basis except for certain financial instruments measured at fair values at the end of each reporting period, as explained in the accounting policies below.

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes in to account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Fair value for measurement and/or disclosure purposes in these financial statements is determined on the basis stated above. In addition, for financial reporting purposes, fair value measurements are categorized into Level 1,2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the group can access at the measurement date;

- Level 2 Inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and

- Level 3 inputs are unobservable inputs for the asset or liability.

All amounts included in the financial statements are reported in lakhs of Indian rupees except share and per share data, unless otherwise stated. Due to rounding off, the numbers presented throughout the document may not add up precisely to the totals and percentages may not precisely reflect the absolute figures.

4. Basis of Consolidation:

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries. The audited / unaudited financial statements of foreign subsidiaries / associates have been prepared in accordance with the Generally Accepted Accounting Principle of its Country of Incorporation or Ind AS. The differences in accounting policies of the Company and its subsidiaries / associates are not material

a) Subsidiaries:

Subsidiaries are entities over which the Group has control. Subsidiaries are consolidated on a line-byline basis from the date the control is transferred to the Group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the Group. Changes in the Group's interest in subsidiaries that do not result in a loss of control are accounted as equity transactions. The carrying amount of the Company's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company. In case of loss of control of a subsidiary, any excess of fair value of consideration received over carrying amount of the assets (including any goodwill) and liabilities of the subsidiary, is recognised as gain or loss in consolidated statement of profit and loss. Additionally, components of Other Comprehensive Income of subsidiaries are reclassified to consolidated statement of profit and loss or transferred directly to retained earnings. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. These financial statements are prepared by applying uniform accounting policies in use at the Group. The consolidated Ind AS financial statements of the Group include:

Name of the Entity	Country of Incorporation	% Of Holding	Reporting Date
Artificial Electronics Intelligent Materials PTE. LTD- Subsidiary	Singapore	100%	31-03-2025
Nisene Technology Group, INC.- Step-down Subsidiary	USA	100%	31-03-2025
Atri Company W.L.L- Step-down Subsidiary	Bahrain	92.97%	31-03-2025

In case of foreign subsidiaries, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the Foreign Currency Translation Reserve (FCTR)

b) Associates:

Associates are all entities over which the group has significant influence but not control or joint control. (This is generally the case where the group holds between 20% and 50% of the voting rights). Investments in associates are accounted for using the equity method of accounting after initially being recognised at cost.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in profit and loss, and the group's share of other comprehensive income of the investee in other comprehensive income.

The carrying amount of equity accounted in investments are tested for impairment.

5. Use of Estimates:

The preparation of financial statements is in conformity with generally accepted accounting principles which require the management of the Company to make judgments, estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based upon the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future period. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Application of accounting policies that require material accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed separately under the heading "material accounting judgments, estimates and assumption".

6. Current versus non-current classification:

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is classified as current, when:

- It is expected to be realised or intended to be sold or consumed in normal operating cycle

- It is held primarily for the purpose of trading
- It is expected to be realised within twelve months after the reporting period, or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current

A liability is classified as current, when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

7. Foreign Currency Transactions:

The financial statements are presented in Indian Rupee which is also the functional and presentation currency of the Company. All amounts have been rounded-off to the nearest rupee.

a) Initial recognition

Foreign currency transactions are recorded in the functional currency, by applying to the exchange rate between the functional currency and the foreign currency at the date of the transaction.

b) Conversion

Foreign currency monetary items are converted to functional currency using the closing rate. Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or any other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined. Exchange differences arising on monetary items on settlement, or restatement

as at reporting date, at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the year in which they arise.

c) Forward Contract

Premium/ Discount in respect of Forward Contract are amortized as expense/income over the period of contract. Exchange differences arising on forward contracts between the exchange rate on the date of transaction and the exchange rate prevailing at the year end is recognized in the Statement of Profit and Loss.

8. Property, Plant and Equipment:

Property, plant and equipment are stated at cost net of historical Indirect Taxes, including appropriate direct and allocated expenses less accumulated depreciation and impairment losses, if any. Increase/Decrease in rupee liability in respect of foreign currency liability related to acquisition of fixed assets is recognised as expense or income in the Statement of Profit and Loss. Freehold land is not depreciated.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use. vii. Property, Plant and Equipment: Premium/ Discount in respect of Forward Contract are amortized as expense/income over the period of contract. Exchange differences arising on forward contracts between the exchange rate on the date of transaction and the exchange rate prevailing at the year end is recognized in the Statement of Profit and Loss. Exchange differences arising on monetary items on settlement, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the year in which they arise.

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end with the effect of any changes in estimate accounted for on a prospective

basis. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method

Class of Assets	**Useful Lives**
Buildings	30 Years
Plant and Machinery	10 Years
Office Equipments	10 Years
Computer	3 Years
Furniture and Fittings	5 Years
Electrical Fittings	10 Years
Interiors	5 Years
Vehicles	6 Years

9. Impairment of Non Financial assets:

The Company periodically assesses whether there is any indication that an asset or a group of assets comprising a cash generating unit may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. For an asset or group of assets that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs to is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost. An impairment loss is reversed only to the extent that the amount of asset does not exceed the net book value that would have been determined if no impairment loss had been recognized.

10. Inventories:

Inventories are carried at the lower of cost and net realizable value.

Cost includes all applicable costs incurred in bringing the properties to their present location and condition. 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.

- Cost of raw materials including consumables and stores & spares are determined on FIFO (First In First Out) Basis.

- Cost of work-in-progress is valued at cost of materials and labor together with relevant factory overheads. The cost of work-in progress is determined on the basis of weighted average method.

- The finished goods are valued at cost inclusive of excise duty (or) net realizable value whichever is less.

11. Financial instruments:

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

a) Financial assets:

Initial recognition and measurement:

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases 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 trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement:

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

- Debt instruments at amortized cost
- Debt instruments at fair value through other comprehensive income (FVTOCI);
- Debt instruments and equity instruments at fair value through profit or loss (FVTPL);
- Equity instruments measured at fair value through other comprehensive income (FVTOCI).

Debt instruments at amortized cost:

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI:

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

Debt instrument at FVTPL:

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.
In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Equity investments (other than investments in subsidiaries and joint ventures):

All equity investments within the scope of Ind AS 109,' Financial Instruments', are measured at fair value either through statement of profit and loss or other comprehensive income. The Company makes an irrevocable election to present in OCI the subsequent changes in the fair value on an instrument-by-instrument basis. The classification is made on initial recognition. If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, impairment gains or losses and foreign exchange gains and losses, are recognized in the OCI. Any gains or losses on de-recognition is recognized in the OCI and are not recycled to the statement of profit or loss.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

De-recognition of Financial Assets:

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily de-recognized when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass - through' arrangement and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

b) Financial Liabilities:

Initial recognition and measurement:

All financial liabilities are recognized initially at fair value and transaction cost (if any) that is attributable to the acquisition of the financial liabilities is also adjusted.

Subsequent measurement

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

i. Trade and other payables:

These amounts represent liabilities for goods or services provided to the Company which are unpaid at the end of the reporting period. Trade and other payables are presented as current liabilities when the payment is due within a period of 12 months from the end of the reporting period. For all trade and other payables classified as current, the carrying amounts approximate fair value due to the short maturity of these instruments. Other payables falling due after 12 months from the end of the reporting period are presented as non- current liabilities and are measured at amortized cost unless designated as fair value through profit and loss at the inception.

ii. Other 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. Gains or losses on liabilities held for trading are recognized in the profit or loss.

De-recognition of Financial Liabilities:

A financial liability is de-recognized 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 de- recognition 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 or loss.

c) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

d) Compound Financial Instruments:

A financial instrument that comprises of both the liability and equity components are accounted as compound financial instruments. The fair value of the liability component is separated from the compound instrument and is subsequently measured at amortized cost. The residual value is recognized as equity component of other financial instrument and is not re-measured after initial recognition.

The transaction costs related to compound instruments are allocated to the liability and equity components in the proportion to the allocation of gross proceeds. Transaction costs related to equity component is recognized directly in equity and the cost related to liability component is included in the carrying amount of the liability component and amortized using effective interest method.

12. Impairment of Financial assets:

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12-

month expected credit losses or at an amount equal to the life time expected credit losses, if the credit risk on the financial asset has increased significantly since initial recognition.

Fair value measurement:

The Company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

- Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable, or
- Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re- assessing categorization (based on the lowest level Input that is significant to the fair value measurement as a whole) at the end of each reporting period.

13. Revenue Recognition:

a. Revenue from sale of goods and services:

Revenue is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of returns and discounts to customers. Revenue from sale of goods is recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer, which is mainly upon delivery, the amount of revenue can be measured reliably and the recovery of consideration is probable. Revenue from the sale of goods includes excise and other duties which the Company pays as a principal but excludes amounts collected on behalf of third parties, such as goods and service tax (GST) and value added tax, as applicable. Export Benefits are recognized as revenue when the right to receive credit as per the terms of the entitlement is established in respect of exports made. Revenue from services is recognised in the periods in which the services are rendered.

b. Interest Income:

Interest income, including income arising from other financial instruments, is recognised using the effective interest rate (EIR) method. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss. The expected cash flows are reassessed on a yearly basis and changes, if any, are accounted prospectively.

c. Other Operating Revenue:

Other Operating revenue comprises income from ancillary activities incidental to the operations of the company and are recognized when the right to receive the income is established as per the terms of the contract.

14. Leases:

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

Assets acquired under lease where the Company has substantially all the risks and rewards of ownership are classified as finance lease. Such lease is capitalized at the inception of the lease at lower of the fair value or the present value of minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each period.

Assets acquired on lease where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating lease. Lease rentals on assets taken on operating lease are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term.

15. Provisions:

A provision is recognized when an enterprise has a present obligation (legal or constructive) as result of past event and it is probable that an outflow of embodying economic benefits of resources will be required to settle a reliably assessable obligation. Provisions are determined based on best estimate required to settle each obligation at each balance sheet date. 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 recognized as a finance cost.

16. Earnings per share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares (if any) are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue; bonus

element in a rights issue to existing shareholders; share split; and consolidation of shares if any.

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

17. Contingent liabilities and Contingent Assets:

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

18. Earnings per share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares (if any) are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and consolidation of shares if any. estimate of the expenditure required to settle the obligations which takes into account the empirical data on the nature, frequency and average cost of warranty claims and regarding possible future incidents.

19. Taxes on Income:

Tax expense comprises of current and deferred tax.

a) 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. Current income tax relating to items recognized directly in equity is recognized in other comprehensive income / equity and not in the statement of profit and loss. 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.

b) Deferred tax:

Deferred tax is provided 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 assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. 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.

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

Unrecognized 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 asset to be recovered.

Deferred tax assets and liabilities are measured based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

20. Cash and cash equivalents:

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

21. Segment Reporting:

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's Chief Executive Officer (CEO), who is the Chief Operating Decision Maker (CODM), to make decisions about resources to be allocated to the segments and assess their performance. Information reported to the CODM for the purpose of resource allocation and assessment of segment performance focuses on the type of goods or services delivered or provided.

The Company is primarily engaged in manufacturing of semi-conductors and LED Devices which all fall under One segment. Hence segment reporting is not applicable.

22. Other Indian Accounting Standards:

Material accounting judgments, estimates and assumptions:

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgments, estimates and assumptions that affect the reported balances of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

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

The following are the areas of estimation uncertainty and critical judgments that the management has made in the process of applying the Company's accounting policies:

a) Recognition of deferred tax assets:

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

b) Useful lives of depreciable assets:

Management reviews the useful lives of depreciable assets at each reporting. As at March 31, 2025 management assessed that the useful lives represent the expected utility of the assets to the Company. Further, there is no significant change in the useful lives as compared to previous year.

c) Evaluation of indicators for impairment of assets:

The evaluation of applicable indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets

d) Fair value measurements:

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

e) Provision and contingent liability:

On an ongoing basis, the Company reviews pending cases, claims by third parties and other contingencies. For contingent losses that are considered probable, an estimated loss is recorded as an accrual in financial statements. Loss Contingencies that are considered possible are not provided for but disclosed as Contingent liabilities in the financial statements. Contingencies the likelihood of which is remote are not disclosed in the financial statements.

f) Evaluation of indicators for impairment of assets:

The evaluation of applicable indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

g) Fair value measurements:

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED As at March 31, 2025

Note No. 2 PROPERTY, PLANT AND EQUIPMENT

Current Year

₹ In Lacs

Particulars	Gross Block				Depreciation				Net Block	
	Net value as at 01/04/2024	Additions made during the Period	Disposals during the year	31.03.2025	Upto 31.03.2024	For the year	Withdrawals	Upto 31.03.2025	31.03.2025	31.03.2024
Land	353.89	139.82	-	493.71	-	-	-	-	493.71	353.89
Buildings	5,044.47	-	-	5,044.47	2,173.41	168.15	-	2,341.56	2,702.91	2,871.06
Plant and Machinery	46,661.83	434.66	-	47,096.49	6,435.15	4,676.76	-	11,111.90	35,984.59	40,226.69
Office Equipments	23.71	0.33	-	24.04	23.71	0.02	-	23.73	0.31	-
Computer	100.66	6.38	-	107.04	95.00	3.90	-	98.89	8.15	5.67
Furniture and Fittings	26.08	38.23	-	64.31	20.48	6.07	-	26.55	37.77	5.60
Electrical Fittings	1,504.64	0.16	-	1,504.80	431.45	150.48	-	581.93	922.87	1,073.19
Interiors	107.55	8.38	-	115.93	30.96	22.35	-	53.31	62.62	76.59
Motor Vehicles	28.27	32.88	-	61.15	9.14	7.45	-	16.59	44.56	19.13
Right of Use Asset	115.32	496.74	-	612.06	-	115.32	-	115.32	496.74	115.32
Total (A)	**53966.43**	**1157.58**	**0.00**	**55124.01**	**9219.30**	**5150.48**	**0.00**	**14369.78**	**40754.23**	**44747.13**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED As at March 31, 2025

Note No. 3 CAPITAL WORK IN PROGRESS	**[₹ In Lakhs]**
Particulars	**As at March 31, 2025**
Capital Work in Progress	20187.56
Total	**20187.56**

Capital-Work-in Progress (CWIP) as on 31.03.2025

CWIP	**AMOUNT IN C.W.I.P AS ON 31.03.2024**				
	Less than 1 Year	**1-2 Years**	**2-3 Years**	**More than 3 Years**	**TOTAL**
Projects in Progress	20,187.56		-	-	20,187.56
Previous Year	-		-	-	-
Projects temporarily suspended	-		-	-	-

Note No. 4 GOODWILL	
Particulars	**As at March 31, 2025**
Opening Balance	-
Add: Additions during the year	565.51
Less: Amortization for the year	-
Closing Balance	**565.51**

Note No. 5 INTANGIBLE ASSETS	
Particulars	**As at March 31, 2025**
Opening Balance	-
Add: Additions during the year	1.17
Less: Amortization for the year	-
Closing Balance	**1.17**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED As at March 31, 2025

Note No. 6 NON-CURRENT INVESTMENTS	
Particulars	**As at March 31, 2025**
INVESTMENTS IN EQUITY INSTRUMENTS	
A) Measured at Equity Method	
In Equity Shares of Associate Companies	
i) Quoted Equity Shares, fully paid up	
Artificial Electronics Intelligent Material Limited of Rs.10 Each (34,45,000 shares at Rs.18/- per share)	677.58
Total	**677.58**
Aggregate value of quoted investments	**677.58**
Market value of quoted investments	**7606.56**

Note No. 7 OTHER FINANCIAL ASSETS	
Particulars	**As at March 31, 2025**
Share Application Money - Artificial Electronics Intelligent Materials France	448.45
Total	**448.45**

Note No. 8 OTHER NON-CURRENT ASSETS	
Particulars	**As at March 31, 2025**
Unsecured, considered good	
Advance for capital expense	412.29
Total	**412.29**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED As at March 31, 2025

Note No. 9 INVENTORIES	
Particulars	**As at March 31, 2025**
Raw Material	28946.47
Work in progress	18011.64
Finished Goods	26199.55
Total	**73157.66**

Note No. 10 CURRENT INVESTMENTS		**[₹ In Lakhs]**
Particulars	**As at March 31, 2025**	
	No.	**Amount**
INVESTMENTS		
Measured at Fair value through Other Comprehensive Income		
In Mutual Funds		
Baroda BNP Paribas Mutual Fund		266.91
Total		**266.91**
Aggregate value of quoted investments		266.91
Market value of quoted investments		266.91

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED As at March 31, 2025

Note No. 11 TRADE RECEIVABLES	**[₹ In Lakhs]**
Particulars	**As at March 31, 2025**
Unsecured, considered good	125216.38
Doubtful	0.00
Sub Total	**125216.38**
Less: Allowance for expected credit losses	0.00
Total	**125216.38**

Trade Receivables ageing schedule for the year ended as on 31.03.2025 **[₹ In Lakhs]**

Particulars	**Outstanding for following periods from due date of payments**					**Total**
	Less than 6 months	**6 months – 1 year.**	**1-2 yrs**	**2-3 yrs**	**More than 3 years**	
Undisputed trade receivables- considered good	125,014.42		201.96			125,216.38
Undisputed trade receivables- considered doubtful						-
Disputed trade receivables- considered good						-
Disputed trade receivables- considered doubtfull						-
TOTAL	**125,014.42**	**-**	**201.96**	**-**	**-**	**125,216.38**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED As at March 31, 2025	
Note No. 12 CASH AND CASH EQUIVALENTS	**[₹ In Lakhs]**
Particulars	**As at March 31, 2025**
Balances with Banks	
- In Current Accounts	39225.48
Cash in hand	1.07
Total	**39226.55**
Note No. 13 OTHER BANK BALANCES	
Particulars	**As at March 31, 2025**
Balances with Banks	
- Deposit (with original maturity of more than 3 months)	2.50
Total	**2.50**
Note No. 14 LOANS	
Particulars	**As at March 31, 2025**
Unsecured, considered good	
Loans and Advances to related parties	0.00
Loans and Advances to employees	0.00
Loans-Others	428.49
Total	**428.49**
Note No. 15 OTHER FINANCIAL ASSETS	
Particulars	**As at March 31, 2025**
Financial Assets at amortized cost	
Security Deposits	104.27
Total	**104.27**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED As at March 31, 2025

Note No. 16 OTHER CURRENT ASSETS	**[₹ In Lakhs]**
Particulars	**As at March 31, 2025**
Unsecured, considered good	
(a) Advances other than capital advances	
Advances to Suppliers	871.30
(b) Others	
Prepaid expenses	21.62
Balances with statutory/ government authorities	5801.34
Other Receivables	2.57
Total	**6696.83**

Note No. 17 EQUITY SHARE CAPITAL

Authorized Share Capital

Particulars	**As at March 31, 2025**	
	No. of Shares	**Amount**
67,50,00,000 equity shares of Rs.2/- each	675000000	13500.00
Total	**675000000**	**13500.00**

Issued and Subscribed Capital

Equity Share Capital	398438875	7968.78
Total	**398438875**	**7968.78**

Particulars	**As at 31-Mar-2025**	
	No. of Shares	**Amount**
Shares at the beginning of the period	398,438,875	7,968.78
Add: Shares issued during the period	-	-
Less: Shares bought Back	-	-
Outstanding at the end of the period	**398,438,875**	**7,968.78**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED As at March 31, 2025

Balance at the beginning of the current reporting period	Changes in Equity share capital due to prior period error	Restated balance at the beginning of the current reporting period	Changes in Equity share capital during the current year	Balance at the end of the current reporting period
7,968.78			**7,968.78**	**7,968.78**

b. Terms/ Rights attached to the Equity Shares

The company has only one class of Equity shares was having par value of Rs.10/- per share. Each shareholder is entitled to one vote per share. During the year, each equity share with a face value of Rs. 10 was split into 5 equity shares with a face value of Rs. 2 each. This change has no impact on the total share capital or reserves.

c. Shareholders holding more than 5% shares

Particulars	As at 31-Mar-2025	
	No. of Shares	%
ESWARA RAO NANDAM	165612850	41.57%
UMA NANDAM	126746065	31.81%

d) Shares held by Promoters at the end of the year

Particulars	As at 31-Mar-2025	
	No. of Shares	%
ESWARA RAO NANDAM	165612850	41.57%
UMA NANDAM	126746065	31.81%
Total	**292358915**	**73.38%**

e) Information regarding issue of shares in the last five years

i) The Company has not issued any shares without payment being received in cash

ii) The Company has not issued any Bonus Shares or undertaken any buy back of Shares

f) Details of Shares held by Holding Company :

i) There are no Shares held by Holding Company/Subsidiaries of ultimate Holding Company as on 31st March 2025

Note No. 18 OTHER EQUITY	**[₹ In Lakhs]**
Particulars	**As at March 31, 2025**
Securities Premium	29168.37
General Reserve	0.00
Retained Earnings	78398.96
Other Comprehensive Income	245.17
Total	**107812.50**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED As at March 31, 2025		
Note No. 19 BORROWINGS (NON-CURRENT)		**[₹ In Lakhs]**
Particulars	**Effective Interest Rate**	**As at March 31, 2025**
Secured		
a) From Banks		
i) HDFC Bank		
Term Loan	0.00%	-
Unsecured		
a) Loan from Related Parties		
Loan from Related Parties	0.00%	5341.76
Total		**5341.76**

Note No. 20 DEFERRED TAX LIABILITIES	
Particulars	**As at March 31, 2025**
Deferred Tax Liability	
On Property,Plant and Equipment	2981.19
On Revenue Recognition	2.46
Total	**2983.65**

Note No. 21 BORROWINGS (CURRENT)		
Particulars	**ROI**	**As at March 31, 2025**
a) Secured Loan from Banks		
Chase Bank		
Line of Credit	0.00%	20.51
Total		**20.51**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED As at March 31, 2025	
Note No. 23 OTHER CURRENT LIABILITIES	
Particulars	**As at March 31, 2025**
Statutory Dues	4600.93
Advance from Customers	49046.88
Creditors for capital goods	50293.98
Others	317.88
Total	**104259.67**

Note No. 24 PROVISIONS	
Particulars	**As at March 31, 2025**
Provision for Expenses	3157.84
Total	**3157.84**

Note No. 25 CURRENT TAX LIABILITY	
Particulars	**As at March 31, 2025**
Current tax Liability - [Net of Advance Tax IT]	5241.84
Total	**5241.84**

Note No. 26 : REVENUE FROM OPERATIONS	
Particulars	**For the Year Ended March 31, 2025**
(a) Sale of products (excluding GST)	
Sale of Products	190289.71
TOTAL	**190289.71**

Note No. 27 : OTHER INCOME	
Particulars	**For the Year Ended March 31, 2025**
Interest Income	1.13
Foreign Exchange Rate Differences	686.48
Net gain/loss on sale of investment	0.00
Other Income	235.81
TOTAL	**923.42**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED As at March 31, 2025

Note No. 22 TRADE PAYABLES [₹ In Lakhs]

Particulars	**As at March 31, 2025**
Trade payable - Micro and small enterprises	0.00
Trade payable - Other than Micro and small enterprises	69589.84
Total	**69589.84**

Trade Payable Aging Schedule as at March 31, 2025 [₹ In Lakhs]

Particulars	**Outstanding for following periods from due date of payments**				**Total**
	Less than 1 Years	**1-2 yrs**	**2-3 yrs**	**More than 3 years**	
MSME	0.00				-
Others	69589.84	-	-	-	69,589.84
Disputed dues -MSME -	-	-	-	-	-
Disputed dues -others	-	-	-	-	-
TOTAL	**69,589.84**	**-**	**-**	**-**	**69,589.84**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED As at March 31, 2025

Note No. 28 COST OF MATERIAL CONSUMED **[₹ In Lakhs]**

Particulars	For the Year Ended March 31, 2025
Raw Materials Consumption	
Opening Stock	126011.11
Add: Purchases	62260.32
Less: Closing Stock	28946.47
TOTAL	**159324.96**

Note No. 29 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Particulars	For the Year Ended March 31, 2025
Opening Stock	
Work-in-progress	1811.11
Finished Goods	8410.40
Sub Total	**10221.51**
Less: Closing Stock	
Work-in-progress	18011.64
Finished Goods	26199.55
Sub Total	**44211.19**
Net (increase)/decrease in inventory	**-33989.68**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED As at 31st March 2025

Note No. 30 EMPLOYEE BENEFIT EXPENSES

Particulars	For the Year Ended March 31, 2025
Salaries and Wages including Bonus**	1852.11
Contribution to Provident and other funds	25.96
Workmen and Staff Welfare Expenses	14.38
TOTAL	**1892.45**

Note No. 31 FINANCE COSTS

Particulars	For the Year Ended March 31, 2025
(a) Interest on borrowings	24.28
(b) Other Borrowing cost	2.05
TOTAL	**26.33**

Note No. 32 DEPRECIATION AND AMORTISATION EXPENSES

Particulars	For the Year Ended March 31, 2025
(a) Depreciation on Property, Plant and Equipment	5150.48
(b) Amortisation on Other Intangible Assets	0.00
TOTAL	**5150.48**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED As at March 31, 2025	
Note No. 33 OTHER EXPENSES	**[₹ In Lakhs]**
Particulars	**For the Year March 31, 2025**
Freight and Forwarding Charges	171.98
Power and Fuel	222.01
Other Manufacturing Expense	61.21
Repairs & Maintenance - Buildings	8.92
Repairs & Maintenance-Machinery	42.87
Repairs & Maintenance - Others	5.16
Advertisement Expenses	142.22
Discounts	28.53
Commission Paid	84.31
Bad debts	1.56
Audit Fees (Refer Note No.33.1)	26.00
Director's Sitting Fees	2.74
General Expenses	182.03
Insurance	55.39
Listing Fees	0.00
Postage,Telephone& Telegram	21.65
Printing & Stationery	1.00
Rent Paid	30.69
Rates and Taxes	39.46
Research & Development Expenses	12183.09
Security Services	31.12
Technical/Professional Fee	345.06
Travelling and Conveyance	359.07
Donation	6.00
CSR Expenses	302.78
Total Other Expenses	**14354.85**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED As at March 31, 2025	
Note No. 33. 1. AUDITOR REMUNERATION	**[₹ In Lakhs]**
Particulars	**For the Year Ended March 31, 2025**
(a) For Statutory Audit	18.00
(b) For Tax Audit	5.00
(c) For Other Services	3.00
TOTAL	**26.00**

Note No. 34 TAX EXPENSES

Particulars	**For the Year Ended March 31, 2025**
A. Current Tax	
Current tax on profit for the year	6959.04
Change/ (Credit) in respect of current tax for earlier years	0.00
TOTAL (A)	**6959.04**
B. Deferred Tax	
Origination and reversal of temporary differences	-6.45
Charge in respect of deferred tax for earlier years	0.00
TOTAL (B)	**-6.45**
Tax expense recognized in Statement of Profit and Loss TOTAL (A)+(B)	**6952.59**
Tax expense recognized in Other Comprehensive Income	**65.68**
Total Tax Expense	**7018.27**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED As at March 31, 2025	
Note No. 35 EARNINGS PER SHARE	**[₹ In Lakhs]**
Particulars	**For the Year Ended March 31, 2025**
Profit attributable to equity shareholders of the Company for basic and diluted EPS	36136.63
Weighted average number of equity shares for basic EPS	398438875
Weighted average number of shares for diluted EPS	398438875
Basic Earnings per equity share (in `)	9.07
Diluted Earnings per equity share (in `)	9.07

Note No 36: DISCLOSURE UNDER MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006**

Particulars	For the year 2024-25
Trade Payables pertaining to dues to Micro and Small Enterprises	-
The principal amount and interest due thereon remaining unpaid to any supplier as at the end of each accounting year	-
The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-

**The Company sources the majority of its products from outside India. The remaining creditors do not fall within the category of Micro, Small, or Medium Enterprises as defined by the MSMED Act, 2006.

Note No 37: CSR EXPENDITURE

Particulars	For the year 2024-25
Gross amount required to be spent by the company during the year	294.45
Amount spent during the year	302.78

Note No 38: FAIR VALUE MEASUREMENTS

i. Financial instruments by category

The carrying value of financial instruments by categories as at 31st March 2025 were as follows:

Particulars	Note	Amortised Cost	FVTOCI	Total Carrying value	Total Fair value
Investments	6 & 10	677.58	266.91	944.49	944.49
Share Application Money	7	448.45		448.45	448.45
Trade Receivables	11	125216.38		125216.38	125216.38
Cash and Cash Equivalents	12	39226.55		39226.55	39226.55
Other bank balances	13	2.50		2.50	2.50
Loans	14	428.49		428.49	428.49
Other Financial Assets	15	104.27		104.27	104.27

ii. Fair Value Hierarchy

The Company has classified its financial instruments into three levels in order to provide an indication about the reliability of the inputs used in determining fair values.

a) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

b) Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

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

Fair value hierarchy of financial assets and liabilities measured at fair value as at 31st March 2025

Particulars	Note	Level 1	Level 2	Level 3	Carrying Value
Investments					
At fair value through Other Comprehensive Income	10	266.91			266.91
Financial Liabilities					
At amortised costs					
Borrowings	19 & 21		5700.80		5700.80

iii. Valuation technique used to determine fair value

- The fair value of the financial assets and liabilities are at the amount that would be received to sell an asset and paid to transfer a liability in an orderly transaction between market participants at the measurement date.

- The carrying amounts of trade receivables, cash and cash equivalents, other bank balances, loans, other financial assets, current borrowings, trade payables and other current financial liabilities are a reasonable approximation of their fair values.

- The investment included in Level 3 hierarchy have been valued at cost approach to arrive at the fair values. The cost of unquoted investment approximate the fair value as there is a wide range of possible fair value measurement and the cost represents estimate of fair value within that range

- The estimated fair value amounts as at March 31, 2025 have been measured as at that date. As such, the fair values of these financial instruments subsequent to reporting date may be different than the amounts reported at each year-end

- There were no transfers between Level 1, Level 2 and Level 3 during the year

Note No 39. FINANCIAL RISK MANAGEMENT

The Company's businesses are subject to several risks and uncertainties including financial risks.

The Company's activities expose it to credit risk, liquidity risk, market risk - interest rate risk and foreign currency risk. The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Ageing analysis, Credit ratings
Liquidity risk	Borrowings and other liabilities.	Rolling cash flow forecasts
Market risk Interest rate risk	Long-term borrowings at variable rates	Cash flow forecasting, Sensitivity analysis
Foreign Currency risk	Recognised financial assets and liabilities not denominated in functional currency	Cash flow forecasting, Sensitivity analysis

Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks.

The company's credit risk generally arises from Cash and cash equivalents, trade receivables, and other financial assets.

Credit Risk Management

The Group assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A: Low credit risk
B: Moderate credit risk
C: High credit risk

Assets Group	Description of category	Particulars	Provision for expected credit loss
Low credit risk	Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil	Cash and cash equivalents, other bank balances, investments, loans, trade receivables and other financial assets	12 month expected credit loss/life time expected credit loss
Moderate credit risk	Assets where the probability of default is considered moderate, counter-party where the capacity to meet the obligations is not strong	Nil	12 month expected credit loss/life time expected credit loss
High credit risk	Assets where there is a high probability of default.	Nil	12 month expected credit loss/life time expected credit loss

Payments are received within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions. Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or litigation decided against the Company.

The company's sales orders are backed by advance payments. It engages in business with customers who have a strong track record. The company does not foresee any recovery losses and has not made provisions for expected credit loss.

Classification of Financial assets among risk categories:

Assets Group	Particulars	2024-25
Low credit risk	Cash and cash equivalents, other bank balances, investments, loans, trade receivables and other financial assets	1,65,245.10
Moderate credit risk	Nil	
High credit risk	Nil	

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the business, the Company maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates. 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.

Maturities of Financial Liabilities as at 31 Mar 2025 are as follows

Particulars	Less than 1 Year	1-5 years	More than 5 years	Total
Borrowings	5,362.27			5,337.21
Lease Liabilities	262.32	40.45	35.76	338.53
Trade Payables	69,589.84			69,589.84

Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates etc. could affect the Company's income or the value of its holdings of financial instruments including cash flow. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while maximising the return.

Interest rate Risks

The company has not taken any loans to finance its operations; therefore, it is not exposed to interest rate risk.

The Company also invests in debt mutual fund schemes of leading fund houses. Such investments are susceptible to market price risks that arise mainly from changes in interest rate which may impact the return and value of such investments. However, given the relatively short tenure of underlying portfolio of the debt mutual fund schemes in which the Company has invested, such price risk is not significant.

Foreign Currency Risk

The company maintains a Foreign Currency Bank Account as the significant activities are arising from Exports and Imports to mitigate the Foreign Currency Exposure risk.

Note No 40: Capital Management:

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Company's overall strategy remains unchanged from previous year. The funding requirements are met through a mixture of equity, internal fund generation.

The Company monitors capital on the basis of the gearing ratio which is net debt divided by total capital (equity plus net debt).

Net debt are non-current and current debts as reduced by cash and cash equivalents, other bank balances and current investments. Equity comprises all components including other comprehensive income.

The following table summarizes the capital of the Company:

Particulars	**March 31, 2025**
Non-Current Borrowings (Refer Note : 19)	5,417.97
Current Borrowings (Refer Note : 21)	282.83
Total Borrowings (a)	**5,700.80**
Cash and Cash equivalents (Refer Note : 12)	39,226.55
Other Bank Balances (Refer Note : 13)	2.50
Current Investments (Refer Note : 10)	266.91
Total Cash (b)	**39,495.96**
Net Debt (c) = (a)-(b)	**-**
Equity (Refer Note : 17)	7,968.78
Other Equity (Refer Note : 18)	1,07,812.50
Total Equity (d)	**1,15,781.28**
Total Capital (e) = (c)+(d)	**1,15,781.28**
Gearing Ratio = (c)/(e)	**-**

Note No 41: Related Party Disclosures

A. Related Party Relationships

Key Management Personnel

1) Eswar Rao Nandam – Managing Director
2) Badri Prasad Mahapatro - Company Secretary
3) Vishaal Nandam – Director

Non-Executive Directors

1) Uma Nandam – Director

Independent Directors

1) Rapala Virtanen Tarja Hannele – Director

Other related Parties Enterprises Owned or significantly influenced by Key Managerial Personnel or their relatives

1) Nandam Oen Foundation
2) Artificial Electronics Intelligent Material Limited
3) Polymatech Interstellar Private Limited

B. Related Party Transactions:

Particulars	Other Related Parties	Key Management Personnel
	March 31,2025	March 31,2025
Managerial remuneration	-	197.30
Director Sitting Fees	-	-
CSR Donation	302.00	-
Purchase of Materials	-	-
Advance for purchase of Materials	-	-

Note No 42: Segment Information:

The Company is engaged in manufacture of semi-conductors and LED Lights which is considered to be the only reportable business segment as per Ind AS 108, 'Segment Reporting'.

Note No 43: Leases as a Lessor:

NIL

Note No 44: Leases as a Lessees:

The Company has been allotted industrial land by under the Atal Industrial Infrastructure Development Scheme of the Government of Chhattisgarh. The allotment has been provided on a long-term lease basis for setting up the Company's manufacturing facility. The lease is for an initial non-cancellable term of 30 years, with an option to renew the lease for two additional periods of 30 years each, subject to approval of the lessor, enabling a total potential lease tenure of up to 90 years.

The Company has recognised a Right-of-Use (ROU) asset in respect of the leased land and a corresponding lease liability in accordance with Ind AS 116 – Leases. The ROU land is depreciated over the initial lease term of 30 years. The renewal options available under the Atal Yojna have not been considered in determining the lease term, as the Company is not reasonably certain of exercising such options as at the commencement date. The assessment will be reviewed at each reporting period based on business and operational requirements.

The details of the Right-of-Use (ROU) land asset as at 31 March 2025 are as follows:

Leasehold Land and building:

Particulars	March 31, 2025
Balance at the beginning of the period	115.32
Additions during the period	496.74
Depreciation during the period	115.32
Disposals during the period	-
Balance at end of the period	496.74

The following is the movement in lease liabilities during the period:

Particulars	March 31, 2025
Balance at the beginning of the period	254.23
Additions during the period	84.30
Finance Cost during the period	-
Balance at end of the period	338.53

Note No 45: Pending Litigation:

There are no Litigations pending against the Company and also there are no pending litigation by the company.

Note No 46: Key Financial Ratios:

Particulars	March 31, 2025
Current Ratio	1.34:1
Debt-Equity Ratio	1.63:1
Debt Service Coverage Ratio	NA
Return on Equity Ratio	4.53
Inventory turnover ratio	1.20
Net capital turnover ratio	3.05
Net profit ratio	23.39%
Return on Capital employed	37.97%

Key Ratios Formula

- Current Ratio: Current Assets / Current Liabilities
- Debt-Equity Ratio: Total Debt/Total Equity
- Debt Service Coverage Ratio: Net Operating Income/Debt Service
- Return on Equity Ratio: Net Income/Shareholders Equity
- Inventory turnover ratio: Cost of Goods sold/Average Inventory
- Net capital turnover ratio: Net Sales/Working Capital
- Net profit ratio: Net Profit/Total revenues
- Return on Capital employed: Earnings before Interest & Taxes/Capital Employed

Note No 47: Other Notes:

- The Company has not granted loans or advances in the nature of loan to any promoters, Directors, KMPs and the related parties (As per Companies Act, 2013), which are repayable on demand or without specifying any terms or period of repayments.

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

- The Company has not been sanctioned with any facilities from banks.

- There are no transactions with the Companies whose name are struck off under Section 248 of the The Companies Act, 2013 or Section 560 of the Companies Act, 196 during the year ended 31st March 2025.

- The Company has complied with the number of layers prescribed under clause (87) of Section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017

- No scheme of arrangement has been approved by the competent authority in terms of Section 230 to 237 of the Companies Act, 2013.

- 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 beneficiary.

- The Company have 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

- The Company has not operated in any crypto currency or Virtual Currency transactions

- The Title deeds of the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

- As per the Company's accounting policy, Property, Plant and Equipment (including Right of Use Assets) and intangible assets are carried at historical cost (less accumulated depreciation & impairment, if any), hence the revaluation related disclosures required as per Additional Regulatory Information of Schedule III (revised) to the Companies Act, is not applicable.

- The Company has adhered to debt repayment and interest service obligations on time. Willful defaulter related disclosures required as per Additional Regulatory Information of Schedule III (revised) to the Companies Act, is not applicable.

- The Company does not have any pending Charge creation or modification during the financial year.

- During the year the Company has not disclosed or surrendered, any income other than the income recognised in the books of accounts in the tax assessments under Income Tax Act, 1961.

- **Previous year figures have also been reclassified, regrouped, recast to conform to current year classification.**

In terms of our report attached
For **J.D.S ASSOCIATES**
Chartered Accountants
FRN: 008735S

S/d S/d S/d S/d

ESWARA RAO NANDAM
Managing Director
DIN: 02220039

UMA NANDAM
Director
DIN: 02220048

BADRI PRASAD MAHAPATRO
Company Secretary

B. JAYARAM
Partner
Memb.No. 028346

Place: Greater Chennai
Date: 6th Nov 2025
UDIN: 25028346BMKQNV2538

POLYMATECH ELECTRONICS LIMITED

Green Company



The Semiconductor People